

**Board Staff Interrogatories
Erie Thames Powerlines Corporation
2012 Electricity Distribution Rates
EB-2012-0121**

EXHIBIT 1- ADMINISTRATIVE DOCUMENTS

Ref: E1

- a) Please confirm whether there are audited financial statements for the year ended December 31, 2011 available.
- ***Audited Financial statements are available and are provided as Appendix A in this response.***
- b) If so please provide a copy and update the following tables/appendices with the actuals for 2011.
- Rate Base Summary Table (E2-T1-S2) ***Provided in this response.***
 - Appendix 2B (E2-T2-S1) ***Provided in this response.***
 - Gross Asset Table (E2-T2-S2) ***Provided in this response.***
 - Summary of Operating Revenue Table (E3-T1-S3) ***Provided in this response.***
 - Distribution Revenue Data p.3 (E3-T3-S4) ***Provided in this response.***
 - OM&A Costs Table Combined Entity (E4-T2-S1) ***See appendix 2F included in this response.***
 - Appendix 2J (E4-T2-S2) ***Provided in this response***
 - Appendix 2K (E4-T2-S4) ***Provided in this response***
 - The 2011 year end balances for the accounts that appear in the Deferral and Variance Account Continuity Schedule (E9-T1-S4) ***The EDVAR schedules are accurate and up to date as required. The 2011 balances are combined while the 2010 spreadsheets are for the three separate entities.***

2) Ref: E1-T1-S3

The Notice of Application indicates that the proposed rates are to be effective September 1, 2012.

a) Please clarify whether Erie Thames will be seeking the recovery of any foregone revenue for the period between September 1, 2012 and the date that the new rates are implemented.

- ***At this time, Erie Thames does not plan to recover any of the foregone revenue for the above noted period. However, if there is unforeseen delay in this proceeding for which Erie Thames is not responsible it may reconsider in respect of the unforeseen delay.***
- ***See response to Energy Probe 2.***
- ***See response to SEC 2.***

b) If Erie Thames will seek the recovery of foregone revenue, will Erie Thames be requesting that the Board declare its existing rates interim?

- ***As noted above, Erie Thames is not seeking recovery of foregone revenue and so Erie Thames is not requesting interim rates.***

3) Ref: E1-T1-S17

- a) Please identify any rates and charges that are included in the applicant's conditions of service, but do not appear on the Board-approved tariff sheet, and provide an explanation for the nature of the costs being recovered.
 - ***There are no rates and charges that are included in ETPL's conditions of service that do not appear on the Board approved tariff sheet.***
- b) Please provide a schedule outlining the revenues recovered from these rates and charges from 2006 to 2009 and the revenue forecasted for the 2012 bridge and 2013 test years.
 - ***Not applicable.***
- c) Please explain whether in the applicant's view, these rates and charges should be included on the applicant's tariff sheet.
 - ***Not applicable***

4) Ref: E1-T2-S1 p.1

Erie Thames states that during the fall of 2011, the OEB Auditors completed an audit of the deferral and variance accounts for West Perth Power, with lessons learned being applied to Clinton Power and Erie Thames.

- a) Have the D/V accounts for Clinton Power and Erie Thames been audited by the OEB since 2008? If so, when were they audited?
 - ***DV accounts for Erie Thames were audited in 2009, while Clinton Power DV accounts have not been audited at all.***
- b) Please describe the lessons learned that are being applied to Clinton Power and Erie Thames.
 - ***The lessons learned that were applied to Clinton and Erie Thames DV balances were largely with respect to the treatment of specific IESO and Hydro One charge types that had been applied to an incorrect RSVA account. These corrections were made that did not impact the balance of the RSVA accounts in total, but simply shifted the balances from one RSVA to another.***

5) Ref: E1

Upon completing all interrogatories from Board staff and intervenors, please provide an updated RRWF with any corrections or adjustments that the applicant wishes to make to the amounts in the previous version of the RRWF included in the middle column. Please include documentation of the corrections and adjustments, such as a reference to an interrogatory response or an explanatory note.

- ***ETPL is still in the process of answering some IR's and will update and file the RRWF when complete.***

6) Ref: E1-T2-S1 p.2 and E1-T3-S1

Erie Thames states at E1-T2-S1 p.2 that its capitalization policy has been IFRS compliant since its retrenchment of staff in 2009.

- a) Does this mean that when Erie Thames adopts IFRS in 2013, all else being equal, there will be no change in the amount of operating costs that will be capitalized?
 - ***Erie Thames does expect that there will be no change in the amount of operating costs that will be capitalized when IFRS is adopted as ETPL's current practice is not to capitalize indirect operating costs that are disallowed under IFRS.***
- b) Is Erie Thames' capitalization policy as described in E1-T3-S1 par. 3.10 consistent with what would be described as IFRS compliant?
 - ***Erie Thames capitalization policy is consistent with what would be described as IFRS compliant.***

7) Ref. E1-T2-S5

Please complete the table below.

	Including Loss of Supply			
Service Quality Indicators	2008 Actual	2009 Actual	2010 Actual	2011 Actual
Erie Thames				
SAIDI	6.08	1.91	11.21	4.45
SAIFI	1.63	0.62	4.83	2.02
CAIDI	3.73	3.09	2.32	2.18
West Perth				
SAIDI	28.11	10.83	1.11	
SAIFI	5.36	4.55	0.64	
CAIDI	5.25	2.38	1.75	
Clinton				
SAIDI	1.2	0.34	0.39	
SAIFI	1.88	1.99	0.72	
CAIDI	0.64	0.17	0.54	
	Excluding Loss of Supply			
Service Quality Indicators	2008 Actual	2009 Actual	2010 Actual	2011 Actual
Erie Thames				
SAIDI	1.34	0.74	0.92	1.53
SAIFI	0.21	0.23	0.48	0.75
CAIDI	6.36	3.21	1.93	2.04
West Perth				
SAIDI	0.46	3.23	1.11	
SAIFI	0.36	1.46	0.64	
CAIDI	1.27	2.21	1.75	
Clinton				
SAIDI	0.45	0.14	0.39	
SAIFI	0.13	0.99	0.72	
CAIDI	3.46	0.14	0.54	

EXHIBIT 2 - RATE BASE

8) Ref: E2-T1-S1

Erie Thames notes that it is focussing more on capital spending to reduce future OM&A costs and that this should assist in improving its O&M efficiency rating.

- a) Please provide an estimate of the reduction in O&M costs for 2013, 2014, 2015 and 2016 that Erie Thames expects to realize as a result of the focus on capital spending.
- ***ETPL recognizes that the significant increase in capital spending will have an impact going forward to reduce O&M costs. However, it is difficult to quantify an amount in the first years of a long-term program as the projected capital spend to replace fully amortized assets is extended beyond ten years.***
 - ***With ETPL's large amount of aging infrastructure we expect the O&M costs reductions to be modest in the near term and increase in the longer term as the infrastructure is replaced.***

9) Ref: E2-T3-S1Table 2-xx

Table 2-xx from E2-T3-S1 provides a summary of additions to Net Fixed Assets.

- a) Please clarify what is meant by the term “net fixed assets” as used by Erie Thames i.e. is it gross plant less accumulated depreciation or is it gross plant?
 - ***The additions in the above noted table are gross plant additions.***
- b) Erie Thames indicates that amounts in Table 2-xx include the transfer of certain assets into Erie Thames from the former affiliate.

Please complete the table below and include a short description of the nature of the asset being transferred.

Summary of Additions to Net Fixed Assets						
	2008 Actual	2009 Actual	2010 Actual	2011 Bridge	2012 Test	Ave. 2008 to 2011
Amount from table 2-xx	\$2,490,833	\$1,942,235	\$3,617,615	\$2,433,918	\$2,840,000	\$ 2,664,920
Transfer from Affiliates			\$1,576,862			
Amount Excluding Transfers	\$2,490,833	\$1,942,235	\$2,040,753	\$2,433,918	\$2,840,000	\$ 2,349,548

- c) Please confirm that the “amounts from Table 2-xx” are the amalgamated (consolidated) amounts for Erie Thames, West Perth Power and Clinton Power.
 - ***The amounts from table 2-xx are the amalgamated amounts of ETPL, WPPI and CPC.***
- d) Does Erie Thames interpret the “Amount excluding transfers” as representative of Erie Thames’ Capital Expenditures for the indicated years? If not, please provide the amounts that Erie Thames views as representative of its pre-amalgamation capital expenditures.
 - ***ETPL does interpret the amount excluding transfers as indicative of its historical years. However, given the fact that historically WPPI and CPC had under spent on its distribution system and the subsequent results of the condition assessment study ETPL argues that the average spend was too low to sustain its system properly.***

10) Ref: E2-T3-S1

Please complete the table below.

Capital Expenditures	2008 Board Approved	2008 Actual	2009 Actual	2010 Board Approved	2010 Actual	2011 Bridge	2012 Test
West Perth Power		\$ 180,411	\$ 266,037	\$ 216,252	\$ 494,107		
Clinton Power		\$ 190,026	\$ 215,068	\$ 251,804	\$ 340,697		
Sub Total		\$ 370,437	\$ 481,105	\$ 468,056	\$ 834,804		
Erie Thames Stand Alone	\$1,026,406	\$1,819,528	\$1,794,153		\$1,467,617		
Total Consolidated		\$2,189,965	\$2,275,258		\$2,302,421	\$3,334,935	\$2,840,000

11) Ref. E2-T1-S2 and E2-T3-S3

Board staff prepared the following table based on the evidence found in E2-T1-S2 with the understanding that all years, except for 2008 Board approved, reflect the amalgamated entity.

Rate Base	2008 Board Approved (only Erie Thames)	2008 Actual	2009 Actual	2010 Actual	2011 Bridge	2012 Test
Gross Plant	\$ 21,923,880	\$ 29,811,592	\$ 31,753,827	\$ 35,371,442	\$ 37,805,360	\$ 39,225,360
Accumulated Dep'n.	\$ 5,366,284	\$ 9,029,842	\$ 10,330,451	\$ 11,847,726	\$ 13,680,808	\$ 14,687,643
Net Plant	\$ 16,557,596	\$ 20,781,750	\$ 21,423,376	\$ 23,523,716	\$ 24,124,552	\$ 24,537,717
Working Capital Allow.	\$ 5,689,178	\$ 5,985,951	\$ 6,402,183	\$ 6,892,145	\$ 6,869,459	\$ 6,402,308
RATE BASE	\$ 22,246,774	\$ 26,767,701	\$ 27,825,559	\$ 30,415,861	\$ 30,994,011	\$ 30,940,025

a) If this table is inaccurate please indicate any necessary corrections.

- ***The table as presented is accurate.***

b) At E2-T3-S3 Erie Thames states that:

The large variance between 2008 Board Approved and 2008 Actual is simply related to the fact that the Board Approved amounts represents Erie Thames stand-alone approved 2008 gross assets, while the 2008 actual amounts include the gross assets of West Perth Power Corporation and Clinton Power Corporation. When you remove the Gross Asset cost of WPPI of \$5,193,244 and \$1,593,049 for CPC the remaining total change for Erie Thames is \$539,938 which is related to (i) \$215,000 for the capitalization of transformers in inventory at year end for financial statement purposes which was not included as part of the 2008 Cost of Service application; and (ii) the remainder is attributable to spending for each entity not included in rate base during the Cost of Service process.

Referencing the numbers in the table, please provide the calculation which results in “the remaining total change for Erie Thames is \$539,938”.

- ***ETPL had performed a preliminary analysis to calculate the \$539,938. To respond to this IR, ETPL has performed a detailed calculation of the difference and has excluded the impacts of CPC and WPPI. The “total remaining change for Erie Thames” is \$924.00 as shown in the table below.***

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		Combined				
ETPL Stand Alone	Approve ETPL	2008 Actual	Difference	WPPI	CPC	New Diff
Gross Plant	\$ 21,923,880	\$ 29,811,592	\$ 7,887,712	\$ 5,193,244	\$ 1,593,049	\$ 1,101,419
Accumulated Dep'n	\$ 5,366,284	\$ 9,029,842	\$ 3,663,558	\$ 3,480,800	\$ 409,924	\$ (227,166)
Net Plant	\$ 16,557,596	\$ 20,781,750	\$ 4,224,154	\$ 8,674,044	\$ 2,002,973	\$ 874,253
Working Capital Allow.	\$ 5,689,178	\$ 5,985,951	\$ 296,773	\$ 766,865	\$ 403,237	\$ (873,329)
Rate Base	\$ 22,246,774	\$ 26,767,701	\$ 4,520,927	\$ 7,907,179	\$ 1,599,736	\$ 924
Working Capital Calc						
Cost of Power				\$ 4,461,302	\$ 2,184,360	
Controllable Expenses				\$ 651,130	\$ 503,886	
Sub Total				\$ 5,112,432	\$ 2,688,246	
15%				\$ 766,865	\$ 403,237	

12) Ref. E2-T3-S1

Erie Thames indicates that it has budgeted \$150,000 for pole replacement and that the project is completed in the first quarter of every year.

- a) Which months comprise the first quarter?
- ***January February and March.***

13) Ref. E2-T3-S3 and E2-T2-S1

Erie Thames attributes \$1,750,000 of the \$3,617,000 increase in Gross Assets between 2010 and 2009 as due to the repatriation of vehicles, from the affiliate to the utility. Transportation Equipment Gross Plant c/b (#1930) increased from \$224,426 to \$2,095,762. Board staff notes that the increase in Transportation Equipment accumulated depreciation c/b increased from \$48,772 to \$196,103.

- a) Please explain why accumulated depreciation increases by a factor of about 4 while gross plant , and net plant, increases by a factor of about 9.
 - ***The vehicles were moved into ETPL's chart of accounts at Net Book Value. This resulted in an increase in the fixed asset amount and no change to the accumulated amortization other than one year's worth of amortization on the existing vehicles.***
- b) On what basis did Erie Thames set the value or price of the Transportation Equipment that was transferred from the affiliate to the utility? Did the price take the remaining tax value (UCC) into account?
 - ***ETPL set the value of the vehicles at Net Book Value and did not take the remaining UCC into account.***

14) Ref. E2-T3-S1 par. 6.1 and E2-T2-S1 Appendix 2-B

In paragraph 6.1 the 2012 Capital Program totals \$3,325,000 and in E2-T2-S1 (Appendix 2-B Fixed Asset Continuity Schedule) 2012 additions total \$2,840,000.

- a) Please explain the difference. Is it due to Capital Contributions and Grants in the amount of \$485,000 which are reflected in the \$2,850,000?
- ***Contributed Capital is the reason for the difference that is in question.***

15) Ref: E2-T3-S1 par. 6.2.2

Erie Thames 2012 Capital program shows \$285,000 for New Service Connections and Upgrades while Residential and GS < 50kw customer numbers are to increase by 84.

- a) Please break-out the \$285,000 between new service connections and upgrades.
- ***This estimate is based on historic expenditure during prior years as indicated below: All amounts are for servicing new customers.***

	2008	2009	2010
Annual Expenditure for system extensions and regulatory obligations	\$305,932	\$155,828	\$267,698

16) Ref: E2-T5-S1 (Asset Condition Assessment & Asset Management Plan p. 157) and E2-T3-S1 par. 6.2.21

At p. 157 Erie Thames states, regarding the Smart Grid studies and technologies, that “As these costs are unknown at this time, Erie Thames proposes that any future qualifying expenditure would be recorded in the Board approved Deferral Accounts and recovered at the more opport (sic). “

- a) Please indicate if any of the \$200,000 in the 2012 Capital Plan for SCADA and Smart Grid is for Smart Grid studies and technologies.
 - ***The \$200,000 for SCADA in the Capital Plan is not for Smart Grid or Smart Grid studies. The SCADA system is only for system monitoring purposes to allow ETPL to better respond and anticipate issues within its distribution system.***

- 17) Ref: (i) *Filing Requirements* (Distribution System Plans-Filing under Deemed Conditions of Licence, EB-2009-0397, May 17, 2012 revision) Section 4.2.2.2, bullet 6 and (ii) E2-T5-S2 p.154 Table 3.0 (ii) E2-T5-S2 p153 (iii) E2-T5-S2 p. 155 Table 4.0 and *Filing Requirements*, Section 3.2.2, Information Exchange with Affected Distributors and Transmitters

Reference (i) points to the need to file the OPA letter of comment.

At reference (ii) a table displays the renewable generation proposed to be connected to Erie Thames' municipal stations.

At reference (iii) relative to the current state of the distribution system, Erie Thames indicates that it "is unable to confirm [that there are no constraints] for the D/S's due to the lack of available information from the Hydro One Capacity Tables".

- a) In accordance with the *Filing Requirements*, please file the OPA letter of comment.
 - ***OPA Letter of Comment is included in this response.***
- b) Column 3 of the table should indicate kW values, please revise and file.
 - ***The table has been revised and the amended GEA Filing has been included in this response.***
- c) In accordance with the Filing requirements, please indicate whether Erie Thames provided HONI with a forecast of renewable generation and planned system investments to accommodate the projected distributed generation.
 - ***YES. AT THE ONSET OF EACH FIT PROJECT, A CIA IS REQUESTED FROM H1, THERE-BY INFORMING THEM OF THE PROJECT.***
- d) If warranted please, please update reference (iii) table 4.0.
 - ***Not warranted.***

- 18) Ref: (i) E2-T5-S2 p. 156-157 Development of Smart Grid Studies and Technology Projects (ii) E2-T5-S2 p.133-134 Asset Management Plan/Section 5.6 and p.130-132 Smart Grid Initiative (iii) Filing Requirements, Section 7.2, Smart Grid Development Deferral Account

With respect to smart grid, the GEA plan mentions at reference (i) the potential benefits of smart grid studies and/or developmental technology pilot projects and points out that because “costs are unknown [at this time], Erie Thames proposes that any future qualifying expenditure would be recorded in the Board approved Deferral Accounts”.

At reference (ii), Erie Thames specifies in the Asset management Plan that in 2013 it will conduct a small smart grid pilot project and provides some cost figure, stating in part that “capital budget of approximately \$200,000 year over year will be required to procure equipment and implement the proposed smart grid pilot project.”

The smart grid pilot initiative at reference (ii) is not included in the GEA plan but is currently incorporated in Erie Thames’ asset management plan, even though smart grid pilot projects are considered eligible activities under the Filing Requirements.

- ***\$200,000 is not for smart grid, it is for SCADA which is for infrastructure purposes, and was not directed at a smart grid initiative.***

- a) Prior to the roll-out of the smart grid pilot, have any studies in connection with this initiative been undertaken?

- ***No studies have been undertaken.***

- b) If so, please indicate the accounting treatment of those expenditures.

- c) Has the implementation of smart grid activities increased Erie Thames’ labour requirements?

- ***No change in Labour.***

- d) Are any follow-up studies, monitoring costs projected in connection with the smart grid pilot?

- ***No.***

- e) Please summarize CAPEX and OM&A related to smart grid activities in Erie Thames’ forecasts over the 2012-2016 timeline.

- ***Nothing is planned at this time for this timeline.***

- f) Would Erie Thames be recording the expenditures associated with the pilot project initiative alongside planned studies in the designated deferral accounts at reference (iii), or would they be booked under a

different account? Please explain, and cross reference where applicable.

- ***Not Applicable.***

g) In accordance with the Filing Requirements, please indicate whether and how Erie Thames plans to share and circulate the result of its pilot with other utilities.

- ***No Pilot is planned.***

19) Ref: (i) Filing Requirements Section 4.2.2.2, bullet 4 (ii) E2-T5-S2 p.156
Planned Development of Erie Thames System

Reference (i) pertains to: “the method and criteria that will be used to prioritize expenditures in accordance with the planned development of the system”. At reference (ii), Erie Thames indicates that there are potentially 13 micro-FIT and 8 FIT projects in its service territory. Reference (ii) also left a placeholder for “FIT Project Requiring Capital Expansion”

- a) In accordance with the Filing Requirements at reference (i), please provide the Board with Erie Thames’ general strategy and prioritization methodology for connecting renewable generation.
 - ***First Come First Serve basis and working with developers based upon their needs, project requirements and regulatory requirements. Virtually all renewable generation is being developed pursuant to the Ontario Power Authority’s FIT or MicroFIT program. There are specific timelines for such projects to achieve commercial operation and there are specific permitting requirements for the generation facility and potentially the infrastructure to be installed by Erie Thames.***
- b) If further data is available, please file information regarding “FIT Project Requiring Capital Expansion”.
 - ***No further data is available.***
- c) Please specify which renewable generation projects Erie Thames anticipates will be connected over the 2012-2016 timeframe. Using table below as a guide, please indicate the work Erie Thames will be undertaking, and the feeder associated with it.
 - ***None is planned or required.***

PROJECT X	FEEDER	EXPECTED ONLINE DATE	ACTIVITY	COST ESTIMATE
			SYSTEM EXPANSION ACTIVITIES	
			Building a new line to serve the connecting customer	
			Rebuilding a single-phase line to three-phase to serve the connecting customer	
			Rebuilding an existing line with a larger size conductor to serve the connecting customer	
			Rebuilding or overbuilding an existing line to provide an additional circuit to serve the connecting customer	
			Converting a lower voltage line to operate at higher voltage	
			Replacing a transformer to a large MVA size	

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			Upgrading a voltage regulating transformer or station to a larger MVA size	
			Adding or upgrading capacitor banks to accommodate the connection of the connecting customer	
			RENEWABLE ENABLING IMPROVEMENTS ACTIVITIES	
			Modifications to, or the addition of, electrical protection equipment	
			Modifications to, or the addition of, voltage regulating transformer controls or station controls	
			The provision of protection against islanding (transfer trip or equivalent)	
			Bidirectional reclosers	
			Tap-changer controls or relays	
			Replacing breaker protection relays	
			SCADA system design, construction and connection	
			Any other modifications or additions to allow for and accommodate 2-way electrical flows or reverse flows	
			Communication systems to facilitate the connection of renewable energy generation facilities	

20) Ref: (i) E2-T5-S2 p. 156 Planned Development of Erie Thames System (ii) Filing Requirements, Section 7.0, Capital and OM&A Deferral Accounts for Renewable Generation Connection or Smart Grid Development (iii) Filing Requirements, Section 2.4, Direct Benefits

At reference (i), Erie Thames provides a brief summary of activities it plans to undertake relating to the connection of renewable generation. The reference however does not include any OM&A costs associated with the processing of microFit and FIT applications and/or other works associated with the connection of renewable generation. At reference (i), Erie Thames indicates that it will book the cost of smart grid studies in the appropriate deferral accounts but does not indicate how it plans to recover costs associated with the implementation of the rest of the GEA plan. Reference (ii) points to the deferral accounts twinned with the GEA plan. Reference (iii) recognizes two distinct types of work related to the connection of renewable generation, namely Expansion and Renewable Enabling Improvements (REI) that give rise to specific cost recovery treatment from the distributor's ratepayers.

- a) Please confirm that no additional human resources will be required to implement the GEA Plan.
 - **Confirmed.**
- b) Please indicate what OM&A expenditures, if any, will be associated with renewable generation capital expenditures.
 - **None.**
- c) In accordance with reference (ii), please outline Erie Thames' proposal for recovery of capital and initial OM&A costs associated with the connection of renewable generation.
 - **None.**
- d) Please indicate what percentage of expenditures will be deemed Expansion versus REI.
 - **Not applicable.**
- e) In accordance with the Direct Benefits methodology outlined at reference (iii), please provide an estimate of the direct benefits accruing to Erie Thames' ratepayers.
 - **Not applicable.**

EXHIBIT 3 - OPERATING REVENUE

21) E3- T2- S1 Section 1-12 – Load Forecast & CDM Guidelines for Electricity Distributors (EB-2012-0003), Section 13.2

The Board's CDM Guidelines state at Section 13.2 that:

“Distributors will generally be expected to include a CDM component in their load forecast in cost of service proceedings to ensure that its customers are realizing the true effects of conservation at the earliest date possible and to mitigate the variance between forecasted revenue losses and actual revenue losses.”

- a) Please confirm that Erie Thames has assumed the responsibility to achieve the CDM targets of both Clinton Power (0.320 MW and 1.380 GWh) and West Perth (0.620 MW and 2.990 GWh).
 - ***Erie Thames confirms that it has assumed responsibility for the CDM targets of both Clinton and West Perth respectively.***
- b) Does Erie Thames agree that the CDM targets apply to the 2011 to 2014 period?
 - ***Erie Thames agrees that the CDM targets apply to the 2011 to 2014 period as follows:***
 - 2012. 10%
 - 2013. 20%
 - 2014. 30%
 - 2015. 40%
- c) Has Erie Thames included a CDM component in their proposed load forecast? If so please indicate the level or amount of target reflected in the load forecast and differentiate between the MW and GWh targets.
 - ***The impact of the CDM was included in the 2012 Load Forecast. The 2012 CDM target was 10% of the 2011-2014 CDM target. The table below shows the 2012 Load Forecast and the included CDM component. The Street Light and Sentinel Lighting forecast have been revised (see answers 7a and 8a for the VECC questions).***

	2012	2012	2012 CDM Target		CDM target % of load	
	kW	kW/11	kW	kWh	kW	kWh
Residential actual		147,767,075		730,586		0.5%
General Service <50		50,460,667		249,486		0.5%
GS <50	143,211	44,453,178	133	219,784	0.1%	0.5%
GI > 60	84,710	35,395,845	79	165,115	0.1%	0.5%
General Service 1000-2999	96,900	56,000,000	90	291,706	0.1%	0.5%
General Service 3000-4999	16,704	10,200,000	25	50,431	0.1%	0.5%
Large user	160,146	97,146,700	143	400,211	0.1%	0.5%
Unmetered & scattered load		618,341				
Sentinel	757	274,492	1	1,357	0.1%	0.5%
Streetlights	10,818	3,920,893	10	19,386	0.1%	0.5%
Embedded Distributors	19,284	17,350,000	36	85,781	0.1%	0.5%
Total	562,529	464,587,273	522	2,297,000	0.1%	0.5%

- d) If Erie Thames has not included a CDM component in their proposed load forecast, please discuss why this has been omitted and reconcile with the above excerpt from the Board's CDM Guidelines.
- The impact has been included.***
- e) If applicable, please update the proposed load forecast with a CDM component that takes into account Erie Thames' cumulative peak demand (5.220 MW) and energy consumption (22.970 GWh) for the CDM targets that includes both Clinton Power and West Perth's former targets.
- Not applicable.***

22) Ref: E3-T2-S1 and E3-T2-S2 p.4

a) The 2012 total kWhs in the Load Summary shown in E3-T2-S1 is 465,565,406 while in E3-T2-S2 p.4 it appears as 464,736,166.

	2012 S1	2012 S2 -4	
	2012	2012	Variance
Residential	147,767,075	147,767,075	
General Service <60	50,460,667	50,460,667	
GS>60 to 999 kW	77,849,023	77,849,023	
General Service 1000 to 4,999 kW	69,200,000	69,200,000	
Large user	97,146,783	97,146,783	
Unmetered scattered load	618,341	618,341	
Sentinel	284,787	54,410	230,377
Streetlights	4,979,730	4,289,868	689,862
Embedded Distributors	17,350,000	17,350,000	
Total	465,656,406	464,736,166	920,240

b) Please explain the difference.

- The difference was due to two different versions of 2012 load forecasting for the Sentinel & Streetlights Classes. For the Cost of Service Application 464,736,166 kWh was used.*

23) Ref: E3-T3-S4 p.5 and E3-T2-S1

- a) Please confirm that the consumption amounts shown in the table below (sourced from E3-T3-S4 p.5) are the consumption levels i.e. charge detriments used to calculate the proposed distribution rates for 2012.

- ***The consumption amounts shown below are the billing determinants used to calculate the proposed distribution rates.***

- b) If they are not, please populate the table with the charge determinants.

2012 Test Using Proposed Rates				
	Customers	Consumption	Distribution Revenues	Unit Revenues
	(Year-End)	(kWh / KW)	(\$)	\$/kWh
Residential	13,250	147,767,075	\$5,105,794	\$0.0346
GS<50	1,396	50,460,667	\$1,234,833	\$0.0245
GS>50 to 999 kW	138	139,988	\$1,182,361	\$8.4462
Greater than 1,000 to 4,999 kW	7	81,947	\$442,385	\$5.3984
Large Use	1	160,146	\$288,569	\$1.8019
Unmetered Scattered Load	105	618,341	\$87,106	\$0.1409
Sentinel Lighting	256	206	\$31,077	\$150.8495
Street Lighting	2,956	2,962	\$379,194	\$128.0232
Embedded Distributor	3	23,768	\$169,394	\$7.1268
TOTAL	18,113	199,281,804	\$8,920,713.67	

- c) Is Erie Thames' consumption forecast for 2012 presented in the table above based on the 2012 Load Forecast prepared by Stratadyne Group Inc. found at E3-T2-S1 of the evidence? If not, please identify the relevant evidence.

- ***The consumption forecast presented above is based on the load forecast prepared by Stratadyne Group.***

- d) For other than the Residential, GS< 50, Large Use and Unmetered Scattered Load classes, please explain why the consumption amounts that appear in the table above differ from the Loads shown in the Stratadyne Group Inc.'s forecast (reproduced below).

Table 2 – 2012 Load Forecast Summary

Consumption	2012	2012	2010	2010
	KW	KWH	KW	KWH
Residential		147,767,075		148,114,381
General Service <50		50,460,667		50,456,016
GS > 50	143,211	44,453,178	139,928	43,335,594
GI > 50	84,710	33,395,845	82,948	32,698,642
General Service 1000-2999	96,900	59,000,000	93,487	57,741,953
General Service 3000-4999	26,704	10,200,000	29,135	11,691,664
Large user	160,146	97,146,783	152,704	92,434,594
Unmetered scattered load		618,341		605,495
Sentinel	772	284,787	772	284,787
Streetlights	13,507	4,979,730	10,754	3,964,612
Embedded Distributors	39,284	17,350,000	39,665	17,518,323
Total	565,234	465,656,406	549,394	458,846,062
Changes from 2010	2.9%	1.5%		

- ***The demand data utilized by Stratadyne to develop the above table was adjusted and the table above was not updated as required.***

24) Ref: E3-T2-S1 Section 12a and E3-T2-S2 p.4

Section 12a provides an explanation of the load forecasting methodology for the Residential and GS < 50kw customer classes. The evidence notes that the same forecast methodology was used for the forecast of the Residential and General Service < 50kW classes for West Perth Power and Clinton Power.

- a) Please provide a copy of the Residential and GS < 50kw customer classes load forecasts that were prepared for Clinton and West Perth.

• **Residential and GS < 50 kW Load Forecast**

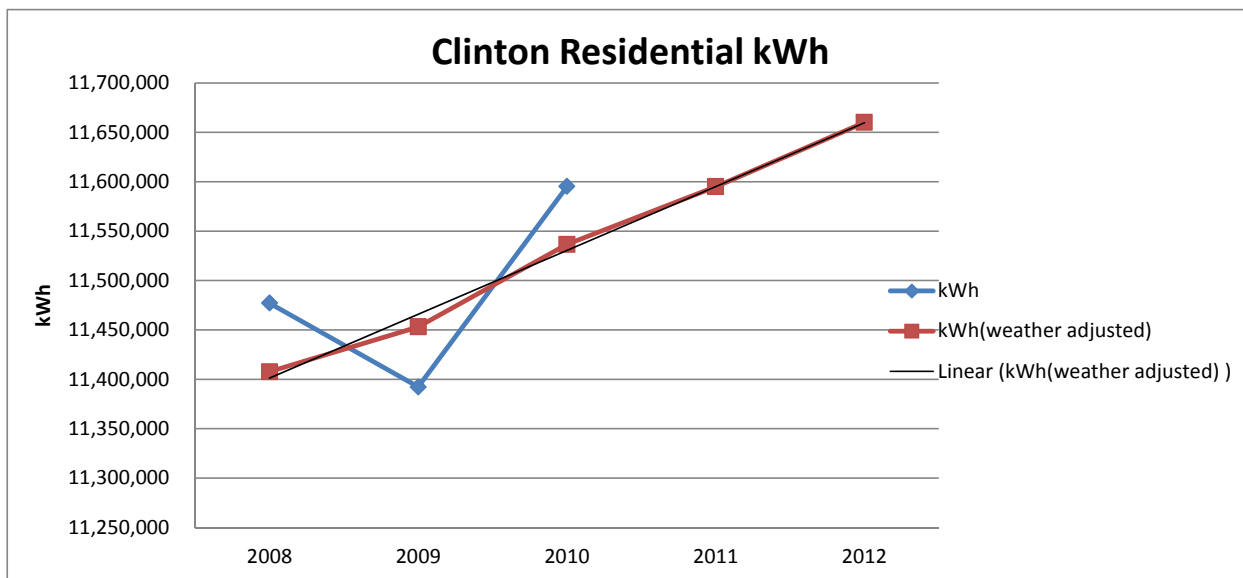
The 2012 forecast for the residential and GS < 50 classes involved the following steps.

1. Collect historic kWh and customer counts for each of the supply areas of Erie Thames, Clinton and West Perth.
2. Collect Net System Load Shape data for each supply area and perform weather adjustment for each year. The calculation steps are shown in the answer to Energy Probe's question #18b).
3. Project the weather adjusted kWh per year per supply area using trending and extrapolation.
4. Project the customer counts per supply area using trending and extrapolation.
5. Calculate weather adjusted kWh/customer/month and check for trending and consistency.

Clinton Residential Forecast

The summary of the residential forecast and the data for the weather adjusted calculations are shown in the tables below.

Residential Customers	2007	2008	2009	2010	2011	2012
Annual kWh (Actual)	12,523,015	11,477,044	11,392,233	11,595,218	-	-
Annual kWh (Weather adjusted)	12,487,198	11,407,595	11,453,131	11,536,648	11,595,000	11,660,000
Number of customers	1,764	1,769	1,786	1,797	1,808	1,820
kWh/customer/month (actual)	592	541	532	538		
kWh/customer/month (weather adj.)	590	537	534	535	534	534



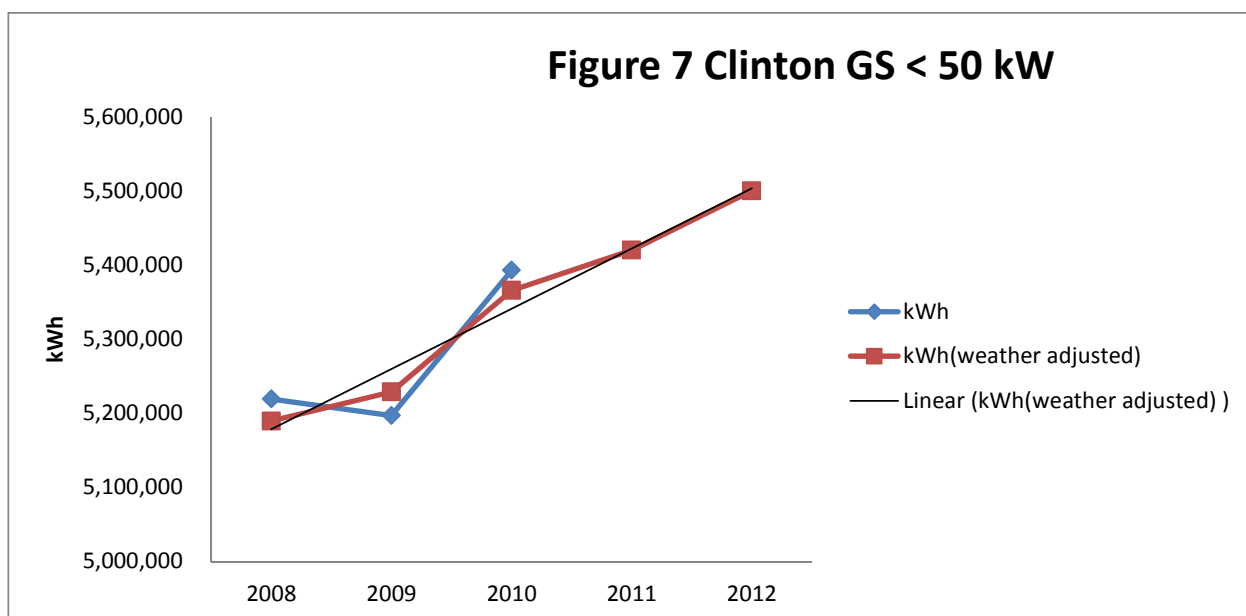
Erie Thames Powerlines Corporation (EB-2012-0121)
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Clinton Residential Class	2007	2008	2009	2010
	kWh	kWh	kWh	kWh
Jan	1,674,427	1,240,388	1,262,351	1,167,869
Feb	1,568,872	1,200,951	1,075,867	1,036,656
Mar	1,137,623	1,016,903	1,287,519	1,004,695
Apr	961,160	962,253	1,079,806	855,875
May	755,915	937,688	797,306	866,824
Jun	857,512	780,716	733,741	871,261
Jul	970,422	880,544	971,068	1,000,619
Aug	1,043,671	922,021	735,388	1,001,949
Sep	831,286	853,878	936,658	868,325
Oct	843,266	877,290	703,287	873,304
Nov	938,395	863,618	821,304	941,411
Dec	940,466	940,794	987,938	1,106,430
Annual	12,523,015	11,477,044	11,392,233	11,595,218
Heating Degree Days	3,709	3,877	3,782	3,614
Five Year Average HDD	3,686	3,686	3,686	3,686
Average minus Actual HDD	(23)	(191)	(96)	72
Average Daily kWh (excluding Summer)	32,308	29,450	29,360	28,766
% daily kWh/HDD	1.51%	1.51%	1.51%	1.51%
kWh HDD adjustment	(11,221)	(84,937)	(42,561)	31,274
Summer Cooling Degree Days	256	222	137	309
Five Year Average CDD	236	236	236	236
Average minus Actual CDD	(20)	14	99	(73)
Average Summer Daily kWh	31,213	28,079	26,524	31,237
% daily kWh/CDD	3.94%	3.94%	3.94%	3.94%
kWh CDD adjustment	(24,596)	15,488	103,459	(89,845)
Annual (Weather adjusted)	12,487,198	11,407,595	11,453,131	11,536,648
% of actual	99.7%	99.4%	100.5%	99.5%
Number of customers	1764	1769	1,786	1,797.0
kWh/customer/month	590	537	534	535

Clinton GS < 50 Forecast

The summary of the GS < 50 forecast and the data for the weather adjusted calculations are shown in the tables below.

Clinton General Services < 50 kW	2007	2008	2009	2010	2011	2012
Actual kWh	6,002,124	5,219,160	5,196,841	5,392,837		
Weather adjusted kWh	5,984,939	5,189,387	5,228,685	5,365,596	5,420,000	5,500,000
Number of Customers	235	239	241	243	247	250
kWh/customer/month (weather adjusted)	2,122	1,809	1,808	1,840	1,829	1,833



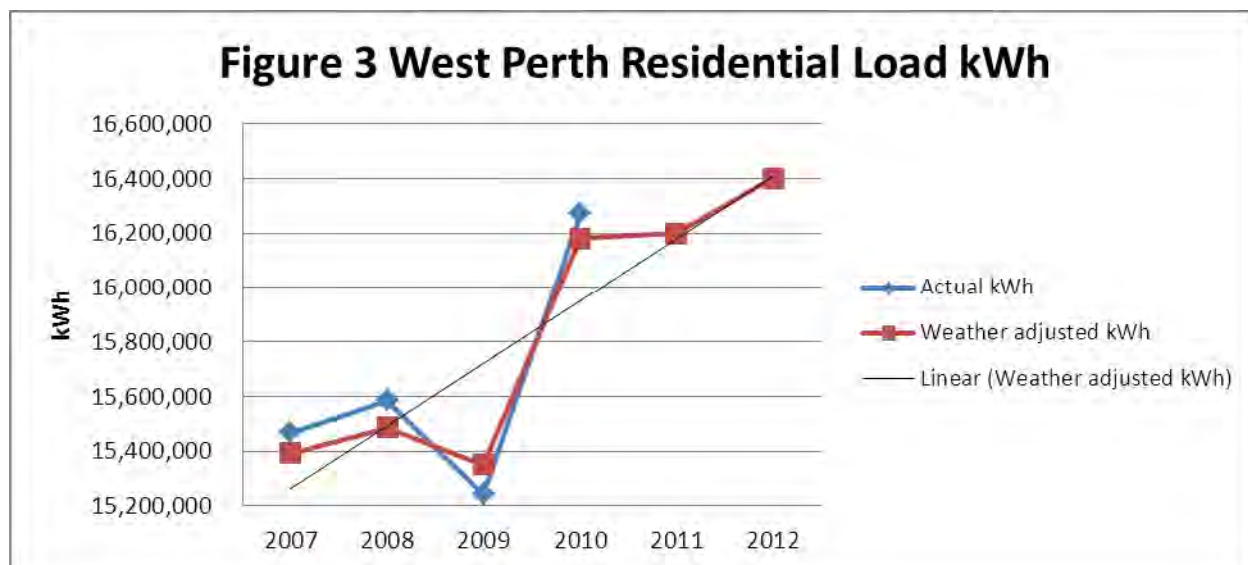
Erie Thames Powerlines Corporation (EB-2012-0121)
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Clinton GS < 50	2007	2008	2009	2010
	kWh	kWh	kWh	kWh
Jan	1,014,347	508,795	533,296	543,166
Feb	664,389	406,153	538,346	482,140
Mar	471,442	472,332	462,093	467,275
Apr	376,223	549,308	561,613	398,060
May	397,907	376,537	343,763	403,153
Jun	390,025	377,608	364,835	405,216
Jul	457,552	439,501	457,714	465,379
Aug	526,172	438,551	366,439	465,998
Sep	369,440	432,694	511,348	403,850
Oct	427,193	338,088	294,460	406,166
Nov	474,948	434,114	317,357	437,842
Dec	432,486	445,479	445,577	514,591
Annual	6,002,124	5,219,160	5,196,841	5,392,837
Heating Degree Days	3,709	3,877	3,782	3,614
Five Year Average HDD	3,686	3,686	3,686	3,686
Average minus Actual HDD	(23)	(191)	(96)	72
Average Daily kWh (excluding Summer months)	15,600	12,933	12,808	13,379
% daily kWh/HDD	1.51%	1.51%	1.51%	1.51%
kWh HDD adjustment	(5,418)	(37,301)	(18,566)	14,545
Summer Cooling Degree Days	256	222	137	309
Five Year Average CDD	236	236	236	236
Average minus Actual CDD	(20)	14	99	(73)
Average Summer Daily kWh	14,932	13,648	12,924	14,528
% daily kWh/CDD	3.94%	3.94%	3.94%	3.94%
kWh CDD adjustment	(11,766)	7,529	50,411	(41,786)
Annual (Weather adjusted)	5,984,939	5,189,387	5,228,685	5,365,596

West Perth Residential Forecast

The summary of the residential forecast and the data for the weather adjusted calculations are shown in the tables below.

West Perth Residential Customers	2007	2008	2009	2010	2011	2012
Annual kWh (Actual)	15,466,784	15,585,731	15,243,552	16,271,614		
Annual kWh (Weather adjusted)	15,391,783	15,485,313	15,351,455	16,181,193	16,200,000	16,400,000
Number of customers	1,764	1,769	1,786	1,797	1,828	1,845
kWh/customer/month (actual)	731	734	711	755		
kWh/customer/month (weather adj.)	727	729	716	750	739	741



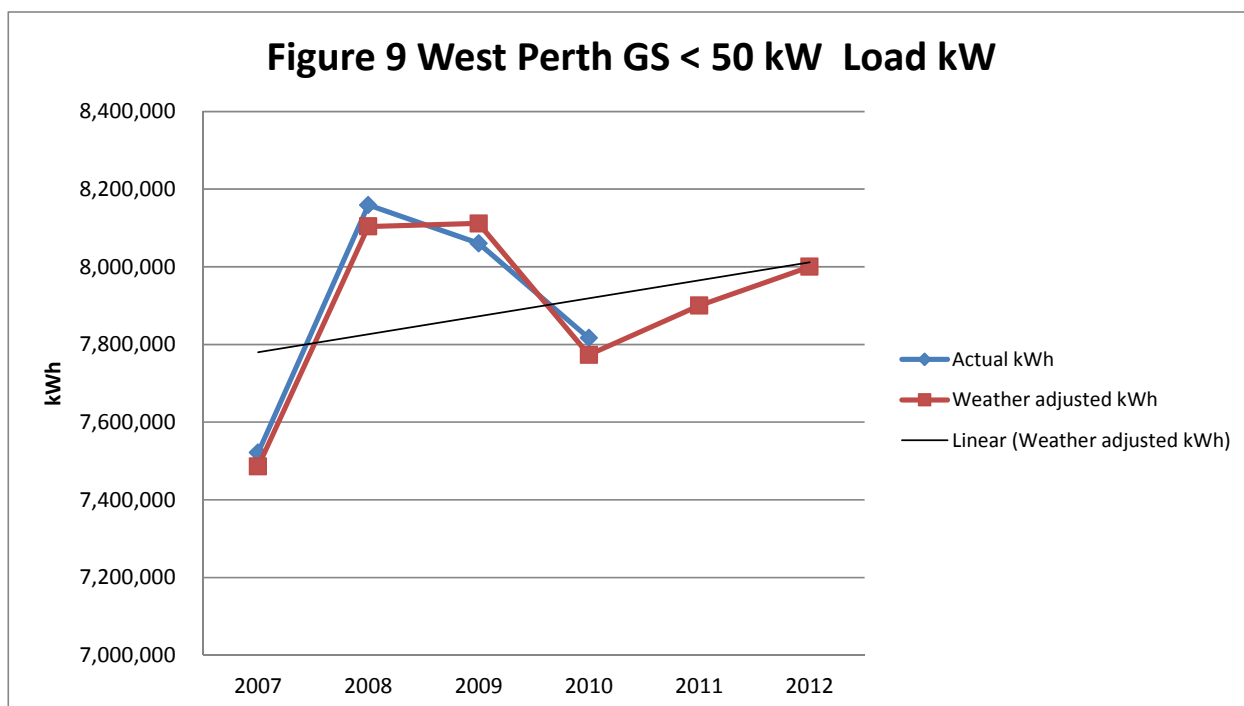
Erie Thames Powerlines Corporation (EB-2012-0121)
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West Perth Residential Customers	2007	2008	2009	2010
	kWh	kWh	kWh	kWh
Jan	1,340,369	1,458,677	1,384,096	1,610,267
Feb	1,501,506	1,742,826	1,683,122	1,407,798
Mar	1,649,206	1,578,304	1,636,930	1,377,573
Apr	1,612,839	1,329,015	1,358,848	1,179,673
May	1,092,102	1,200,925	1,303,827	1,226,265
Jun	984,381	1,196,658	1,105,215	1,241,970
Jul	1,162,832	1,060,503	962,322	1,419,418
Aug	1,281,213	1,182,128	1,320,135	1,401,812
Sep	1,285,105	1,320,031	1,339,331	1,204,195
Oct	1,134,884	1,149,144	1,234,971	1,277,001
Nov	1,128,249	1,215,803	914,237	1,338,900
Dec	1,294,098	1,151,717	1,000,518	1,586,741
Annual	15,466,784	15,585,731	15,243,552	16,271,614
Heating Degree Days	3,652	3,817	3,712	3,526
Five Year Average HDD	3,611	3,611	3,611	3,611
Average minus Actual HDD	(41)	(206)	(101)	85
Average Daily kWh (excluding Summer)	44,252	44,553	43,278	45,285
% daily kWh/HDD	1.30%	1.30%	1.30%	1.30%
kWh HDD adjustment	(23,616)	(119,162)	(56,884)	50,122
Summer Cooling Degree Days	290	244	150	338
Five Year Average CDD	256	256	256	256
Average minus Actual CDD	(33)	12	106	(81)
Average Summer Daily kWh	38,636	39,011	38,746	43,175
% daily kWh/CDD	4.00%	4.00%	4.00%	4.00%
kWh CDD adjustment	(51,385)	18,745	164,786	(140,543)
Annual (Weather adjusted)	15,391,783	15,485,313	15,351,455	16,181,193

West Perth GS < 50 Forecast

The summary of the GS < 50 forecast and the data for the weather adjusted calculations are shown in the tables below.

West Perth GS<50 kW	2007	2008	2009	2010	2011	2012
Actual kWh	7,521,417	8,159,292	8,060,447	7,816,746		
Weather adjusted kWh	7,485,674	8,104,001	8,111,473	7,773,309	7,900,000	8,000,000
# of Customers	235	239	241	243	245	247
kWh/customer/month (Weather Adjusted)	2,654	2,826	2,805	2,666	2,687	2,699



G < 50 kW (kWh)	2007	2008	2009	2010
Jan	592,898	760,382	758,503	773,558
Feb	606,648	880,990	1,023,670	676,294
Mar	862,383	785,626	777,469	661,774
Apr	642,904	776,308	802,736	566,705
May	792,533	789,157	709,359	589,087
Jun	391,430	530,787	443,238	596,632
Jul	699,915	522,174	499,324	681,877
Aug	531,685	640,547	724,273	673,419
Sep	585,328	615,965	682,936	578,485
Oct	596,586	612,725	526,790	613,461
Nov	502,556	632,181	462,847	643,196
Dec	716,551	612,450	649,302	762,257
Annual	7,521,417	8,159,292	8,060,447	7,816,746
	-	-	-	
Heating Degree Days	3,652	3,817	3,712	3,526
Five Year Average HDD	3,611	3,611	3,611	3,611
Average minus Actual HDD	(41)	(206)	(101)	85
Average Daily kWh (excluding Summer months)	21,864	24,073	23,501	21,754
% daily kWh/HDD	1.3%	1.3%	1.3%	1.3%
kWh HDD adjustment	(11,668)	(64,387)	(30,889)	24,078
	-	-	-	
Summer Cooling Degree Days	290	244	150	338
Five Year Average CDD	256	256	256	256
Average minus Actual CDD	(33)	12	106	(81)
Average Summer Daily kWh	18,101	18,930	19,260	20,741
% daily kWh/CDD	4.0%	4.0%	4.0%	4.0%
kWh CDD adjustment	(24,075)	9,096	81,915	(67,516)
Annual (Weather adjusted)	7,485,674	8,104,001	8,111,473	7,773,309

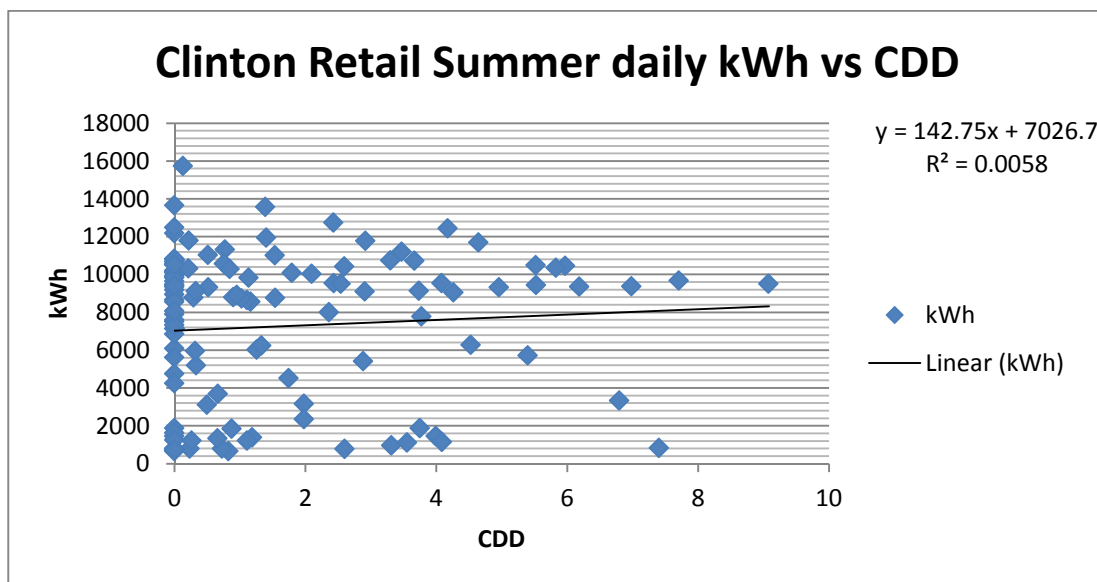
- b) The load forecast methodology presented in Section 12b-g does not indicate whether the numbers presented include or exclude Clinton Power and West Perth Power. Please confirm whether they do or do not.
- ***The methodology was the same for Erie Thames, Clinton & West Perth. The numbers presented was based on Erie Thames only.***
- c) If they do not, where applicable, please provide a copy of the load forecast calculations for West Perth Power and Clinton Power.
- **GS > 50**

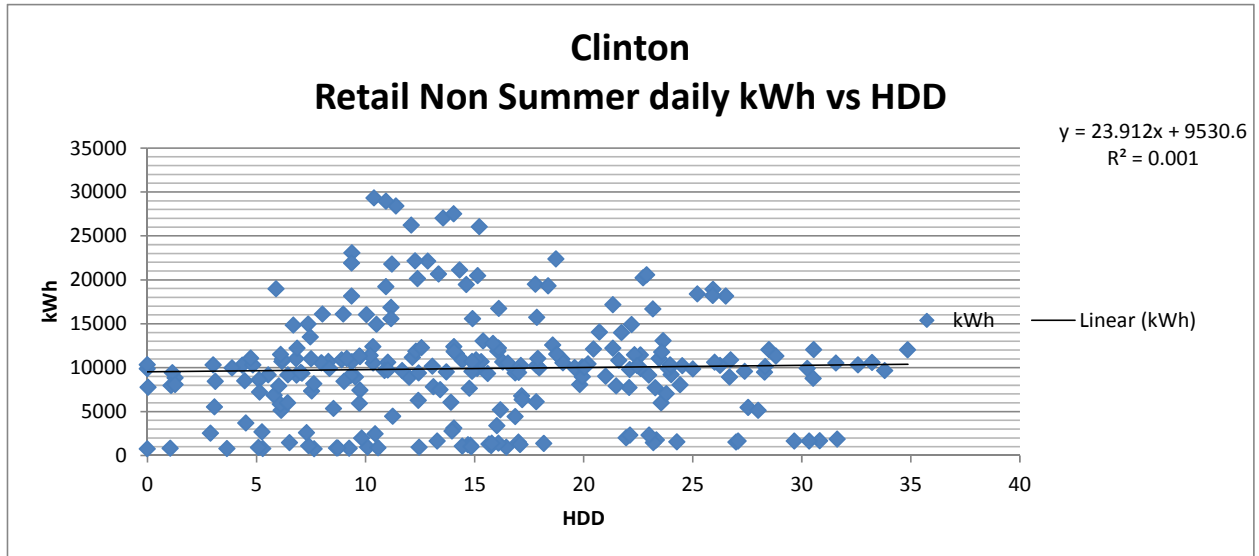
- ***The 2012 forecast for the GS > 50 classes involved the following steps.***

- 1. Collect historic kWh and customer counts for each of the supply areas of Erie Thames, Clinton and West Perth.***
- 2. Collect hourly kWh data of the Total Grid Delivery and subtract the Net System Load Shape hourly kWh data to create the hourly load profile for this class and test for weather dependency.***
- 3. Project the weather adjusted kWh per year if applicable per supply area using trending and extrapolation.***
- 4. Project the customer counts per supply area using trending and extrapolation.***
- 5. Calculate weather adjusted (if applicable) kWh/customer/month and check for trending and consistency.***

Clinton GS > 50

No weather adjustment was applied to this class. The calculations follow the same steps outlined in the answer to 4d of the VECC's IR.

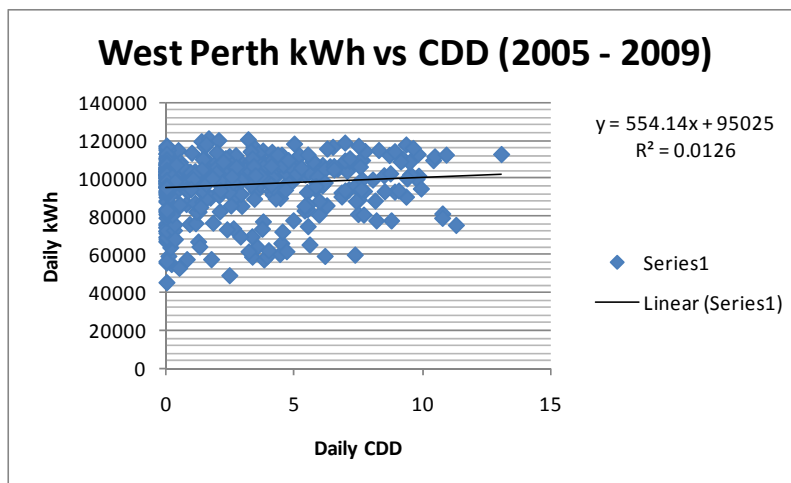
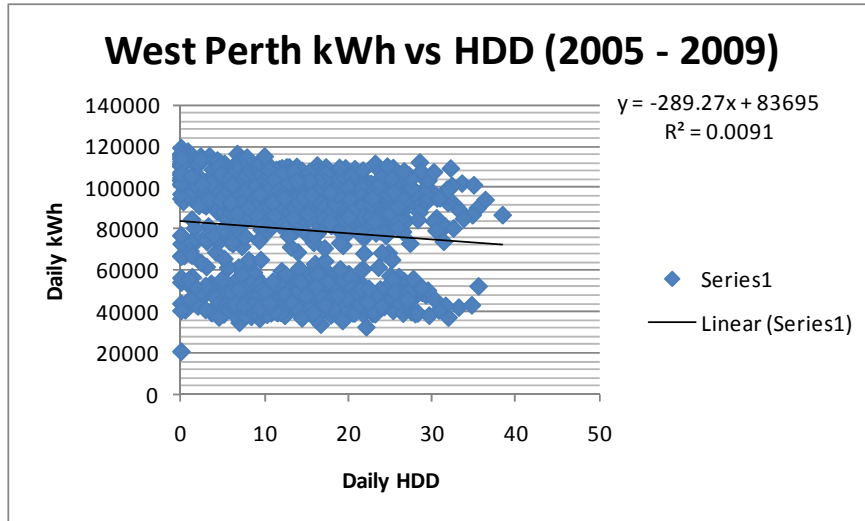




- The 2012 forecast details are shown in section 5a of E3-T2-S1.

West Perth GS > 50

No weather adjustment was applied to this class. The calculations follow the same steps outlined in the answer to 4d of the VECC's IR.



The 2012 forecast details are shown in section 5a of E3-T2-S1.

Street Lights, Sentinel Lights and Unmetered Loads

These loads are not sensitive to weather or economic conditions. The 2012 forecast details are shown in sections 8 to 10 of E3-T2-S1.

25) Ref: E3-T2-S1 Section 12.

- a) What type of load measure is utilized in the load forecasting methodology described in Section 12 i.e. is it Purchased Energy or is it Consumption (billed) load?
- ***The type of load measure utilized in the load forecasting methodology is Consumption (billed) load.***

26) Ref: E3-T2-S1

Erie Thames shows the Annual Coincident Peak kW as always corresponding to the Coincident Peak demand for the month of December in the year.

- a) Please explain why the annual Coincident Peak in the year is in December, even if there is a higher Coincident Peak demand in another month and day of the year.
 - ***In the load forecast report, twelve monthly coincident peaks for each customer class were calculated. The annual Coincident Peak of each class was selected on the same month as the annual system peak. In 2010, the total system peak (Erie Thames, West Perth and Clinton combined) occurred on December 13 hr 18.***
- b) Please confirm that any error in the calculation of the Coincident Peak demand in the 2012 test year does not affect the determination of proposed 2012 rates.
 - ***Confirmed.***

27) Ref: E3-T2-S2

In tables shown in this exhibit, Erie Thames shows a historical and projected number of streetlighting “customers” of 4283.

- a) Please confirm that these are connections for individual streetlights.
 - ***The streetlighting number of customers is for connections for individual streetlights.***
- b) A number of Ontario distributors have confirmed that streetlighting is often arranged in a “daisy chain”, where there is a physical connection or demarcation point to a streetlight, which is then connected to a number of other streetlights in series. The streetlights and the conductor connecting them are owned by and the responsibility of the customer, typically the municipality or other government agency responsible for the road.

Does Erie Thames employ daisy chains of streetlights within its service territory, or are all streetlights individually connected to Erie Thames’ distribution infrastructure?

- ***Erie Thames does not employ daisy chains of streetlights within its service territory, therefore all streetlights are individually connected to Erie Thames distribution infrastructure.***
- c) If Erie Thames does employ daisy chained streetlighting arrays, what is the actual number of “connections”?
 - ***Not applicable.***

28) Ref. E3-T2-S1

- a) For each class, please provide a brief description of each step, including the trail of numbers, that was used to generate the load forecast (billed/charge determinant volumes) for 2012.

Residential and GS < 50 kW Load Forecast

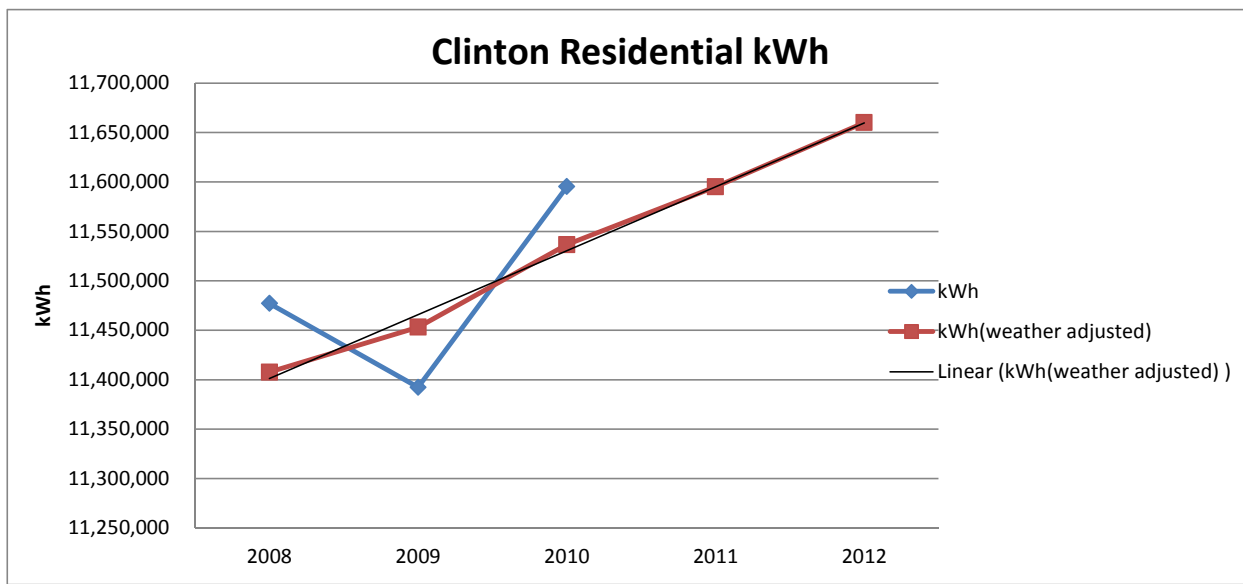
The 2012 forecast for the residential and GS < 50 classes involved the following steps.

1. Collect historic kWh and customer counts for each of the supply areas of Erie Thames, Clinton and West Perth.
2. Collect Net System Load Shape data for each supply area and perform weather adjustment for each year. The calculation steps are shown in the answer to Energy Probe's question #18b).
3. Project the weather adjusted kWh per year per supply area using trending and extrapolation.
4. Project the customer counts per supply area using trending and extrapolation.
5. Calculate weather adjusted kWh/customer/month and check for trending and consistency.

Clinton Residential Forecast

The summary of the residential forecast and the data for the weather adjusted calculations are shown in the tables below.

Residential Customers	2007	2008	2009	2010	2011	2012
Annual kWh (Actual)	12,523,015	11,477,044	11,392,233	11,595,218	-	-
Annual kWh (Weather adjusted)	12,487,198	11,407,595	11,453,131	11,536,648	11,595,000	11,660,000
Number of customers	1,764	1,769	1,786	1,797	1,808	1,820
kWh/customer/month (actual)	592	541	532	538		
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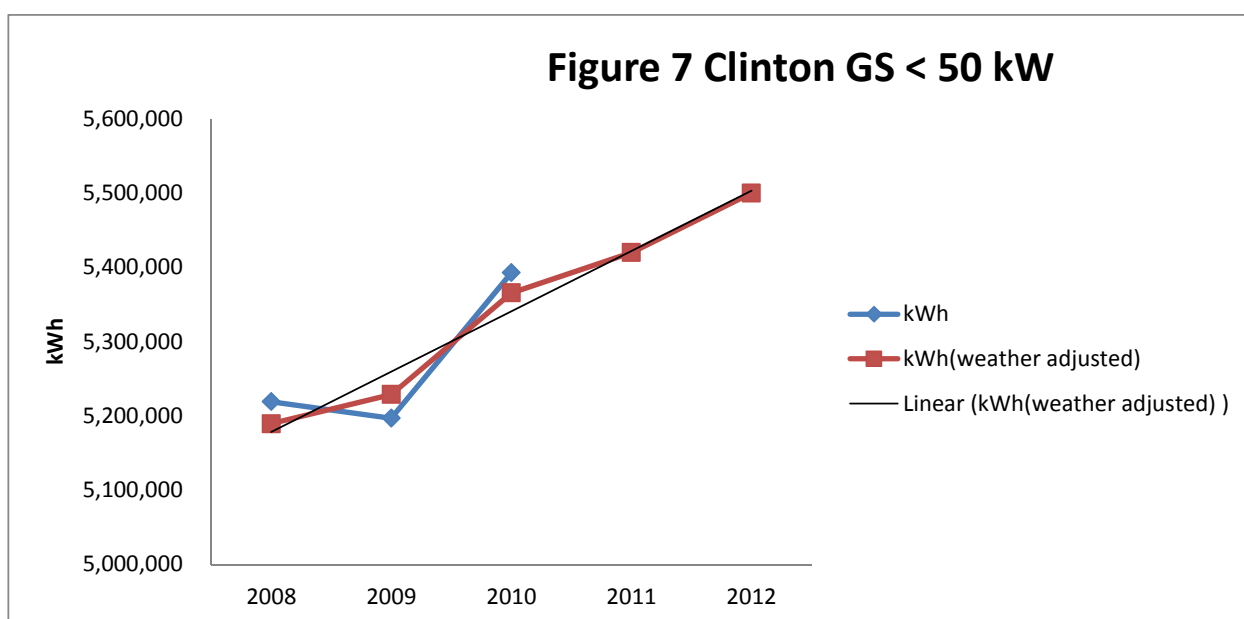
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Clinton Residential Class	2007	2008	2009	2010
	kWh	kWh	kWh	kWh
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Five Year Average HDD	3,686	3,686	3,686	3,686
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Average Daily kWh (excluding Summer)	32,308	29,450	29,360	28,766
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% daily kWh/CDD	3.94%	3.94%	3.94%	3.94%
kWh CDD adjustment	(24,596)	15,488	103,459	(89,845)
Annual (Weather adjusted)	12,487,198	11,407,595	11,453,131	11,536,648
% of actual	99.7%	99.4%	100.5%	99.5%
Number of customers	1764	1769	1,786	1,797.0
kWh/customer/month	590	537	534	535

Clinton GS < 50 Forecast

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kWh/customer/month (weather adjusted)	2,122	1,809	1,808	1,840	1,829	1,833



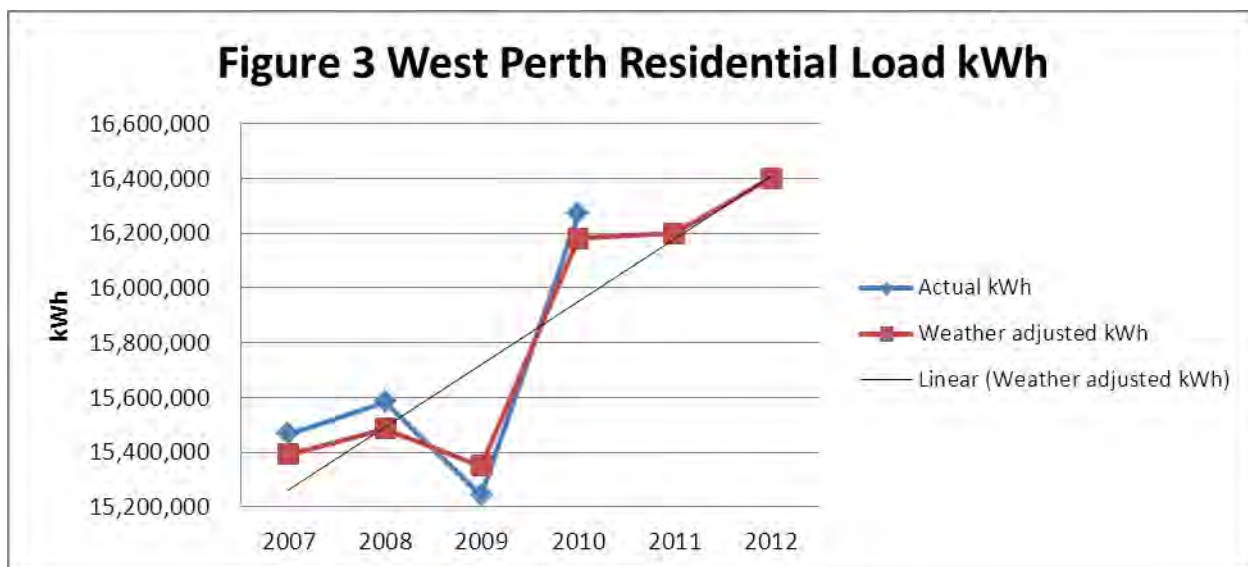
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Mar	471,442	472,332	462,093	467,275
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Jul	457,552	439,501	457,714	465,379
Aug	526,172	438,551	366,439	465,998
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Oct	427,193	338,088	294,460	406,166
Nov	474,948	434,114	317,357	437,842
Dec	432,486	445,479	445,577	514,591
Annual	6,002,124	5,219,160	5,196,841	5,392,837
Heating Degree Days	3,709	3,877	3,782	3,614
Five Year Average HDD	3,686	3,686	3,686	3,686
Average minus Actual HDD	(23)	(191)	(96)	72
Average Daily kWh (excluding Summer months)	15,600	12,933	12,808	13,379
% daily kWh/HDD	1.51%	1.51%	1.51%	1.51%
kWh HDD adjustment	(5,418)	(37,301)	(18,566)	14,545
Summer Cooling Degree Days	256	222	137	309
Five Year Average CDD	236	236	236	236
Average minus Actual CDD	(20)	14	99	(73)
Average Summer Daily kWh	14,932	13,648	12,924	14,528
% daily kWh/CDD	3.94%	3.94%	3.94%	3.94%
kWh CDD adjustment	(11,766)	7,529	50,411	(41,786)
Annual (Weather adjusted)	5,984,939	5,189,387	5,228,685	5,365,596

West Perth Residential Forecast

The summary of the residential forecast and the data for the weather adjusted calculations are shown in the tables below.

West Perth Residential Customers	2007	2008	2009	2010	2011	2012
Annual kWh (Actual)	15,466,784	15,585,731	15,243,552	16,271,614		
Annual kWh (Weather adjusted)	15,391,783	15,485,313	15,351,455	16,181,193	16,200,000	16,400,000
Number of customers	1,764	1,769	1,786	1,797	1,828	1,845
kWh/customer/month (actual)	731	734	711	755		
kWh/customer/month (weather adj.)	727	729	716	750	739	741



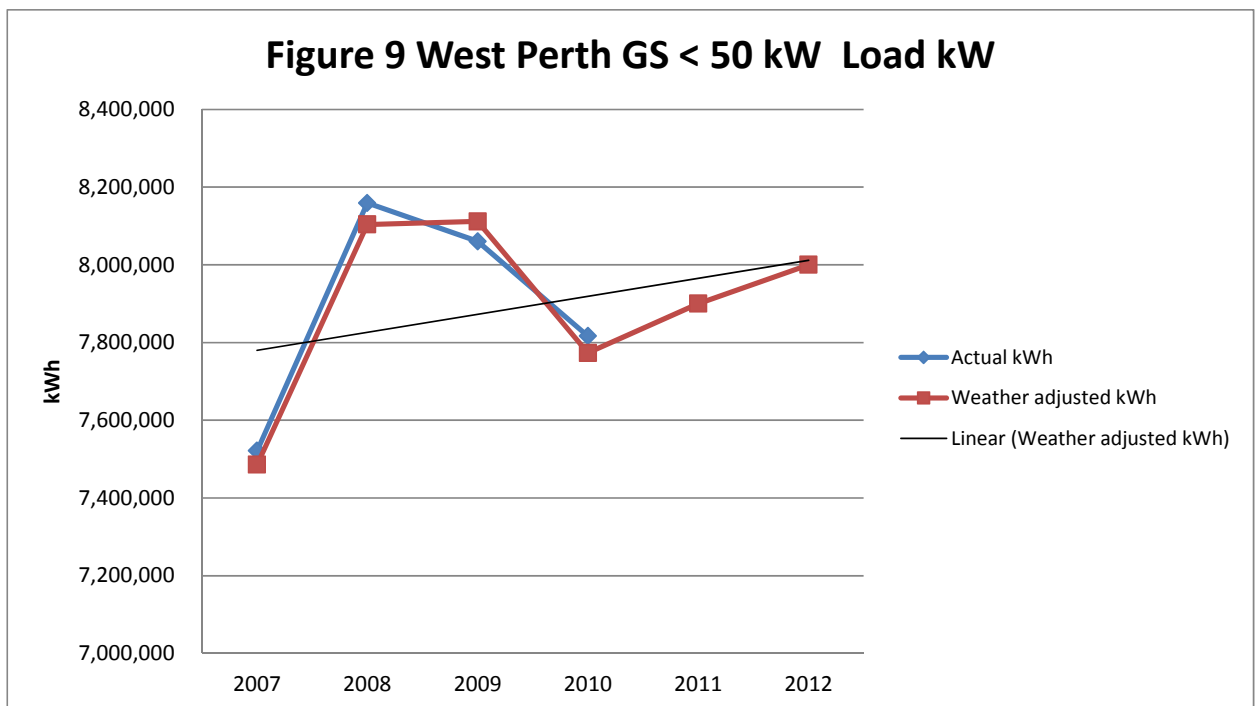
Erie Thames Powerlines Corporation (EB-2012-0121)
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West Perth Residential Customers	2007	2008	2009	2010
	kWh	kWh	kWh	kWh
Jan	1,340,369	1,458,677	1,384,096	1,610,267
Feb	1,501,506	1,742,826	1,683,122	1,407,798
Mar	1,649,206	1,578,304	1,636,930	1,377,573
Apr	1,612,839	1,329,015	1,358,848	1,179,673
May	1,092,102	1,200,925	1,303,827	1,226,265
Jun	984,381	1,196,658	1,105,215	1,241,970
Jul	1,162,832	1,060,503	962,322	1,419,418
Aug	1,281,213	1,182,128	1,320,135	1,401,812
Sep	1,285,105	1,320,031	1,339,331	1,204,195
Oct	1,134,884	1,149,144	1,234,971	1,277,001
Nov	1,128,249	1,215,803	914,237	1,338,900
Dec	1,294,098	1,151,717	1,000,518	1,586,741
Annual	15,466,784	15,585,731	15,243,552	16,271,614
Heating Degree Days	3,652	3,817	3,712	3,526
Five Year Average HDD	3,611	3,611	3,611	3,611
Average minus Actual HDD	(41)	(206)	(101)	85
Average Daily kWh (excluding Summer)	44,252	44,553	43,278	45,285
% daily kWh/HDD	1.30%	1.30%	1.30%	1.30%
kWh HDD adjustment	(23,616)	(119,162)	(56,884)	50,122
Summer Cooling Degree Days	290	244	150	338
Five Year Average CDD	256	256	256	256
Average minus Actual CDD	(33)	12	106	(81)
Average Summer Daily kWh	38,636	39,011	38,746	43,175
% daily kWh/CDD	4.00%	4.00%	4.00%	4.00%
kWh CDD adjustment	(51,385)	18,745	164,786	(140,543)
Annual (Weather adjusted)	15,391,783	15,485,313	15,351,455	16,181,193

West Perth GS < 50 Forecast

The summary of the GS < 50 forecast and the data for the weather adjusted calculations are shown in the tables below.

West Perth GS<50 kW	2007	2008	2009	2010	2011	2012
Actual kWh	7,521,417	8,159,292	8,060,447	7,816,746		
Weather adjusted kWh	7,485,674	8,104,001	8,111,473	7,773,309	7,900,000	8,000,000
# of Customers	235	239	241	243	245	247
kWh/customer/month (Weather Adjusted)	2,654	2,826	2,805	2,666	2,687	2,699



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G < 50 kW (kWh)	2007	2008	2009	2010
Jan	592,898	760,382	758,503	773,558
Feb	606,648	880,990	1,023,670	676,294
Mar	862,383	785,626	777,469	661,774
Apr	642,904	776,308	802,736	566,705
May	792,533	789,157	709,359	589,087
Jun	391,430	530,787	443,238	596,632
Jul	699,915	522,174	499,324	681,877
Aug	531,685	640,547	724,273	673,419
Sep	585,328	615,965	682,936	578,485
Oct	596,586	612,725	526,790	613,461
Nov	502,556	632,181	462,847	643,196
Dec	716,551	612,450	649,302	762,257
Annual	7,521,417	8,159,292	8,060,447	7,816,746
	-	-	-	
Heating Degree Days	3,652	3,817	3,712	3,526
Five Year Average HDD	3,611	3,611	3,611	3,611
Average minus Actual HDD	(41)	(206)	(101)	85
Average Daily kWh (excluding Summer months)	21,864	24,073	23,501	21,754
% daily kWh/HDD	1.3%	1.3%	1.3%	1.3%
kWh HDD adjustment	(11,668)	(64,387)	(30,889)	24,078
	-	-	-	
Summer Cooling Degree Days	290	244	150	338
Five Year Average CDD	256	256	256	256
Average minus Actual CDD	(33)	12	106	(81)
Average Summer Daily kWh	18,101	18,930	19,260	20,741
% daily kWh/CDD	4.0%	4.0%	4.0%	4.0%
kWh CDD adjustment	(24,075)	9,096	81,915	(67,516)
Annual (Weather adjusted)	7,485,674	8,104,001	8,111,473	7,773,309

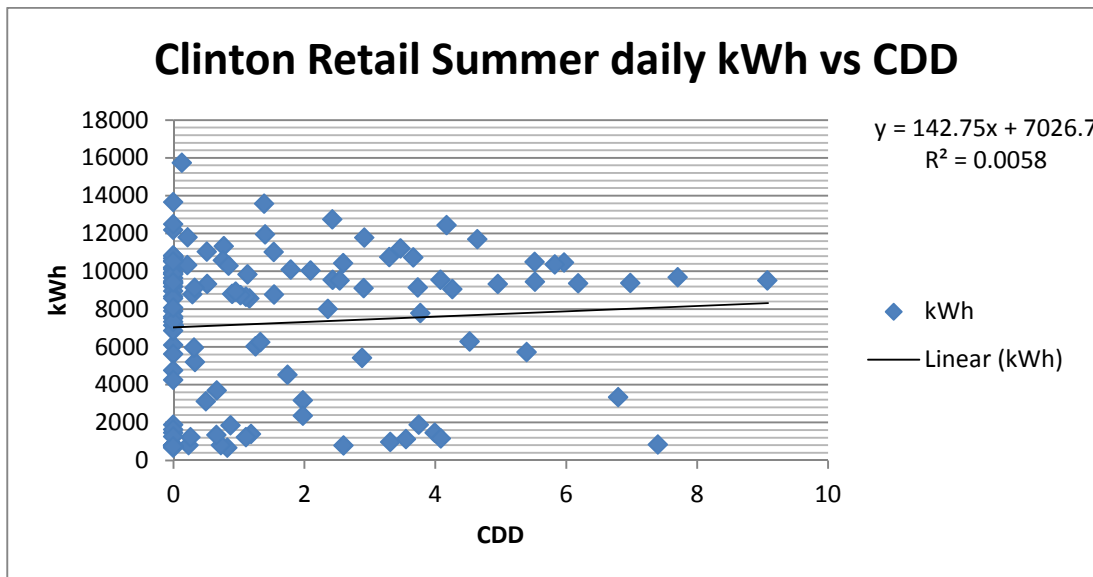
GS > 50

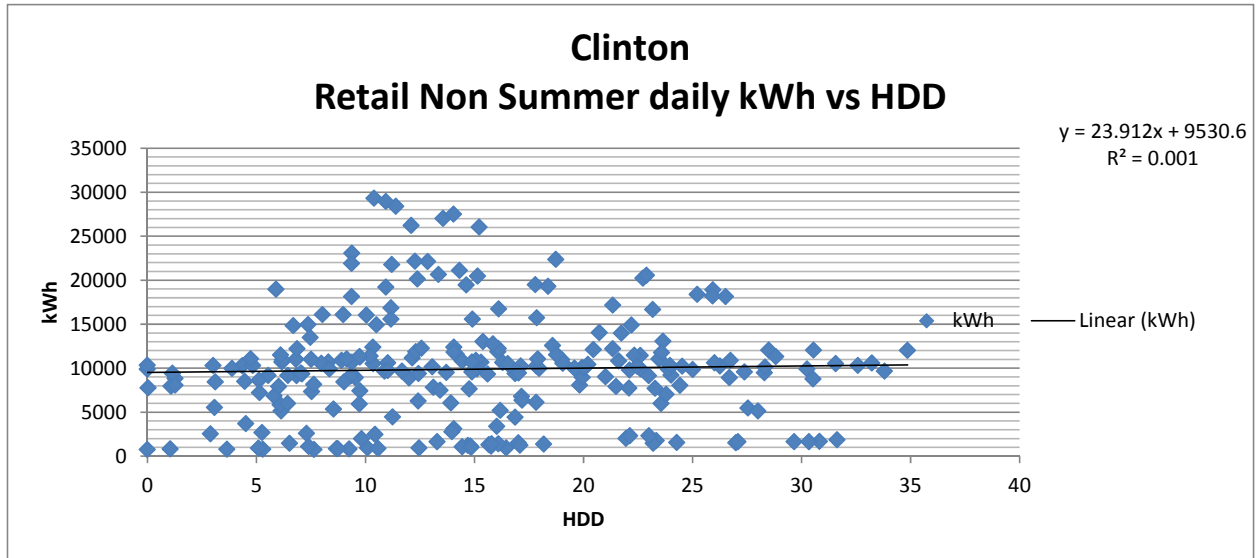
The 2012 forecast for the GS > 50 classes involved the following steps.

1. Collect historic kWh and customer counts for each of the supply areas of Erie Thames, Clinton and West Perth.
2. Collect hourly kWh data of the Total Grid Delivery and subtract the Net System Load Shape hourly kWh data to create the hourly load profile for this class and test for weather dependency.
3. Project the weather adjusted kWh per year if applicable per supply area using trending and extrapolation.
4. Project the customer counts per supply area using trending and extrapolation.
5. Calculate weather adjusted (if applicable) kWh/customer/month and check for trending and consistency.

Clinton GS > 50

No weather adjustment was applied to this class. The calculations follow the same steps outlined in the answer to 4d of the VECC's IR.

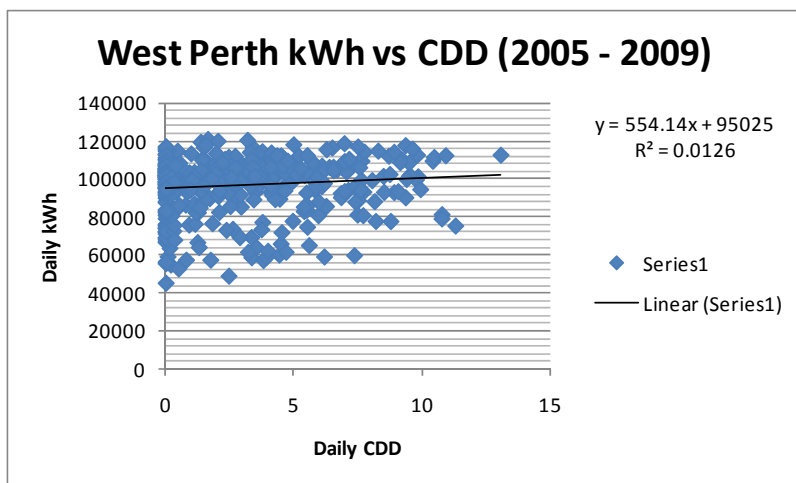
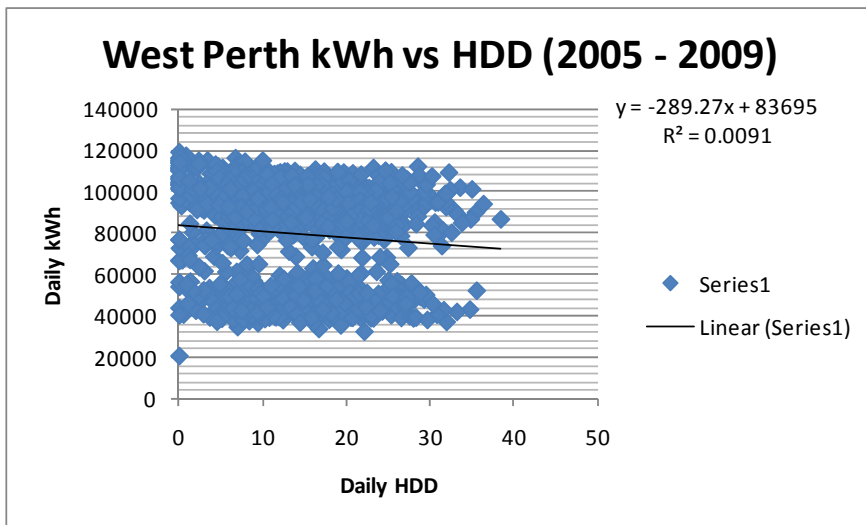




The 2012 forecast details are shown in section 5a of E3-T2-S1.

West Perth GS > 50

No weather adjustment was applied to this class. The calculations follow the same steps outlined in the answer to 4d of the VECC's IR.



The 2012 forecast details are shown in section 5a of E3-T2-S1.

Street Lights, Sentinel Lights and Unmetered Loads

These loads are not sensitive to weather or economic conditions. The 2012 forecast details are shown in sections 8 to 10 of E3-T2-S1.

GS>50 class

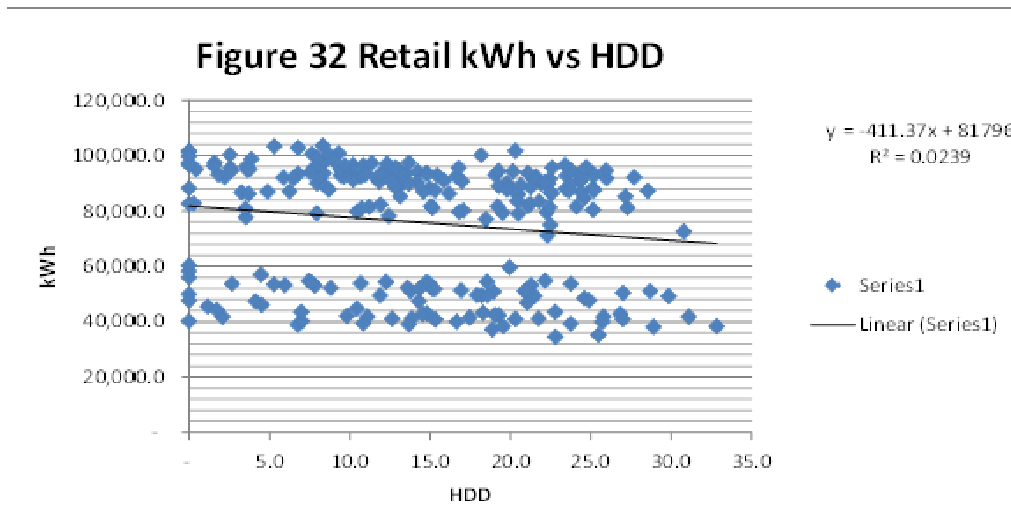
The forecast involved the following steps:

1. Collect historical data (annual kW demand, annual KWh and number of customers) from 2006 to 2010 for Erie Thames, Clinton and West Perth.
2. Collect 2010 hourly kWh data of the Total Grid Delivery and subtract the Net System Load Shape hourly kWh data and the hourly kWh data of the interval meter accounts larger than 1000 kW to create the hourly load profile for this class. Use this process for Erie Thames, Clinton and West Perth to create three sets of 2010 hourly kWh data sets.
3. Collect hourly temperature data from Environment Canada for 2010. Calculate the average temperature for each day. Calculate the Heating Degree Days "HDD" and Cooling Degree Days "CDD" using the following formula:

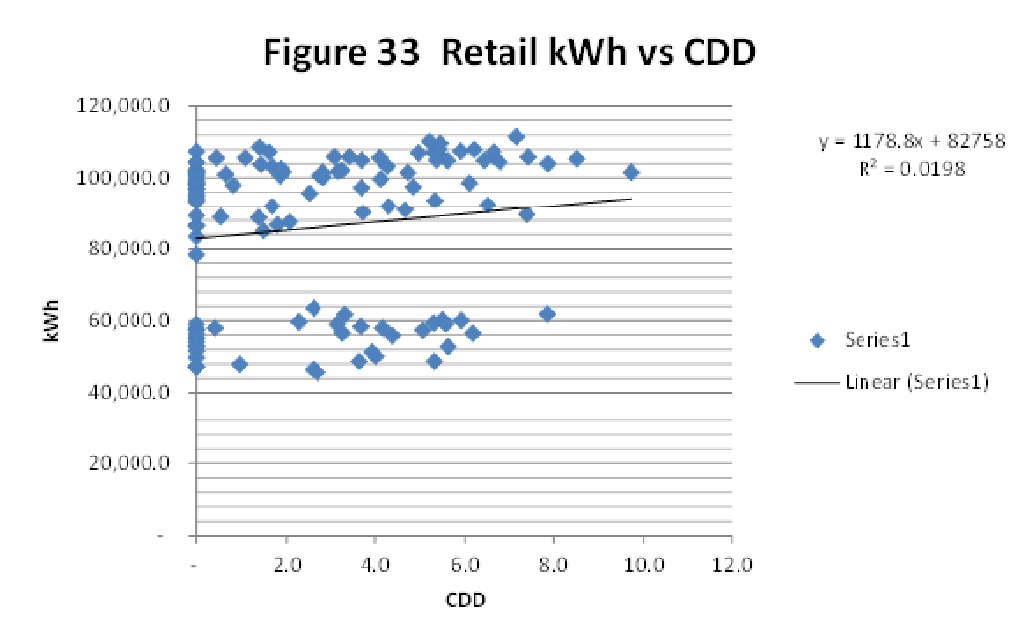
HDD = 18°C minus average temperature of the day. If the value calculated is less than or equal to zero, that day has zero HDD. But if the value is positive, that number represents the number of HDD on that day.

CDD = Average temperature of the day minus 18°C . If the value calculated is less than or equal to zero, that day has zero CDD. But if the value is positive, that number represents the number of CDD on that day.

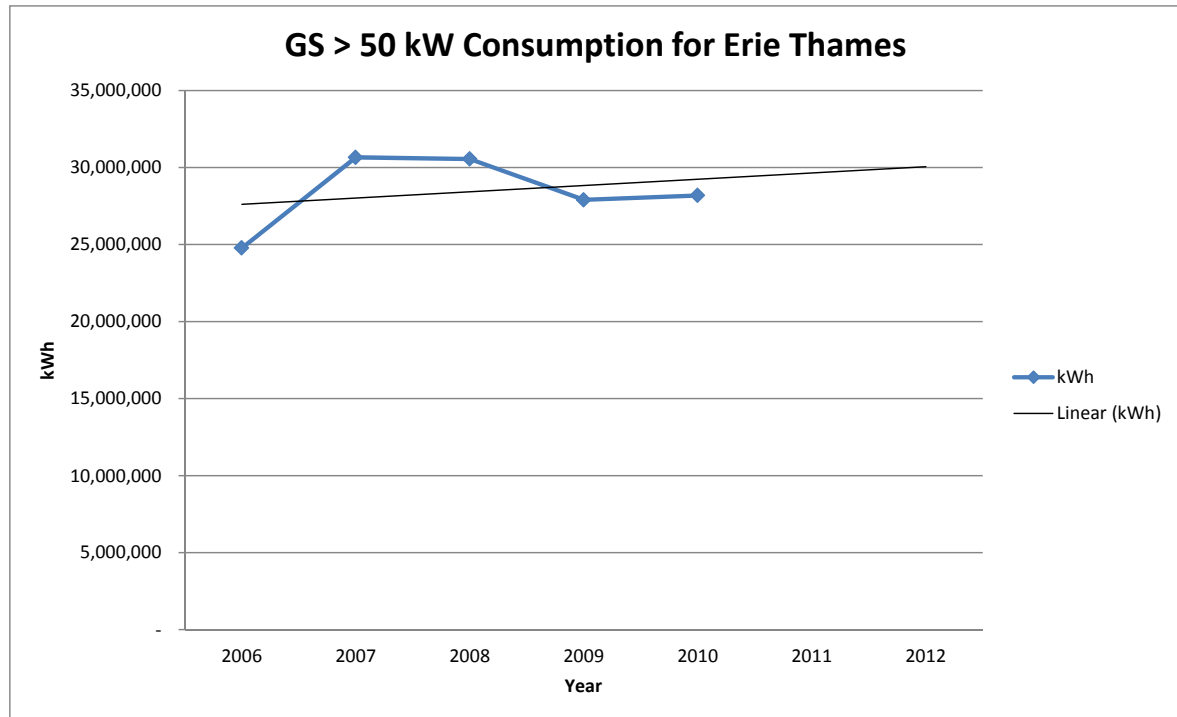
4. Plot the daily kWh of this class against the HDD from January to May and from October to December. Insert a linear trend line for this plot to test the relationship between daily kWh and HDD. As shown in Figure 32 of Load Forecast report (Exhibit 3, Tab 2, Schedule 1), there was no meaningful correlation between HDD and kWh for this class of customer for Erie Thames. The same process was repeated for Clinton and West Perth separately. The same conclusion was found.



5. Plot the daily kWh of this class against the CDD from June to September. Insert a linear trend line for this plot to test the relationship between daily kWh and CDD. As shown in Figure 33 of the Load Forecast report there was no meaningful correlation between CDD and kWh.



6. After determining that there was no weather correction for this class, the kWh from 2006 to 2010 were plotted and a trend line was inserted to estimate the demand in 2011 and 2012. The trend line showed the 2011 and 2012 extrapolated values were around 29,000,000 kWh and 30,000,000 kWh respectively.



7. At the time the analysis was made, the most recent IESO's 18 month outlook (May 2011) was used as a reference. According to the IESO report, the Ontario energy consumption was expected to grow by 0.5% in 2011 and 1.9% in 2012. The report mentioned that economic and population growth would promote higher electricity demand but conservation programs would act to reduce the demand. The economic assumptions used in the IESO's forecast included the Ontario Employment, Ontario Housing Starts and Ontario Growth Index. A copy of the table from the IESO's 18 month outlook was shown below.

IESO_REP_0692v1.0 May 24, 2011

Year	Ontario Employment		Ontario Housing Starts		Ontario Growth Index	
	Thousands	Annual Growth (%)	Thousands	Annual Growth (%)	Index	Annual Growth (%)
1995	5,098	2.0	31.9	-23.3	1.025	1.42
1996	5,161	1.2	39.5	23.9	1.036	1.05
1997	5,277	2.3	50.0	26.5	1.054	1.69
1998	5,440	3.1	50.1	0.2	1.077	2.18
1999	5,621	3.3	62.9	25.6	1.102	2.34
2000	5,801	3.2	67.4	7.1	1.128	2.39
2001	5,924	2.1	70.3	4.2	1.150	1.88
2002	6,014	1.5	79.6	13.3	1.169	1.65
2003	6,203	3.1	80.9	1.7	1.198	2.49
2004	6,310	1.7	79.9	-1.3	1.219	1.78
2005	6,390	1.3	73.2	-8.4	1.237	1.49
2006	6,485	1.5	67.8	-7.4	1.256	1.53
2007	6,585	1.6	62.8	-7.4	1.275	1.47
2008	6,686	1.5	71.9	14.6	1.294	1.50
2009	6,535	-2.3	47.9	-33.3	1.286	-0.63
2010	6,632	1.5	57.8	20.5	1.303	1.34
2011 (f)	6,731	1.5	52.1	-9.7	1.320	1.29
2012 (f)	6,826	1.4	51.6	-1.0	1.336	1.23

8. IESO's energy growth estimates for 2011 (0.5%) and 2012 (1.9%) were used to test the validity of the growth rate for this class. The difference of the 2011 and 2012 forecast using the extrapolated historical trending values and the IESO's growth rate is shown in the table below. In 2012, using IESO's growth rate, the forecast value was 1,129,903 kWh lower than the historical trending value. The 2012 CDM target for this class (consolidated) is 219,280 kWh (see response to the Board Staff IR question 1C). The IESO's growth rate was considered reasonable for this class and the impact of the CDM was already included in the forecast.

Erie Thames kWh forecast	2011	2012
Extrapolated values using historical data	29,000,000	30,000,000
Using IESO's estimated growth rate	28,331,793	28,870,097
Difference	668,207	1,129,903

	2006	2007	2008	2009	2010	2011	2012
kWh	24,776,038	30,653,353	30,553,013	27,896,587	28,190,839	28,331,793	28,870,097
% change		23.7%	-0.3%	-8.7%	1.1%	0.5%	1.9%

Large Use

This class consisted of only one large industrial customer in the automotive manufacturing sector. The electricity demand was mainly affected by the economy of the auto industry. No weather adjustment was applied for this class since no correlation between weather and electricity demand was observed (Exhibit 3, Tab 2, Schedule 1, section 12.5).

As shown in the table below, there were wide swings of electricity demand. All values shown in the table with the exception of those cells highlighted in yellow were actual values. From 2007 to 2009, the demand dropped every year and in 2010, the demand rebounded strongly.

	2006	2007	2008	2009	2010	2011	2012
kWh	91,130,718	83,755,976	74,125,314	69,719,263	92,434,591	95,335,410	97,146,783
kWh(Jan to May)	36,632,192	33,694,998	34,406,450	22,754,607	37,494,179	39,833,551	40,590,388
% change kWh		-8.1%	-11.5%	-5.9%	32.6%	3.1%	1.9%
% change kWh(Jan to May)		-8.0%	2.1%	-33.9%	64.8%	6.2%	1.9%

At the time when the 2011 forecast was made, the first five month's actual kWh values were used to estimate the 3.1% growth rate for 2011 (6.2% x 32.6%/64.8%). For 2012, the IESO's 1.9% growth rate was used.

Weather Normalizing Process

The steps for adjusting the actual kWh are shown below.

1. Collect hourly temperature data from Environment Canada from 2006 to 2010.
2. Calculate the average temperature for each day from 2006 to 2010.
3. Calculate HDD and CDD for each day from 2006 to 2010 using the following formula:

HDD = 18°C minus average temperature of the day. If the value calculated is less than or equal to zero, that day has zero HDD. But if the value is positive, that number represents the number of HDD on that day.

CDD = Average temperature of the day minus 18°C . If the value calculated is less than or equal to zero, that day has zero CDD. But if the value is positive, that number represents the number of CDD on that day.

4. Calculate the annual HDD from 2006 to 2010. The HDD for the year is calculated by summing the daily HDD from January to May and from October to December.
5. Calculate the annual CDD from 2006 to 2010. The CDD for the year is calculated by summing the daily CDD from January to May and from October to December.

For easy reference, the Annual HDD and CDD from 2006 to 2010 are shown below.

	2006	2007	2008	2009	2010	5 yr average
HDD	3,445	3,709	3,877	3,782	3,614	3,686
CDD	256	256	222	137	309	236

6. Collect Daily kWh of the NSLS of Erie Thames from 2006 to 2010.
7. Plot the daily kWh of the NSLS against the daily HDD for the months from January to May and from October to December for the years from 2006 to 2010. Insert a trend line. The plot is shown below. The slope is 5399.7 kWh/HDD. The 5 year average daily kWh is 329,429. The relationship between the daily kWh and HDD is 1.6% daily kWh demand per HDD.

The results of the weather adjusted residential forecast are shown below.

Erie Thames Powerlines Corporation (EB-2012-0121)
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Erie Thames

Residential Customers	2006	2007	2008	2009	2010	2011	2012
Annual kWh (Actual)	121,153,509	120,726,508	118,713,119	118,385,417	120,247,549		
Annual kWh (Weather adjusted)	122,104,570	120,288,713	117,912,670	119,471,078	119,400,372	119,558,371	119,707,075
Number of customers	12206	12328	12451	12116	12847	12864	12880
kWh/customer/month (actual)	827	816	795	814	780		
kWh/customer/month (weather adj.)	834	813	789	822	775	775	775

Clinton

Residential Customers	2007	2008	2009	2010	2011	2012
Annual kWh (Actual)	12,523,015	11,477,044	11,392,233	11,595,218	-	-
Annual kWh (Weather adjusted)	12,487,198	11,407,595	11,453,131	11,536,648	11,595,000	11,660,000
Number of customers	1,764	1,769	1,786	1,797	1,808	1,820
kWh/customer/month (actual)	592	541	532	538		
kWh/customer/month (weather adj.)	590	537	534	535	534	534

West Perth

Residential Customers	2007	2008	2009	2010	2011	2012
Annual kWh (Actual)	15,466,784	15,585,731	15,243,552	16,271,614		
Annual kWh (Weather adjusted)	15,391,783	15,485,313	15,351,455	16,181,193	16,200,000	16,400,000
Number of customers	1,764	1,769	1,786	1,797	1,828	1,845
kWh/customer/month (actual)	731	734	711	755		
kWh/customer/month (weather adj.)	727	729	716	750	739	741

Aggregated Total

Residential Customers	2007	2008	2009	2010	2011	2012
Annual kWh (Actual)	148,716,307	145,775,894	145,021,202	148,114,381	-	-
Annual kWh (Weather adjusted)	148,167,694	144,805,579	146,275,664	147,118,213	147,353,371	147,767,075
Number of customers	15,856	15,989	15,688	16,441	16,500	16,545
kWh/customer/month (actual)	782	760	770	751		
kWh/customer/month (weather adj.)	779	755	777	746	744	744

EXHIBIT 4 - OPERATING COSTS

29) Ref: E4-T1-S1

a) What projected rate of inflation is reflected in the proposed 2012 Test Year budget?

- ***A 3% inflation rate was used in the proposed 2012 Test Year budget.***

b) What sources did Erie Thames use for the projection?

- ***ETPL utilized its agreement with its bargaining unit staff coupled with the fact that its costs for materials and consumables has increase by at minimum the same factor. Therefore by applying the same 3% increase on all other costs for material and consumables ETPL felt it was being conservative with respect to its inflation figures.***

30) Ref: E4-T2-S4

Erie Thames indicates that it has a labour contract which expires on December 31, 2012.

- a) What is the term of the contract and what is the timing and % increase (s) provided for in the contract?
 - ***The term of the contract is January 1st, 2009 to December 31st, 2012. 3% increases per annum were provided in the contract.***
- b) Please provide the corresponding salary increases for non-union staff.
 - ***The corresponding increases for non unionized staff was 3% as well.***

31) Ref: E4-T2-S3

OMERS has announced a three-year contribution rate increase for its members and employers for the years 2011, 2012, and 2013.

- a) Please state whether or not the applicant's proposed pension costs include this increase.
 - ***The increase in OMERS contribution rates was not included in the proposed pension costs.***
- b) If so, please provide the forecasted increase by years and the documentation to support the increases.
 - ***Not applicable***
- c) If not, please state how the applicant proposes to deal with this increase.
 - ***Erie Thames will meet its OMERS contribution requirements as part of its carrying on of business.***
 - ***In 2012 the increase in OMERS is expected to be \$4,378.64 and a further \$3,980.18 in 2013. The 2011 increase has been included in the costs presented in the application.***

32) Ref: E4-T2-S3

a) Please identify whether or not the applicant has included any charitable or political donations as part of its forecast OM&A expense for the Test Year. If yes, please identify the amounts and the account in which the donations are recorded, and whether the amounts are compliant with Section 2.7.2.5 of the Filing Requirements.

- ***No charitable or political donations have been included in the forecast OM&A expense.***

33) Ref: E4-T2-S3

- a) Please provide details of employee benefit programs, including pensions and other costs charged to OM&A for the last Board-approved rebasing application, Historical, Bridge and Test Years.

	2008	2009	2010	2011	2012
Health Benefits	\$ 9,038.40	\$ 35,731.65	\$ 103,399.40	\$ 169,162.91	\$ 174,237.80
Mearie Coverage	\$ 800.35	\$ 3,076.92	\$ 25,356.09	\$ 36,911.10	\$ 38,018.43
Omers	\$ 25,948.64	\$ 106,446.48	\$ 324,396.78	\$ 482,552.32	\$ 497,028.89

- b) Please identify post-retirement benefit costs separately from current benefit costs.

- **2008 \$0**
- **2009 \$2,000**
- **2010 \$8,402**
- **2011 \$37,497**
- **2012 \$38,621**

- c) Please provide the most recent actuarial report(s).

- ***A copy of the most recent actuarial report is included as part of this response.***
- ***The actuarial report was completed on behalf of ERTH Corporation as a whole and any information not pertaining to ETPL and its employees has been blacked out to maintain the confidentiality of affiliates.***

34) Ref: E4-T2-S3

Please identify the increases (decreases) in OM&A expense for the test year, arising from other than from a decrease (increase) in capitalized overhead.

- ***ETPL has forecast decreases to its OM&A for the test year with respect to its audit fees after merging ETPL, CPC and WPPI into one and realizing savings from being subject to one audit as opposed to three. The cost savings forecast is \$25,000.***
- ***ETPL has also forecast a decrease in OM&A due outside services consulting decreasing year over year due to the inclusion of the COS rate application costs being input into the test year at one fourth of the projected cost versus consulting costs expensed in 2011 at the actual levels for the RSVA audit and COS application prep, this reduction is estimated at approximately \$150,000.***
- ***ETPL has included a 3% increase on ongoing costs reflected throughout the test year.***

35) Ref. E4-T2-S5

- a) Please provide a copy of the signed Service Agreements which underpin the service transactions identified in the table below.
- ***ETPL has provided its service agreement with Ecaliber that underpins the transaction below.***
 - ***All ERTH corp costs are based on allocations of actual costs incurred by the parent on ETPL's behalf. Section B below details how the amounts are determined.***

Name of Company		Service Offered	Pricing Methodology	Cost for the Service
From	To			
ERTH Corp	Erie Thames Powerlines	Executive Management	Allocated Cost	\$ 658,824.87
ERTH Corp	Erie Thames Powerlines	Human Resources	Allocated Cost	\$ 103,143.79
ERTH Corp	Erie Thames Powerlines	Legal Service	Time and Materials	\$ 63,750.00
ERTH Corp	Erie Thames Powerlines	IT Services	Time and Materials	\$ 69,252.11
ERTH Corp	Erie Thames Powerlines	Rent	Cost Per Square Foot	\$ 250,000.00
Ecaliber	Erie Thames Powerlines	Billing Service provider	Cost per bill	\$ 108,375.65

- b) Does Erie Thames have the underlying calculations which were used to generate the service costs shown in the above table? If so, please provide a copy.
- ***Rent – determined based on actual costs for property taxes, interest, amortization and insurance ect. Allocations based on square footage of the building in which the entity resides.***
 - ***IT and infrastructure – based on actual costs incurred related to IT internal and external support and asset costs as well as infrastructure maintenance costs that benefit all companies. These costs include items such as software licences, phone infrastructure, software support services, software maintenance fees, network infrastructure etc. Costs are allocated based on the number of users in each company.***
 - ***Legal – based on actual invoicing from third parties. Costs allocated based on which entities utilized those legal services. These costs include general corporate governance, union activates, legal correspondence with third parties including customers, various labour relations issues, etc.***
 - ***Audit – costs based on KPMG billings. Costs relate to the preparation of the tax returns and any extra billings by KPMG directly related to Erie Thames Powerlines.***

- ***HR – Relates to costs incurred for HR time related to oversight of labour relations issues (including union grievances where applicable), training (i.e. Bill 168), corporate policies, WMIS audit and training materials and other internal and external recourses as required. Costs are allocated based on the number of employees in each company.***
- ***Management Fees – Time sheet analysis performed on billable employees and time was billed accordingly. For non-billable staff, allocations based on oversight time required to assist each entities operations during the year. This information was obtained from the employees themselves and where possible the time entry system. For the assistants of key personal the assistant's time allocation was recorded to reflect the time allocation of their direct supervisor as it was assumed and confirmed that they would be spending the same time allocations on similar tasks.***

36) Ref. E4-T2-S5 and E1-T2-S1 p.1

Erie Thames notes at E1-T2-S1 p.1 that it continues to rely on its affiliate Excaliber for its corporate/IT/HR services and at E4-T2-S5 Erie Thames indicates that all but Billing Services are provided by ERTH Corporation.

a) Please confirm which services are provided by Excaliber and which are provided by ERTH Corporation.

- ***Excaliber provides Billing services and ERTH corporation provide Corporate/Human Resources/Information Technology and Legal Services.***

37) Ref: E4-T2-S1

Do any of the amounts shown in the Summary of Operating Costs table include Property Taxes? If so, please identify the line, account number and amount.

- ***Property Taxes are not included in any account that makes up the summary of operating costs table.***

38) Ref: E4-T2-S1

Board staff prepared the table below using the information provided in E4-T2-S1-3.

OM&A	2008 Board Approved	2010 Board Approved	2010 Actual	2011 Bridge	2012 Test Year
Erie Thames	\$ 4,222,000		\$ 4,437,008		
Clinton Power		\$ 515,263	\$ 560,534		
West Perth Power		\$ 522,410	\$ 969,800		
TOTAL			\$ 5,967,342	\$ 5,733,118	\$ 5,730,237

a) Does Erie Thames agree with the numbers presented in the table? If Erie Thames does not agree, please indicate which numbers need to be revised.

- ***Erie Thames agrees with the numbers for the most part presented in this table with the exception of the 2010 Board Approved amounts for Clinton Power and West Perth Power.***
- ***CPC and WPPI were settled during a Settlement Conference in which the parties agreed, and The Board approved a 33.3% increase in rates for CPC and a 10% increase to rates for WPPI.***
- ***This increase in rates was not based upon any approval of OM&A costs and should not be represented in that manner in this table. The settlement acknowledged that both WPPI and CPC were in need of financial relief and reinvestment in its infrastructure and provided increases to help in this end and should not be taken as definitive decision on costs. Further, there was an explicit recognition that even with the additional revenue CPC may not be able to earn its rate of return. The Settlement Agreement filed for CPC acknowledged the particular circumstances for CPC in the following:***

“The Parties came to this agreement through a process of recognizing a need for additional revenue for CPC to provide safe, reliable service yet balancing the impact of such costs on the ratepayers. The Parties acknowledge that CPC may not actually earn its deemed return on equity, and that its PILs provision has been reduced to zero by the application of loss carry forwards. However, the Parties view this as a reasonable approach given the particular circumstances.”

39) Ref: E4-T2-S1

- a) Please state whether or not the applicant has included an amount in its 2012 Test year revenue requirement for the emergency financial assistance component of the Low Income Energy Assistance Program.
 - ***ETPL has not included amounts in its 2012 Test Year Revenue Requirement for LEAP funds.***
- b) If yes, please identify the amount included for LEAP emergency financial assistance, and identify the percentage of total distribution rates.
 - ***Not applicable.***
- c) If no, please provide the following calculation: 0.12% of the total distribution revenue proposed by the applicant for the 2012 Test Year.
 - ***9,853,772 * 0.0012 = \$11,824.53.***
- d) Please state whether or not the applicant has included an amount in its 2012 Test year revenue requirement for any legacy program(s), such as Winter Warmth. If so, please identify the amount and provide a breakdown identifying the cost of each program along with a description of each program.
 - ***No amounts have been included in the 2012 Test Year Revenue Requirement for any legacy programs such as winter warmth.***

40) Ref: E4-T2-S3

- a) Please revise the table titled “OM&A Cost per Customer and per FTEE” and reflect the following:
- Do not include “connections” in the customer numbers;
 - For comparability, please use “proxy FTE numbers i.e assume the repatriated employees were always employed by the utility and:
 - In that the Test Year amounts represent the amalgamated utility, for comparability, ensure that the other years are presented on that basis as well.

OM&A Cost per Customer and per FTEE						
	LRV - Board Approved	2008	2009	2010	Bridge Year	Test Year
Number of Customers	17,950	17,950	18,239	18,388	18,723	18,808
Total OM&A from Appendix 2-G	\$ 4,193,808	\$ 5,881,291	\$ 5,669,841	\$ 5,967,342	\$ 5,782,518	\$ 5,730,237
OM&A cost per customer	\$ 242.43	\$ 339.98	\$ 337.23	\$ 337.27	\$ 250.01	\$ 246.86
Number of FTEs	45	45	45	45	45	45
Customers/FTEs	8,649.50	8,649.50	1,120.86	520.38	513.98	515.84
OM&A Cost per FTEE	\$2,096,904.00	\$2,940,645.42	\$ 377,989.37	\$ 175,510.06	\$ 128,500.40	\$ 127,338.60

41) Ref: E4-T2-S3 OM&A Cost Driver Table

Please update the Cost Driver Table such that the Opening Balance for any year is the Closing Balance of the previous year.

- ***The cost driver table Erie Thames provided in E4-T2-S3 has been completed such that the opening balance for each year is equal to the closing balance of the previous year.***

42) Ref: E4-T2-S4 (Appendix 2-K) and E1-T2-S1 p.2

The table below is an excerpt from Appendix 2-K and the % of Compensation Capitalized is a Board staff calculation.

	2009 Actual	2010 Actual	2011 Bridge	2012 Test Year
Total Compensation	\$ 1,247,816	\$ 3,519,863	\$ 4,779,991	\$ 4,959,005
Total Compensation Charged to OM&A	\$ 1,247,816	\$ 2,863,761	\$ 3,889,001	\$ 3,662,535
Total Compensation Capitalized	\$ -	\$ 656,102	\$ 890,990	\$ 1,296,470
% of Compensation Capitalized	0%	18.6%	19%	26%

At E1-T2-S1 p.2 Erie Thames states that its capitalization policy has been IFRS compliant since its retrench of staff in 2009.

- a) Please indicate what proportion of the % of Compensation Capitalized is due (i) to staff retrenchment and (ii) IFRS reporting compliance.
 - **100% of the % of compensation capitalized is due to staff retrenchment and the increase in the test year is due to the change in capital spend based on the asset condition assessment.**
- b) Please explain the increase in the % of Compensation Capitalized between 2012 Test Year as compared to 2011 Bridge.
 - **The increase between the 2011 bridge and 2012 test is simply due to the increase in spending on Erie Thames capital plan as detailed in Exhibit 2.**

43) Ref: E4-T2-S7

- a) Do the “actuals” in the Loss Adjustment Calculation reflect the amalgamated Erie Thames?
- ***The actual in the Loss Adjusted calculation do reflect the amalgamated Erie Thames.***
- b) If they do not, please revise on an amalgamated basis.
- ***Not required.***

44) Ref. E4-T3-S1-4 and E-9-T1-S1

Please provide the following PILs information as indicated in the table below.

	2001	2002	2003	2004	2005	Jan. 1 to April 30, 2006	May 1, 2006 to April 30, 2012
Excel Board-approved PILs proxy model (active)	x	x			x		
Signed Board decision		x		x	x		
Excel RAM model (active)		x		x	x		
Excel Continuity schedule (active) for 2001 to 2012 including true-up adjustments, PILs recoveries and interest carrying charge calculations	X						
Excel PILs Recoveries (active) - Worksheet showing PILs rate slivers from RAM multiplied by billing determinants (customer count, billed kW/kWh)	X						
T2 and CT23 Tax returns	x	x	x	x	x		
Notice of assessment	x	x	x	x	x		
Notice of reassessment and Statement of adjustments	x	x	x	x	x		
Financial statements submitted with tax returns	x	x	x	x	x		
Excel SIMPIL model with TAXREC3 (active)	x	x	x	x	x		

- i. Excel 2001, 2002 and 2005 Board-approved PILs proxy models (active) that were filed with the respective applications.
 - **Provided with this response.**
- ii. 2001, 2002 and 2005 signed Board decisions.
 - **The available decisions have been included.**
- iii. Excel 2001/2002, 2004 and 2005 rate applications (RAM) (active).
 - **Provided with this response.**

- iv. Excel continuity schedule for 2001 to 2012 including variance adjustments calculated from the 2001 to 2005 SIMPIL models and interest carrying charge calculations (active). The model filed in evidence contains major errors.
 - ***ETPL is continuing to work on the model to correct errors as noted. ETPL will provide the working excel model once complete***
- v. Excel PILs recoveries worksheet that shows the PILs rate slivers from RAM multiplied by billing determinants (customer count, billed kW/kWh) (active).
 - ***ETPL is working on this information in conjunction with section iv above.***
- vi. 2001 to 2005 Federal T2 Tax returns.
 - ***Provided as Income Tax Package 1 through 4.***
- vii. 2001 to 2005 Ontario CT23 Tax returns.
 - ***Provided as Income Tax Package 1 through 4.***
- viii. Notices of assessment and notices of reassessment and statements of adjustments for 2001 to 2005.
 - ***Provided as Income Tax Package 1 through 4.***
- ix. Financial statements submitted with tax returns for 2001 to 2005.
 - ***Financial statements have been included in this response.***
- x. Excel 2001 to 2005 updated SIMPIL models with sheet TAXREC3 (active). The 2004 and 2005 SIMPIL model filed by Erie Thames did not include the sheet TAXREC3. Please see the updated SIMPIL models filed in PowerStream's 2012 IRM rate application EB-2012-0191 as examples. Sheet TAXREC3 is used to enter regulatory assets and liabilities, non-deductible items for tax purposes, non-utility business activities, pre-October 1, 2001 income and expenses, tax items denied by auditors for the tax authorities, depreciation adjustments, capital cost allowance adjustments, Ontario capital tax, accounting and tax gains and losses on fixed assets, donations and many other items.
 - ***See response to iv and v above.***
- xi. Income tax rates must be based on Erie Thames' unique tax evidence as supported by its tax returns filed with the Ontario Ministry of Finance Corporation Tax Branch. Please refer to the tax tables contained in the Board's decision in the combined proceeding EB-2008-0381. Erie Thames 2002 rate base was \$16,104,265. The tax rate to be used in the SIMPIL models should be more than the minimum income tax rates but will be less than the maximum income tax rates. Erie Thames must **input** the correct tax rates (i.e. over-ride the formulas) based on its specific tax facts

in the cells in SIMPIL sheet TAXCALC. Please refer to the many decisions on Account 1562 deferred PILs that have been issued by the Board since December 2011.

- ***See response to iv and v above.***

45) Ref. E4-T3-S1-4

When the actual interest expense, as reflected in the financial statements and tax returns, exceeds the maximum deemed interest amount approved by the Board, the excess amount is subject to a claw-back penalty and is shown in sheet TAXCALC as an extra deduction in the true-up calculations.

- a) Please provide a table for the years 2001 to 2005 that shows all of the components of Erie Thames' interest expense and the amount associated with each type of interest.

	Debt	Rate	Cost
Town of Aylmer	\$ 1,394,863.00	7.25%	\$ 101,127.57
Central Elgin	\$ 806,436.00	7.25%	\$ 58,466.61
East Zorra Tavistock	\$ 569,073.00	7.25%	\$ 41,257.79
Ingersoll	\$ 3,402,080.00	7.25%	\$ 246,650.80
Norwich	\$ 763,755.00	7.25%	\$ 55,372.24
Southwest Oxford	\$ 192,062.00	7.25%	\$ 13,924.50
Zorra	\$ 610,255.00	7.25%	\$ 44,243.49
			\$ 561,042.99

- b) Did Erie Thames have interest expense related to other than debt that is disclosed as interest expense in its financial statements?
- **ETPL did not have interest expense related to other than debt that is disclosed in its financial statements.**
- c) Did Erie Thames net interest income against interest expense in deriving the amount it shows as interest expense? If yes, please provide details to what the interest income relates.
- **ETPL did not net interest income against interest expense.**
- d) Did Erie Thames include interest expense on customer security deposits in interest expense?
- **ETPL did not include interest on customer security in interest expense.**
- e) Did Erie Thames include interest income on customer security deposits in interest expense?
- **ETPL did include interest income on customer security deposits.**
- f) Did Erie Thames include interest expense on IESO prudentials in interest expense? Please provide the dollar amount of IESO or other prudential expense by year whether disclosed as interest, admin, or other type of expense category.

- ***ETPL did not include interest expense on IESO prudentials in interest expense.***
 - ***ETPL's prudential expense is static annually at \$22,466.67 and is included in administration expenses.***
- g) Did Erie Thames include interest carrying charges on regulatory assets or liabilities in interest expense?
- ***ETPL did not include interest carrying charges on regulatory assets or liabilities in interest expense.***
- h) Did Erie Thames include the amortization of debt issue costs, debt discounts or debt premiums in interest expense?
- ***ETPL did not include the amortization of debt issue costs etc. in interest expense.***
- i) Did Erie Thames deduct capitalized interest in deriving the interest expense disclosed in its financial statements?
- ***ETPL incurred no capitalized interest and therefore it has not been deducted.***

EXHIBIT 5 - COST OF CAPITAL AND RATE OF RETURN

46) Ref: E5-T1-S3 and RRWF p. 6

The RRWF at p.6 indicates 56% of 2012 rate base is deemed to be capitalized by Long Term Debt, totaling \$17,326,414 with a cost rate of 4.41%. At E5-T1-S3 Erie Thames states that Long Term Debt is comprised of unrelated and related debt and long term capital leases. Related Long Term Debt is described as totalling \$8,038,524 and mention is made of the capital lease obligations of five bucket trucks and a backhoe that were assumed by Erie Thames from CRU solutions.

- a) Please confirm that the Related Long Term Debt and the Capital Leases total to about \$8.6 M.

- **Confirmed.**

- b) If so, please provide the particulars for the balance (i.e. \$17.3 M less \$8.6M) of Long Term Debt.

- ***ETPL's actual Long Term Debt does not match the deemed amount, ERTH Corporation holds all third party debt for the organization and allocates interest expense to ETPL based on ETPL meeting the deemed debt structure.***

EXHIBIT 7- COST ALLOCATION

47) Ref: E6-S1-T2 and Cost Allocation Model Sheet I6.1

Please explain why the Cost Allocation Model uses a Revenue Deficiency of \$753,265 while the Revenue Deficiency shown in E6-S1-T2 is \$416,031.

- ***The cost allocation model calculates revenue at current rates using one set of rates while the calculation of revenue deficiency utilizes the load forecast applied to the current rates of each separate service territory.***

48) Ref: Cost Allocation Model Sheet I6.1

Erie Thames appears to have used the default weighting factors for account 1855 and for billing and collecting.

a) On what grounds did Erie Thames conclude the default factors accurately reflect their circumstances?

- ***ETPL utilized its affiliate's billing services until 2011 and as a result did not have the history to determine its utility specific factors and determined that it would utilize the default factors in lieu of better information.***

49) Ref: Cost Allocation Model Sheet I7.2

- a) Please confirm whether the old default values for meter reading weights have been retained in the model.
 - ***The old default values for meter reading weights have been retained in the model.***
- b) Assuming that $GS < 50kW$ and $GS > 50kW$ customers can be read remotely with the introduction of Smart Meters, please explain why it is appropriate to use the old default values.
 - ***The current third party costs to remotely read the meter is not materially different than the old default values.***

50) Ref: E1-T1-S13 and Cost Allocation Model Sheet I8

Please confirm the number of supply points with Hydro One as an embedded customer and the respective voltages (primary or secondary).

- ***Hydro One has 4 supply points that are embedded within ETPL's service territory and they are all connected at primary voltage.***

51) Ref: E7-T1-S1

Please explain why Erie Thames utilizes Revenue to Cost ratio ranges which Erie Thames identifies as sourced from a Board staff discussion paper dated November 28, 2007.

- ***ETPL should have updated the ranges as appropriate.***

Erie Thames Powerlines Corporation (EB-2012-0121)
Board Staff Interrogatories
August 17, 2012

52) Ref: E7-T1-S1

Please explain why Erie Thames includes 2 rate design revenue to cost ratios spreadsheets in E7-T1-S1 which appear to be exactly the same.

- ***ETPL inadvertently posted the identical revenue to cost ratio spreadsheets. The following two spreadsheets are the two separate tables that should have been included.***

Erie Thames Powerlines										
Rate Design - Revenue to Cost Ratios Existing Rate Classes										
Monday, September 10, 2012										
Version 1										
	Residential	GS < 50	GS>50 to 999 kW	GS>1000 to 2999 kW	GS>3000 kW to 4999 kW	Large Use	Sentinel Lighting	Street Light	Embedded	Unmetered
2012 CA Revenue to Cost %	105.49%	93.69%	85.72%	103.85%	92.93%	119.13%	74.44%	104.03%	69.99%	28.74%
Board Staff Min RC%	85.00%	80.00%	80.00%	80.00%	80.00%	80.00%	70.00%	70.00%	70.00%	80.00%
Board Staff Max RC%	115.00%	120.00%	180.00%	180.00%	180.00%	180.00%	120.00%	120.00%	180.00%	120.00%
2012 DRR Current Rates	4,868,699	1,016,184	926,213	444,668	43,490	349,473	20,837	385,197	114,965	13,889
2012 Misc. Revenue	597,067	130,812	98,451	35,404	3,355	17,262	2,742	31,623	4,399	11,941
2012 Total Revenue Current Rates	5,465,766	1,146,996	1,024,664	480,072	46,845	366,735	23,579	416,820	119,364	25,830
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	51.26%
Minimum Adjustment										
Current RC%	105.49%	93.69%	85.72%	103.85%	92.93%	119.13%	74.44%	104.03%	69.99%	28.74%
Min RC%	85.00%	80.00%	80.00%	80.00%	80.00%	80.00%	70.00%	70.00%	70.00%	80.00%
Max RC%	115.00%	120.00%	180.00%	180.00%	180.00%	180.00%	120.00%	120.00%	180.00%	120.00%
2006 Total Revenue	5,465,766	1,146,996	1,024,664	480,072	46,845	366,735	23,579	416,820	119,364	25,830
Min Adjustment	-	-	-	-	-	-	-	-	-	82,010
2006 Min Adjusted Total Revenue	5,465,766	1,146,996	1,024,664	480,072	46,845	366,735	23,579	416,820	119,364	107,840
Allocation of Balance	(49,308)	(10,347)	(9,244)	(4,331)	(423)	(3,308)	(213)	(3,760)	(1,077)	
2006 Adjusted Total Revenue	5,416,458	1,136,649	1,015,420	475,741	46,422	363,427	23,366	413,060	118,287	107,840
2006 Total Revenue %	59.41%	12.47%	11.14%	5.22%	0.51%	3.99%	0.26%	4.53%	1.30%	1.18%
2012 Total Revenue	6,004,868	1,260,127	1,125,729	527,423	51,465	402,907	25,905	457,932	131,137	119,556
less: 2009 Misc. Rev. Projection	554,353	116,331	103,924	48,690	4,751	37,195	2,391	42,275	12,106	11,037
2009 Min Adjustment BRR	5,450,515	1,143,796	1,021,805	478,732	46,714	365,712	23,513	415,657	119,031	108,519
New BRR%	59.41%	12.47%	11.14%	5.22%	0.51%	3.99%	0.26%	4.53%	1.30%	1.18%
100% DRR Adjustment										
2012 Total Revenue Current Rates	5,465,766.00	1,146,996.00	1,024,664.00	480,072.00	46,845.00	366,735.00	23,579.00	416,820.00	119,364.00	25,830.00
2012 Total Revenue @ 100% RC	5,181,480.44	1,224,292.90	1,195,309.61	462,292.91	50,410.25	307,835.18	31,677.07	400,669.91	170,536.39	89,867.04
2012 Current Rates Total Revenue %	56.85%	13.43%	13.11%	5.07%	0.55%	3.38%	0.35%	4.40%	1.87%	0.99%
2012 Total Revenue	5,745,813	1,357,635	1,325,495	512,643	55,901	341,363	35,127	444,308	189,110	99,655
less: 2009 Misc. Rev. Projection	554,353	116,331	103,924	48,690	4,751	37,195	2,391	42,275	12,106	11,037
2012 100% RC BRR	5,191,460	1,241,303	1,221,571	463,953	51,149	304,167	32,736	402,033	177,004	88,618
New BRR %	56.59%	13.53%	13.32%	5.06%	0.56%	3.32%	0.36%	4.38%	1.93%	0.97%
Actual Applied for RC Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Erie Thames Powerlines Corporation (EB-2012-0121)
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Erie Thames Powerlines									
Rate Design - Revenue to Cost Ratios Updated Classes									
Monday, September 10, 2012									
Version 1									
	Residential	GS < 50	GS>50 to 999 kW	GS>1000 to 4999 kW	Large Use	Sentinel Lighting	Street Light	Embedded	Unmetered
2012 CA Revenue to Cost %	105.56%	93.77%	85.45%	85.45%	103.38%	74.36%	103.85%	69.57%	28.70%
Board Staff Min RC%	85.00%	80.00%	80.00%	80.00%	80.00%	70.00%	70.00%	70.00%	80.00%
Board Staff Max RC%	115.00%	120.00%	180.00%	180.00%	180.00%	120.00%	120.00%	180.00%	120.00%
2012 DRR Current Rates	4,868,699	1,016,184	926,213	444,668	349,473	20,837	385,197	114,965	13,889
2012 Misc. Revenue	597,067	130,812	98,451	35,404	17,262	2,742	31,623	4,399	11,941
2012 Total Revenue Current Rates	5,465,766	1,146,996	1,024,664	480,072	366,735	23,579	416,820	119,364	25,830
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	51.30%
Minimum Adjustment									
Current RC%	105.56%	93.77%	85.45%	85.45%	103.38%	74.36%	103.85%	69.57%	28.70%
Min RC%	85.00%	80.00%	80.00%	80.00%	80.00%	70.00%	70.00%	70.00%	80.00%
Max RC%	115.00%	120.00%	180.00%	180.00%	180.00%	120.00%	120.00%	180.00%	120.00%
2006 Total Revenue	5,465,766	1,146,996	1,024,664	480,072	366,735	23,579	416,820	119,364	25,830
Min Adjustment	-	-	-	-	-	-	-	-	82,184
2006 Min Adjusted Total Revenue	5,465,766	1,146,996	1,024,664	480,072	366,735	23,579	416,820	119,364	108,014
Allocation of Balance	(49,668)	(10,423)	(9,311)	(4,362)	(3,333)	(214)	(3,788)	(1,085)	
2006 Adjusted Total Revenue	5,416,098	1,136,573	1,015,353	475,710	363,402	23,365	413,032	118,279	108,014
2006 Total Revenue %	59.72%	12.53%	11.19%	5.24%	4.01%	0.26%	4.55%	1.30%	1.19%
2012 Total Revenue	6,035,482	1,266,551	1,131,468	530,112	404,961	26,037	460,267	131,806	120,366
less: 2009 Misc. Rev. Projection	557,181	116,925	104,454	48,939	37,385	2,404	42,491	12,168	11,112
2009 Min Adjustment BRR	5,478,301	1,149,626	1,027,014	481,173	367,576	23,633	417,776	119,638	109,254
New BRR%	59.72%	12.53%	11.19%	5.24%	4.01%	0.26%	4.55%	1.30%	1.19%
100% DRR Adjustment									
2012 Total Revenue Current Rates	5,465,766.00	1,146,996.00	1,024,664.00	480,072.00	366,735.00	23,579.00	416,820.00	119,364.00	25,830.00
2012 Total Revenue @ 100% RC	5,177,777.09	1,223,205.75	1,199,071.84	561,784.95	354,730.01	31,708.07	401,349.36	171,584.96	90,011.34
2012 Current Rates Total Revenue %	56.21%	13.28%	13.02%	6.10%	3.85%	0.34%	4.36%	1.86%	0.98%
2012 Total Revenue	5,681,335	1,342,167	1,315,686	616,421	389,229	34,792	440,382	188,272	98,765
less: 2009 Misc. Rev. Projection	557,181	116,925	104,454	48,939	37,385	2,404	42,491	12,168	11,112
2012 100% RC BRR	5,124,154	1,225,242	1,211,232	567,482	351,844	32,388	397,891	176,104	87,653
New BRR %	55.86%	13.36%	13.20%	6.19%	3.84%	0.35%	4.34%	1.92%	0.96%
Actual Applied for RC Ratio									
Actual Applied for RC Ratio	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

53) Ref: E7-T1-S2

Please complete the table below.

Revenue to Cost Ratios				
	Previously Approved Ratios	Status Quo Ratios	Proposed Ratios	Policy Range
Residential	101%	101%	100%	85-115
GS<50	101%	101%	100%	80-120
GS >50-999	101%	101%	100%	80-121
GS>1000-4999	101%	101%	100%	80-122
Large Use	101%	101%	100%	85-115
Unmetered Scattered Load	101%	101%	100%	80-120
Sentinel	101%	101%	100%	80-120
Street Lighting	70%	70%	100%	70-120
Embedded Distributor	101%	101%	100%	

54) Ref: E1-T1-S13 'Host and Embedded Utilities'

Please explain the implication of Hydro One having deregistered meters with the IESO, including:

- a) Is Erie Thames now required to provide meters that were previously provided by Hydro One?
 - ***Yes ETPL is now required to provide metering that were previously provided by Hydro One.***
- b) Does Erie Thames have a larger requirement for working capital because it incurs additional commodity cost for load delivered through the deregistered meters?
 - ***ETPL does have a larger commodity cost for the load delivered to Hydro One service territory and in turn has a larger requirement for working capital.***

55) Ref: E3-T2-S2 p.3 'Customer Forecast'; Cost Allocation Model Updated
Classes, worksheet I 6.2 'Customer Data'

- a) Please confirm that Erie Thames has 121 customers in the Unmetered Scattered Load class, equal to the number of connections shown in the cost allocation model, as distinct from a lower number of customers with 121 connections (i.e. more than one connection per customer).
 - ***121 customer is equal to the number of connections.***
- b) If this is not the case, please provide the number of customers together with the number of bills issued annually by Erie Thames to the customers in this class.
 - ***Not applicable.***

56) Ref: E1-T2-S1 'Embedded Distributor'; Cost Allocation Model Updated
Classes, worksheet O 2 'Fixed Charge'

- a) Please confirm that the ceiling value calculated in the cost allocation model for the Embedded Distributor class in the referenced version is \$100.75, and that this is typical of other versions of the cost allocation model.
- ***The ceiling value calculated in the Cost Allocation model is \$100.75 and it is typical for the other versions of the model.***
- b) Is the Embedded Distributor proposed Service Charge \$2,219.86?
- ***The proposed service charge is \$2,219.86.***
- c) If so, please explain the statement in Exhibit 1 that the proposed Service Charge is well within the floor and ceiling rates.
- ***The statement is in error. However the proposed service charge is the same as existing.***

57) Ref: Cost Allocation Model Updated Classes, worksheet I 8 'Demand Data'
and worksheet O 1 'Revenue to Cost'

Erie Thames has input 15,131 kW as the Embedded Distributor's value of LTNC4, i.e. the embedded customer load on line transformers provided by Erie Thames (and not including wholesale meters and not including line transformers belonging to the embedded distributor). This is the same input as for primary voltage lines.

- a) Please confirm whether approximately 20% of the Embedded Distributor class' revenue requirement is caused by the allocation of line transformer costs (in other words, if LTNC4 were input as 0 kW, the class revenue requirement would be decreased by approximately 20%).
 - ***ETPL confirms that approximately 20% of the embedded distributor class' revenue requirement is caused by this input.***
- b) Please confirm that Erie Thames has input an appropriate value for the embedded distributor's load on Erie Thames' line transformers. If not confirmed, please provide information on the proportion of the embedded distributor's load that is carried by line transformers provided by Erie Thames.
 - ***ETPL should not have input this value at LTNC4, the value should be nil.***

58) Ref: Cost Allocation Model Updated Classes, worksheet I 8 'Demand Data'
and worksheet O 1 'Revenue to Cost'

Erie Thames has input that 15,131 kW as the Embedded Distributor's value of SNCP4, i.e. the embedded customer load on lines at secondary voltage.

- a) Please confirm that approximately 30% of the Embedded Distributor class revenue requirement is caused by the allocation of secondary line costs (in other words, if SNCP4 were input as 0 kW, the class revenue requirement would be decreased by approximately 30%).
 - ***ETPL confirms that 30% of the embedded distributor's class revenue requirement is caused by this allocation.***
- b) Please confirm that Erie Thames has input an appropriate value for the embedded distributor's load on Erie Thames' secondary voltage lines. If not confirmed, please provide information on the proportion of the embedded distributor's load that is carried Erie Thames' secondary voltage lines.
 - ***ETPL should not have input this value at SNCP4, the value should be nil.***

59) Ref: Cost Allocation Model Updated Classes

Please provide an updated run of the cost allocation model if the responses to IRs 55 and/or 57 and/or 58 cause a material change to the class revenue requirement of the USL class and /or the Embedded Distributor class,

- ***Please see excel model Board Staff IR#59***

EXHIBIT 8 - RATE DESIGN

60) Ref: E8-T1-S7 and Appendix 2-U

Please explain why the dollar amounts in the revenue reconciliation in E8-T1-S7 differ from those shown in Appendix 2-U.

- ***The amounts shown in Appendix 2-U are calculated excluded Low Voltage rates, while the revenue reconciliation in E8-T1-S7 includes LV rates.***

61) Ref: E8-T1-S1 and Cost Allocation Model Worksheet O.2

Please explain the rationale for increasing the fixed charge for the GS 1000-4999 kW and Large Use classes even though the existing rate is 10 times to 20 times the ceiling as presented in Worksheet O.2.

- ***The Large Use and Threshold class fixed rates billed by Erie Thames to these two classes remains calculated at the same fixed variable split as it has been historically and given the significantly low number of customers in each class this approach helps to protect Erie Thames should a customer stop production which could drastically impact Erie Thames.***

EXHIBIT 9 - DEFERRAL AND VARIANCE ACCOUNTS

62) Ref: E9-T1-S3 & Clinton DVA Continuity Schedule, Account 1588

Based on the December 31, 2010 RRR 2.1.7 filed with the Board, Clinton Power reported \$603,665 for Account 1588. Based on the DVA continuity schedule Clinton Power submitted as part of the evidence for the 2012 CoS application on June 1, the 2.1.7 RRR balance for Account 1588 is \$630,765 (\$999,866 for Account 1588 Power, excluding GA and -\$369,101 for 1588 GA). This generates a discrepancy of \$27,100.

- a) Please reconcile the two RRR balances for Account 1588 and explain the nature of the discrepancy.
- ***The discrepancy of \$27,100 relates to amounts identified in the regulatory asset audit of West Perth Power with lessons learned applied to Clinton Power. Clinton had not filed its historical 1598 True Up filing with the IESO. These filings were completed in December of 2011 and applied retroactively to the balances of Clinton Power's 1588 DVAD. In further discussions after filing The Application Erie Thames has agreed to remove these amounts on a retroactive basis and has included an updated DVAD Model that balances to the RRR balance for account 1588.***

63) Ref: E9-T1-S3, Account 1521

The Board letter of April 23, 2010 regarding the Special Purpose Charge states:

In accordance with section 9 of the SPC Regulation, recovery of your SPC assessment is to be spread over a one-year period, starting from the date on which you begin billing to recover your assessment. The request for disposition of the balance in "Sub-account 2010 SPC Variance" and "Sub-account 2010 SPC Assessment Carrying Charges" should be made after that one-year period has come to an end, and all bills that include amounts on account of that assessment have come due for payment.

- a) Please provide the timing of the completion of the recovery period for Erie Thames, Clinton Power and West Perth Power.
 - ***ETPL, CPC and WPPI completed the recovery of the SPC in June of 2011.***
- b) Please explain why in E9-T1-S3 the principal balance as of Dec 31, 2010 is \$0. Please provide the most recent balance in account 1521, "Sub-account 2010 SPC Variance" for Erie Thames, Clinton Power and West Perth Power.
 - ***ETPL is not requesting disposition of these amounts and therefore did not include it in the application.***
- c) Please explain why in E9-T1-S3 the Interest Amount to Dec 31, 2010 is \$0. Please provide the forecasted carrying charges in "Sub-account 2010 SPC Assessment Carrying Charges" as of April 30, 2012.
 - ***ETPL is not requesting disposition of these amounts and therefore did not include it in the application.***

64) Ref: E9-T1-S3. Account 1592

- a) The Board expects distributors to file for the disposition of account 1592 in their cost of service applications. Please complete and file Appendix 2-T from Chapter 2 of the Filing Requirements published on June 22, 2011 in support of the request to dispose of account 1592 for Erie Thames, Clinton Power and West Perth Power.
- ***Appendix 2-T was filed in the application and applies to each of ETPL, WPPI and CPC.***
- b) Please confirm that the Applicant has followed the December 2010 FAQs accounting guidance regarding Account 1592 sub-account HST/OVAT ITCs. If this is not the case, please explain why it hasn't.
- ***ETPL has not followed the December 2010 FAQ. ETPL has been undergone significant corporate structure, internal systems and staffing changes since its 2009 work interruption and as a result of this volatile period within the corporation ETPL did not track these amounts as required.***
- c) Please confirm that entries have been made to record variances in the sub-account of Account 1592 to cover the period starting from July 1, 2010 until the last month before the new rates take effective, since the new rate would include the HST impacts going forward. If this is not the case, please explain why.
- ***See response to question B above.***
- d) Please confirm that zero amounts will be recorded in Account 1592, sub-account HST/OVAT ITCs for the start of the rate year and forward. If this is not the case, please explain why.
- ***Confirmed.***
- e) Please confirm that only the balance in Account 1592 "Sub-account HST / OVAT ITCs" is requested for disposition, and not the contra account Account 1592 "HST/OVAT Contra Account", which is used only for RRR reporting purposes. If this is not the case, please explain.
- ***Confirmed.***

65) Ref: E9-T1-S3, Method of Disposition

a) Please explain why the determinant for Account 1588 GA disposition rate rider is not based on Non RPP kWh/kW. Please update the GA rate rider calculation based on Non RPP kWh/kW, if applicable.

- ***ETPL allocated the GA disposition utilizing the Non RPP kWh and utilized the wrong billing determinant in error.***

Global Adjustment Disposition			Reg Asset Amnt	Determinant	Rate Rider	
Residential	12.36%	\$	119,275.91	31,616,674	\$	0.0038 kWh
GS < 50 kW	5.18%	\$	49,999.05	13,253,336	\$	0.0038 kWh
GS>50 to 999 kW	11.02%	\$	106,351.73	39,648	\$	2.6824 kW
GS>1000 kW to 4999 kW	27.14%	\$	261,942.74	123,604	\$	2.1192 kW
Large Use	36.13%	\$	348,715.38	160,146	\$	2.1775 kW
Sentinel Lighting	0.00%	\$	-	-	\$	- kW
Street Lights	1.30%	\$	12,539.11	10,730	\$	1.1686 kW
Embedded	6.85%	\$	66,088.99	23,768	\$	2.7806 kW
Unmetered	0.03%	\$	295.24	78,260	\$	0.0038 kWh
Total	100.00%	\$	965,208.15			

66) Ref: E9-T1-S5 – Smart Meters

- a) Please confirm that Erie Thames is seeking approval for its smart meter costs in this application and is proposing to recover smart meter costs through a Smart Meter Disposition Rider (“SMDR”) and Smart Meter Incremental Revenue Requirement Rate Rider.

- ***Confirmed. However ETPL recognizes that the SMIRR needs to be removed from the calculation.***

- b) Does Erie Thames believe that it has, in addition to Guideline G-2008-0002: Smart Meter Funding and Cost Recovery, issued October 22, 2008, complied with the updated guideline, Guideline G-2011-0001: Smart Meter Funding and Cost Recovery – Final Disposition (“Guideline G-2011-0001”), issued on December 15, 2012. Guideline G-2011-0001 sets out the Board’s expectations with respect to applications seeking approval for disposition and recovery of capital and operating costs incurred for smart meter deployment in accordance with Government Regulations. If it has not complied, please explain why it hasn’t.

- ***ETPL believes it has complied with the appropriate government regulations with respect to the deployment of its smart meters.***

- c) Please provide a copy of the letter of attestation from the Fair Commissioner referenced in E9-T1-S5.

- ***Provided as part of this response.***

- d) Please provide a summary of contractual arrangements between Erie Thames and outside suppliers or vendors related to the procurement, deployment, and operating of smart meters and related systems (e.g. for meter reading, Time-of-Use (“TOU”) data management, web presentment, etc.). These contracts may be either completed or ongoing.

- ***Elster was the vendor of choice for procurement.***
- ***Olameter was the vendor of choice for deployment.***
- ***Utilismart was the vendor of choice for operating with respect to meter reading and TOU data management.***
- ***ERTH was the vendor of choice with respect to web presentment through the Harris Application Service Provider model, Testing, System Readiness, MDMR cutover, Business process re-engineering and training.***
- ***A copy of all contracts are included in this response.***

- e) Please indicate if any of these contract arrangements are with affiliated parties. If yes, identify, and also identify the procurement process used and the basis for pricing of such affiliated contracts.

- ***ERTH is the only affiliate utilized to complete the smart metering process and was chosen for its segments based upon the merits of its proposal.***
 - ***A copy of the contract is included in this response.***
- f) Please provide a breakdown of costs for minimum functionality, as defined in O.Reg. 425/06 and in Guideline G-2011-0001 and costs beyond minimum functionality.
- g) Please confirm that at least 90% of the costs related to smart meter deployment and operation for which Erie Thames is seeking recovery in this application have been audited. In the alternative, please explain.
- ***Confirmed.***
- h) For costs beyond minimum functionality, please provide a breakout, with explanation of the need for and reasonableness of these costs beyond minimum functionality, in the three categories of “beyond minimum functionality” costs, as defined in section 3.4 of Guideline G-2011-0001:
- i. Costs for technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg. 425/06;
 - ii. Costs for deployment of smart meters to customers other than residential and small general service (i.e. Residential and GS < 50 kW customers); and
 - iii. Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.
- ***ETPL is in the process of reviewing this information and will file it as soon as it becomes available.***

67) Ref: E9-T1-S5 – SMDR

Erie Thames has proposed a uniform SMDR. Per Guideline G-2011-0001 the Board expects that the applicant distributor should address the allocation of costs and propose class-specific SMDRs where suitable data is available.

- a) Please confirm the classes to which Erie Thames is proposing the uniform SMDR would apply.
 - ***The uniform SMDR would apply to the Metered classes of Residential, and GS<50***
- b) A common approach for cost allocation is to do the following:
 - OM&A expenses have been allocated on the basis of the number of meters installed for each class.
 - The Return and Amortization have been allocated on the basis of the capital costs of the meters installed for each class.
 - PILs have been allocated based on the revenue requirement derived for each class before PILs.
 - SMFA revenues and interest on the principal first calculated directly for the Residential and GS < 50 kW classes, with then the residual SMFA revenues and interest collected from other metered customer classes (i.e., GS 50-4999 kW and Large Use) allocated 50:50 to the Residential and GS < 50 kW classes. This approach has been used and approved in some recent cost of service applications, including that for Guelph Hydro's 2012 rates application [EB-2011-0123].

Using the attached spreadsheet taken from Guelph Hydro's draft Rate Order filing, please provide calculations for class-specific SMDRs using a more direct allocation of SMFA revenues. If smart meter deployment is for more than the residential and GS < 50 kW classes, Erie Thames should use a variation of this spreadsheet to account for the fact the smart meter costs and hence an SMDR apply to the GS > 50 kW class in addition to the Residential and GS < 50 kW customer classes. It will also mean that residential SMFA revenues and associated interest are allocated evenly to the three classes. Erie Thames' response should also reflect any and all revisions to Smart Meter Model, Version 2.17 made as a result of Erie Thames' responses to interrogatories.

- ***Please find attached ETPL's response with the completed spreadsheet as Board Staff IR #67.***

68) Ref: E9-T1-S5 – SMIRR

Erie Thames is proposing a uniform SMIRR of \$1.47 per month.

- a) Please explain why Erie Thames is proposing to establish a SMIRR in a cost of service application. Table 2 on pages 10-11 of Guideline G-2011-0001 provides the following description of the SMIRR:

Title	Acronym	Description
Smart Meter Incremental Revenue Requirement Rate Rider	SMIRR	<ul style="list-style-type: none"> When smart meter disposition occurs in a stand-alone application, a SMIRR is calculated as the proxy for the incremental change in the distribution rates that would have occurred if the assets and operating expenses were incorporated into the rate base and the revenue requirement. The SMIRR is calculated as the annualized revenue requirement for the test year for the capital and operating costs for smart meters. The SMIRR should be calculated as a fixed monthly charge, similar to the SMDR. The allocation for the SMIRR should generally be the same as for the SMDR. The SMIRR ceases at the time of the utility's next cost of service application when smart meter capital and operating costs are explicitly incorporated into the rate base and revenue requirement.

- ETPL completed the Smart Meter model with SMIRR in error and an updated model has been included as Board Staff IR#68.***

- b) Does Erie Thames' proposed revenue requirement for the 2012 Test Year include any operating and capital expenditures associated with the installation and operation of Smart Meters? If it does, please state the amounts and identify the expenditure or cost categories in which they are budgeted.

- ETPL's proposed 2012 Test Year revenue requirement does not include any operating or capital expenditures associated with the installation and operation of Smart Meters.***

69) Ref. E1-T2-S4 and E9-T1-S5

Erie Thames states at E1-T2-S4 that additional requirements related to Smart Meters are a contributing factor to the increase in revenue requirement. At E9-T1-S5 Erie Thames proposes to recover Smart Meter costs by way of rate riders.

- a) Are the Smart Meter costs outlined in E9-T1-S5 included in Erie Thames' revenue requirement proposed for 2012?
 - ***No costs for smart meters are included in ETPL's revenue requirement proposal for 2012.***
 - ***This needs to be corrected as ETPL should have included the smart meter capital costs in the calculation of revenue requirement.***
 - ***This adjustment needs to be completed through the course of the application.***
- b) If so, how do they differ from the costs being recovered by way of rate riders?
 - ***Not applicable.***
- c) If they are not, please describe what other Smart Meter costs Erie Thames is referring to in E1-T2-S4.
- d) Please specify the classes to which Erie Thames is proposing the uniform SMIRR would apply.
 - ***ETPL proposed a SMIRR in error and does not expect that it will be approved as part of rates.***

70) Ref: E9-T1-S1 – Stranded Meters

In E9-T1-S1, Erie Thames states:

In addition to the above deferral and variance accounts requested for disposition, Erie Thames Powerlines is requesting disposition of the balances in the 1555 – Smart Meter Capital (excluding Subaccount- Stranded Meter Cost) and 1556 - Smart Meter OM&A accounts, and inclusion in the rate base. Erie Thames is proposing to defer recovery of stranded meter costs (1555- subaccount Stranded Meter Costs) to a future rate proceeding.

Per sections 3.5 and 4.7 of Guideline G-2001-0001, the expectation is that a distributor will propose a stranded meter rate rider to recover the net book value of conventional meters “stranded” by replacement by conventional meters.

- a) In E9-T1-S5, Erie Thames states that it completed its smart meter deployment by May 1, 2011. Given that stranded meters have been fully replaced and are no longer “used and useful”, what are Erie Thames’ reasons for not proposing a stranded meter rate rider in this cost of service application?
- ***Given that ETPL is attempting to harmonize the rates of ETPL, CPC and WPPI it was decided that as a way to mitigate the impact to the customers that the recovery of the stranded meter costs could be deferred until a later date.***
- b) Please state the audited net book value of stranded meters as of December 31, 2011. If available, please provide this by customer class.
- ***The Audited net book value of the stranded assets is \$813,649.89.***
 - ***A breakdown by customer class is not available.***
- c) Please confirm that stranded meters are not in Erie Thames’ 2012 rate base and are removed from the 2012 Cost Allocation study. In the alternative, please explain Erie Thames’ approach and the reasons for including stranded meters.
- ***Stranded meters are included in 2012 rate base and the 2012, however the stranded meters are not included in the cost allocation study.***
- d) Please provide a proposal for (a) stranded meter rate rider(s), by customer class, to recover the net book value of stranded meters. Please describe the cost allocation methodology employed. Please state the proposed recovery period for the SMRR, taking into account the impacts on the bills of affected customers. Where possible, provide

the supporting derivations and calculations in working Microsoft Excel spreadsheets.

- ***Please see excel model Board Staff IR #71.***

NBV of Stranded Meters	\$813,649.89					
	Customers	Percentage	Allocation \$	Cost Per Customer	2 Year Recovery	
Residential	16,461	89%	\$724,129.04	\$43.99	\$1.83	
GS<50 kW	1,860	10%	\$81,822.49	\$43.99	\$1.83	
GS>50 to 999 kW	175	1%	\$7,698.35	\$43.99	\$1.83	
	18,496	100%	\$813,649.89			
Allocation of the NBV of the Stranded Meters is based on customer counts given the NBV was not tracked by customer class ETPL is proposing to recover the stranded amounts over 2 years.						

71) Ref: Smart Meter Model Version 2.17

On Sheet "2. Smart_Meter_Costs", Erie Thames shows \$8,076 for 2006 and \$73,227 for 2007 for capital costs on row 54, "1.2.1 Collectors" which Erie Thames classifies under the asset class "Tools and Equipment". Erie Thames did not become authorized until at least mid-2008 for discretionary metering activities.

- a) Please explain what these costs in 2006 and 2007 were, and how they are justified as part of Erie Thames' smart meter deployment program.
 - ***The costs for all Smart Meter expenditures were booked in lump sums into account 1555.***
 - ***ETPL is working with its meter department to get a better understanding of all costs with respect to its smart meter project and will provide such analysis once completed.***
- b) Please explain why these costs are classified under "Tools and Equipment".
 - ***See response to A above.***

72) Ref: Smart Meter Model Version 2.17

On Sheet "2. Smart_Meter_Costs", Erie Thames shows \$23,206 for 2008 and (forecasted) \$150,000 for 2012 for capital costs on row 64, "1.3.1 Computer Hardware" for the Advanced Metering Control Computer.

- a) Please explain the costs of \$23,206 in 2008.
 - ***Please see the response to question 71 A above.***
- b) Please explain the costs of \$150,000 forecasted for 2012.
 - ***ETPL has experience significant issues with respect to obtaining information from its third party service provider that maintains the MAS on ETPL's behalf.***
 - ***ETPL has determined the need to purchase a MAS in order to get better control of its meter data to avoid delays in billing and variance between reads.***

73) Ref: Smart Meter Model Version 2.17

On Sheet "2. Smart_Meter_Costs", Erie Thames shows \$155,000 for 2011 for capital costs on row 105 "1.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc."

a) Please provide a complete description of the costs incurred.

- ***Please see response to question 71 A above.***

b) Provide a breakdown of these costs by the categories listed in the description.

- ***Please see response to question 71 A above.***

74) Ref: Smart Meter Model Version 2.17

On Sheet "2. Smart_Meter_Costs", Erie Thames shows \$221,351 for total OM&A costs on row 148 "2.5.1 Business Process Redesign". This includes an amount of \$185,751 for 2010 alone.

- a) Please provide a full description and justification for the activities undertaken or services received under business process redesign, and how these were necessary and prudent as part of Erie Thames' smart meter program.

- ***Please see response to question 71 A above.***

75) Ref: Smart Meter Model Version 2.17

On Sheet "2. Smart_Meter_Costs", Erie Thames shows \$224,880 for 2010 and \$35,415 for Maintenance costs on row 114 "2.1.1 Maintenance (may include meter reverification costs, etc.)" related to the Advanced Metering Communication Device.

- a) Please provide a full description of the activities undertaken or services received to which these operating and maintenance costs relate.
- ***Please see response to question 71 A above.***

76) Ref: Smart Meter Model, Version 2.17 – Cost of Capital Parameters

Erie Thames has input the following Cost of Capital Parameters on sheet 3 of the Smart Meter Model:

Year	2006	2007	2008	2009	2010	2011	2012 and beyond
Deemed Short-term Debt Rate			4.47%	1.33%	2.07%	2.43%	2.08%
Long-term debt rate	6.25%	6.25%	5.92%	7.62%	5.87%	5.48%	4.41%
Return on Equity (ROE)	9.88%	9.88%	8.57%	8.01%	9.85%	9.66%	9.12%
Return on Preferred Shares							

Board staff observes that these parameters appear generally to correspond with the deemed Cost of Capital parameters issued by the Board for rates set through cost of service applications with rates effective May 1 in each year.

The standard policy and practice is that the Board-approved cost of capital parameters from a cost of service application apply in that year and subsequently until the distributor next rebases its rates through a cost of service application.

Board staff observes:

- In its 2006 EDR application (RP-2005-0020/EB-2005-0361), Erie Thames was approved a deemed debt rate of 7.25% and an ROE of 9.00%; and
- Erie Thames rebased its rates for the 2008 rate year (EB-2007-0928), with the Board approving the following Cost of Capital parameters:
 - Short-term debt of 4% of capital structure @ 4.47%
 - Weighted average long-term debt rate of 5.92%
 - Return on Equity of 8.57%.
- West Perth and Clinton, as separate utilities for licensing and rate regulation, rebased their rates in 2010 (EB-2009-0262 for Clinton Power and EB-2009-0121 for West Perth Power), with the following approved:
 - Short-term debt of 4% of capital structure @ 2.07%
 - Long-term debt of 56% of capital structure @ 5.87%
 - Return on Equity of 40% of capital structure @ 9.85%.

- a) Please explain the cost of capital parameters chosen by Erie Thames for each year.

- ***ETPL input the Board approved structure and rates in each year following the 2008 approved amounts.***
- ***ETPL will update the model to incorporate the weighted average in question B below.***

b) In the alternative, please update Erie Thames' Smart Meter Model, and the derived SMDRs and SMIRRs, to reflect the approved Cost of Capital parameters applicable to Erie Thames. For such a scenario, Board staff notes that Erie Thames may have to calculate weighted average rates for each cost of capital parameter to reflect the approved cost of capital parameters for each of Erie Thames' legacy service territory, Clinton and West Perth for each year. Erie Thames should document its methodology and calculations.

- ***ETPL has calculated a weighted average for the 2010 and 2011 cost of capital parameters for the combined Erie Thames Service area as follows below and updated the smart meter model as required.***

2008 ETPL Test Year			2010 CPC Test Year		2010 WPPI Test Year		Weighted Average	
	Deemed	Percentages	Deemed	Percentages	Deemed	Percentages	Deemed	Percentages
Rate Base	\$21,923,880		\$1,812,953		\$2,665,649		\$26,402,482	
Equity Portion	\$10,229,682	46.66%	\$845,924	46.66%	\$1,243,792	46.66%	\$12,319,398	46.66%
Debt Portion Long Term	\$10,817,242	49.34%	\$894,511	49.34%	\$1,315,231	49.34%	\$13,026,985	49.34%
Debt Portion Short Term	\$876,955	4.00%	\$72,518	4.00%	\$106,626	4.00%	\$1,056,099	4.00%
Equity Return	\$876,684	8.57%	\$83,324	9.85%	\$122,513	9.85%	\$1,082,521	8.79%
Debt Return Long Term	\$640,381	5.92%	\$52,508	5.87%	\$77,204	5.87%	\$770,093	5.91%
Debt Return Short Term	\$39,200	4.47%	\$1,501	2.07%	\$2,207	2.07%	\$42,908	4.06%
Proposed Return	\$1,556,264		\$137,332		\$201,925		\$1,895,522	

- 77) Ref: Excel Smart Meter Model, Version 2.17, Sheet 3 – Taxes/PILs Rates
Erie Thames has used the default maximum taxes/PILs rates input on sheet 3, row 40, for the years 2006, 2007, 2008, 2009, 2010, 2011 and 2012 and beyond. These are summarized in the following table:

Year	2006	2007	2008	2009	2010	2011	2012 and beyond
Aggregate Federal and provincial income tax rate	36.12%	36.12%	33.50%	33.00%	31.00%	28.25%	26.25%

- a) Please confirm that these are the tax rates corresponding to the taxes or PILs actually paid by Erie Thames in each of the historical years, and that Erie Thames will pay for 2012. For historical years to 2011, these would be the aggregate rate derived for calculating the taxes/PILs included in the revenue requirement in cost of service applications, or as calculated in taxes/PILs calculations as part of IRM applications for each pre-amalgamated service area. In the alternative, please explain the tax rates input and their derivation.
- ***The Tax rates input at Tab 3 Cost of Service Parameters are derived from Pils tax change workform submitted as part of an IRM proceeding.***
 -

78) Ref: Smart Meter Model Version 2.17, Sheet 3 and E4-T2-S6 –

Depreciation Rates

On sheet 3 of the Smart Meter Model, Erie Thames documents a useful life of 8 years (12.50% depreciation rate) for general equipment, including tools and equipment. On E4-T2-S6, Erie Thames' documents a useful life of 10 years (10% depreciation rate) for classes of equipment, which corresponds with the default useful life and depreciation rate for the general class of tools and equipment as documented in Appendix B of the 2006 Electricity Distribution Rate Handbook.

- a) Please explain Erie Thames' use of an 8 year depreciation rate for tools and equipment in the Smart Meter Model.
- ***ETPL has updated the depreciation rate to 10 years in the excel model Board Staff IR # 68.***

79) Ref: Smart Meter Model Version 2.17, Sheet 8

Please re-run the model zeroing out interest costs for May 2012 and beyond.

- ***ETPL has made the requested adjustment, please see the spreadsheet filed as Board Staff IR #68.***

80) Ref: Smart Meter Model Version 2.17, Sheet 8A

- a) Please explain why Erie Thames has not included the depreciation expense for all months in column L of this sheet, and this data should be available from the account entries for the sub-accounts of Account 1556.
- ***ETPL has inadvertently left this information out of the model input amortization as interest in the model.***
- b) Please update the Smart Meter Model with the monthly data.
- ***ETPL has updated the model for both amortization and interest expense and provided the response with the spreadsheet Board Staff IR #68.***

EXHIBIT 10 – LRAM/SSM

81) Ref: E10- T1-S2

Erie Thames has requested a total LRAM claim of \$333,514 for lost revenues from both OPA and Third Tranche CDM programs delivered in 2007, 2008, 2009, and 2010.

- a) Please provide a table that shows the LRAM amounts requested in this application by the year they are associated with and the year the lost revenues took place, divided by rate class within each year. Use the table below as an example and continue for all the years LRAM is requested. Please provide the total LRAM amount in one table, as well as subsequent tables that provides the LRAM amounts by year for Erie Thames, Clinton Power, and West Perth separately.

Table 1 Combined LRAM claims for the Residential rate class

Residential	Years that lost revenues took place								Total
	2005	2006	2007	2008	2009	2010	2011	2012	
2005	\$23	\$70	\$74	\$74	\$73	\$36	\$0	\$0	\$350
2006		\$19,129	\$20,187	\$20,178	\$19,754	\$3,781	\$3,716	\$1,380	\$88,124
2007			\$13,619	\$10,145	\$9,510	\$8,574	\$8,455	\$2,592	\$52,895
2008				\$16,211	\$15,874	\$14,370	\$14,175	\$4,232	\$64,861
2009					\$7,497	\$6,931	\$6,838	\$2,076	\$23,342
2010						\$5,116	\$5,045	\$1,586	\$11,747
Total	\$23	\$19,199	\$33,880	\$46,608	\$52,708	\$38,808	\$38,228	\$11,865	\$241,319

Table 2 Combined LRAM claims for the GS < 50 kW rate class

GS < 50 kW	Years that lost revenues took place								Total
	2005	2006	2007	2008	2009	2010	2011	2012	
2005	\$193	\$530	\$580	\$364	\$357	\$298	\$295	\$234	\$2,850
2006		\$643	\$1,348	\$1,014	\$995	\$995	\$897	\$573	\$6,464
2007			\$536	\$670	\$658	\$549	\$543	\$388	\$3,344
2008				\$2,168	\$2,122	\$1,867	\$1,864	\$550	\$8,571
2009					\$18,026	\$16,551	\$16,542	\$4,856	\$55,975
2010						\$5,519	\$5,490	\$1,670	\$12,678
Total	\$193	\$1,173	\$2,465	\$4,215	\$22,158	\$25,778	\$25,631	\$8,270	\$89,882

Erie Thames Powerlines Corporation (EB-2012-0121)
Board Staff Interrogatories
August 17, 2012

Table 1 Combined LRAM claims for the GS 50 - 999 kW rate class

GS 50 - 999 kW	Years that lost revenues took place								Total
	2005	2006	2007	2008	2009	2010	2011	2012	
2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2006		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2007			\$1	\$1	\$1	\$1	\$1	\$0	\$5
2008				\$108	\$106	\$68	\$67	\$22	\$371
2009					\$239	\$154	\$152	\$50	\$596
2010						\$51	\$51	\$17	\$118
Total	\$0	\$0	\$1	\$109	\$346	\$274	\$271	\$89	\$1,090

Table 2 Combined LRAM claims for the unmetered scattered load rate class

Unmetered scattered load	Years that lost revenues took place								Total
	2005	2006	2007	2008	2009	2010	2011	2012	
2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2006		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2007			\$0	\$0	\$0	\$0	\$0	\$0	\$0
2008				\$0	\$0	\$454	\$449	\$319	\$1,222
2009					\$0	\$0	\$0	\$0	\$0
2010						\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$454	\$449	\$319	\$1,222

Table 3 Former Erie Thames LRAM claims for the Residential rate class

Residential	Years that lost revenues took place								Total
	2005	2006	2007	2008	2009	2010	2011	2012	
2005	\$23	\$70	\$74	\$74	\$73	\$36	\$0	\$0	\$350
2006		\$15,606	\$16,452	\$16,567	\$16,225	\$2,479	\$2,436	\$730	\$70,494
2007			\$11,879	\$8,681	\$8,106	\$7,041	\$6,960	\$2,232	\$44,899
2008				\$13,599	\$13,296	\$11,550	\$11,424	\$3,559	\$53,428
2009					\$5,533	\$4,730	\$4,679	\$1,542	\$16,484
2010						\$4,113	\$4,068	\$1,344	\$9,525
Total	\$23	\$15,676	\$28,405	\$38,922	\$43,233	\$29,950	\$29,567	\$9,406	\$195,181

Erie Thames Powerlines Corporation (EB-2012-0121)
Board Staff Interrogatories
August 17, 2012

Table 1 Former Erie Thames LRAM claims for the GS < 50 kW rate class

GS < 50 kW	Years that lost revenues took place								Total
	2005	2006	2007	2008	2009	2010	2011	2012	
2005	\$193	\$530	\$580	\$364	\$357	\$298	\$295	\$234	\$2,850
2006		\$386	\$851	\$533	\$524	\$437	\$346	\$181	\$3,258
2007			\$536	\$670	\$658	\$549	\$543	\$388	\$3,344
2008				\$1,325	\$1,301	\$1,081	\$1,070	\$353	\$5,130
2009					\$11,108	\$9,276	\$9,174	\$3,030	\$32,589
2010						\$3,791	\$3,749	\$1,238	\$8,779
Total	\$193	\$916	\$1,968	\$2,892	\$13,947	\$15,432	\$15,177	\$5,425	\$55,950

Table 2 Former Erie Thames LRAM claims for the GS 50 - 999 kW rate class

GS 50 - 999 kW	Years that lost revenues took place								Total
	2005	2006	2007	2008	2009	2010	2011	2012	
2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2006		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2007			\$1	\$1	\$1	\$1	\$1	\$0	\$5
2008				\$108	\$106	\$68	\$67	\$22	\$371
2009					\$239	\$154	\$152	\$50	\$596
2010						\$51	\$51	\$17	\$118
Total	\$0	\$0	\$1	\$109	\$346	\$274	\$271	\$89	\$1,090

Table 3 Former West Perth LRAM claims for the Residential rate class

Residential	Years that lost revenues took place								Total
	2005	2006	2007	2008	2009	2010	2011	2012	
2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2006		\$1,641	\$1,591	\$1,539	\$1,497	\$261	\$250	\$57	\$6,836
2007			\$770	\$738	\$718	\$720	\$691	\$166	\$3,802
2008				\$1,295	\$1,288	\$1,291	\$1,239	\$317	\$5,430
2009					\$593	\$586	\$563	\$139	\$1,882
2010						\$529	\$507	\$126	\$1,161
Total	\$0	\$1,641	\$2,361	\$3,572	\$4,096	\$3,386	\$3,250	\$805	\$19,110

Erie Thames Powerlines Corporation (EB-2012-0121)
Board Staff Interrogatories
August 17, 2012

Table 1 Former West Perth LRAM claims for the GS < 50 kW rate class

GS < 50 kW	Years that lost revenues took place								Total
	2005	2006	2007	2008	2009	2010	2011	2012	
2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2006		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2007			\$0	\$0	\$0	\$0	\$0	\$0	\$0
2008				\$611	\$594	\$516	\$529	\$131	\$2,381
2009					\$4,956	\$4,955	\$5,073	\$1,257	\$16,241
2010						\$895	\$917	\$227	\$2,039
Total	\$0	\$0	\$0	\$611	\$5,550	\$6,367	\$6,519	\$1,615	\$20,661

Table 2 Former West Perth LRAM claims for the unmetered scattered load rate class

Unmetered scattered load	Years that lost revenues took place								Total
	2005	2006	2007	2008	2009	2010	2011	2012	
2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2006		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2007			\$0	\$0	\$0	\$0	\$0	\$0	\$0
2008				\$0	\$0	\$454	\$449	\$319	\$1,222
2009					\$0	\$0	\$0	\$0	\$0
2010						\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$454	\$449	\$319	\$1,222

Table 3 Former Clinton LRAM claims for the Residential rate class

Residential	Years that lost revenues took place								Total
	2005	2006	2007	2008	2009	2010	2011	2012	
2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2006		\$1,882	\$2,144	\$2,072	\$2,033	\$1,041	\$1,030	\$594	\$10,795
2007			\$970	\$726	\$687	\$813	\$804	\$194	\$4,194
2008				\$1,317	\$1,291	\$1,528	\$1,512	\$356	\$6,004
2009					\$1,370	\$1,614	\$1,597	\$395	\$4,976
2010						\$474	\$469	\$116	\$1,060
Total	\$0	\$1,882	\$3,114	\$4,115	\$5,380	\$5,471	\$5,411	\$1,655	\$27,028

Table 1 Former Clinton LRAM claims for the GS < 50 kW rate class

GS < 50 kW	Years that lost revenues took place								Total
	2005	2006	2007	2008	2009	2010	2011	2012	
2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2006		\$257	\$497	\$480	\$471	\$557	\$551	\$391	\$3,206
2007			\$0	\$0	\$0	\$0	\$0	\$0	\$0
2008				\$231	\$227	\$269	\$266	\$66	\$1,059
2009					\$1,962	\$2,320	\$2,295	\$569	\$7,146
2010						\$833	\$824	\$204	\$1,860
Total	\$0	\$257	\$497	\$712	\$2,661	\$3,979	\$3,935	\$1,230	\$13,271

- b) Please discuss if Erie Thames is requesting carrying charges.
- ***ETPL is requesting carrying charges on its LRAM claims, but not on its SSM claims.***
- c) If Erie Thames is requesting carrying charges, please provide a table that shows the monthly LRAM balances, the Board-approved carrying charge rate and the total carrying charges by month for the duration of this LRAM request to support your request for carrying charges. Use the table below as an example:

Table 1. Breakdown of carrying charges

Year	Quarter	Quarterly lost revenue	Closing Balance	Quarterly board-approved carrying charge rate	Carrying charges \$
2005	Q1	\$11	\$11	1.56%	\$0.17
2005	Q2	\$34	\$45	1.56%	\$0.70
2005	Q3	\$56	\$101	1.56%	\$1.57
2005	Q4	\$78	\$179	1.56%	\$2.79
2006	Q1	\$4,245	\$4,424	1.56%	\$69
2006	Q2	\$4,355	\$8,779	1.04%	\$91
2006	Q3	\$4,465	\$13,244	1.15%	\$152
2006	Q4	\$4,576	\$17,820	1.15%	\$204
2007	Q1	\$8,106	\$25,926	1.15%	\$298
2007	Q2	\$8,166	\$34,092	1.15%	\$391
2007	Q3	\$8,225	\$42,317	1.15%	\$486
2007	Q4	\$8,285	\$50,602	1.29%	\$650
2008	Q1	\$11,985	\$62,587	1.29%	\$804
2008	Q2	\$11,989	\$74,576	1.02%	\$761
2008	Q3	\$11,992	\$86,568	0.84%	\$725
2008	Q4	\$11,996	\$98,564	0.84%	\$825
2009	Q1	\$18,207	\$116,771	0.61%	\$715
2009	Q2	\$18,207	\$134,978	0.25%	\$337
2009	Q3	\$18,207	\$153,184	0.14%	\$211
2009	Q4	\$18,207	\$171,391	0.14%	\$236
2010	Q1	\$15,926	\$187,316	0.14%	\$258
2010	Q2	\$15,926	\$203,242	0.14%	\$279
2010	Q3	\$15,926	\$219,168	0.22%	\$488
2010	Q4	\$15,926	\$235,093	0.30%	\$705
2011	Q1	\$15,920	\$251,013	0.37%	\$922
2011	Q2	\$15,920	\$266,934	0.37%	\$981
2011	Q3	\$15,920	\$282,854	0.37%	\$1,039
2011	Q4	\$15,920	\$298,775	0.37%	\$1,098
2012	Q1	\$20,449	\$319,223	0.49%	\$1,564
Total		\$319,223			\$14,290

- d) Please confirm that the programs contributing to the SSM amount all received approval from the Board through the Third Tranche CDM period. If any OPA or unapproved programs have been included in the calculation, please provide an updated SSM amount that does not include these programs.

- ***ETPC is claiming SSM on all Third Tranche programs that were included in its Board-approved CDM plan filed***

November 29, 2004. Among these programs was the Residential Co-branded Mass Market Program, which included measures addressed by Every Kilowatt Counts. As reported in the 2006 Third Tranche Funding Program Annual Report, The Every Kilowatt Counts (EKC) spring and fall coupon programs were an excellent opportunity for ETPC to partner with other LDCs and the OPA to deliver a consistent program to almost every electricity user in the province of Ontario. This program in 2006 and 2007 pre-dates the introduction of specific OPA programs, funded and incented by the OPA, and ETPC costs associated with this program were paid from third-tranche funds, and results of the program were reported in the CDM Third Tranche Funding Annual Report.

- ***ETPC and the former West Perth and Clinton's corporate names and logos were prominently featured on all EKC communications with customers. At the time of these programs, OPA was an unknown entity to most customers, whereas these LDCs were well known and respected. Studies of customer responses to conservation initiatives have demonstrated the importance of customer recognition and trust of the agency seeking their involvement – no doubt that is why OPA sought out LDCs as partners, and made use of their name recognition.***
- ***ETPC's participation in the program was thus central to the effective implementation of the program within ETPC's service area. ETPC is therefore entitled to claim an SSM for the program. This is consistent with the advice in the 2008 Guidelines which state (p.vii) that: "In most cases, the attribution rate will be 1.0, indicating that the distributor should claim in its TRC calculation all of the benefits associated with the CDM program."***
- ***The program design was changed in 2008 and ETPC's participation was not integral to the program, and therefore no SSM is claimed on net benefits from the 2008 program and onwards.***
- ***SSM claims for 2006 and 2007 EKC programs have been requested and approved for other LDCs, including but not limited to Burlington Hydro Inc. (EB-2009-0259), Hydro One Brampton (EB-2010-0132), and Peterborough Distribution Inc. (EB-2011-0194) for the same reasons articulated above.***

82) Ref: E10- T1- S2 & Conservation and Demand Management ("CDM")
Guidelines for Electricity Distributors (EB-2012-0003), Section 13.4

The Board's CDM Guidelines note at Section 13.4 on page 13 that:

"At a minimum, distributors must apply for disposition of the balance in the LRAMVA at the time of their Cost of Service rate applications. Distributors may apply for the disposition of the balance in the LRAMVA on an annual basis, as part of their Incentive Regulation Mechanism rate application, if the balance is deemed significant by the applicant."

Board staff acknowledges that the final, verified results for Erie Thames' 2011 OPA-Contracted Province-Wide CDM programs are not currently available.

- a) Does Erie Thames plan to update its evidence to identify and/or seek disposition of variances between the final results of its 2011 CDM programs and the CDM savings reflected in Erie Thames' 2008 load forecast for the 2011 rate year in this proceeding after it has received the final results from the OPA?

- ***ETPL does not plan to update the evidence to seek disposition of variances between the final results of its 2011 CDM programs and the savings reflected 2008 load forecast.***

- b) What is Erie Thames' plan for disposing of its LRAMVA in future applications?

- ***ETPL has not made a decision for disposing of its LRAMVA in future applications. Depending upon the amount of the variance ETPL may seek disposition in a future application in accordance with Board guidelines.***

EXHIBIT 11- MITIGATION PLAN

83) Ref: E11-T1-S3

Are there any General Service > 50 -999kW Use customers in the former Clinton service area who will be impacted by the increase from \$42.44 to \$226.60 in the monthly service charge?

- ***17 customers will be impacted by this increase***

84) Ref: E11-T1-S2

Please explain why Erie Thames used a fixed monthly charge (applied to other-than-Clinton Power customers) rather than a variable rate (kW or kWh) charge or combination of the two in its mitigation plan

- ***ETPL chose a fixed monthly charge rather than a variable rate for simplicity of calculation and implementation, however ETPL is willing to calculate any rate to mitigate impacts to Clinton customers on a variable basis at the final rate order stage.***

ERIE THAMES POWERLINES CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2011



Your Hometown Utility



**ERIE THAMES POWERLINES CORPORATION
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DECEMBER 31, 2011**

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KPMG LLP
Chartered Accountants
140 Fullarton Street Suite 1400
PO Box 2305
London ON N6A 5P2
Canada

Telephone (519) 672-4880
Fax (519) 672-5884
Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Shareholder of Erie Thames Powerlines Corporation

We have audited the accompanying financial statements of Erie Thames Powerlines Corporation, which comprise the balance sheet as at December 31, 2011 and the statements of income, retained earnings, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Erie Thames Powerlines Corporation as at December 31, 2011, and its results of operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants, Licensed Public Accountants

April 25, 2012

London, Canada

ERIE THAMES POWERLINES CORPORATION
BALANCE SHEET
AS AT DECEMBER 31, 2011


ASSETS

	2011	2010
Current Assets		
Cash	\$ 302,726	\$ 714,843
Accounts receivable (note 4)	9,780,559	10,253,466
Inventory	96,433	144,107
Prepaid expenses	67,571	74,173
Payment in lieu of income taxes recoverable	147,115	-
Due from related parties (note 11)	<u>-</u>	<u>30,436</u>
	10,394,404	11,217,025
Investments (note 5)	11,677	11,677
Property, Plant and Equipment (note 6)	23,448,384	22,118,110
Future Payment in Lieu of Income Tax Asset (note 19)	1,321,000	1,408,000
Regulatory Assets (note 7)	3,366,821	3,715,305
Goodwill (note 8)	<u>76,667</u>	<u>76,667</u>
	<u>\$38,618,953</u>	<u>\$38,546,784</u>

LIABILITIES AND SHAREHOLDER'S EQUITY

Current Liabilities		
Demand operating loan (note 9)	\$ 1,453,564	\$ 998,056
Accounts payable and accrued liabilities	7,096,951	7,127,606
Customer deposits (note 10)	1,377,886	1,115,637
Payments in lieu of income taxes payable	-	210,123
Due to related parties (note 11)	4,480,872	5,847,777
Related party notes payable (note 12)	2,083,391	2,083,391
Current portion of long-term debt (note 14)	<u>165,195</u>	<u>208,591</u>
	16,657,859	17,591,181
Related Party Long-term Debt (note 13)	8,038,524	8,038,524
Long-term Debt (note 14)	305,403	368,693
Regulatory Liabilities (note 7)	640,164	71,059
Future Regulatory Taxes Payable (note 7)	1,321,000	1,408,000
Post-Retirement Benefit Obligation (note 15)	551,600	514,103
Shareholder's Equity		
Share capital (note 16)	10,855,585	10,855,585
Retained earnings (Deficit)	<u>248,818</u>	<u>(300,361)</u>
	<u>11,104,403</u>	<u>10,555,224</u>
	<u>\$38,618,953</u>	<u>\$38,546,784</u>
Contingent Liabilities (notes 17 and 18)		
Commitments (note 20)		

APPROVED ON BEHALF OF THE BOARD:

 Director

 Director

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
STATEMENT OF RETAINED EARNINGS (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 2011

	2011	2010
Balance, Beginning of Year	\$ (300,361)	\$ (161,311)
Assumption of Employee Future Benefit Obligation	-	(250,474)
Net Income	<u>549,179</u>	<u>111,424</u>
Balance, End of Year	\$ <u>248,818</u>	\$ <u>(300,361)</u>

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2011

	2011	%	2010	%
Electricity Revenue	\$50,424,672		\$47,795,312	
Cost of Power	<u>42,724,654</u>		<u>40,241,517</u>	
Distribution Revenue	7,700,018		7,553,795	
Service Revenue	<u>857,072</u>		<u>1,068,984</u>	
Revenue from Operations	8,557,090	100.00	8,622,779	100.00
Expenses				
Billing and collecting	1,039,317	12.15	1,060,995	12.31
Community relations	253,704	2.96	261,334	3.03
Direct operation	3,012,476	35.20	3,116,695	36.14
Office and administration	1,084,309	12.67	825,313	9.57
Regulatory and professional	<u>463,553</u>	<u>5.42</u>	<u>685,774</u>	<u>7.95</u>
	<u>5,853,359</u>	<u>68.40</u>	<u>5,950,111</u>	<u>69.00</u>
Income from Operations Before the Following	2,703,731	31.60	2,672,668	31.00
Amortization	1,456,074	17.02	1,477,987	17.14
Interest income on regulatory assets	(319,938)	(3.74)	(37,184)	(0.43)
Interest	<u>1,058,607</u>	<u>12.37</u>	<u>965,077</u>	<u>11.19</u>
Income from Operations Before Other Income and Tax	508,988	5.95	266,788	3.10
Other Income				
Interest income	<u>40,191</u>	<u>0.47</u>	<u>31,636</u>	<u>0.37</u>
Income Before Income Tax	549,179	6.42	298,424	3.47
Payments in Lieu of Income Taxes (note 19)				
Current	<u>-</u>	<u>-</u>	<u>187,000</u>	<u>2.17</u>
Net Income	<u>\$ 549,179</u>	<u>6.42</u>	<u>\$ 111,424</u>	<u>1.30</u>

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2011

	2011	2010
Cash Flows from Operating Activities		
Net income	\$ 549,179	\$ 111,424
Items not requiring an outlay of cash:		
Amortization	1,456,074	1,477,987
Post-retirement benefit obligation	<u>37,497</u>	<u>8,402</u>
	2,042,750	1,597,813
Changes in non-cash working capital balances:		
Accounts receivable	472,908	(851,362)
Inventory	47,674	12,123
Prepaid expenses	6,602	90,238
Payment in lieu of income taxes	(357,118)	291,690
Regulatory assets	348,484	(1,552,747)
Accounts payable and accrued liabilities	(30,655)	(821,799)
Regulatory liabilities	569,105	-
Customer deposits	262,250	202,957
Due to related parties	<u>(1,336,469)</u>	<u>581,432</u>
Net Cash Provided by (Used in) Operating Activities	2,025,531	(449,655)
Cash Flows from Financing Activities		
(Decrease) increase in long-term debt	(106,686)	511,429
Cash Flows from Investing Activities		
Additions to property, plant and equipment	<u>(2,786,470)</u>	<u>(2,302,420)</u>
Net Decrease in Cash	(867,625)	(2,240,646)
Cash (Bank Indebtedness), Beginning of Year	<u>(283,213)</u>	<u>1,957,433</u>
Cash (Bank Indebtedness), End of Year	\$ <u>(1,150,838)</u>	\$ <u>(283,213)</u>
Represented By:		
Cash	302,726	714,843
Demand Operating Loan	<u>(1,453,564)</u>	<u>(998,056)</u>
	<u>(1,150,838)</u>	<u>(283,213)</u>
Supplemental Cash Flow Information		
Interest paid	\$ <u>1,204,313</u>	\$ <u>1,175,090</u>
Payment in lieu of income taxes	\$ <u>357,238</u>	\$ <u>(210,123)</u>

The attached Auditors' Report and notes form an integral part of these audited financial statements.

**ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

1. Description of Business

During the year, West Perth Power Inc., and Clinton Power Corporation were amalgamated with Erie Thames Powerlines Corporation. Subsequent to the amalgamation the entity has operated under the name Erie Thames Powerlines Corporation ("the Company"). Given that the three predecessor entities were all controlled by EARTH Corporation, these financial statements include the results of the three predecessor entities from January 1, 2010.

2. Nature of Operations

The Ontario Government enacted the Energy Competition Act, 1998 to introduce competition to the Ontario electricity market by the year 2000. Under the terms of this legislation, the Ontario Energy Board (the "OEB") regulates industry participants by issuing licences for the right to generate, transmit, distribute or retail electricity. These licences require compliance with established market rules and codes. The Ontario Government opened the Ontario electricity market to competition on May 1, 2002.

The Company is wholly owned by EARTH Corporation who is in turn owned by the following nine municipalities, each of whom has one voting common share: Aylmer, Central Elgin, East-Zorra Tavistock, Ingersoll, Norwich, South-West Oxford, Zorra, West Perth and Central Huron.

The Company carries on the business of distributing electricity to the following communities: Aylmer, Beachville, Belmont, Burgessville, Embro, Ingersoll, Norwich, Otterville, Port Stanley, Tavistock, Thamesford, Mitchell, Dublin and Clinton.

3. Significant Accounting Policies

The financial statements of the Company have been prepared by management in accordance with Canadian generally accepted accounting principles, as modified by regulations and policies set forth in the Ontario Energy Board Accounting Procedures Handbook. Those policies that are considered to be particularly significant are outlined below:

(a) Contributions to Property, Plant and Equipment

Contributions are received from developers and contractors for capital costs incurred by the Company. These contributions are included as a reduction to the cost of the related property, plant or equipment when those assets are placed in service.

(b) Revenue Recognition

(i) Electricity Sales

The Company follows the practice of cycle billing of customer's accounts and revenue is recognized in the period consumed. Estimated customer usage from the last billing date to the year end (unbilled revenue) is included in revenue.

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

3. Significant Accounting Policies (cont.)

(ii) Interest Income

Interest income on outstanding customer accounts is recognized on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Company.

(iii) Service Revenue

Service revenue is recognized as service is performed.

(c) Property, Plant and Equipment

Property, plant and equipment are recorded at the fair market value of the assets transferred from the Municipal Hydro Electric Commissions to the Company on August 31, 2000, and subsequent to August 31, 2000, at cost on the date of purchase. Property, plant and equipment are amortized over their useful lives using the straight-line method over the following periods:

Buildings	25 years
Plant and equipment	
Automotive equipment	8 years
Computer equipment	5 - 15 years
Service, office and other equipment	10 years
Transmission and distribution system	25 years

Construction work in progress is recorded at cost until such time that the asset is completed and available for use at which point it is amortized over its useful life.

(d) Pension and Other Retirement Benefit Plans

- (i) The actuarial determination of the accrued benefit obligations for other retirement benefits uses the projected benefit method prorated on service, which incorporates management's best estimate of cost escalation, retirement ages of employees and actuarial factors.
- (ii) Past service costs arising from plan amendments are deferred and amortized on a straight-line basis using the corridor method over the average remaining service period of employees active at the date of amendment.
- (iii) When the restructuring of a benefit plan gives rise to both a curtailment and a settlement of obligations, the curtailment is accounted for prior to the settlement.

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

3. Significant Accounting Policies (cont.)

(e) Financial Instruments

The Company's financial assets and financial liabilities are classified and measured as follows:

- Cash is classified as held for trading and is measured at fair value. Gains and losses related to periodical revaluation are recorded in net income.
- Accounts receivable, due from related parties and regulatory assets are classified as loans and receivables and are initially measured at fair value and, subsequently, at amortized cost using the effective interest rate method.
- Investments are recorded using the cost method of accounting and adjusted to fair market value.
- Accounts payable and accrued liabilities, regulatory liabilities, customer deposits, due to related party and long-term debt are classified as other liabilities and are initially measured at fair value and, subsequently, at amortized cost using the effective interest rate method.

(f) Financial Effects of Distribution Rate Regulation

The financial results presented are in accordance with generally accepted accounting principles and within that framework the Company accounts for the impact of regulatory actions in the following manner:

(i) Regulatory Decisions to Adjust Distribution Rates

In the event that a regulatory decision is rendered, providing regulatory approval and certainty to the recognition of an asset or creation of a liability and culminating in an adjustment to the Company's distribution rates, such occurrences are immediately reflected in the Company's accounts.

(ii) Regulatory Direction and Practice

In the absence of regulatory decision impacting rates, and where the Company is required by regulatory accounting practice or direction to accumulate balances for future rate recovery or create liabilities for future discharge, those amounts are recorded in accordance with that regulatory direction. Management assesses the future uncertainty with respect to the final regulatory disposition of those amounts and to the extent required, makes accounting provisions to reduce the deferred balances accumulated or to increase the recorded liabilities. Upon rendering of the final regulatory decisions adjusting distribution rates, the provisions are adjusted to reflect the final impact of that decision, and such adjustment is reflected in net earnings for the period.

Amounts currently confirmed by final regulatory decision, and amounts currently accounted for in the absence of final regulatory decision together with related provisions for future uncertainty, are more fully described in note 7 to the financial statements.

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

3. Significant Accounting Policies (cont.)

(iii) Regulatory Balances

Effective January 1, 2009, the Company adopted the changes to CICA Handbook Section 1100 - *Generally Accepted Accounting Principles*. The amendment to this section removed the temporary exemption pertaining to the application of the section to the recognition and measurement of assets and liabilities arising from rate regulation. In response to the removal of the exemption, the Company established accounting policies for the recognition and measurement of assets and liabilities arising from rate regulation. In accordance with the Canadian GAAP hierarchy guidance framework outlined in CICA Handbook Section 1100, the company has determined that its assets and liabilities arising from rate regulation qualify for recognition under Canadian GAAP and this recognition is constant with U.S. Statement of Financial Accounting Standards No. 71, *Accounting for Effects of Certain Types of Regulations* ("FAS71"). The company concluded that its policies for assets and liabilities arising from rate regulation were consistent with the primary sources of Canadian GAAP and were developed through the exercise of professional judgment.

(iv) Income Tax Expense

Effective January 1, 2009, the Company adopted the changes to CICA Handbook Section 3465 - *Income Taxes*, which states that, as a rate regulated entity, future income tax assets will be returned to customers as they are recovered. As a result, all increases or decreases in future income tax assets are offset by a regulatory liability. As at December 31, 2011 the Company has recorded a future income tax assets of \$1,321,000 and a corresponding regulatory liability of \$1,321,000 (note 7).

(v) Rate Setting

The distribution rates of the Company are based on a revenue requirement that provides a regulated Maximum Allowable Return on Equity ("MARE") on the amount of shareholders' equity supporting the business of electricity distribution, which is also determined by regulation. The Company files a rate application with the OEB annually. Rates are typically effective May 1 to April 30 of the following year. Accordingly, for the first four months of 2011, distribution revenue is based on the rates approved for 2010. Once every four years, the Company files an Electricity Distribution Rate application ("EDR") where rates are rebased through a cost of service review. In the intervening years an Incentive Rate Mechanism application ("IRM") is filed. A cost of service EDR application is based upon a forecast of the amount of operating and capital expenses, debt and shareholder's equity required to support the Company's business. An IRM application results in a formulaic adjustment to distribution rates to increase distribution rates for the annual change in the GDP IPI-FDD net of a productivity factor and a "Stretch Factor" determined by the relative efficiency of an electricity distributor.

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

3. Significant Accounting Policies (cont.)

The Company's last cost of service EDR application was made in 2008 and approved on October 27, 2009 with rates effective December 1, 2008. Such decision provided for 2008 service distribution revenue requirement and rate base of \$6,578,355 and \$22,246,774 respectively. Such amounts do not include provision for the investment of the Company in the Smart Meter Initiative, further elaborated below.

The Company is required to file three separate Cost of Services applications for each of the pre-amalgamated entities, Erie Thames Powerlines Corporation, West Perth Power Inc. and Clinton Power Corporation. As such the Company has filed IRM applications to adjust its Erie Thames Powerlines Corporation ("Powerlines") rates effective May 1, 2011, West Perth Power Inc. ("West Perth") and Clinton Power Corporation ("Clinton Power") rates effective January 1, 2011 through a settlement of a Cost of Service application. Accordingly, the Company's Powerlines IRM rates were increased by 0.98% effective May 1, 2011. The Company's 2011 IRM application was approved on April 20, 2011 with an increase in distribution rates for the annual change in the GDP IPI-FDD of 1.30% net of a productivity factor of 0.72% and a "Stretch Factor" of 0.60% determined by the relative efficiency of the Company. The West Perth rates were agreed to in a settlement conference at a 10% increase over the existing rates and similarly Clinton Power's distribution rates were increased by 33% over the 2010 rates during the same process. The rates were approved on January 7, 2011 and were effective January 1, 2011.

In December 2009, the OEB concluded a Cost of Capital proceeding with the issuance of a final report. The report principally dealt with the adequacy and determination of the Maximum Allowable Return on Equity ("MARE"). The Board has acknowledged that it needs to refine and reset its current formula for determining MARE to:

- i) acknowledge and incorporate a utility spread off of Canada long-bonds within the Equity Risk Premium ("ERP") to better reflect utility borrowing costs (initially 141.5bps);
- ii) to include a 50bps "transaction cost" component within the ERP to reflect estimated transaction costs related to utility borrowings; and
- iii) reduce MARE volatility from annual changes in the Canada long-bond and i) by reducing the annual adjustment factor from 0.75 to 0.5; and
- iv) reflect a more realistic and "fair" base risk premium for Local Distribution Companies.

The method of transition to the new MARE is through a Cost of Service Application similar to the 2006 EDR Application. The Corporation filed such an application in 2011 with an effective date of May 1, 2012.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

3. Significant Accounting Policies (cont.)

(vi) Smart Meter Initiative

The Province of Ontario committed to have “Smart Meter” electricity meters installed in all homes and small businesses throughout Ontario by the end of 2010. Smart Meters permit consumption to be recorded within specific time intervals and specific tariffs to be levied within such intervals.

In support of this initiative, the Company completed its deployment of Smart Meters throughout 2009, 2010 and early 2011, with 17,906 Smart Meters deployed by the end of 2011. Successful testing with the provincial Meter Data Management Repository (“MDMR”) has been completed in 2011.

In December 2010, the Company submitted an application to the OEB for the consideration and approval of a Utility-Specific Smart Meter Funding Adder in accordance with the Smart Meter Funding and Cost Recovery Guideline of the OEB. On April 7, 2011, the Application was approved as filed. The Application provided for a new rate adder of \$1.74 per metered customer per month, beginning May 1, 2011.

(vii) Green Energy and Green Economy Act

In early 2009, the government tabled the Green Energy and Green Economy Act (“GEGEA”). This new legislation makes fundamental changes to the roles and responsibilities of LDC's in the areas of renewable power generation, conservation and demand management delivery, and the development of smart distribution grids.

The Green Energy and Green Economy Act provides LDC's with the freedom to own and operate a portfolio of renewable power generation and will permit them to provide district heating services in their communities through co-generation. LDC's will also bear added responsibilities to assist and enable consumers to reduce their peak demand and conserve energy in an effort to meet provincial conservation targets. LDC's will also gain new responsibilities in transforming their local distribution networks into smart grids harnessing advanced technologies to facilitate the connection of small-scale generators and the two-way flow of information.

(viii) New LDC License Requirements - Conservation and Demand Management Targets

On November 12, 2010, the OEB amended LDC licenses to include requirements for achieving certain Conservation and Demand Management (“CDM”) targets over a four year period commencing January 1, 2011. The Company’s CDM targets include a demand reduction target of 4.28MW and a consumption reduction target of 18,600MWh. LDC's must also comply with a new CDM Code of the OEB, which provides LDC requirements for the development and delivery of CDM Strategy to the OEB for the achievement of LDC-specific CDM targets, annual accounting and reporting to the OEB, and eligibility criteria for performance incentive payments. The Company has filed its CDM Strategy with the OEB.

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

3. Significant Accounting Policies (cont.)

(g) Payments in Lieu of Income Taxes (PILs)

The Company uses the liability method for accounting for PILs. Under this method, future payment in lieu of income tax assets and liabilities are recognized for differences between the carrying value of assets and liabilities for accounting purposes and their respective values for payment in lieu of income tax purposes. These differences are measured using substantively enacted tax rates applicable for the period in which those differences are expected to be recovered or settled. To the extent that there is uncertainty regarding the recovery of a future payment in lieu of income tax asset, a valuation allowance reducing the future payment in lieu of income tax asset is recorded.

(h) Goodwill and Intangible Assets

Goodwill and intangible assets acquired individually or as part of a group of other assets are initially recognized and measured at cost. The cost of a group of intangible assets acquired in a transaction, including those acquired in a business combination, are allocated to the individual assets based on their relative fair value. Intangible assets with finite lives are amortized on a straight-line basis over their estimated useful lives. Goodwill and intangible assets with indefinite useful lives are not amortized and are tested for impairment annually or more frequently if events and changes in circumstances indicate that an asset might be impaired.

(i) Inventory

Inventories consist primarily of materials and supplies. Items considered to be major future components of property, plant and equipment are transferred to property, plant and equipment. Inventories are carried at the lower of cost and net realizable value, with cost determined on an average cost basis net of a provision for obsolescence.

(j) Impairment of Long-lived Assets

Long-lived assets are tested for recoverability when events or changes in circumstances indicate that their carrying value may not be recoverable. An impairment loss is recognized when the carrying value exceeds the total undiscounted cash flow expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

(k) Use of Estimates

The preparation of the financial statements of the Company in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

3. Significant Accounting Policies (cont.)

(l) Future Accounting Changes

(i) International Financial Reporting Standards ("IFRS")

On February 13, 2008, the Canadian Accounting Standards Board ("AcSB") confirmed the publicly accountable enterprises will be required to adopt IFRS in place of Canadian generally accepted accounting principles for interim and annual reporting purposes for fiscal years beginning on or after January 1, 2011. On September 10, 2010, the AcSB decided to permit rate-regulated entities to defer their IFRS implementation date to January 1, 2012. Subsequent to year end, the AcSB's decided to extend the IFRS deferral period for rate-regulated entities to January 1, 2013.

The Company has an internal initiative to govern the conversion process and is currently in the process of evaluating the potential impact of the conversion to IFRS on its financial statements. Although the impact of the adoption to IFRS on the Company's Balance Sheet and Income Statement is not yet reasonably determinable or estimable, the Company does expect a significant increase in financial statement disclosure requirements resulting from the adoption of IFRS. The Company is designing the systems and related process changes which will be required to provide the additional information to make these disclosures.

Given the continued uncertainty around the timing, scope and eventual adoption of a rate-regulated accounting standard under IFRS and the potential material impact of these standards on the Company's financial statements, the Company has decided to apply IFRS to its financial statements for the year ending December 31, 2013 with restatement of the amounts recorded on the opening IFRS balance sheet as at January 1, 2012, for comparative purposes. The company continues to assess the impact of the conversion to IFRS on its results of operation. At this time, the impact on the Company's future financial statements cannot be determined.

4. Accounts Receivable

	2011	2010
Energy, water and sewer	\$ 4,421,474	\$ 4,964,402
Unbilled energy	4,179,730	4,946,758
Service revenues	<u>1,179,355</u>	<u>342,306</u>
	<u>\$ 9,780,559</u>	<u>\$10,253,466</u>

The amounts shown above are net of allowance for doubtful accounts of \$556,000 (2010 - \$471,353).

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

5. Investments

	2011	2010
386 Common shares in Sunlife Financial, at market value (cost - \$1).	\$ <u>11,677</u>	\$ <u>11,677</u>

6. Property, Plant and Equipment

	Cost 2011	Accumulated Amortization	Net 2011	Net 2010
Land	\$ 140,944	\$ -	\$ 140,944	\$ 132,673
Buildings	156,690	52,427	104,263	89,140
Plant and equipment	2,671,258	1,145,082	1,526,176	1,003,699
Transmission and distribution system	32,626,398	11,898,528	20,727,870	20,618,601
Construction in progress	433,461	-	433,461	-
Equipment under capital leases	<u>844,111</u>	<u>328,441</u>	<u>515,670</u>	<u>273,997</u>
	<u>\$36,872,862</u>	<u>\$13,424,478</u>	<u>\$23,448,384</u>	<u>\$22,118,110</u>

During the year, the Company recorded amortization of \$1,456,074 (2010 - \$1,477,987).

7. Regulatory Assets and Liabilities

Regulatory assets consist of the following:

	2011	2010
Retail settlement variances (a)	\$ -	\$ 3,436
Regulatory assets account	7,891	-
Special purpose charge variance (b)	1,411	63,471
Late payment penalties settlement (c)	71,323	56,611
Smart meters	2,172,561	1,774,452
Deferred charges	-	204,198
Other	<u>174,070</u>	<u>51,337</u>
	2,427,256	2,153,505
Recovery of regulatory assets	<u>939,565</u>	<u>1,561,800</u>
	<u>\$ 3,366,821</u>	<u>\$ 3,715,305</u>

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

7. Regulatory Assets and Liabilities (cont.)

Regulatory liabilities consist of the following:

	2011	2010
Regulatory assets recovery account	\$ -	\$ 71,059
Retail settlement variances (a)	594,466	-
Deferred charges	<u>45,698</u>	<u>-</u>
	640,164	71,059
Future payment in lieu of income tax liability	<u>1,321,000</u>	<u>1,408,000</u>
	<u>\$ 1,961,164</u>	<u>\$ 1,479,059</u>

The OEB approved an Interim Rate Order for May 1, 2008, that effectively removed the recovery allocation of the regulatory assets amounts until the final Cost of Service Rate Application was approved. The new Cost of Service Rate Order approved by the OEB, effective December 1, 2008, includes an allocation of the recovery of the low voltage energy variances. The remainder of the regulatory assets will be recovered based on future rate orders.

- (a) Retail settlement variances represent amounts accumulated since the opening of the electricity market on May 1, 2002. These variances are comprised of variances between amounts charged by the Independent Electricity Market Operator and amounts billed to customers plus variances from settlement and transmission charges. In the absence of rate regulations, these costs would be charged to the period incurred.
- (b) On April 9, 2010, the OEB informed electricity distributors of a Special Purpose Charge assessment under Section 26.1 of the Ontario Energy Board Act, 1998, for the Ministry of Energy and Infrastructure conservation and renewable energy program costs. The OEB assessed the Company \$152,675 for their apportioned share of the total provincial amount of the Special Purpose Charge of \$53,695,000 in accordance with the rules set out in Ontario Regulation 66/10. In accordance with Section 9 of the Special Purpose Charge Regulation, the Company is allowed to recover this balance of which only a small amount remains to be collected at the end of December 31, 2011.
- (c) The late payment penalties settlement account relates to the settlement costs accrual associated with the late payment charges class action. All of the Municipal Electricity Utilities ("MEU") involved in the settlement, including the Company, have requested an order from the OEB allowing for the future recovery from customers of all costs related to the settlement.

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

8. Goodwill

	Cost 2011	Accumulated Amortization	Net 2011	Net 2010
Goodwill	\$ <u>100,000</u>	\$ <u>23,333</u>	\$ <u>76,667</u>	\$ <u>76,667</u>

At year end, management tested goodwill and determined that there was no impairment of goodwill.

9. Demand Operating Loan

Through a mirror banking agreement with its parent company the Company has available to its use a \$6,000,000 revolving line of credit. The Company provides a guarantee on this facility, as outlined in note 17.

10. Customer Deposits

Customer deposits are obtained as security for energy consumption. On an annual basis, interest is calculated and credited to the customers' utility accounts. Also included are security deposits received for construction projects.

11. Related Parties

The Company has a contract with ERTH Corporation for management services and rental of facilities used by the Company.

The Company has contracted ERTH (Holdings) Inc. a company under common control, to provide maintenance and upgrades to the existing capital infrastructure of the Company and administrative services.

The contracts between the Company, ERTH (Holdings) Inc., ERTH Business Technologies Inc. and ERTH Corporation are measured at the exchange amount, which is the amount of consideration paid or received as established and agreed to by the related parties, unless noted otherwise.

During the year, ERTH (Holdings) Inc. transferred to the Company one bucket truck under capital lease at the carrying amount of the assets recorded in ERTH (Holdings) Inc. accounts (note 14(a)). In exchange, the Company agreed to assume the remaining lease obligations of the capital lease at the carrying amount of the liability.

The revenue reflected in the financial statements includes the electricity revenue for the sale of electricity to ERTH Corporation, ERTH (Holdings) Inc. and the municipal facilities located in the communities of Aylmer, Beachville, Belmont, Burgessville, Embro, Ingersoll, Norwich, Otterville, Port Stanley, Tavistock, Thamesford and the Municipalities of Central Huron and West Perth in the amount of \$2,196,963 (2010 - \$2,278,617). These transactions are in the normal course of operations at rates approved by the Ontario Energy Board. The Municipality of West Perth charges the Company for tree trimming and rent in the amount of \$4,150 and \$52,095 respectively (2010 - \$4,757 and \$3,126 respectively).

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

11. Related Parties (cont.)

During the year, the Company purchased and sold the following services to and from related parties.

	2011	2010
CRU Solutions Inc.		
Purchase of capitalized items	\$ -	\$ 83,886
Sale of operations, maintenance and administrative services	-	(130,618)
Purchase of operations, maintenance and administrative services	<u>-</u>	<u>163,851</u>
	<u>\$ -</u>	<u>\$ 117,119</u>
ERTH360 Generation and Consulting Inc.		
Purchase of capitalized items	\$ -	\$ 554,188
Purchase of operations, maintenance and administrative services	<u>-</u>	<u>62,693</u>
	<u>\$ -</u>	<u>\$ 616,881</u>
ERTH Business Technologies Inc.		
Purchase of consulting services	<u>\$ 427,584</u>	<u>\$ 30,632</u>
ERTH Corporation		
Purchase of management services	\$1,149,804	\$1,493,777
Sale of operations and administrative services	(303,477)	-
Rent	<u>250,000</u>	<u>267,433</u>
	<u>\$1,096,327</u>	<u>\$1,761,210</u>
Ecaliber (Canada) Inc.		
Purchase of capitalized items	\$ -	\$ 12,050
Sale of operations and administrative services	-	(116,784)
Purchase of operations, maintenance and administrative services	<u>-</u>	<u>1,088,385</u>
	<u>\$ -</u>	<u>\$ 983,651</u>
Utilismart Corporation		
Purchase of capitalized items	\$ -	\$ 23,010
Purchase of consulting services	<u>-</u>	<u>106,593</u>
	<u>\$ -</u>	<u>\$ 129,603</u>
ERTH (Holdings) Inc.		
Purchase of operations, maintenance and administrative services	1,311,769	-
Sale of operations, maintenance and administrative service	\$ (317,990)	\$ -
Purchase of capitalized items	<u>49,240</u>	<u>-</u>
	<u>\$1,043,019</u>	<u>\$ -</u>

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

11. Related Parties (cont.)

At the end of the year, amounts due from related parties are as follows:

	2011	2010
CRU Solutions Inc.	\$ -	\$ 28,218
Coulter Water Meter Service Inc.	<u>-</u>	<u>2,218</u>
	<u>\$ -</u>	<u>\$ 30,436</u>

At the end of the year, amounts due to related parties are as follows:

	2011	2010
ERTH Corporation	\$ 3,393,925	\$ 4,902,602
ERTH (Holdings) Inc.	546,576	-
Ecaliber (Canada) Inc.	-	450,513
Utilismart Corporation	-	12,445
ERTH Business Technologies Inc.	418,024	656
ERTH360 Generation & Consulting Inc.	-	169,411
Municipality of Central Huron	68,041	67,449
Municipality of West Perth	47,415	110,432
Town of Aylmer	<u>6,891</u>	<u>134,269</u>
	<u>\$ 4,480,872</u>	<u>\$ 5,847,777</u>

The companies are related as follows:

ERTH Corporation owns 100% of the issued and outstanding shares ERTH Limited.

ERTH Business Technologies Inc. and ERTH (Holdings) Inc. are wholly-owned subsidiary of ERTH Limited.

The Town of Aylmer, the Municipality of Central Huron and Municipality of West Perth are shareholders of ERTH Corporation.

12. Related Party Notes Payable

	2011	2010
The demand promissory note is payable to the Municipality of West Perth and bears interest at 7%. Interest is payable in monthly interest instalments of \$5,250. This note is unsecured.	\$ 900,000	\$ 900,000
The demand note is payable to the Municipality of West Perth and bears interest at 7.25%. There are no fixed terms of repayment. This note is unsecured.	<u>1,183,391</u>	<u>1,183,391</u>
	<u>\$2,083,391</u>	<u>\$2,083,391</u>

The fair value of the shareholder notes payable is not readily determinable due to the related party nature of the instrument.

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

13. Related Party Long-term Debt

The long-term debt represents amounts owing to the municipal shareholders of ERTTH Corporation for purchase of the respective Municipality's Hydro Electric Commission's net assets. The rate of interest is currently 7.25% and is set by the Board of Directors, from time to time. There are no fixed repayment terms associated with the principal outstanding and no principal amounts are anticipated to be paid over the next twelve months. The loan is secured by a second position General Security Agreement covering accounts receivable, inventory and equipment, including motor vehicles.

The amounts owing to the municipalities are as follows:

	2011	2010
Aylmer	\$ 1,694,863	\$ 1,694,863
Central Elgin	806,436	806,436
East Zorra Tavistock	569,073	569,073
Ingersoll	3,402,080	3,402,080
Norwich	763,755	763,755
Southwest Oxford	192,062	192,062
Zorra	<u>610,255</u>	<u>610,255</u>
	<u>\$ 8,038,524</u>	<u>\$ 8,038,524</u>

During 2011, \$582,793 was charged to interest expense for interest on related party long-term debt (2010 - \$582,793).

14. Long-term Debt

	2011	2010
Capital lease obligation (a)	\$ 437,120	\$ 524,919
Bank loans (b)	<u>33,478</u>	<u>52,365</u>
	470,598	577,284
Less: current portion of long-term debt (c)	<u>(165,195)</u>	<u>(208,591)</u>
	<u>\$ 305,403</u>	<u>\$ 368,693</u>

a) Capital Lease Obligation

During the year, the Company transferred to ERTTH (Holdings) Inc., a related party, one capital lease obligation of a bucket truck. All capital lease vehicles are being leased for a period of six to seven years on various contracts that began between 2005 to 2011. The interest rate imputed in these leases range from 6.3%-8.8%.

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

14. Long Term Debt (cont.)

The following is a schedule of the future minimum lease payments of the capital leases, together with the balance of the obligation.

Year ending December 31, 2012	\$ 182,088
2013	118,922
2014	53,137
2015	53,137
2016	38,768
2017	38,768
2018	<u>6,461</u>
Total minimum lease payments	491,281
Less: amount representing interest	<u>(54,161)</u>
Balance of obligations	437,120
Less: current portion	<u>(151,218)</u>
	<u>\$ 285,902</u>

b) Bank Loans

	2011	2010
Financing Loan repayable in monthly instalments of \$604, with a 0% interest rate maturing August 2014.	19,328	31,725
Financing Loan repayable in monthly instalments of \$579, with a 1.9% interest rate maturing September 2014.	<u>14,150</u>	<u>20,640</u>
	33,478	52,365
Less: Current Portion	<u>(13,977)</u>	<u>(13,850)</u>
	<u>\$ 19,501</u>	<u>\$ 38,515</u>

c) Current Portion of Long-term Debt

	2011	2010
Capital lease obligation	\$ 151,218	\$ 194,741
Bank loans	<u>13,977</u>	<u>13,850</u>
	<u>\$ 165,195</u>	<u>\$ 208,591</u>

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

14. Long Term Debt (cont.)

The aggregate principal portion of long-term debt and capital lease payments required in each of the next five years are as follows:

Year ending	December 31, 2012	\$ 165,195
	December 31, 2013	113,847
	December 31, 2014	50,058
	December 31, 2015	46,930
	December 31, 2016	<u>35,118</u>
		<u>\$ 411,148</u>

15. Post-Retirement Benefit Obligation

a) Pension Plan

The Company has a pension agreement with the Ontario Municipal Employees Retirement System Funds ("OMERS"), which is a multi-employer plan, on behalf of its employees.

The plan is a contributory, defined benefit plan which specifies the amount of retirement benefits to be received by the employees based on the length of service and rates of pay. As the plan is a multi-employer plan, it is accounted for as a defined contribution plan as allowed under Canadian generally accepted accounting principles. Contributions by the Company are 7.4% for employee earnings below the year's maximum personable earnings of \$47,200 and 10.7% thereafter.

For the year ended December 31, 2011, the Company's OMERS current service pension costs were \$170,043 (2010 - \$141,468).

b) Employee Future Benefits Other than Pension

The Company provides medical and life insurance benefit coverage to certain retirees of the Company. Eligible retirees are provided health coverage until the age of 65 and life insurance coverage is provided to retirees who have at least 10 years of eligible service. The obligation under these plans is funded by the Company and expensed in the year that it is paid. Benefits paid in 2011 amounted to \$22,600 (2010 - \$17,876).

Post-retirement benefits, other than pensions, are accrued during the years during which employees provide service to certain of the companies.

i) Total Cash Payments

Total cash payments for employee future benefits for 2011 which consist of cash contributed by the Company to its various plans and cash payments directly to beneficiaries for its unfunded other benefit plans was \$192,643 (2010 - \$159,344).

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

15. Post-Retirement Benefit Obligation (cont.)

ii) Actuarial Measurement Valuations Dates

The liabilities reported in these financial statements are based on the most recent actuarial valuation performed as of December 31, 2010 for accounting purposes, with results extrapolated to December 31, 2011.

Accrued Benefit Obligation

	2011	2010
Benefit obligation, beginning of year	\$ 584,565	\$ 541,368
Service cost	23,000	7,200
Interest on projected plan benefits	35,000	18,700
Actuarial loss	(7,900)	35,173
Benefits paid	<u>(22,600)</u>	<u>(17,876)</u>
Benefit obligation at end of year	<u>\$ 612,065</u>	<u>\$ 584,565</u>

Reconciliation of the Accrued Benefit Obligation to the Balance Sheet Accrued Benefits Liability

	2011	2010
Accrued benefit obligation	\$ 612,065	\$ 584,565
Unrecognized net actuarial loss	<u>(60,465)</u>	<u>(70,462)</u>
Accrued benefits liability	<u>\$ 551,600</u>	<u>\$ 514,103</u>

Significant Assumptions

The significant assumptions used are as follows:

	2011	2010
Discount rates applicable to post-retirement benefits		
other than pensions and benefit costs	5.00%	5.75%
Rate of compensation increase	3.50%	3.50%
Ultimate dental care cost	4.50%	4.00%

For December 31, 2011, medical costs are assumed to increase at 8% grading down to 4.55% over 20 years.

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

16. Share Capital

Authorized

Unlimited number of common shares

	2011	2010
Issued capital		
10,000 common shares	<u>\$10,855,585</u>	<u>\$10,855,585</u>

17. Guarantee

The Company has guaranteed the operating and term loans of its parent company ERTTH Corporation up to 25% of the Company's equity or \$2,776,101. The loans are secured by a General Security Agreement covering all assets of the Company and a pledge of the shares of the Company. As the Company does not expect to be in a position where it would need to honour this guarantee in the foreseeable future, no liability has been recorded in these financial statements.

18. Prudential Support Requirements

Erie Thames Powerlines Corporation, as a Local Distribution Company under the Energy Competition Act, 1998, R.S.O., posted prudential support obligations on market opening, May 1, 2002 with the Electric Independent Market Operator. The prudential support obligation as at June 24, 2008 was \$1,586,703 and had not changed as at December 31, 2011. The prudential support requirement is honoured through a letter of credit.

19. Payments in Lieu of Income Taxes

The provision for payments in lieu ("PILs") of income taxes differs from amounts which would be calculated by applying the Company's combined statutory income tax rate as follows:

	2011	2010
Income from continuing operations before PILs	\$ 549,179	\$ 298,424
Statutory Canadian Federal and Provincial income tax rate	28.25 %	31.00 %
Basic rate applied to income before PILs	155,143	92,511
Other	<u>(155,143)</u>	<u>94,489</u>
Provision for payment in lieu of income tax	<u>\$ -</u>	<u>\$ 187,000</u>
Effective tax rate	<u>- %</u>	<u>62.66 %</u>

The attached Auditors' Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

19. Payments in Lieu of Income Taxes (cont.)

As of December 31, 2011, the Company has recorded a future payment in lieu of income tax asset of \$1,321,000 (2010 - \$1,408,000) and future income tax regulatory liability of \$1,321,000 (2010 - \$1,408,000), based on substantively enacted income tax rates.

Significant components of the Company's future income tax assets and regulatory liability are as follows:

	2011	2010
Property, plant and equipment	\$ 577,000	\$ 723,000
Intangible assets	57,000	63,000
Regulatory adjustments	337,000	338,000
Post-retirement Benefits Obligation	138,000	71,000
Non-Capital loss carryforwards	<u>212,000</u>	<u>213,000</u>
	<u>\$ 1,321,000</u>	<u>\$ 1,408,000</u>

The Company has approximately \$816,000 of non-capital loss carryforwards which may be applied to reduce taxable income of future years expiring as follows:

2028	\$ 135,000
2029	586,000
2030	95,000

20. Commitments

The Company has entered into various operating lease agreements. The future minimum annual payments under operating leases are as follows:

Year ending	December 31, 2012	\$ 50,313
	December 31, 2013	36,226
	December 31, 2014	36,716
	December 31, 2015	7,627
	December 30, 2016	<u>2,358</u>
		<u>\$ 133,240</u>

21. Financial Instruments

As a rate-regulated entity, the nature of the Company's operations are defined and restricted by regulation. Financial operations and risks are also substantially influenced by regulation, limiting the necessity to engage in risk mitigation strategies involving the use of derivatives or hedges, and the Company did not engage in those activities during the fiscal year.

The attached Auditors' Report and notes form an integral part of these audited financial statements.

**ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

21. Financial Instruments (cont.)

The company has adopted CICA Handbook Section 3861- *Financial Instruments* for disclosure purposes as the Company's financial instruments are not subject to disclosure requirements under Section 3862 or 3863 of the CICA Handbook

a) Credit Risk

By regulation, the Company is responsible for collecting both the distribution and energy portions of the electricity bill. On average, 16% of amounts billed to customers are for distribution charges and 84% of the bill is energy related. Unless the retailer elects to bill the customers directly for the energy portion of the bill, the Company is exposed to a credit risk substantially greater than their portion of the electricity bill.

Mitigation of substantial losses is provided through the opportunity to apply for recovery for those losses through distribution rate adjustments in future years, if approved by the regulator. Additionally, regulation provides for certain customers to provide security deposits for a prescribed period of period to mitigate collection loss.

The Company is not exposed to a significant concentration of credit risk within any customer segment or individual customer.

b) Fair Values

The fair values of the Company's financial assets and liabilities approximate their book values unless otherwise disclosed.

c) Interest Rate Risk

The Company is subject to the risks associated with debt financing, including the risk that existing indebtedness secured by the property may not be refinanced or that the terms of such refinancing may not be as favourable as the terms of existing indebtedness. The Company is exposed to interest rate risk as its assets are held as security for the parent company's commercial loan facilities. The Company does not use any hedging instruments to mitigate its risk.

22. Capital Disclosures

The Company's main objective is to ensure ongoing access to funding to maintain and improve the electricity distribution system of the Company.

As at December 31, 2011 the Company's definition of capital includes shareholder's equity and long-term debt. As at December 31, 2011, shareholders' equity amounts to \$11,104,403 (2010 - \$10,555,224) and long-term debt amounts to \$10,592,513 (2010 - \$10,699,199). The Company's structure as at December 31, 2011 is 49% debt and 51% equity (2010 - 50% debt and 50% equity). There have been no changes in the Company's approach to capital management during the year.

The attached Auditors' Report and notes form an integral part of these audited financial statements.

**ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

23. Comparative Figures

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year. The prior year figures are the combined amounts of the predecessor entities West Perth Power Inc., Clinton Power Corporation and Erie Thames Powerlines Corporation.

The attached Auditors' Report and notes form an integral part of these audited financial statements.

RATE BASE SUMMARY	2008 Actual	2009 Actual	Variance from 2008 Actual	2009 Actual	2010 Actual	Variance from 2009 Actual	2010 Actual	2011 Bridge	Variance from 2010 Actual	2011 Bridge	2012 Test	Variance from 2011 Bridge
	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)		(\$'s)	(\$'s)
<u>Gross Asset</u>												
Asset Values at Cost	\$29,811,592	\$31,753,827	\$1,942,235	\$31,753,827	\$35,371,442	\$3,617,615	\$35,371,442	\$37,561,610	\$2,190,168	\$37,561,610	\$40,401,610	\$2,840,000
<u>Accumulated Depreciation</u>												
Depreciation	-\$9,029,842	-\$10,330,451	-\$1,300,609	-\$10,330,451	-\$11,847,726	-\$1,517,275	-\$11,847,726	-\$13,636,349	-\$1,788,623	-\$13,636,349	-\$15,662,899	-\$2,026,550
Net Fixed Asset	\$20,781,750	\$21,423,376	\$641,625	\$21,423,376	\$23,523,716	\$2,100,340	\$23,523,716	\$23,925,261	\$401,545	\$23,925,261	\$24,738,711	\$813,450
<u>Allowance for Working Capital</u>												
	\$4,932,805	\$5,261,077	\$328,272	\$5,261,077	\$5,597,479	\$336,402	\$5,597,479	\$6,869,459	\$1,271,981	\$6,869,459	\$6,402,308	-\$467,151
Utility Rate Base	\$25,714,555	\$26,684,452	\$969,897	\$26,684,452	\$29,121,195	\$2,436,742	\$29,121,195	\$30,794,721	\$1,673,526	\$30,794,721	\$31,141,019	\$346,299

Variable

	ETPL	CPC	WPPI	Total
Residential	\$1,446,253.63	\$145,742.62	\$157,899.48	\$1,749,895.73
GS<50	\$324,853.17	\$63,839.88	\$117,533.64	\$506,226.70
GS>50 to 999	\$105,724.17	\$163,251.04	\$216,040.62	\$485,015.83
GS> 1000 to 2999	\$596,042.29	\$0.00	\$0.00	\$596,042.29
GS> 3000 to 4999	\$26,900.66	\$0.00	\$0.00	\$26,900.66
Large Use	\$317,321.83	\$0.00	\$0.00	\$317,321.83
Unmetered	\$5,860.43	\$428.22	\$422.29	\$6,710.95
Street Light	\$91,421.11	\$1,002.00	\$23,040.24	\$115,463.35
Embedded	\$61,081.15	\$0.00		\$61,081.15
	\$2,975,458.44	\$374,263.77	\$514,936.27	\$3,864,658.47

Fixed

	Total	CPC	WPPI	Total
Residential	\$2,204,104.32	\$210,772.80	\$299,855.52	\$2,714,732.64
GS<50	\$323,343.68	\$60,908.40	\$34,559.40	\$418,811.48
GS>50 to 999	\$341,158.08	\$8,657.76	\$49,161.60	\$398,977.44
GS> 1000 to 2999	\$228,980.16	\$0.00	\$0.00	\$228,980.16
GS> 3000 to 4999	\$16,856.08	\$0.00	\$0.00	\$16,856.08
Large Use	\$116,901.72	\$0.00	\$0.00	\$116,901.72
Unmetered	\$3,452.40	\$1,595.88	\$40.20	\$5,088.48
Street Light	\$131,955.84	\$1,786.68	\$1,786.68	\$135,529.20
Embedded	\$79,904.40	\$0.00		\$79,904.40
	\$3,446,656.68	\$283,721.52	\$385,403.40	\$4,115,781.60
	\$6,422,115.12	\$657,985.29	\$900,339.67	\$7,980,440.07

GROSS ASSET	Variance from 2008			Variance from 2008			Variance from 2009			Variance from 2010			Variance from 2011		
	2008 Board Approved (\$'s)	2008 Actual (\$'s)	Board Approved	2008 Actual (\$'s)	2009 Actual (\$'s)	Actual	2009 Actual (\$'s)	2010 Actual (\$'s)	Actual	2010 Actual (\$'s)	2011 Bridge (\$'s)	Actual	2011 Bridge (\$'s)	2012 test (\$'s)	Bridge
Land and Buildings															
1805-Land	\$120,344	\$150,429	\$30,085	\$150,429	\$150,429	\$0	\$150,429	\$150,673	\$244	\$150,673	\$140,944	-\$9,729	\$140,944	\$140,944	\$0
1806-Land Rights	\$26,340	\$0	-\$26,340	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1808-Buildings and Fixtures	\$155,349	\$136,009	-\$19,340	\$136,009	\$148,263	\$12,254	\$148,263	\$154,555	\$6,292	\$154,555	\$173,327	\$18,771	\$173,327	\$173,327	\$0
1905-Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1906-Land Rights	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1810-Leasehold Improvements	\$0	\$7,040	\$7,040	\$7,040	\$7,040	\$0	\$7,040	\$7,040	\$0	\$7,040	\$0	-\$7,040	\$0	\$0	\$0
Sub-Total-Land and Buildings	\$302,033	\$293,478	-\$8,555	\$293,478	\$305,732	\$12,254	\$305,732	\$312,268	\$6,536	\$312,268	\$314,271	\$2,002	\$314,271	\$314,271	\$0
TS Primary Above 50															
1815-Transformer Station Equipment - Normally Primary above 50 kV	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sub-Total-TS Primary Above 50	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DS															
1820-Distribution Station Equipment - Normally Primary below 50 kV	\$283,529	\$499,229	\$215,700	\$499,229	\$499,229	\$0	\$499,229	\$499,229	\$0	\$499,229	\$503,732	\$4,503	\$503,732	\$503,732	\$0
Sub-Total-DS	\$283,529	\$499,229	\$215,700	\$499,229	\$499,229	\$0	\$499,229	\$499,229	\$0	\$499,229	\$503,732	\$4,503	\$503,732	\$503,732	\$0
Poles and Wires															
1830-Poles, Towers and Fixtures	\$2,249,627	\$4,336,711	\$2,087,084	\$4,336,711	\$4,660,839	\$324,127	\$4,660,839	\$5,068,092	\$407,253	\$5,068,092	\$5,481,315	\$413,223	\$5,481,315	\$6,214,315	\$733,000
1835-Overhead Conductors and Devices	\$8,398,500	\$8,964,219	\$565,719	\$8,964,219	\$9,531,432	\$567,212	\$9,531,432	\$10,155,470	\$624,038	\$10,155,470	\$10,519,285	\$363,815	\$10,519,285	\$11,024,285	\$505,000
1840-Underground Conduit	\$912,671	\$2,147,360	\$1,234,689	\$2,147,360	\$2,212,620	\$65,260	\$2,212,620	\$2,282,781	\$70,161	\$2,282,781	\$2,351,312	\$68,531	\$2,351,312	\$2,632,312	\$281,000
1845-Underground Conductors and Devices	\$3,397,383	\$4,274,462	\$877,079	\$4,274,462	\$4,748,172	\$473,710	\$4,748,172	\$4,911,818	\$163,646	\$4,911,818	\$6,082,569	\$1,170,752	\$6,082,569	\$6,262,569	\$180,000
Sub-Total-Poles and Wires	\$14,958,181	\$19,722,753	\$4,764,572	\$19,722,753	\$21,153,062	\$1,430,309	\$21,153,062	\$22,418,161	\$1,265,098	\$22,418,161	\$24,434,481	\$2,016,321	\$24,434,481	\$26,133,481	\$1,699,000
Line Transformers															
1850-Line Transformers	\$4,259,046	\$5,699,174	\$1,440,128	\$5,699,174	\$5,975,585	\$276,411	\$5,975,585	\$6,453,338	\$477,753	\$6,453,338	\$6,601,894	\$148,556	\$6,601,894	\$7,083,894	\$482,000
Sub-Total-Line Transformers	\$4,259,046	\$5,699,174	\$1,440,128	\$5,699,174	\$5,975,585	\$276,411	\$5,975,585	\$6,453,338	\$477,753	\$6,453,					

Appendix 2C Other Revenue
Erie Thames Powerlines EB-2012-0121

OTHER DISTRIBUTION REVENUE	2008 Board Approved	2008 Actual	Variance from 2008 Board Approved	2008 Actual	2009 Actual	Variance from 2008 Actual	2009 Actual	2010 Actual	Variance from 2009 Actual	2010 Actual	2011 Bridge	Variance from 2010 Actual	2011 Bridge	2012 Test	Variance from 2011 Bridge
	(\$'s)	(\$'s)	(\$'s)	(\$'s)	(\$'s)										
<u>Other Distribution Revenue</u>															
Retail Services Revenues	\$19,065	\$19,098	\$33	\$19,098	\$20,303	\$1,205	\$20,303	\$20,595	\$292	\$20,595	\$26,296	\$5,702	\$26,296		-\$26,296
Service Transaction Requests (STR) Revenues	\$10,917	\$10,619	-\$298	\$10,619	\$10,400	-\$219	\$10,400	\$10,854	\$454	\$10,854	\$654	-\$10,200	\$654	\$37,204	\$36,550
Electric Services Incidental to Energy Sales	\$0		\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0		\$0
Rent from Electric Property	\$88,401	\$72,716	-\$15,685	\$72,716	\$71,098	-\$1,618	\$71,098	\$104,362	\$33,265	\$104,362	\$110,624	\$6,261	\$110,624	\$156,609	\$45,985
Other Utility Operating Income	\$64,213	\$363,787	\$299,574	\$363,787	\$284,527	-\$79,260	\$284,527	\$324,253	\$39,727	\$324,253	\$129,609	-\$194,645	\$129,609	\$167,352	\$37,743
Other Electric Revenues	\$92,075	\$0	-\$92,075	\$0	\$0	\$0	\$0		\$0	\$0		\$0	\$0		\$0
Late Payment Charges	\$95,447	\$73,786	-\$21,661	\$73,786	\$88,295	\$14,509	\$88,295	\$84,480	-\$3,815	\$84,480	\$139,262	\$54,782	\$139,262	\$143,440	\$4,178
Sales of Water and Water Power	\$0		\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0		\$0
Miscellaneous Service Revenues	\$161,584	\$6,238	-\$155,346	\$6,238	\$3,011	-\$3,227	\$3,011	\$10,716	\$7,705	\$10,716	\$450,627	\$439,910	\$450,627	\$428,454	-\$22,173
TOTAL	\$531,702	\$546,244	\$14,542	\$546,244	\$477,633	-\$68,611	\$477,633	\$555,261	\$77,628	\$555,261	\$857,072	\$301,811	\$857,072	\$933,058	\$75,986

Appendix 2-B
Fixed Asset Continuity Schedule

Year ¹ 2006

				Cost				Accumulated Depreciation				
CCA Class	OEB	Description	Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
N/A	1805	Land		\$ 132,429			\$ 132,429	\$ -			\$ -	\$ 132,429
47	1808	Buildings	4.00%	\$ 119,981	\$ 813		\$ 120,794	\$ 23,136	\$ 4,573		\$ 27,709	\$ 93,085
13	1810	Leasehold Improvements	10.00%		\$ -		\$ -	\$ -	\$ 1,408		\$ 1,408	\$ 1,408
47	1815	Transformer Station Equipment >50 kV					\$ -				\$ -	\$ -
47	1820	Distribution Station Equipment <50 kV	4.00%	\$ 400,188	\$ 78,984		\$ 479,172	\$ 100,822	\$ 46,825		\$ 147,647	\$ 331,525
47	1825	Storage Battery Equipment	4.00%				\$ -				\$ -	\$ -
47	1830	Poles, Towers & Fixtures	4.00%	\$ 3,221,350	\$ 349,231		\$ 3,570,581	\$ 1,083,353	\$ 117,489		\$ 1,200,842	\$ 2,369,739
47	1835	Overhead Conductors & Devices	4.00%	\$ 6,812,300	\$ 612,942	\$ 4,044	\$ 7,421,198	\$ 1,149,135	\$ 290,660		\$ 1,439,795	\$ 5,981,403
47	1840	Underground Conduit	4.00%	\$ 1,941,880	\$ 51,444	\$ 6,855	\$ 1,986,469	\$ 597,018	\$ 69,439		\$ 666,457	\$ 1,320,012
47	1845	Underground Conductors & Devices	4.00%	\$ 2,931,172	\$ 425,038		\$ 3,356,210	\$ 511,734	\$ 117,419		\$ 629,153	\$ 2,727,057
47	1850	Line Transformers	4.00%	\$ 4,140,104	\$ 476,201		\$ 4,616,305	\$ 1,102,001	\$ 242,354		\$ 1,344,355	\$ 3,271,950
47	1855	Services (Overhead & Underground)	4.00%	\$ 1,518,386	\$ 355,545		\$ 1,873,931	\$ 305,087	\$ 73,166		\$ 378,253	\$ 1,495,678
47	1860	Meters	4.00%	\$ 1,936,074	\$ 244,380		\$ 2,180,454	\$ 453,628	\$ 82,400		\$ 536,028	\$ 1,644,426
47	1860	Meters (Smart Meters)					\$ -				\$ -	\$ -
N/A	1905	Land					\$ -				\$ -	\$ -
CEC	1906	Land Rights					\$ -				\$ -	\$ -
47	1908	Buildings & Fixtures					\$ -				\$ -	\$ -
13	1910	Leasehold Improvements					\$ -				\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	10.00%	\$ 52,108	\$ 3,173		\$ 55,281	\$ 24,026	\$ 16,572		\$ 40,598	\$ 14,683
8	1915	Office Furniture & Equipment (5 years)	20.00%				\$ -				\$ -	\$ -
10	1920	Computer Equipment - Hardware	20.00%	\$ 63,626	\$ 5,727		\$ 69,353	\$ 35,733	\$ 16,573		\$ 52,306	\$ 17,047
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)					\$ -				\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)					\$ -				\$ -	\$ -
12	1925	Computer Software	20.00%	\$ 317,290	\$ 90,779		\$ 408,069	\$ 105,892	\$ 113,347		\$ 219,239	\$ 188,830
10	1930	Transportation Equipment	12.50%	\$ 24,456			\$ 24,456	\$ 9,677	\$ 1,873		\$ 11,550	\$ 12,906
8	1935	Stores Equipment	20.00%	\$ -	\$ -		\$ -	\$ -	\$ 46		\$ 46	\$ 46
8	1940	Tools, Shop & Garage Equipment	20.00%	\$ 58,289	\$ 23,613		\$ 81,902	\$ 31,169	\$ 27,395		\$ 58,564	\$ 23,338
8	1945	Measurement & Testing Equipment	20.00%	\$ 11,007	\$ 11,007		\$ 11,007	\$ -	\$ 83		\$ 83	\$ 10,924
8	1950	Power Operated Equipment	20.00%	\$ 64,091			\$ 64,091	\$ -	\$ 468		\$ 468	\$ 63,623
8	1955	Communications Equipment					\$ -				\$ -	\$ -
8	1955	Communication Equipment (Smart Meters)					\$ -				\$ -	\$ -
8	1960	Miscellaneous Equipment					\$ -				\$ -	\$ -
47	1975	Load Management Controls Utility Premises					\$ -				\$ -	\$ -
47	1980	System Supervisor Equipment					\$ -				\$ -	\$ -
47	1985	Miscellaneous Fixed Assets					\$ -				\$ -	\$ -
47	1995	Contributions & Grants	4.00%	\$ 1,222,470	\$ 467,608		\$ 1,690,078	\$ 24,866	\$ 27,595		\$ 52,461	\$ 1,637,617
	etc.						\$ -				\$ -	\$ -
		Total		\$ 22,511,254	\$ 2,261,269	\$ 10,899	\$ 24,761,623	\$ 5,507,545	\$ 1,194,495	\$ -	\$ 6,702,040	\$ 18,059,583

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10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation

Transportation

Stores Equipment

Net Depreciation

¹ Provide a Fixed Asset Continuity Schedule for 5 historic Years, Bridge Year and Test Year

Notes:

1. Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
2. The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3 below).
3. The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.

**Appendix 2-B
Fixed Asset Continuity Schedule**

Year ¹ 2007

CCA Class	OEB	Description	Depreciation Rate	Cost			Accumulated Depreciation				Net Book Value
				Opening Balance	Additions	Disposals	Opening Balance	Additions	Disposals	Closing Balance	
N/A	1805	Land		\$ 132,429	\$ -	\$ -	\$ -			\$ -	\$ 132,429
47	1808	Buildings	4.00%	\$ 120,794	\$ 3,500	\$ -	\$ 27,709	\$ 4,902	\$ -	\$ 32,611	\$ 91,683
13	1810	Leasehold Improvements	10.00%	\$ -	\$ -	\$ -	\$ 1,408	\$ 1,408	\$ -	\$ 2,816	\$ 2,816
47	1815	Transformer Station Equipment >50 kV		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1820	Distribution Station Equipment <50 kV	4.00%	\$ 479,172	\$ -	\$ -	\$ 147,647	\$ 16,005	\$ -	\$ 163,652	\$ 315,520
47	1825	Storage Battery Equipment	4.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1830	Poles, Towers & Fixtures	4.00%	\$ 3,570,581	\$ 431,176	\$ -	\$ 1,200,842	\$ 176,240	\$ -	\$ 1,377,082	\$ 2,624,676
47	1835	Overhead Conductors & Devices	4.00%	\$ 7,421,198	\$ 748,345	\$ -	\$ 1,439,795	\$ 285,306	\$ -	\$ 1,725,101	\$ 6,444,442
47	1840	Underground Conduit	4.00%	\$ 1,986,469	\$ 67,666	\$ -	\$ 666,457	\$ 93,420	\$ -	\$ 759,877	\$ 1,294,258
47	1845	Underground Conductors & Devices	4.00%	\$ 3,356,210	\$ 309,552	\$ -	\$ 629,153	\$ 131,665	\$ -	\$ 760,818	\$ 2,904,944
47	1850	Line Transformers	4.00%	\$ 4,616,305	\$ 238,335	\$ -	\$ 1,344,355	\$ 208,227	\$ -	\$ 1,552,582	\$ 3,302,058
47	1855	Services (Overhead & Underground)	4.00%	\$ 1,873,931	\$ 310,317	\$ -	\$ 378,253	\$ 74,482	\$ -	\$ 452,735	\$ 1,731,513
47	1860	Meters	4.00%	\$ 2,180,454	\$ 145,477	\$ -	\$ 536,028	\$ 86,497	\$ -	\$ 622,525	\$ 1,703,406
47	1860	Meters (Smart Meters)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
N/A	1905	Land		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CEC	1906	Land Rights		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1908	Buildings & Fixtures		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	1910	Leasehold Improvements		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	10.00%	\$ 55,281	\$ 1,270	\$ -	\$ 40,598	\$ 4,831	\$ -	\$ 45,429	\$ 11,122
8	1915	Office Furniture & Equipment (5 years)	20.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	1920	Computer Equipment - Hardware	20.00%	\$ 69,353	\$ 1,691	\$ -	\$ 52,306	\$ 14,970	\$ -	\$ 67,276	\$ 3,768
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	1925	Computer Software	20.00%	\$ 408,069	\$ 24,405	\$ -	\$ 219,239	\$ 81,593	\$ -	\$ 300,832	\$ 131,642
10	1930	Transportation Equipment	12.50%	\$ 24,456	\$ 13,025	\$ -	\$ 11,550	\$ 4,478	\$ -	\$ 16,028	\$ 21,453
8	1935	Stores Equipment	20.00%	\$ -	\$ -	\$ -	\$ 46	\$ 92	\$ -	\$ 138	\$ 138
8	1940	Tools, Shop & Garage Equipment	20.00%	\$ 81,902	\$ 1,007	\$ -	\$ 58,564	\$ 14,222	\$ -	\$ 72,786	\$ 10,124
8	1945	Measurement & Testing Equipment	20.00%	\$ 11,007	\$ -	\$ -	\$ 83	\$ -	\$ -	\$ 83	\$ 10,924
8	1950	Power Operated Equipment	20.00%	\$ 64,091	\$ -	\$ -	\$ 468	\$ -	\$ -	\$ 468	\$ 63,623
8	1955	Communications Equipment		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	1955	Communication Equipment (Smart Meters)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	1960	Miscellaneous Equipment		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1975	Load Management Controls Utility Premises		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1980	System Supervisor Equipment		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1985	Miscellaneous Fixed Assets		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1995	Contributions & Grants	4.00%	\$ 1,690,078	\$ 880,601	\$ -	\$ 52,461	\$ 55,814	\$ -	\$ 108,275	\$ 2,462,404
	etc.			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Total		\$ 24,761,623	\$ 1,415,166	\$ -	\$ 6,702,040	\$ 1,142,522	\$ -	\$ 7,844,562	\$ 18,332,227

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation

Transportation

Stores Equipment

Net Depreciation

\$ -

¹ Provide a Fixed Asset Continuity Schedule for 5 historic Years, Bridge Year and Test Year**Notes:**

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3 below).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.

**Appendix 2-B
Fixed Asset Continuity Schedule**

Year ¹ 2008

CCA Class	OEB	Description	Depreciation Rate	Cost				Accumulated Depreciation				Net Book Value
				Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
N/A	1805	Land		\$ 132,429			\$ 132,429	\$ -			\$ -	\$ 132,429
47	1808	Buildings	4.00%	\$ 124,294	\$ 10,160		\$ 134,454	-\$ 32,611	-\$ 5,175		-\$ 37,786	\$ 96,668
13	1810	Leasehold Improvements	10.00%	\$ -			\$ -	-\$ 2,816	-\$ 1,408		-\$ 4,224	\$ 4,224
47	1815	Transformer Station Equipment >50 kV		\$ -			\$ -	\$ -			\$ -	\$ -
47	1820	Distribution Station Equipment <50 kV	4.00%	\$ 479,172	\$ 24,560		\$ 503,732	-\$ 163,652	-\$ 17,445		-\$ 181,097	\$ 322,635
47	1825	Storage Battery Equipment	4.00%	\$ -			\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures	4.00%	\$ 4,001,757	\$ 367,223		\$ 4,368,980	-\$ 1,377,082	-\$ 191,344		-\$ 1,568,426	\$ 2,800,554
47	1835	Overhead Conductors & Devices	4.00%	\$ 8,169,543	\$ 811,112		\$ 8,980,655	-\$ 1,725,101	-\$ 315,099		-\$ 2,040,199	\$ 6,940,456
47	1840	Underground Conduit	4.00%	\$ 2,054,134	\$ 104,873		\$ 2,159,007	-\$ 759,877	-\$ 96,671		-\$ 856,548	\$ 1,302,459
47	1845	Underground Conductors & Devices	4.00%	\$ 3,665,762	\$ 648,401		\$ 4,314,163	-\$ 760,818	-\$ 156,743		-\$ 917,561	\$ 3,396,602
47	1850	Line Transformers	4.00%	\$ 4,854,640	\$ 544,806		\$ 5,399,446	-\$ 1,552,582	-\$ 225,332		-\$ 1,777,914	\$ 3,621,532
47	1855	Services (Overhead & Underground)	4.00%	\$ 2,184,248	\$ 309,884		\$ 2,494,132	-\$ 452,735	-\$ 85,883		-\$ 538,618	\$ 1,955,514
47	1860	Meters	4.00%	\$ 2,325,931	\$ 128,946		\$ 2,454,878	-\$ 622,525	-\$ 91,150		-\$ 713,675	\$ 1,741,203
47	1860	Meters (Smart Meters)		\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1905	Land		\$ -			\$ -	\$ -			\$ -	\$ -
CEC	1906	Land Rights		\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures		\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements		\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	10.00%	\$ 56,552	\$ 1,323		\$ 57,875	-\$ 45,429	-\$ 2,809		-\$ 48,238	\$ 9,637
8	1915	Office Furniture & Equipment (5 years)	20.00%	\$ -	\$ 5,594		\$ 5,594	\$ -			\$ -	\$ 5,594
10	1920	Computer Equipment - Hardware	20.00%	\$ 71,044	\$ 4,869		\$ 75,913	-\$ 67,276	-\$ 6,155		-\$ 73,431	\$ 2,482
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		\$ -			\$ -	\$ -			\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$ -			\$ -	\$ -			\$ -	\$ -
12	1925	Computer Software	20.00%	\$ 432,474	\$ 143,626		\$ 576,100	-\$ 300,832	-\$ 71,796		-\$ 372,627	\$ 203,473
10	1930	Transportation Equipment	12.50%	\$ 37,481	\$ 66,156		\$ 103,637	-\$ 16,028	-\$ 10,277		-\$ 26,304	\$ 77,333
8	1935	Stores Equipment	20.00%	\$ -			\$ -	-\$ 138	-\$ 183		-\$ 321	\$ 321
8	1940	Tools, Shop & Garage Equipment	20.00%	\$ 82,909	\$ 7,497		\$ 90,406	-\$ 72,786	-\$ 6,603		-\$ 79,388	\$ 11,018
8	1945	Measurement & Testing Equipment	20.00%	\$ 11,007			\$ 11,007	-\$ 83			-\$ 83	\$ 10,924
8	1950	Power Operated Equipment	20.00%	\$ 64,091			\$ 64,091	-\$ 468			-\$ 468	\$ 63,623
8	1955	Communications Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communication Equipment (Smart Meters)		\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1975	Load Management Controls Utility Premises		\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets		\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants	4.00%	-\$ 2,570,679	-\$ 688,197		-\$ 3,258,876	\$ 108,275	\$ 98,792		\$ 207,067	-\$ 3,051,809
	etc.			\$ -			\$ -	\$ -			\$ -	\$ -
				\$ -			\$ -	\$ -			\$ -	\$ -
		Total		\$ 26,176,789	\$ 2,490,833	\$ -	\$ 28,667,623	-\$ 7,844,562	-\$ 1,185,279	\$ -	-\$ 9,029,842	\$ 19,637,781

10	Transportation	\$ 3,179,031
8	Stores Equipment	\$ -

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation

\$ -

¹ Provide a Fixed Asset Continuity Schedule for 5 historic Years, Bridge Year and Test Year**Notes:**

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3 below).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.

**Appendix 2-B
Fixed Asset Continuity Schedule**

Year ¹ 2009

CCA Class	OEB	Description	Depreciation Rate	Cost			Accumulated Depreciation				Net Book Value
				Opening Balance	Additions	Disposals	Opening Balance	Additions	Disposals	Closing Balance	
N/A	1805	Land		\$ 132,429		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 132,429
47	1808	Buildings	4.00%	\$ 134,454	\$ 12,254	\$ -	\$ 37,786	\$ 5,623	\$ -	\$ 43,409	\$ 103,299
13	1810	Leasehold Improvements	10.00%	\$ -	\$ -	\$ -	\$ 4,224	\$ 1,408	\$ -	\$ 5,632	\$ 5,632
47	1815	Transformer Station Equipment >50 kV		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1820	Distribution Station Equipment <50 kV	4.00%	\$ 503,732	\$ -	\$ -	\$ 181,097	\$ 17,937	\$ -	\$ 199,034	\$ 304,698
47	1825	Storage Battery Equipment	4.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1830	Poles, Towers & Fixtures	4.00%	\$ 4,368,980	\$ 324,127	\$ -	\$ 1,568,426	\$ 205,171	\$ -	\$ 1,773,597	\$ 2,919,511
47	1835	Overhead Conductors & Devices	4.00%	\$ 8,980,655	\$ 567,212	\$ -	\$ 2,040,199	\$ 342,665	\$ -	\$ 2,382,864	\$ 7,165,003
47	1840	Underground Conduit	4.00%	\$ 2,159,007	\$ 65,260	\$ -	\$ 856,548	\$ 100,074	\$ -	\$ 956,622	\$ 1,267,645
47	1845	Underground Conductors & Devices	4.00%	\$ 4,314,163	\$ 473,710	\$ -	\$ 917,561	\$ 179,186	\$ -	\$ 1,096,747	\$ 3,691,126
47	1850	Line Transformers	4.00%	\$ 5,399,446	\$ 276,411	\$ -	\$ 1,777,914	\$ 241,756	\$ -	\$ 2,019,670	\$ 3,656,187
47	1855	Services (Overhead & Underground)	4.00%	\$ 2,494,132	\$ 309,114	\$ -	\$ 538,618	\$ 98,263	\$ -	\$ 636,881	\$ 2,166,365
47	1860	Meters	4.00%	\$ 2,454,878	\$ 154,321	\$ -	\$ 713,675	\$ 96,815	\$ -	\$ 810,490	\$ 1,798,708
47	1860	Meters (Smart Meters)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
N/A	1905	Land		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CEC	1906	Land Rights		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1908	Buildings & Fixtures		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	1910	Leasehold Improvements		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	10.00%	\$ 57,875	\$ 593	\$ -	\$ 48,238	\$ 2,904	\$ -	\$ 51,142	\$ 7,325
8	1915	Office Furniture & Equipment (5 years)	20.00%	\$ 5,594	\$ -	\$ -	\$ -	\$ 559	\$ -	\$ 559	\$ 5,035
10	1920	Computer Equipment - Hardware	20.00%	\$ 75,913	\$ 4,720	\$ -	\$ 73,431	\$ 7,114	\$ -	\$ 80,545	\$ 88
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	1925	Computer Software	20.00%	\$ 576,100	\$ 44,890	\$ -	\$ 372,627	\$ 90,647	\$ -	\$ 463,274	\$ 157,715
10	1930	Transportation Equipment	12.50%	\$ 103,637	\$ 128,093	\$ -	\$ 26,304	\$ 22,417	\$ -	\$ 48,722	\$ 183,009
8	1935	Stores Equipment	20.00%	\$ -	\$ -	\$ -	\$ 321	\$ 183	\$ -	\$ 504	\$ 504
8	1940	Tools, Shop & Garage Equipment	20.00%	\$ 90,406	\$ 4,253	\$ -	\$ 79,388	\$ 7,778	\$ -	\$ 87,166	\$ 7,493
8	1945	Measurement & Testing Equipment	20.00%	\$ 11,007	\$ 3,399	\$ -	\$ 83	\$ 340	\$ -	\$ 423	\$ 13,983
8	1950	Power Operated Equipment	20.00%	\$ 64,091	\$ -	\$ -	\$ 468	\$ -	\$ -	\$ 468	\$ 63,623
8	1955	Communications Equipment		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	1955	Communication Equipment (Smart Meters)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	1960	Miscellaneous Equipment		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1975	Load Management Controls Utility Premises		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1980	System Supervisor Equipment		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1985	Miscellaneous Fixed Assets		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1995	Contributions & Grants	4.00%	\$ 3,258,876	\$ 426,196	\$ -	\$ 207,067	\$ 121,080	\$ -	\$ 328,148	\$ 3,356,924
	etc.			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Total		\$ 28,667,623	\$ 1,942,161	\$ -	\$ 9,029,842	\$ 1,299,760	\$ -	\$ 10,329,602	\$ 20,280,182

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation

Transportation

Stores Equipment

Net Depreciation

\$ -

¹ Provide a Fixed Asset Continuity Schedule for 5 historic Years, Bridge Year and Test Year**Notes:**

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3 below).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.

**Appendix 2-B
Fixed Asset Continuity Schedule**

Year ¹ 2010

CCA Class	OEB	Description	Depreciation Rate	Cost				Accumulated Depreciation				Net Book Value
				Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
N/A	1805	Land		\$ 132,429	\$ 244		\$ 132,673	\$ -	\$ -		\$ -	\$ 132,673
47	1808	Buildings	4.00%	\$ 146,708	\$ 6,292		\$ 153,000	\$ 43,409	\$ 5,994		\$ 49,403	\$ 103,597
13	1810	Leasehold Improvements	10.00%	\$ -			\$ -	\$ 5,632	\$ 1,408		\$ 7,040	\$ 7,040
47	1815	Transformer Station Equipment >50 kV		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1820	Distribution Station Equipment <50 kV	4.00%	\$ 503,732			\$ 503,732	\$ 199,034	\$ 17,937		\$ 216,970	\$ 286,762
47	1825	Storage Battery Equipment	4.00%	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1830	Poles, Towers & Fixtures	4.00%	\$ 4,693,107	\$ 407,253		\$ 5,100,361	\$ 1,773,597	\$ 219,799		\$ 1,993,395	\$ 3,106,965
47	1835	Overhead Conductors & Devices	4.00%	\$ 9,547,868	\$ 624,038		\$ 10,171,906	\$ 2,382,864	\$ 366,490		\$ 2,749,354	\$ 7,422,551
47	1840	Underground Conduit	4.00%	\$ 2,224,267	\$ 70,161		\$ 2,294,428	\$ 956,622	\$ 102,782		\$ 1,059,404	\$ 1,235,024
47	1845	Underground Conductors & Devices	4.00%	\$ 4,787,873	\$ 163,646		\$ 4,951,518	\$ 1,096,747	\$ 191,933		\$ 1,288,680	\$ 3,662,839
47	1850	Line Transformers	4.00%	\$ 5,675,857	\$ 477,753		\$ 6,153,610	\$ 2,019,670	\$ 256,839		\$ 2,276,510	\$ 3,877,101
47	1855	Services (Overhead & Underground)	4.00%	\$ 2,803,246	\$ 239,939		\$ 3,043,185	\$ 636,881	\$ 109,244		\$ 746,125	\$ 2,297,059
47	1860	Meters	4.00%	\$ 2,609,198	\$ 103,209		\$ 2,712,408	\$ 810,490	\$ 101,966		\$ 912,456	\$ 1,799,952
47	1860	Meters (Smart Meters)		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
N/A	1905	Land		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
CEC	1906	Land Rights		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1908	Buildings & Fixtures		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
13	1910	Leasehold Improvements		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)	10.00%	\$ 58,467	\$ 8,921		\$ 67,388	\$ 51,142	\$ 3,380		\$ 54,522	\$ 12,866
8	1915	Office Furniture & Equipment (5 years)	20.00%	\$ 5,594			\$ 5,594	\$ 559	\$ 559		\$ 1,119	\$ 4,476
10	1920	Computer Equipment - Hardware	20.00%	\$ 80,633	\$ 2,564		\$ 83,196	\$ 80,545	\$ 7,842		\$ 88,387	\$ 5,191
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
12	1925	Computer Software	20.00%	\$ 620,990	\$ 61,396		\$ 682,386	\$ 463,274	\$ 101,276		\$ 564,550	\$ 117,836
10	1930	Transportation Equipment	12.50%	\$ 231,730	\$ 1,871,335		\$ 2,103,066	\$ 48,722	\$ 147,381		\$ 196,103	\$ 1,906,963
8	1935	Stores Equipment	20.00%	\$ -	\$ -		\$ -	\$ 504	\$ 183		\$ 687	\$ 687
8	1940	Tools, Shop & Garage Equipment	20.00%	\$ 94,659	\$ 23,622		\$ 118,281	\$ 87,166	\$ 10,565		\$ 97,731	\$ 20,550
8	1945	Measurement & Testing Equipment	20.00%	\$ 14,406			\$ 14,406	\$ 423	\$ 680		\$ 1,103	\$ 13,303
8	1950	Power Operated Equipment	20.00%	\$ 64,091			\$ 64,091	\$ 468	\$ -		\$ 468	\$ 63,623
8	1955	Communications Equipment		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
8	1955	Communication Equipment (Smart Meters)		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
8	1960	Miscellaneous Equipment		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1975	Load Management Controls Utility Premises		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1980	System Supervisor Equipment		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1985	Miscellaneous Fixed Assets		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1995	Contributions & Grants	4.00%	\$ 3,685,072	\$ 443,482		\$ 4,128,554	\$ 328,148	\$ 138,474		\$ 466,621	\$ 3,661,933
	etc.			\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
		Total		\$ 30,609,784	\$ 3,616,891	\$ -	\$ 34,226,675	\$ 10,329,602	\$ 1,507,785	\$ -	\$ 11,837,387	\$ 22,389,289

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation

\$ -

¹ Provide a Fixed Asset Continuity Schedule for 5 historic Years, Bridge Year and Test Year**Notes:**

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3 below).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.

Appendix 2-B
Fixed Asset Continuity Schedule

Year ¹ 2011

CCA Class	OEB	Description	Depreciation Rate	Cost				Accumulated Depreciation				Net Book Value
				Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
N/A	1805	Land		\$ 132,673	\$ 8,271		\$ 140,944	\$ -	\$ -		\$ -	\$ 140,944
47	1808	Buildings	4.00%	\$ 153,000	\$ 20,327		\$ 173,327	-\$ 49,403	-\$ 6,527		-\$ 55,930	\$ 117,397
13	1810	Leasehold Improvements	10.00%	\$ -	\$ -		\$ -	-\$ 7,040	-\$ 1,408		-\$ 8,448	\$ 8,448
47	1815	Transformer Station Equipment >50 kV		\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -
47	1820	Distribution Station Equipment <50 kV	4.00%	\$ 503,732			\$ 503,732	-\$ 216,970	-\$ 17,937		-\$ 234,907	\$ 268,825
47	1825	Storage Battery Equipment	4.00%	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1830	Poles, Towers & Fixtures	4.00%	\$ 5,100,361	\$ 380,955		\$ 5,481,315	-\$ 1,993,395	-\$ 235,563		-\$ 2,228,958	\$ 3,252,357
47	1835	Overhead Conductors & Devices	4.00%	\$ 10,171,906	\$ 347,379		\$ 10,519,285	-\$ 2,749,354	-\$ 385,918		-\$ 3,135,273	\$ 7,384,012
47	1840	Underground Conduit	4.00%	\$ 2,294,428	\$ 56,884		\$ 2,351,312	-\$ 1,059,404	-\$ 105,323		-\$ 1,164,727	\$ 1,186,585
47	1845	Underground Conductors & Devices	4.00%	\$ 4,951,518	\$ 1,131,051		\$ 6,082,569	-\$ 1,288,680	-\$ 217,827		-\$ 1,506,506	\$ 4,576,063
47	1850	Line Transformers	4.00%	\$ 6,153,610	\$ 448,284		\$ 6,601,894	-\$ 2,276,510	-\$ 275,360		-\$ 2,551,870	\$ 4,050,024
47	1855	Services (Overhead & Underground)	4.00%	\$ 3,043,185	\$ 280,489		\$ 3,323,674	-\$ 746,125	-\$ 119,653		-\$ 865,778	\$ 2,457,896
47	1860	Meters	4.00%	\$ 2,712,408	\$ 89,690		\$ 2,802,098	-\$ 912,456	-\$ 105,824		-\$ 1,018,280	\$ 1,783,818
47	1860	Meters (Smart Meters)		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
N/A	1905	Land		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
CEC	1906	Land Rights		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1908	Buildings & Fixtures		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
13	1910	Leasehold Improvements	10.00%	\$ -	\$ 161,501		\$ 161,501	\$ -	-\$ 8,075		-\$ 8,075	\$ 153,426
8	1915	Office Furniture & Equipment (10 years)	10.00%	\$ 67,388	\$ 2,404		\$ 69,793	-\$ 54,522	-\$ 3,946		-\$ 58,469	\$ 11,324
8	1915	Office Furniture & Equipment (5 years)	20.00%	\$ 5,594			\$ 5,594	-\$ 1,119	-\$ 559		-\$ 1,678	\$ 3,916
10	1920	Computer Equipment - Hardware	20.00%	\$ 83,196	\$ 18,637		\$ 101,834	-\$ 88,387	-\$ 9,962		-\$ 98,349	\$ 3,484
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
12	1925	Computer Software	20.00%	\$ 682,386	\$ 362,981		\$ 1,045,367	-\$ 564,550	-\$ 143,713		-\$ 708,263	\$ 337,103
10	1930	Transportation Equipment	12.50%	\$ 2,103,066	\$ 630,055		\$ 2,733,121	-\$ 196,103	-\$ 303,718		-\$ 499,821	\$ 2,233,299
8	1935	Stores Equipment	20.00%	\$ -			\$ -	-\$ 687	-\$ 183		-\$ 870	\$ 870
8	1940	Tools, Shop & Garage Equipment	20.00%	\$ 118,281	\$ 40,957		\$ 159,238	-\$ 97,731	-\$ 17,023		-\$ 114,754	\$ 44,484
8	1945	Measurement & Testing Equipment	20.00%	\$ 14,406	\$ 56		\$ 14,462	-\$ 1,103	-\$ 685		-\$ 1,788	\$ 12,674
8	1950	Power Operated Equipment	20.00%	\$ 64,091			\$ 64,091	-\$ 468	\$ -		-\$ 468	\$ 63,623
8	1955	Communications Equipment		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
8	1955	Communication Equipment (Smart Meters)		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
8	1960	Miscellaneous Equipment		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1975	Load Management Controls Utility Premises		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1980	System Supervisor Equipment		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1985	Miscellaneous Fixed Assets		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1995	Contributions & Grants	4.00%	-\$ 4,128,554	-\$ 644,985		-\$ 4,773,539	\$ 466,621	\$ 160,243		\$ 626,865	-\$ 4,146,675
	etc.						\$ -	\$ -			\$ -	\$ -
		Total		\$ 34,226,675	\$ 3,334,935	\$ -	\$ 37,561,610	-\$ 11,837,387	-\$ 1,798,962	\$ -	-\$ 13,636,349	\$ 23,925,261

10		Transportation
8		Stores Equipment

Less: Fully Allocated Depreciation
Transportation
Stores Equipment
Net Depreciation \$ -

¹ Provide a Fixed Asset Continuity Schedule for 5 historic Years, Bridge Year and Test Year

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum , the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3 below).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.

**Appendix 2-B
Fixed Asset Continuity Schedule**

Year ¹ 2012

CCA Class	OEB	Description	Depreciation Rate	Cost				Accumulated Depreciation				Net Book Value
				Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
N/A	1805	Land		\$ 140,944			\$ 140,944	\$ -	\$ -		\$ -	\$ 140,944
47	1808	Buildings	4.00%	\$ 173,327			\$ 173,327	-\$ 55,930	-\$ 6,933		-\$ 62,863	\$ 110,464
13	1810	Leasehold Improvements	10.00%	\$ -			\$ -	-\$ 8,448	-\$ 1,408		-\$ 9,856	\$ 9,856
47	1815	Transformer Station Equipment >50 kV		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1820	Distribution Station Equipment <50 kV	4.00%	\$ 503,732	\$ -		\$ 503,732	-\$ 234,907	-\$ 17,937		-\$ 252,843	\$ 250,889
47	1825	Storage Battery Equipment	4.00%	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -
47	1830	Poles, Towers & Fixtures	4.00%	\$ 5,481,315	\$ 733,000		\$ 6,214,315	-\$ 2,228,958	-\$ 257,842		-\$ 2,486,800	\$ 3,727,515
47	1835	Overhead Conductors & Devices	4.00%	\$ 10,519,285	\$ 505,000		\$ 11,024,285	-\$ 3,135,273	-\$ 402,966		-\$ 3,538,239	\$ 7,486,046
47	1840	Underground Conduit	4.00%	\$ 2,351,312	\$ 281,000		\$ 2,632,312	-\$ 1,164,727	-\$ 112,081		-\$ 1,276,808	\$ 1,355,504
47	1845	Underground Conductors & Devices	4.00%	\$ 6,082,569	\$ 180,000		\$ 6,262,569	-\$ 1,506,506	-\$ 244,048		-\$ 1,750,554	\$ 4,512,015
47	1850	Line Transformers	4.00%	\$ 6,601,894	\$ 482,000		\$ 7,083,894	-\$ 2,551,870	-\$ 293,966		-\$ 2,845,836	\$ 4,238,058
47	1855	Services (Overhead & Underground)	4.00%	\$ 3,323,674	\$ 374,000		\$ 3,697,674	-\$ 865,778	-\$ 132,742		-\$ 998,520	\$ 2,699,153
47	1860	Meters	4.00%	\$ 2,802,098	\$ 70,000		\$ 2,872,098	-\$ 1,018,280	-\$ 109,018		-\$ 1,127,298	\$ 1,744,800
47	1860	Meters (Smart Meters)		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
N/A	1905	Land		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
CEC	1906	Land Rights		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1908	Buildings & Fixtures		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
13	1910	Leasehold Improvements	10.00%	\$ 161,501	\$ 60,000		\$ 221,501	-\$ 8,075	-\$ 19,150		-\$ 27,225	\$ 194,276
8	1915	Office Furniture & Equipment (10 years)	10.00%	\$ 69,793			\$ 69,793	-\$ 58,469	-\$ 4,067		-\$ 62,535	\$ 7,257
8	1915	Office Furniture & Equipment (5 years)	20.00%	\$ 5,594			\$ 5,594	-\$ 1,678	-\$ 559		-\$ 2,238	\$ 3,357
10	1920	Computer Equipment - Hardware	20.00%	\$ 101,834	\$ 25,000		\$ 126,834	-\$ 98,349	-\$ 14,326		-\$ 112,676	\$ 14,158
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
12	1925	Computer Software	20.00%	\$ 1,045,367	\$ -		\$ 1,045,367	-\$ 708,263	-\$ 180,012		-\$ 888,275	\$ 157,092
10	1930	Transportation Equipment	12.50%	\$ 2,733,121	\$ 380,000		\$ 3,113,121	-\$ 499,821	-\$ 366,847		-\$ 866,668	\$ 2,246,453
8	1935	Stores Equipment	20.00%	\$ -			\$ -	-\$ 870	-\$ 183		-\$ 1,053	\$ 1,053
8	1940	Tools, Shop & Garage Equipment	20.00%	\$ 159,238	\$ 35,000		\$ 194,238	-\$ 114,754	-\$ 24,619		-\$ 139,373	\$ 54,865
8	1945	Measurement & Testing Equipment	20.00%	\$ 14,462			\$ 14,462	-\$ 1,788	-\$ 691		-\$ 2,479	\$ 11,983
8	1950	Power Operated Equipment	20.00%	\$ 64,091			\$ 64,091	-\$ 468	\$ -		-\$ 468	\$ 63,623
8	1955	Communications Equipment		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
8	1955	Communication Equipment (Smart Meters)		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
8	1960	Miscellaneous Equipment		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1975	Load Management Controls Utility Premises		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1980	System Supervisor Equipment	20.00%	\$ -	\$ 200,000		\$ 200,000	\$ -	-\$ 20,000		\$ 20,000	\$ 180,000
47	1985	Miscellaneous Fixed Assets		\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
47	1995	Contributions & Grants	4.00%	-\$ 4,773,539	-\$ 485,000		-\$ 5,258,539	\$ 626,865	\$ 182,843		\$ 809,708	-\$ 4,448,832
	etc.			\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
		Total		\$ 37,561,610	\$ 2,840,000	\$ -	\$ 40,401,610	-\$ 13,636,349	-\$ 2,026,550	\$ -	-\$ 15,662,899	\$ 24,738,711

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation

Transportation

Stores Equipment

Net Depreciation

\$ -

¹ Provide a Fixed Asset Continuity Schedule for 5 historic Years, Bridge Year and Test Year**Notes:**

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum , the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3 below).
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Appendix 2-J
OM&A Variance Analysis
(excluding Depreciation and Amortization)

		Last Board-approved Rebasing Year (2008 Actuals)	Most Current Actual Year (2010)	Most Current Actual Year (2011)	Test Year (2012)	Test Year Versus Last Rebasing		Test Year Versus Most Current Actuals	
Account	Description					Variance (\$)	Percentage	Variance (\$)	Percentage
Operations									
5005	Operation Supervision and Engineering	\$ 44,234	\$ 185,439	\$ 205,803	\$ 193,036	\$ 148,802	336.40%	\$ 7,596	4.10%
5010	Load Dispatching	\$ -	\$ 837	\$ -	\$ -	\$ -	-	\$ 837	-100.00%
5012	Station Buildings and Fixtures Expense	\$ 36	\$ -	\$ -	\$ -	\$ 36	-100.00%	\$ -	-
5014	Transformer Station Equipment - Operation Labour	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
5015	Transformer Station Equipment - Operation Supplies and Expenses	\$ 620	\$ -	\$ -	\$ -	\$ 620	-100.00%	\$ -	-
5016	Distribution Station Equipment - Operation Labour	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
5017	Distribution Station Equipment - Operation Supplies and Expenses	\$ 39,666	\$ 28,247	\$ -	\$ 3,519	\$ 36,147	-91.13%	\$ 24,728	-87.54%
5020	Overhead Distribution Lines and Feeders - Operation Labour	\$ 6,703	\$ 17,774	\$ -	\$ 3,683	\$ 3,020	-45.05%	\$ 14,091	-79.28%
5025	Overhead Distribution Lines and Feeders - Operation Supplies and Expenses	\$ 2,194	\$ 2,385	\$ 1,794	\$ 1,441	\$ 754	-34.34%	\$ 944	-39.59%
5030	Overhead Sub-transmission Feeders - Operation	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
5035	Overhead Distribution Transformers - Operation	\$ 254	\$ 1,022	\$ -	\$ -	\$ 254	-100.00%	\$ 1,022	-100.00%
5040	Underground Distribution Lines and Feeders - Operation Labour	\$ 964	\$ 2,520	\$ -	\$ 384	\$ 581	-60.20%	\$ 2,136	-84.77%
5045	Underground Distribution Lines and Feeders - Operation Supplies and Expenses	\$ 502	\$ 8	\$ -	\$ 28	\$ 474	-94.45%	\$ 20	253.81%
5050	Underground Sub-transmission Feeders - Operation	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
5055	Underground Distribution Transformers - Operation	\$ 742	\$ 100	\$ -	\$ -	\$ 742	-100.00%	\$ 100	-100.00%
5060	Street Lighting and Signal System Expense	\$ 1,204	\$ -	\$ -	\$ -	\$ 1,204	-100.00%	\$ -	-
5065	Meter Expense	\$ 6,329	\$ 14,782	\$ 4,556	\$ 6,150	\$ 12,478	-197.17%	\$ 20,931	-141.60%
5070	Customer Premises - Operation Labour	\$ -	\$ -	\$ -	\$ 196	\$ 196	-	\$ 196	-
5075	Customer Premises - Operation Materials and Expenses	\$ -	\$ 4,104	\$ -	\$ 9	\$ 9	-	\$ 4,095	-99.78%
5085	Miscellaneous Distribution Expenses	\$ 135,789	\$ 56,836	\$ 94,139	\$ 73,770	\$ 62,019	-45.67%	\$ 16,934	29.79%
5090	Underground Distribution Lines and Feeders - Rental Paid	\$ 1,050	\$ -	\$ -	\$ -	\$ 1,050	-100.00%	\$ -	-
5095	Overhead Distribution Lines and Feeders - Rental Paid	\$ 3,029	\$ -	\$ -	\$ -	\$ 3,029	-100.00%	\$ -	-
5096	Other Rent	\$ 45,206	\$ 347	\$ 1,013	\$ -	\$ 45,206	-100.00%	\$ 347	-100.00%
Total - Operations		\$ 275,864	\$ 284,838	\$ 307,305	\$ 282,215	\$ 6,350	2.30%	\$ 2,624	-0.92%
Account Description									
Maintenance									
5105	Maintenance Supervision and Engineering	\$ -	\$ 636	\$ -	\$ -	\$ -	-	\$ 636	-100.00%
5110	Maintenance of Buildings and Fixtures - Distribution Stations	\$ 1,402,007	\$ 117,201	\$ 115,589	\$ 95,941	\$ 1,306,066	-93.16%	\$ 21,260	-18.14%
5112	Maintenance of Transformer Station Equipment	\$ -	\$ 89	\$ -	\$ -	\$ -	-	\$ 89	-100.00%
5114	Maintenance of Distribution Station Equipment	\$ 32,579	\$ 13,742	\$ 11,126	\$ 3,386	\$ 29,194	-89.61%	\$ 10,356	-75.36%
5120	Maintenance of Poles, Towers and Fixtures	\$ 129,504	\$ 44,471	\$ 36,036	\$ 39,790	\$ 89,714	-69.27%	\$ 4,681	-10.52%
5125	Maintenance of Overhead Conductors and Devices	\$ 31,685	\$ 9,225	\$ 4,981	\$ 5,846	\$ 25,839	-81.55%	\$ 3,379	-36.63%
5130	Maintenance of Overhead Services	\$ 48,481	\$ 97,358	\$ 267,318	\$ 76,064	\$ 27,582	56.89%	\$ 21,295	-21.87%
5135	Overhead Distribution Lines and Feeders - Right of Way	\$ 39,536	\$ 74,467	\$ 79,400	\$ 114,915	\$ 75,379	190.66%	\$ 40,448	54.32%
5145	Maintenance of Underground Conduit	\$ 229	\$ 150,431	\$ -	\$ 145,053	\$ 144,824	63244.64%	\$ 5,378	-3.58%
5150	Maintenance of Underground Conductors and Devices	\$ 32,933	\$ 71,584	\$ 61,039	\$ 54,472	\$ 21,539	65.40%	\$ 17,112	-23.90%
5155	Maintenance of Underground Services	\$ 63,438	\$ 52,231	\$ 76,808	\$ 55,162	\$ 8,276	-13.05%	\$ 2,931	5.61%
5160	Maintenance of Line Transformers	\$ 89,286	\$ 65,975	\$ 104,500	\$ 103,105	\$ 13,819	15.48%	\$ 37,129	56.28%
5165	Maintenance of Street Lighting and Signal Systems	\$ 18	\$ -	\$ -	\$ -	\$ 18	-100.00%	\$ -	-
5170	Sentinel Lights - Labour	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
5172	Sentinel Lights - Materials and Expenses	\$ 7	\$ -	\$ -	\$ -	\$ 7	-100.00%	\$ -	-
5175	Maintenance of Meters	\$ 81,702	\$ 71,136	\$ 111,536	\$ 30,616	\$ 51,087	-62.53%	\$ 40,520	-56.96%
5178	Customer Installations Expenses - Leased Property	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
5195	Maintenance of Other Installations on Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total - Maintenance		\$ 1,951,406	\$ 768,548	\$ 868,332	\$ 724,349	\$ 1,227,057	-62.88%	\$ 44,199	-5.75%
Account Description									
Billing and Collecting									
5305	Supervision	\$ 802	\$ -	\$ -	\$ 18,631	\$ 17,829	2223.05%	\$ 18,631	-
5310	Meter Reading Expense	\$ 63,178	\$ 111,444	\$ -	\$ 118,209	\$ 55,031	87.10%	\$ 6,765	6.07%
5315	Customer Billing	\$ 750,077	\$ 835,310	\$ 900,539	\$ 906,125	\$ 156,048	20.80%	\$ 70,815	8.48%
5320	Collecting	\$ 83,881	\$ 30,175	\$ -	\$ 21,823	\$ 62,059	-73.98%	\$ 8,353	-27.68%
5325	Collecting - Cash Over and Short	\$ 100	\$ 11,160	\$ -	\$ -	\$ 100	-100.00%	\$ 11,160	-100.00%
5330	Collection Charges	\$ 17,988	\$ 184,212	\$ 99,746	\$ 118,316	\$ 136,304	-757.75%	\$ 65,895	-35.77%
5335	Bad Debt Expense	\$ 15,892	\$ 20,635	\$ 39,032	\$ -	\$ 15,892	-100.00%	\$ 20,635	-100.00%
5340	Miscellaneous Customer Accounts Expenses	\$ 27,650	\$ 1,823	\$ 26	\$ 27	\$ 27,623	-99.90%	\$ 1,796	-98.53%
Total - Billing and Collecting		\$ 923,393	\$ 1,172,439	\$ 1,039,343	\$ 1,183,131	\$ 259,739	28.13%	\$ 10,692	0.91%
Account Description									
Community Relations									
5405	Supervision	\$ 38,659	\$ 38,166	\$ 25,738	\$ 2,160	\$ 36,499	-94.41%	\$ 36,006	-94.34%
5410	Community Relations - Sundry	\$ 414	\$ 21,782	\$ -	\$ 19,179	\$ 18,765	4535.69%	\$ 2,603	-11.95%
5415	Energy Conservation	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
5420	Community Safety Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
5425	Miscellaneous Customer Service and Informational Expenses	\$ -	\$ 112,726	\$ 181,845	\$ 120,029	\$ 120,029	-	\$ 7,303	6.48%
5505	Supervision	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
5510	Demonstrating and Selling Expense	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
5515	Advertising Expenses	\$ 8,985	\$ 11,183	\$ 15,248	\$ 7,415	\$ 1,570	-17.47%	\$ 3,768	-33.69%
5520	Miscellaneous Sales Expense	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total - Community Relations		\$ 48,057	\$ 183,856	\$ 222,831	\$ 148,783	\$ 100,725	209.59%	\$ 35,074	-19.08%
Account Description									
Administrative and General Expenses									
5605	Executive Salaries and Expenses	\$ 237,337	\$ 804,878	\$ 242,079	\$ 218,390	\$ 18,947	-7.98%	\$ 586,488	-72.87%
5610	Management Salaries and Expenses	\$ 971,562	\$ 698,032	\$ 826,982	\$ 1,194,776	\$ 223,214	22.97%	\$ 496,744	71.16%
5615	General Administrative Salaries and Expenses	\$ 459,386	\$ 249,762	\$ 356,218	\$ 361,626	\$ 97,760	-21.28%	\$ 111,864	44.79%
5620	Office Supplies and Expenses	\$ 150,619	\$ 207,524	\$ 144,048	\$ 143,722	\$ 6,897	-4.58%	\$ 63,802	-30.74%
5625	Administrative Expense Transferred - Credit	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
5630	Outside Services Employed	\$ 336,184	\$ 423,980	\$ 402,986	\$ 225,378	\$ 110,805	-32.96%	\$ 198,602	-46.84%
5635	Property Insurance	\$ 75,834	\$ 51,089	\$ -	\$ -	\$ 75,834	-100.00%	\$ 51,089	-100.00%
5640	Injuries and Damages	\$ -	\$ -	\$ 32,767	\$ 13,438	\$ 13,438	-	\$ 13,438	-
5645	Employee Pensions and Benefits	\$ 12,611	\$ 271,145	\$ 365,096	\$ 413,502	\$ 400,891	3178.98%	\$ 142,357	52.50%
5650	Franchise Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
5655	Regulatory Expenses	\$ 158,967	\$ 157,540	\$ 60,567	\$ 115,000	\$ 43,967	-27.66%	\$ 42,540	-27.00%
5660	General Advertising Expenses	\$ -	\$ 2,167	\$ -	\$ -	\$ -	-	\$ 2,167	-100.00%
5665	Miscellaneous General Expenses	\$ 110,449	\$ 290,174	\$ 524,282	\$ 295,456	\$ 185,007	167.51%	\$ 5,282	1.82%
5670	Rent	\$ 99,009	\$ 282,923	\$ 313,614	\$ 322,401	\$ 223,392	225.63%	\$ 39,478	13.95%
5675	Maintenance of General Plant	\$ 67,935	\$ 15,759	\$ -	\$ 80,204	\$ 12,270	18.06%	\$ 64,445	408.93%
5680	Electrical Safety Authority Fees	\$ 2,679	\$ 317	\$ -	\$ 7,865	\$ 5,186	193.63%	\$ 7,548	2379.21%
5685	Independent Electricity System Operator Fees and Penalties	\$ -	\$ 102,370	\$ -	\$ -	\$ -	-	\$ 102,370	-100.00%
5695	OM&A Contra Account	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
6205	Donations (Charitable Contributions)	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total - Administrative and General Expenses		\$ 2,682,570	\$ 3,557,661	\$ 3,268,638	\$ 3,391,759	\$ 709,189	26.44%	\$ 165,901	-4.66%
Total OM&A		\$ 5,881,291	\$ 5,967,342	\$ 5,706,450	\$ 5,730,237	\$ 151,054	-2.57%	\$ 237,105	-3.97%

Appendix 2-K Employee Costs

	LRY - Board Approved	LRY - Actual	2009
Number of Employees (FTEs including Part-Time)¹			
Executive			
Management	2	2	6
Non-Union			
Union			9
Total	2	2	15
Number of Part-Time Employees			
Executive			
Management			
Non-Union			
Union			
Total	-	-	-
Total Salary and Wages			
Executive			
Management			\$ 482,754
Non-Union			
Union			\$ 357,331
Total	\$ -	\$ -	\$ 840,085
Current Benefits			
Executive			
Management			\$ 193,101
Non-Union			
Union			\$ 214,629
Total	\$ -	\$ -	\$ 407,731
Accrued Pension and Post-Retirement Benefits			
Executive			
Management			
Non-Union			
Union			
Total	\$ -	\$ -	\$ -
Total Benefits (Current + Accrued)			
Executive	\$ -	\$ -	\$ -
Management	\$ -	\$ -	\$ 193,101
Non-Union	\$ -	\$ -	\$ -
Union	\$ -	\$ -	\$ 214,629
Total	\$ -	\$ -	\$ 407,731
Total Compensation (Salary, Wages, & Benefits)			
Executive	\$ -	\$ -	\$ -
Management	\$ -	\$ -	\$ 675,855
Non-Union	\$ -	\$ -	\$ -
Union	\$ -	\$ -	\$ 571,961

Total	\$ -	\$ -	\$ 1,247,816
Compensation - Average Yearly Base Wages			
Executive			
Management	\$ -	\$ -	\$ 80,458.94
Non-Union			
Union	#DIV/0!	#DIV/0!	\$ 39,703.46
Total			
Compensation - Average Yearly Overtime			
Executive			
Management	\$ -	\$ -	\$ -
Non-Union			
Union			\$ -
Total			
Compensation - Average Yearly Incentive Pay			
Executive			
Management			
Non-Union			
Union			
Total			
Compensation - Average Yearly Benefits			
Executive			
Management			\$ 32,184
Non-Union			
Union			\$ 23,848
Total			
Total Compensation	\$ -	\$ -	\$ 1,247,816
Total Compensation Charged to OM&A			\$ 1,247,816
Total Compensation Capitalized	\$ -	\$ -	\$ -

Note:

¹ If an applicant wishes to use headcount, it must also file the same schedule on an FTE basis.

File Number:

EB-2012-0121

2010	Bridge Year	Test Year
10	12	12
24	33	33
34	45	45
-	-	-
\$ 829,474	\$ 1,026,153	\$ 1,080,161
\$ 1,473,530	\$ 2,088,767	\$ 2,153,368
\$ 2,303,004	\$ 3,114,920	\$ 3,233,529
\$ 331,789	\$ 410,461	\$ 432,064
\$ 885,070	\$ 1,254,609	\$ 1,293,412
\$ 1,216,859	\$ 1,665,071	\$ 1,725,476
\$ -	\$ -	\$ -
\$ -	\$ -	\$ -
\$ 331,789	\$ 410,461	\$ 432,064
\$ -	\$ -	\$ -
\$ 885,070	\$ 1,254,609	\$ 1,293,412
\$ 1,216,859	\$ 1,665,071	\$ 1,725,476
\$ -	\$ -	\$ -
\$ 1,161,263	\$ 1,436,614	\$ 1,512,225
\$ -	\$ -	\$ -
\$ 2,358,600	\$ 3,343,377	\$ 3,446,780

\$ 3,519,863	\$ 4,779,991	\$ 4,959,005
\$ 82,947.36	\$ 85,512.75	\$ 90,013.42
\$ 61,397.10	\$ 63,295.98	\$ 65,253.58
\$ -	\$ -	\$ -
\$ 169,261.21	\$ 180,065.11	\$ 191,558.63
\$ 33,179	\$ 34,205	\$ 36,005
\$ 36,878	\$ 38,018	\$ 39,194
\$ 3,519,863	\$ 4,779,991	\$ 4,959,005
\$ 2,863,761.74	\$ 3,889,001.75	\$ 3,662,535.20
\$ 656,102	\$ 890,989	\$ 1,296,470

OPA Letter of
Comment:

Erie Thames
Powerlines
Corporation

Basic Green
Energy Act Plan

June 19, 2012



ONTARIO
POWER AUTHORITY



Introduction

On March 25, 2010, The Ontario Energy Board (the “OEB”) issued its Filing Requirements for Distribution System Plans. As a condition of Licence, Ontario Distributors are required to file a Green Energy Act Plan as part of their cost of service application.

The Filing Requirements distinguish between Basic and Detailed Green Energy Act Plans (“Plan” or “GEA Plan”) and outline the specific information and level of detail which must be provided for each type of Plan. Recognizing the importance of coordinated planning in achieving the goals of the *Green Energy and Green Economy Act, 2009* (the “GEA”), distributors must consult with embedded and host distributors, upstream transmitters and the OPA in preparing their Plans. For both Basic and Detailed Plans, distributors are required to submit as part of the Plan, a letter of comment from the OPA.

The OPA will review distributors’ Basic Plans to ensure consistency with regard to FIT and microFIT applications received, as well as with integrated Plans for the region or the system as a whole.

Erie Thames Powerlines Corporation - Basic Green Energy Act Plan

On May 30, 2012, the OPA received a Basic GEA Plan from Erie Thames Powerlines Corporation (“ETPL”). The OPA has reviewed ETPL’s Plan and has provided its comments below.

OPA FIT/microFIT Applications Received

ETPL’s Plan identifies 8 FIT projects and 72 microFIT applications that have been submitted to the OPA. Of these applications, ETPL’s Plan identifies 59 microFIT projects that have been approved and connected. These have been itemized in Sections 2.1: *Existing Micro-FIT and FIT installations connected to ETPL system*; and 3.1: *Proposed Micro-FIT and FIT applicants registered with the OPA*, starting on page 2 of the Plan.

To date, the OPA has received and offered contracts to 10 capacity allocation exempt FIT applications totalling approximately 3.12 MW that have identified themselves as connecting within ETPL’s service territory. Of these, 6 applications totalling approximately 1.52 MW remained active as of May 2012. Additionally, the OPA has processed 57 microFIT applications totalling approximately 0.52 MW of capacity in ETPL’s service territory. Of these, approximately 0.23 MW have been offered a contract as of May 2012.

Upstream Transmission Constraints

The OPA notes that ETPL's supply points at Aylmer TS and Tillsonburg TS are currently constrained by the capability of the upstream 115 kV transmission system. This constraint poses limitations for future FIT applications connecting to the Aylmer TS and Tillsonburg TS.

Economic Connection Test

The OPA received a directive dated April 5, 2012 from the Minister of Energy with respect to the Feed-in Tariff Program Review. The directive states that "[g]iven the transmission projects planned through the Long Term Energy Plan and changes to the FIT Program, the OPA shall not run the Economic Connection Test ". A link to the full directive is provided on the OPA's website:

<http://www.powerauthority.on.ca/sites/default/files/page/FIT-ReviewApril-2012.pdf>

Opportunities for Integrated Solutions

There are no known corresponding expansions among neighbouring LDCs that could be addressed through integrated transmission solutions at this time.

Conclusion

The OPA finds that ETPL's GEA Plan is reasonably consistent with the OPA's information regarding renewable energy generation applications to date.

The OPA appreciates the opportunity to comment on Erie Thames Powerlines Corporation's Basic GEA Plan.

Appendix 2-F
Detailed, Account by Account, OM&A Expense Table
(excluding Depreciation and Amortization)

Account	Description	LRY Actual	Actual Year 2	Actual Year 1	Bridge Year	Test Year
Operations						
5005	Operation Supervision and Engineering	\$ 44,234	\$ 70,139	\$ 185,439	\$ 205,803	\$ 193,036
5010	Load Dispatching	\$ -	\$ 55	\$ 837		
5012	Station Buildings and Fixtures Expense	\$ 36	\$ -	\$ -		
5014	Transformer Station Equipment - Operation Labour	\$ -	\$ -	\$ -		
5015	Transformer Station Equipment - Operation Supplies and Expenses	\$ 620	\$ -	\$ -		
5016	Distribution Station Equipment - Operation Labour	\$ -	\$ -	\$ -		
5017	Distribution Station Equipment - Operation Supplies and Expenses	\$ 39,666	\$ 21,832	\$ 28,247	\$ -	\$ 3,519
5020	Overhead Distribution Lines and Feeders - Operation Labour	\$ 6,703	\$ 5,771	\$ 17,774	\$ -	\$ 3,683
5025	Overhead Distribution Lines and Feeders - Operation Supplies and Expenses	\$ 2,194	\$ 10,322	\$ 2,385	\$ 1,794	\$ 1,441
5030	Overhead Sub-transmission Feeders - Operation	\$ -	\$ -	\$ -		
5035	Overhead Distribution Transformers - Operation	\$ 254	\$ 556	\$ 1,022		
5040	Underground Distribution Lines and Feeders - Operation Labour	\$ 964	\$ 687	\$ 2,520	\$ -	\$ 384
5045	Underground Distribution Lines and Feeders - Operation Supplies and Expenses	\$ 502	\$ 322	\$ 8	\$ -	\$ 28
5050	Underground Sub-transmission Feeders - Operation	\$ -	\$ -	\$ -		
5055	Underground Distribution Transformers - Operation	\$ 742	\$ 278	\$ 100		
5060	Street Lighting and Signal System Expense	\$ 1,204	\$ -	\$ -		
5065	Meter Expense	\$ 6,329	\$ 51,513	\$ 14,782	\$ 4,556	\$ 6,150
5070	Customer Premises - Operation Labour	\$ -	\$ 512	\$ -	\$ -	\$ 196
5075	Customer Premises - Operation Materials and Expenses	\$ -	\$ 5,961	\$ 4,104	\$ -	\$ 9
5085	Miscellaneous Distribution Expenses	\$ 135,789	\$ 92,685	\$ 56,836	\$ 94,139	\$ 73,770
5090	Underground Distribution Lines and Feeders - Rental Paid	\$ 1,050	\$ 245	\$ -		
5095	Overhead Distribution Lines and Feeders - Rental Paid	\$ 3,029	\$ 588	\$ -		
5096	Other Rent	\$ 45,206	\$ 635	\$ 347	\$ 1,013	
Total - Operations		\$ 275,864	\$ 262,100	\$ 284,838	\$ 307,305	\$ 282,215
Account	Description	LRY Actual	Actual Year 2	Actual Year 1	Bridge Year	Test Year
Maintenance						
5105	Maintenance Supervision and Engineering	\$ -	\$ 3,284	\$ 636		
5110	Maintenance of Buildings and Fixtures - Distribution Stations	\$ 1,402,007	\$ 66,240	\$ 117,201	\$ 115,589	\$ 95,941
5112	Maintenance of Transformer Station Equipment	\$ -	\$ 8	\$ 89		
5114	Maintenance of Distribution Station Equipment	\$ 32,579	\$ 38,614	\$ 13,742	\$ 11,126	\$ 3,386
5120	Maintenance of Poles, Towers and Fixtures	\$ 129,504	\$ 91,571	\$ 44,471	\$ 36,036	\$ 39,790
5125	Maintenance of Overhead Conductors and Devices	\$ 31,685	\$ 20,011	\$ 9,225	\$ 4,981	\$ 5,846
5130	Maintenance of Overhead Services	\$ 48,481	\$ 87,438	\$ 97,358	\$ 267,318	\$ 76,064
5135	Overhead Distribution Lines and Feeders - Right of Way	\$ 39,536	\$ 71,116	\$ 74,467	\$ 79,400	\$ 114,915
5145	Maintenance of Underground Conduit	\$ 229	\$ 576	\$ 150,431	\$ -	\$ 145,053
5150	Maintenance of Underground Conductors and Devices	\$ 32,933	\$ 63,121	\$ 71,584	\$ 61,039	\$ 54,472
5155	Maintenance of Underground Services	\$ 63,438	\$ 49,537	\$ 52,231	\$ 76,808	\$ 55,162
5160	Maintenance of Line Transformers	\$ 89,286	\$ 61,109	\$ 65,975	\$ 104,500	\$ 103,105
5165	Maintenance of Street Lighting and Signal Systems	\$ 18	\$ -	\$ -		
5170	Sentinel Lights - Labour	\$ -	\$ -	\$ -		
5172	Sentinel Lights - Materials and Expenses	\$ 7	\$ -	\$ -		
5175	Maintenance of Meters	\$ 81,702	\$ 77,235	\$ 71,136	\$ 111,536	\$ 30,616
5178	Customer Installations Expenses - Leased Property	\$ -	\$ -	\$ -		
5195	Maintenance of Other Installations on Customer Premises	\$ -	\$ -	\$ -		
Total - Maintenance		\$ 1,951,406	\$ 629,843	\$ 768,548	\$ 868,332	\$ 724,349
Account	Description	LRY Actual	Actual Year 2	Actual Year 1	Bridge Year	Test Year
Billing and Collecting						
5305	Supervision	\$ 802	\$ -	\$ -	\$ -	\$ 18,631
5310	Meter Reading Expense	\$ 63,178	\$ 49,053	\$ 111,444	\$ -	\$ 118,209
5315	Customer Billing	\$ 750,077	\$ 636,816	\$ 835,310	\$ 900,539	\$ 906,125
5320	Collecting	\$ 83,881	\$ 48,189	\$ 30,175	\$ -	\$ 21,823
5325	Collecting - Cash Over and Short	\$ 100	\$ 21	\$ 11,160		
5330	Collection Charges	\$ 17,988	\$ 246,554	\$ 184,212	\$ 99,746	\$ 118,316
5335	Bad Debt Expense	\$ 15,892	\$ 9,274	\$ 20,635	\$ 39,032	\$ -
5340	Miscellaneous Customer Accounts Expenses	\$ 27,650	\$ 9	\$ 1,823	\$ 26	\$ 27
Total - Billing and Collecting		\$ 923,393	\$ 971,351	\$ 1,172,439	\$ 1,039,343	\$ 1,183,131
Account	Description	LRY Actual	Actual Year 2	Actual Year 1	Bridge Year	Test Year
Community Relations						
5405	Supervision	\$ 38,659	\$ 2,430	\$ 38,166	\$ 25,738	\$ 2,160
5410	Community Relations - Sundry	\$ 414	\$ 46,717	\$ 21,782	\$ -	\$ 19,179
5415	Energy Conservation	\$ -	\$ 77,261	\$ -		
5420	Community Safety Program	\$ -	\$ 1,321	\$ -		
5425	Miscellaneous Customer Service and Informational Expenses	\$ -	\$ 107,158	\$ 112,726	\$ 181,845	\$ 120,029
5505	Supervision	\$ -	\$ -	\$ -		
5510	Demonstrating and Selling Expense	\$ -	\$ -	\$ -		

5515 Advertising Expenses	\$ 8,985	\$ 13,608	\$ 11,183	\$ 15,248	\$ 7,415
5520 Miscellaneous Sales Expense	\$ -	\$ -	\$ -		
Total - Community Relations	\$ 48,057	\$ 248,494	\$ 183,856	\$ 222,831	\$ 148,783
Account Description	LRY Actual	Actual Year 2	Actual Year 1	Bridge Year	Test Year
Administrative and General Expenses					
5605 Executive Salaries and Expenses	\$ 237,337	\$ 226,658	\$ 804,878	\$ 242,079	\$ 218,390
5610 Management Salaries and Expenses	\$ 971,562	\$ 1,011,874	\$ 698,032	\$ 826,982	\$ 1,194,776
5615 General Administrative Salaries and Expenses	\$ 459,386	\$ 192,595	\$ 249,762	\$ 356,218	\$ 361,626
5620 Office Supplies and Expenses	\$ 150,619	\$ 236,876	\$ 207,524	\$ 144,048	\$ 143,722
5625 Administrative Expense Transferred - Credit	\$ -	\$ -	\$ -		\$ -
5630 Outside Services Employed	\$ 336,184	\$ 772,533	\$ 423,980	\$ 402,986	\$ 225,378
5635 Property Insurance	\$ 75,834	\$ 55,967	\$ 51,089		\$ -
5640 Injuries and Damages	\$ -	\$ -	\$ -	\$ 32,767	\$ 13,438
5645 Employee Pensions and Benefits	\$ 12,611	\$ 191,713	\$ 271,145	\$ 365,096	\$ 413,502
5650 Franchise Requirements	\$ -	\$ -	\$ -		\$ -
5655 Regulatory Expenses	\$ 158,967	\$ 221,070	\$ 157,540	\$ 60,567	\$ 115,000
5660 General Advertising Expenses	\$ -	\$ 41	\$ 2,167		\$ -
5665 Miscellaneous General Expenses	\$ 110,449	\$ 440,685	\$ 290,174	\$ 524,282	\$ 295,456
5670 Rent	\$ 99,009	\$ 172,365	\$ 282,923	\$ 313,614	\$ 322,401
5675 Maintenance of General Plant	\$ 67,935	\$ 33,474	\$ 15,759	\$ -	\$ 80,204
5680 Electrical Safety Authority Fees	\$ 2,679	\$ 2,201	\$ 317	\$ -	\$ 7,865
5685 Independent Electricity System Operator Fees and Penalties	\$ -	\$ -	\$ 102,370		\$ -
5695 OM&A Contra Account	\$ -	\$ -	\$ -		\$ -
6205 Donations (Charitable Contributions)	\$ -	\$ -	\$ -		\$ -
Total - Administrative and General Expenses	\$ 2,682,570	\$ 3,558,052	\$ 3,557,661	\$ 3,268,638	\$ 3,391,759
Total OM&A	\$ 5,881,291	\$ 5,669,841	\$ 5,967,342	\$ 5,706,450	\$ 5,730,237

Note: If it has been more than three years since the applicant last filed a cost or service application, additional years or historical actuals should be incorporated into the table, as necessary, to go back to the last cost of service application. If the applicant last filed a cost of service application less than three years ago, a minimum of three years of actual information is required.

ERTH CORPORATION

Actuarial Report

Non-Pension Postretirement Benefit Plan

Expense & Disclosure Results for the Year Ending December 31, 2011

In Accordance with CICA 3461 Accounting Standards



April 2012

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Executive Summary

Aon Hewitt was retained by ERTH Corporation (“ERTH”) to provide information on the ERTH Non-Pension Postretirement Benefit Plan (the “Plan”) obligations and benefit costs, in accordance with the Canadian Institute of Chartered Accountants Handbook (CICA 3461).

The purpose of this report is to:

- Provide the final 2011 fiscal year benefit expense;
- Provide the disclosure information for the Company's December 31, 2011 year-end financial statements; and
- Provide the projected 2012 fiscal year benefit expense.

The Plan is a defined benefit plan funded on a cash basis by contributions from ERTH and certain retirees.

At the direction of ERTH, the following benefits have been included in the Plan valuation:

- Retiree life insurance benefits for all eligible current and future retirees of ERTH; and
- Retiree medical and dental benefits for all eligible current future retirees with retirees paying a portion of the costs.

The benefit expense/cost and reconciliation of the accrued benefit obligation to the accrued benefit liability for the fiscal year ending December 31, 2011 are calculated in accordance with CICA 3461 and summarized below.

We understand ERTH intends to transition to IFRS accounting standards for their fiscal year beginning January 1, 2013.

All results presented in this report are in Canadian dollars.

2011 Expense & Disclosure Results

	Fiscal Year Ending 31.12.11	Fiscal Year Ending 31.12.10
Change in Accrued Benefit Obligation (ABO)		
ABO at end of prior year	\$809,100	\$690,400
Current service cost	53,800	48,300
Interest cost	48,800	47,100
Benefits paid	(26,600)	(20,500)
Employee contributions	0	0
Plan amendments	0	0
Curtailment loss (gain)	0	0
Settlement loss (gain)	0	0
Actuarial loss (gain)	4,700	43,800
ABO at end of year	\$889,800	\$809,100
Change in Plan Assets		
Market value of plan assets at end of prior year	\$0	\$0
Actual return on plan assets	0	0
Employer contributions	26,600	20,500
Employee contributions	0	0
Benefits paid	(26,600)	(20,500)
Market value of plan assets at end of year	\$0	\$0
Components of Benefit Cost		
Current service cost	\$53,800	\$48,300
Interest cost	48,800	47,100
Actual return on plan assets	0	0
Actuarial loss (gain)	4,700	43,800
Plan amendment	0	0
Costs arising in the period	\$107,300	\$139,200
Differences between costs arising in the period and costs recognized in the period in respect of:		
Return on plan assets	\$0	\$0
Actuarial (loss) gain	1,000	(42,900)
Plan amendment	0	0
Benefit cost recognized	\$108,300	\$96,300
Accrued Benefit Asset (Liability)		
Accrued benefit asset (liability) at end of prior year	(\$682,500)	(\$606,700)
Benefit cost recognized	(108,300)	(96,300)
Benefits paid	26,600	20,500
Accrued benefit asset (liability) at end of year	(\$764,200)	(\$682,500)

	Fiscal Year Ending 31.12.11	Fiscal Year Ending 31.12.10
Unamortized Past Service Cost		
Unamortized past service cost at end of prior year	\$0	\$0
Plan amendment in year	0	0
Amortization for current year	0	0
Unamortized past service cost at end of year	\$0	\$0
Unamortized Net Actuarial Loss (Gain)		
Unamortized net actuarial loss (gain) at end of prior year	\$126,600	\$83,700
Net actuarial loss (gain) in year	4,700	43,800
Amortization for current year	(5,700)	(900)
Unamortized net actuarial loss (gain) at end of year	\$125,600	\$126,600
Reconciliation of Funded Status to Accrued Benefit Asset (Liability)		
ABO at end of year	\$889,800	\$809,100
Market value of plan assets at end of year	0	0
Funded status - surplus (deficit)	(889,800)	(809,100)
Unamortized past service costs	0	0
Unamortized net actuarial loss (gain)	125,600	126,600
Accrued benefit asset (liability) at end of year	(\$764,200)	(\$682,500)

Assumptions

At beginning of period		
Discount rate	5.75%	6.50%
Rate of compensation increase	3.50%	3.50%
Health care inflation - select	9.69%	8.74%
Health care inflation - ultimate	4.95%	4.95%
Year ultimate reached	2021	2019
At end of period		
Discount rate	5.00%	5.75%
Rate of compensation increase	3.50%	3.50%
Health care inflation - select	7.65%	9.69%
Health care inflation - ultimate	4.50%	4.95%
Year ultimate reached	2031	2021

Actuarial Opinion

This report has been prepared to present to Management the accounting and reporting requirements for the 2011 fiscal year for ERTH's non-pension postretirement benefit plan as set forth in the Canadian Institute of Chartered Accountants Handbook ("CICA 3461").

The most recent actuarial valuation was performed as at January 1, 2011. The valuation of the Plan's actuarial obligation was based on:

- Membership data provided by ERTH as at January 1, 2011;
- Methods prescribed by Section 3461 of the Canadian Institute of Chartered Accountants' Handbook;
- Assumptions about future events (for example, future health care cost escalation and future termination and retirement rates) which have been communicated to us as ERTH's best estimate of these events; and
- Plan provisions as provided by ERTH and summarized in this report.

The 2011 expense is based on the results of the January 1, 2011 actuarial valuation using a discount rate assumption of 5.75% per annum.

The 2011 year-end disclosures were based on the results of the January 1, 2011 actuarial valuation extrapolated forward to December 31, 2011 using a discount rate assumption of 5.00% per annum.

This report has been prepared exclusively for ERTH for the purpose of enabling ERTH to satisfy financial reporting requirements. This actuarial report may not be relied upon for any purpose other than what is described in this report or by any party other than ERTH and its auditors. Determinations for purposes other than financial accounting requirements may be significantly different from the results herein. Aon Hewitt is not responsible for the consequences of any other use.

While the actuarial assumptions used to value the Plan's 2011 expense and disclosures represent ERTH's best estimate of future events and market conditions at the end of 2011, and while in our opinion these assumptions are reasonable, the Plan's future experience will inevitably differ, perhaps significantly, from the actuarial assumptions. Any differences between actuarial assumptions and future experience will emerge as gains and losses in future valuations.

We have used and relied upon membership data provided by ERTH. The data is not customarily verified by the plan's actuary. We have tested the data for reasonableness and consistency, and we believe it to be sufficient and reliable for the purposes of the valuation.

We also believe that the methods employed in the valuation are appropriate for the purposes of the valuation, and that the assumptions used in the valuation are in accordance with accepted actuarial practice. Our opinions have been given, and our valuation has been performed, in accordance with accepted actuarial practice in Canada.

I am a fellow in good standing with the Canadian Institute of Actuaries and, as such are required to meet the Institute's standards and are subject to its disciplinary procedures.

I am familiar with the relevant recommendations of the Canadian Institute of Chartered Accountants and the Joint Policy Statement between the Canadian Institute of Actuaries and the Canadian Institute of Chartered Accountants.



Karen Dixon, F.S.A., F.C.I.A.

April 26, 2012

Date

Appendix A – Summary of Actuarial Methods

Actuarial Cost Methods

The method prescribed by the accounting standards is the projected accrued benefit cost method pro-rata on service. The actuarial present value of future benefits, called the *obligation for employee future benefits (OEFB)*, is allocated or attributed to each employee's years of service from date of hire to the first date that the employee is fully eligible for benefits under the plan (i.e. the full eligibility date).

For the non-pension post-employment benefits, the participants of ERTH are fully eligible after attainment of age 55 or completion of 80 points (age plus service).

Before an employee's full eligibility date, the accrued benefit obligation as of a particular date for an employee is the portion of the OEFB attributed to that employee's service rendered to that date. On and after the full eligibility date, the accrued benefit obligation and the OEFB for an employee are the same.

The accrual for service or *service cost (SC)* is equal to the **OEFB** divided by this attribution period and multiplied by one year (or less if the attribution period ends before or during the valuation year).

The *accrued benefit obligation (ABO)*, is equal to the **OEFB** divided by the attribution period and multiplied by the years of service rendered up to the valuation date (that are included in the attribution period).

Funding Policy

The non-pension post retirement benefit plan is funded on a pay-as-you-go basis. ERTH funds on a cash basis as benefits are paid. No assets have been segregated and restricted to provide the non-pension post retirement benefits.

Accounting Policies

ERTH's fiscal year-end date is December 31 and the measurement date of the company's obligation is December 31.

Cumulative gains and losses in excess of 10% of the beginning of year accrued benefit obligation are amortized over the expected average remaining service to expected retirement age of the active employees (11.9 years).

Plan amendments are amortized over the expected average remaining service to full eligibility of the active employees.

Appendix B – Summary of Actuarial Assumptions

	December 31, 2010 Disclosure and 2011 Expense	December 31, 2011 Disclosure and 2012 Expense
Economic Assumptions		
Discount Rate	5.75% per year.	5.00% per year.
Expected Long-Term Return on Assets	Not applicable.	No change.
Salary Scale	3.50% per year.	No change.
Government Benefits	It has been assumed that current government benefits will continue unchanged.	No change.
Demographic Assumptions		
Retirement Rates	100% at earliest of either age 65 or 80 points.	No change.
Mortality Rates Pre and Postretirement	1994 UP Table projected to 2015 by Scale AA.	No change.
Withdrawal Rates	None.	No change.
Marital Status Actives	80% of future retirees are assumed to be married and to elect family coverage.	No change.
	Males are assumed to be three years older than a female spouse.	
Retirees	Actual data used.	No change.
	Males are assumed to be three years older than a female spouse if data not provided.	
Future Participation Rates	90%.	25%.

	December 31, 2010 Disclosure and 2011 Expense	December 31, 2011 Disclosure and 2012 Expense
Claims Costs Assumptions		
Annual Current Premium Rates ¹		
Medical	Single: \$1,196 per year Family: \$2,798 per year	Retiree: \$1,188 per year Family: \$2,774 per year
Dental	Single: \$414 per year Family: \$1,202 per year	Retiree: \$465 per year Family: \$1,351 per year
Trend Rates		
Medical	10.0% per annum in 2011 grading down over 10 years to an ultimate rate of 5.0% per annum.	8.0% per annum in 2012 grading down over 20 years to an ultimate rate of 4.5% per annum.
Dental	4.0% per annum.	4.5% per annum.
Increases in Claims by Age	None assumed.	No change.
Expenses and Taxes		
Medical	Included in claims costs.	No change.
Dental	Included in claims costs.	No change.
Life Insurance	20%.	No change.
Method		
Actuarial Cost Method	Unit Credit (Prorated-on-Service) Cost Method.	No change.

¹The retiree premium rates are based on active/retiree blended experience. The expected per capita claims cost assumptions are based on the above premium rates with adjustment to reflect retiree only experience and offset for portion of premium paid by retirees.

Appendix C – Summary of Participant Data

The actuarial valuation is based on membership data as at January 1, 2011.

Plan membership data are summarized below.

We have applied test for internal consistency as well as for consistency with the data used for the previous valuation. The tests performed were: membership reconciliation, review of basic information (date of birth, date of hire, gender, etc.), earnings and service. The results of these tests were satisfactory.

Participant Statistics

The following tables show the number of active plan participants, their average age and average years of service by division as at January 1, 2011:

Table 1 - Active Participant Data Statistics

Active Group	Employee Group	Number	Average Age	Average Years of Service	Average Earnings
Not Fully Eligible	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	Powerlines	33	43.0	11.2	\$67,100
Fully Eligible ¹	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	Powerlines	4	55.6	22.8	n/a
Total	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
	Powerlines	37	44.3	12.5	\$67,000

¹For groups with less than 5 employees, earnings information has not been provided.

Table 2 - Retired Participant Data Statistics

Retiree Group	Employee Group	Number	Average Age			
Life Insurance						
	Powerlines	14	75.0			
		Number with Single Coverage	Number with Family Coverage	Total Number with Coverage	Average Age	
Medical and Dental						
	Powerlines	-	-	-	N/A	

Table 3 - Distribution of Active Participants

Years of Completed Service as at 01.01.2011

Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total
<20	-	-	-	-	-	-	-	-
20-24	1	-	-	-	-	-	-	1
25-29	6	1	-	-	-	-	-	7
30-34	6	5	1	-	-	-	-	12
35-39	7	1	3	-	-	-	-	11
40-44	3	7	2	-	1	-	-	13
45-49	6	3	1	3	4	1	1	19
50-54	5	2	1	-	-	2	-	10
55-59	1	1	1	-	1	1	-	5
60-64	1	-	-	1	-	-	-	2
65+	-	-	-	-	-	-	-	-
Total	36	20	9	4	6	4	1	80

Table 4 - Distribution of Retired Participants

Retired Participants as at 01.01.2011				
Age	Retirees	Spouses	Surviving Spouses	Total
<50	-	-	-	-
50-54	-	-	-	-
55-59	2	-	-	2
60-64	2	2	-	4
65-69	5	-	-	5
70-74	4	-	-	4
75-79	2	-	-	2
80-84	2	-	-	2
85-89	1	-	-	1
90-94	1	-	-	1
95+	-	-	-	-
Total	19	2	-	21

Appendix D – Summary of Plan Provisions

ERTH provides health, dental and life insurance benefits to eligible retirees and their dependents .

A summary of the major provisions of the Plan which have an impact on the projection of future plan costs is provided below.

Eligibility

Retirees and surviving spouses of eligible retirees are eligible for benefits covered under the Plan upon satisfaction of the following criteria:

BENEFIT	ELIGIBILITY CRITERIA AT RETIREMENT (EARLIER OF)
LIFE INSURANCE	Age 60 and completion of 10 years of plan membership, or 80 points (age + service)
MEDICAL	Age 55, or 80 points (age + service)
DENTAL	Age 55, or 80 points (age + service)

Termination of Coverage

Coverage end for retirees and surviving spouses of eligible retirees upon the following criteria:

BENEFIT	TERMINATION
LIFE INSURANCE	Lifetime; No coverage for spouses or dependents
MEDICAL	Age 65; 24 months surviving spouse coverage
DENTAL	Age 65; 24 months surviving spouse coverage

Life Insurance

BENEFIT	LIFE INSURANCE COVERAGE
FLAT BENEFIT	<u>Management</u> Under age 65: \$5,000 Over age 65: No coverage <u>Non-Management:</u> Under age 65: \$3,000 Over age 65: No coverage
SALARY BASED BENEFIT	50% of final annual earnings, reducing by 2.5% of final annual earnings per year for 10 years, to an ultimate amount of 25% of final annual earnings

Dental Benefits

BENEFIT	DENTAL COVERAGE
DEDUCTIBLE	None
COINSURANCE	Preventive: 100% Basic: 100% Major (including dentures): 50% Orthodontia: 50%
MAXIMUMS	Preventive and Basic: Unlimited Major (including dentures): \$2,000/year Orthodontia: \$2,500/lifetime (management and ERTH Holdings) \$1,500/lifetime (Powerlines)
DENTAL FEE GUIDE	One year lag

Medical Benefits

BENEFIT	MEDICAL COVERAGE
ANNUAL DEDUCTIBLE	None
COINSURANCE	100%
PRESCRIPTION DRUGS	Drug card; Fertility Drugs: 6 months or 6 cycles of treatment per lifetime Anti-smoking: \$300/lifetime
VISION CARE	Eye exams: 1/24 months (adult), 1/12 months (child) Glasses, lenses, contacts, laser eye surgery: \$350/24 months (adult), \$350/12 months (child)
PARAMEDICAL PRACTITIONERS	Chiropractor: \$600/year Osteopath: \$600/year Podiatrist/Chiropractist: \$600/year Other practitioners ² : \$500/year
HOSPITAL	100% semi-private
PRIVATE DUTY NURSING	\$10,000/year
ORTHOPAEDIC SHOES	\$100/year (stock item only)
ORTHOTICS	2 pairs/year (recommendation required)
HEARING AIDS	\$400/5 years
Out of Country	\$5,000,000/lifetime

² Other practitioners include massage therapist, dietician, naturopath, speech therapist, physiotherapist, psychologist/social worker, and acupuncturist

Exhibit 1 – Breakdown of Results by Location

	Fiscal Year Ending 31.12.2011			
	ERTH Holdings	ERTH Corporation	Powerlines	Total
Change in Accrued Benefit Obligation (ABO)				
ABO at end of prior year			\$599,100	
Current service cost			23,000	
Interest cost			35,000	
Benefits paid			(22,600)	
Employee contributions			0	
Plan amendments			0	
Curtailment loss (gain)			0	
Settlement loss (gain)			0	
Actuarial loss (gain)			(7,900)	
ABO at end of year			\$626,600	
Change in Plan Assets				
Market value of plan assets at end of prior year			\$0	
Actual return on plan assets			0	
Employer contributions			22,600	
Employee contributions			0	
Benefits paid			(22,600)	
Market value of plan assets at end of year			\$0	
Components of Benefit Cost				
Current service cost			\$23,000	
Interest cost			35,000	
Actual return on plan assets			0	
Actuarial loss (gain)			(7,900)	
Plan amendment			0	
Costs arising in the period			\$50,100	
Differences between costs arising in the period and costs recognized in the period in respect of:				
Return on plan assets			\$0	
Actuarial (loss) gain			10,000	
Plan amendment			0	
Benefit cost recognized			\$60,100	
Accrued Benefit Asset (Liability)				
Accrued benefit asset (liability) at end of prior year			(\$514,100)	
Benefit cost recognized			(60,100)	
Benefits paid			22,600	
Accrued benefit asset (liability) at end of year			(\$551,600)	
Unamortized Past Service Cost				
Unamortized past service cost at end of prior year			\$0	
Plan amendment in year			0	
Amortization for current year			0	
Unamortized past service cost at end of year			\$0	

	Fiscal Year Ending 31.12.2011			
	ERTH Holdings	ERTH Corporation	Powerlines	Total
Unamortized Net Actuarial Loss (Gain)				
Unamortized net actuarial loss (gain) at end of prior year			\$85,000	
Net actuarial loss (gain) in year			(7,900)	
Amortization for current year			(2,100)	
Unamortized net actuarial loss (gain) at end of year			\$75,000	
Reconciliation of Funded Status to Accrued Benefit Asset (Liability)				
ABO at end of year			\$626,600	
Market value of plan assets at end of year			0	
Funded status - surplus (deficit)			(626,600)	
Unamortized past service costs			0	
Unamortized net actuarial loss (gain)			75,000	
Accrued benefit asset (liability) at end of year			(\$551,600)	

Assumptions

At beginning of period

Discount rate	5.75%	5.75%	5.75%
Rate of compensation increase	3.50%	3.50%	3.50%
Health care inflation - select	9.69%	9.69%	9.69%
Health care inflation - ultimate	4.95%	4.95%	4.95%
Year ultimate reached	2021	2021	2021

At end of period

Discount rate	5.00%	5.00%	5.00%
Rate of compensation increase	3.50%	3.50%	3.50%
Health care inflation - select	7.65%	7.65%	7.65%
Health care inflation - ultimate	4.50%	4.50%	4.50%
Year ultimate reached	2031	2031	2031

The following table provides the projected 2012 benefit expense by location. Note that the projected expense is based on the location of employees as at January 1, 2011. We understand that certain employees have moved between locations effective January 1, 2012. We have not reflected this movement in the 2012 projected expense and will update at the end of the fiscal period based on actual location movement during the year.

	Fiscal Year Ending 31.12.2012			
	ERTH Holdings	ERTH Corporation	Powerlines	Total
Components of Benefit Cost				
Current service cost			\$24,800	
Interest cost			31,900	
Actual return on plan assets			0	
Actuarial loss (gain)			0	
Plan amendment			0	
Costs arising in the period			\$56,700	
Differences between costs arising in the period and costs recognized in the period in respect of:				
Return on plan assets			\$0	
Actuarial (loss) gain			1,000	
Plan amendment			0	
Benefit cost recognized			\$57,700	

About Aon Hewitt

Aon Hewitt is the global leader in human capital consulting and outsourcing solutions. The company partners with organizations to solve their most complex benefits, talent and related financial challenges, and improve business performance. Aon Hewitt designs, implement, communicates and administers a wide range of human capital, retirement, investment management, health care, compensation and talent management strategies. With more than 29,000 professionals in 90 countries, Aon Hewitt makes the world a better place to work for clients and their employees. For more information on Aon Hewitt, please visit www.aonhewitt.com.

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ERTH Corporation

Group Policy Number: G0073688

Class: B1 - Non-Management Employees of CRU Solutions and Erie Thames Powerlines

Employee Name: _____

Certificate Number: _____

Welcome to Your Group Benefit Program

Group Policy Effective Date: July 01, 2009

This Benefit Booklet has been specifically designed with your needs in mind, providing easy access to the information you need about the benefits to which you are entitled.

Group Benefits are important, not only for the financial assistance they provide, but for the security they provide for you and your family, especially in case of unforeseen needs.

Your Plan Administrator can answer any questions you may have about your benefits, or how to submit a claim.

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Benefit Summary

This Benefit Summary provides information about the specific benefits supplied by Manulife Financial that are part of your Group Plan.

This version of the Benefit Summary produced: May 28, 2011

Employee Life Insurance

Benefit Amount - \$6,000

*Employee Life
Insurance*

Termination Age - your benefit amount reduces by 50% at age 65 and terminates at age 71 or retirement, whichever is earlier

Extended Health Care

Extended Health Care

The Benefit

Overall Benefit Maximum - Unlimited

*Extended Health Care -
The Benefit*

Deductible - Nil

Benefit Percentage (Co-insurance) -

100% for - Hospital Care - Medical Services & Supplies - Professional Services - Vision - Drugs

Note:

The Benefit Percentage for Out-of-Canada Emergency Medical Treatment is 100%.

The Benefit Percentage for Out-of-Canada Referrals for treatment Not Available in Canada is 100%

The Benefit Percentage for Emergency Travel Assistance is 100%.

Termination Age - employee's retirement

Direct Drugs - Plan 3

*Extended Health Care -
Direct Drugs - Plan 3*

Charges incurred for the following expenses are payable when prescribed in writing by a physician or dentist and dispensed by a licensed pharmacist.

- drugs for the treatment of an illness or injury, which by law or convention require the written prescription of a physician or dentist
- oral contraceptives
- injectable medications
- life-sustaining drugs

Benefit Summary

- preventive vaccines and medicines (oral or injected)
- diabetic supplies (excluding cotton swabs, rubbing alcohol, automatic jet injectors and similar equipment)

Charges for the following are not covered:

- the administration of injectable medications
- drugs, biologicals and related preparations which are intended to be administered in hospital on an in-patient or out-patient basis and are not intended for a patient's use at home
- drugs used in the treatment of a sexual dysfunction

- Drug Maximums

Fertility drugs - 6 months or 6 cycles of treatment per lifetime

Anti-smoking drugs - \$300 per lifetime

All other covered drug expenses - Unlimited

Payment of Drug Claims

Your Pay Direct Drug Card provides your pharmacist with immediate confirmation of covered drug expenses. This means that when you present your Pay Direct Drug Card to your pharmacist at the time of purchase, you and your eligible dependents will not incur out-of-pocket expenses for the full cost of the prescription.

The Pay Direct Drug Card is honoured by participating pharmacists displaying the appropriate Pay Direct Drug decal.

To fill a prescription for covered drug expenses:

- a) present your Pay Direct Drug Card to the pharmacist at the time of purchase, and
- b) pay any amounts that are not covered under this benefit.

You will be required to pay the full cost of the prescription at time of purchase if:

- you cannot locate a participating Pay Direct Drug pharmacy
- you do not have your Pay Direct Drug Card with you at that time
- the prescription is not payable through the Pay Direct Drug Card system

For details on how to receive reimbursement after paying the full cost of the prescription, please see your Plan Administrator.

Vision Care

- eye exams, once per 12 months for persons under age 18 and once per 24 months for persons age 18 and over

Benefit Summary

- purchase and fitting of prescription glasses or elective contact lenses, as well as repairs, or elective laser vision correction procedures, to a maximum of \$350 during any 12 months for persons under age 18 and \$350 during any 24 months for persons age 18 and over
- if contact lenses are required to treat a severe condition, or if vision in the better eye can be improved to a 20/40 level with contact lenses but not with glasses, the maximum payable will be \$250 during any 12 months for persons under age 18 and \$250 during any 24 months for persons age 18 and over
- visual training, to a maximum of \$250 per lifetime

Professional Services

Services provided by the following licensed practitioners:

- Chiropractor - \$600 per calendar year(s)
- Osteopath - \$600 per calendar year(s)
- Podiatrist/Chiropodist - \$600 per calendar year(s)
- Massage Therapist - \$500 per calendar year(s)
- Dietician - \$500 per calendar year(s)
- Naturopath - \$500 per calendar year(s)
- Speech Therapist - \$500 per calendar year(s)
- Physiotherapist - \$500 per calendar year(s)
- Psychologist/Social Worker - \$500 per calendar year(s)
- Acupuncturist - \$500 per calendar year(s)

*Extended Health Care -
Professional Services*

Health Service Navigator™

Available as part of your Extended Health Care benefit, Health Service Navigator provides health resources and information to assist you and your eligible dependents in learning more about your health concerns and health services available within Canada and your local community. HSN services terminate when the extended health care coverage terminates for the User or the User reaches age 70, whichever is earlier. It features access to:

- A national physician search database
- Provincial health plan information tips and tools to best navigate and leverage the Canadian health resources available
- Credible health, medical condition, treatment plan and medication information
- A second opinion service, where applicable delivered through a second opinion provider and a consortium of provider hospitals.

*Health Service
Navigator™*

Benefit Summary

The member care centre support is available from 8 AM to 8 PM Monday to Friday your local time at 1-800-875-1264.

Dental Care

The Benefit

Deductible - Nil

Dental Fee Guide - Fee Guide for General Practitioners and Specialists which was in effect 1 year(s) prior to the current Fee Guide for your Province of Residence

If you reside in Alberta, the Fee Guide is considered to be the 1997 Alberta Dental Association Fee Guide for General Practitioners and Specialists plus inflationary adjustment as determined by Manulife Financial

Benefit Percentage (Co-insurance) -

100% for Level I - Basic Services

100% for Level II - Supplementary Basic Services

50% for Level III - Dentures

50% for Level IV - Major Restorative Services

50% for Level V - Orthodontics

Benefit Maximums

Unlimited for Level I

Unlimited for Level II

\$2,000 per calendar year combined for Level III and Level IV

\$1,500 per lifetime for Level V

Termination Age - employee's retirement

Dental Care
Dental Care - The
Benefit

How to Use Your Benefit Booklet

Designed with Your Needs in Mind

The Benefit Booklet provides the information you need about your Group Benefits and has been specifically designed with YOUR needs in mind. It includes:

- a detailed Table of Contents, allowing quick access to the information you are searching for,
- Explanation of Common Insurance Terms, which provides a brief explanation of the insurance terms used throughout this Benefit Booklet,
- a clear, concise explanation of your Group Benefits,
- information you need, and simple instructions on how to submit a claim.

***Your Benefit Booklet
includes...***

Important Note

The purpose of this booklet is to outline the benefits for which you are eligible as an employee of EARTH Corporation. The information in this booklet is a summary of the provisions of the Group Policy. In the event of a discrepancy between this booklet and the Policy (available from your Plan Administrator), the terms of the Group Policy will apply.

Important Note

The booklet in either its paper or electronic form is provided for information purposes only and does not create or confer any contractual rights or obligations.

Possession of this booklet alone does not mean that you or your dependents are insured. The Group Policy must be in effect and you must satisfy all the requirements of the Policy.

We suggest you read this Benefit Booklet carefully, then file it in a safe place with your other important documents.

Your Group Benefit Card

Your Group Benefit Card is the most important document issued to you as part of your Group Benefit Program. It is the only document that identifies you as a Plan Member. The Group Policy Number and your personal Certificate Number may be required before you are admitted to a hospital, or before you receive dental or medical treatment.

***Your Group Benefit
Card***

The Group Policy Number and your Certificate Number are also necessary for ALL correspondence with Manulife Financial. Please note that you can print your Certificate Number on the front of this booklet for easy reference.

Your Group Benefit Card is an important document. Please be sure to carry it with you at all times.

Explanation of Common Insurance Terms

The following is an explanation of the Insurance terms used in this Benefit Booklet.

Benefit Percentage (Co-insurance)

**Benefit Percentage
(Co-Insurance)**

the percentage of Covered Expenses which is payable by Manulife Financial.

Covered Expenses

Covered Expenses

expenses that will be considered in the calculation of payment due under your Extended Health Care or Dental Care benefit.

Deductible

Deductible

the amount of Covered Expenses that must be incurred and paid by you or your dependents before benefits are payable by Manulife Financial.

Dependent

Dependent

your Spouse or Child who is insured under the Provincial Plan.

- Spouse

your legal spouse, or a person continuously living with you in a role like that of a marriage partner for at least one year.

- Child

- your natural or adopted child, or stepchild, who is:
 - unmarried;
 - under age 21, or under age 25 if a full-time student;
 - not employed on a full-time basis; and
 - not eligible for insurance as an employee under this or any other Group Benefit Program.
- a child who is incapacitated on the date he or she reaches the age when insurance would normally terminate will continue to be an eligible dependent. However, the child must have been insured under this Benefit Program immediately prior to that date.

A child is considered incapacitated if he or she is incapable of engaging in any substantially gainful activity and is dependent on the employee for support, maintenance and care, due to a mental or physical disability.

Manulife Financial may require written proof of the child's condition as often as may reasonably be necessary.

- a stepchild must be living with you to be eligible.

Drug

Drug

medications that have been approved for use by the Federal Government of Canada and have a Drug Identification Number.

Explanation of Common Insurance Terms

Experimental or Investigational

not approved or broadly accepted and recognized by the Canadian medical profession, as an effective, appropriate and essential treatment of a sickness or injury, in accordance with Canadian medical standards.

***Experimental or
Investigational***

Immediate Family Member

you, your spouse or child, your parent or your spouse's parent, your brother or sister, or your spouse's brother or sister.

***Immediate Family
Member***

Licensed, Certified, Registered

the status of a person who legally engages in practice by virtue of a license or certificate issued by the appropriate authority, in the place where the service is provided.

***Licensed, Certified,
Registered***

Life-Sustaining Drugs

drugs which are necessary for the survival of the patient.

Life-Sustaining Drugs

Medically Necessary

broadly accepted and recognized by the Canadian medical profession as effective, appropriate and essential in the treatment of a sickness or injury, in accordance with Canadian medical standards.

Medically Necessary

Non-Evidence Limit

you must submit satisfactory medical evidence to Manulife Financial for Benefit Amounts greater than this amount.

Non-Evidence Limit

Provincial Plan

any plan which provides hospital, medical, or dental benefits established by the government in the province where the insured person lives.

Provincial Plan

Qualifying Period

a period of continuous and total disability, starting with the first day of total disability, which you must complete in order to qualify for disability benefits.

Qualifying Period

Reasonable and Customary

the lowest of:

- the prevailing amount charged for the same or comparable service or supply in the area in which the charge is incurred, as determined by Manulife Financial; or
- the amount shown in the applicable professional association fee guide; or
- the maximum price established by law.

***Reasonable and
Customary***

Explanation of Common Insurance Terms

Waiting Period

Waiting Period

the period of continuous employment with your employer which you must complete before you are eligible for Group Benefits.

Ward

Ward

a hospital room with 3 or more beds which provides standard accommodation for patients.

Why Group Benefits?

Government health plans can provide coverage for such basic medical expenses as hospital charges and doctors' fees. In case of disability, government plans (such as Employment Insurance, Canada/Quebec Pension Plan, Workers' Compensation Act, etc.) may provide some financial assistance.

But government plans provide only basic coverage. Medical expenses or a disability can create financial hardship for you and your family.

Private health care and disability programs supplement government plans and can provide benefits not available through any government plan, providing security for you and your family when you need it most.

Your Group Benefit Program is provided by ERTH Corporation, in partnership with The Manufacturers Life Insurance Company.

Your Plan Administrator

Your Plan Administrator is responsible for ensuring that all employees are covered for the Benefits to which they are entitled by submitting all required premiums, reporting all new enrolments, terminations, changes, etc., and keeping all records up to date.

As a member of this Group Benefit Program, it is up to you to provide your Plan Administrator with the necessary information to perform such duties.

Your Plan Administrator is _____
Phone Number: (_____) _____ - _____

Please record the name of your Plan Administrator and contact number in the space provided.

Applying for Group Benefits

To apply for Group Benefits, you must submit a completed Enrolment or Re-enrolment Application form, available from your Plan Administrator. Your Plan Administrator then forwards the application to Manulife Financial.

Making Changes

To ensure that coverage is kept up-to-date for yourself and your dependents, it is vital that you report any changes to your Plan Administrator. Such changes could include:

- change in dependent coverage
- change of beneficiary
- change in name
- applying for coverage previously waived

To make such changes, you must complete the Application for Change form, available from your Plan Administrator.

Why Group Benefits?

*Your Plan
Administrator*

*Applying for Group
Benefits*

Making Changes

The Claims Process

How to Submit a Claim

How to Submit a Claim

All claim forms, available from your Plan Administrator, must be correctly completed, dated and signed. Remember, always provide your Group Policy Number and your Certificate Number (found on your Group Benefit Card) to avoid any unnecessary delays in the processing of your claim.

Your Plan Administrator can assist you in properly completing the forms, and answer any questions you may have about the claims process and your Group Benefit Program.

Payment of Extended Health Care and Dental Claims

Claim Payment

Once the claim has been processed, Manulife Financial will send a Claim Statement to you.

The top portion of this form outlines the claim or claims made, the amount subtracted to satisfy deductibles, and the benefit percentage used to determine the final payment to be made to you. If you have any questions on the amount, your Plan Administrator will help explain.

The bottom portion of this form is your claims payment, if applicable. Simply tear along the perforated line, endorse the back of the cheque and you can cash it at any chartered bank or trust company.

You should receive settlement of your claim within three weeks from the date of submission to Manulife Financial. If you have not received payment, please contact your Plan Administrator.

Co-ordination of Extended Health Care and Dental Care Benefits

Co-ordination of Extended Health Care and Dental Care Benefits

If you or your dependents are insured for similar benefits under another Plan, Manulife Financial will take this into account when determining the amount of expenses payable under this Program.

This process is known as Co-ordination of Benefits. It allows for reimbursement of insured medical and dental expenses from all Plans, up to a total of 100% of the actual expense incurred.

Plan means:

- other Group Benefit Programs;
- any other arrangement of coverage for individuals in a group; and
- individual travel insurance plans.

Plan does not include school insurance or Provincial Plans.

Order of Benefit Payment

Order of Benefit Payment

A variety of circumstances will affect which Plan is considered as the "Primary Carrier" (i.e., responsible for making the initial payment toward the eligible expense), and which Plan is considered as the "Secondary Carrier" (i.e., responsible for making the payment to cover the remaining eligible expense).

The Claims Process

- If the other Plan does not provide for Co-ordination of Benefits, it will be considered as the Primary Carrier, and will be responsible for making the initial payment toward the eligible expense.
- If the other Plan does provide for Co-ordination of Benefits, the following rules are applied to determine which Plan is the Primary Carrier.
 - For Claims incurred by you or your dependent spouse:

The Plan insuring you or your dependent spouse as an employee/member pays benefits before the Plan insuring you or your spouse as a dependent.

In situations where you or your dependent spouse have coverage as an employee/member under more than one Plan, the order of benefit payment will be determined as follows:

- The Plan where the person is covered as an active full-time employee, then
 - The Plan where the person is covered as an active part-time employee, then
 - The Plan where the person is covered as a retiree.
- For Claims incurred by your dependent child:

The Plan covering the parent whose birthday (month/day) is earlier in the calendar year pays benefits first. If both parents have the same birthdate, the Plan covering the parent whose first name begins with the earlier letter in the alphabet pays first.

However, if you and your spouse are separated or divorced, the following order applies:

- The Plan of the parent with custody of the child, then
 - The Plan of the spouse of the parent with custody of the child (i.e., if the parent with custody of the child remarries or has a common-law spouse, the new spouse's Plan will pay benefits for the dependent child), then
 - The Plan of the parent not having custody of the child, then
 - The Plan of the spouse of the parent not having custody of the child (i.e., if the parent without custody of the child remarries or has a common-law spouse, the new spouse's Plan will pay benefits for the dependent child).
- Where you and your spouse share joint custody of the child, the Plan covering the parent whose birthday (month/day) is earlier in the calendar year pays benefits first. If both parents have the same birthdate, the Plan covering the parent whose first name begins with the earlier letter in the alphabet pays first.

The Claims Process

- A claim for accidental injury to natural teeth will be determined under Extended Health Care Plans with accidental dental coverage before it is considered under Dental Plans.
- If the order of benefit payment cannot be determined from the above, the benefits payable under each Plan will be in proportion to the amount that would have been payable if Co-ordination of Benefits did not exist.
- If the insured person is also covered under an individual travel insurance plan, benefits will be co-ordinated in accordance with the guidelines provided by the Canadian Life and Health Insurance Association.

Submitting a Claim for Co-ordination of Benefits

Submitting a Claim for Co-ordination of Benefits

To submit a claim when Co-ordination of Benefits applies, refer to the following guidelines:

- As per the Order of Benefit Payment section, determine which Plan is the Primary Carrier and which is the Secondary Carrier.
- Submit all necessary claim forms and original receipts to the Primary Carrier.
- Keep a photocopy of each receipt or ask the Primary Carrier to return the original receipts to you once your claim has been settled.
- Once your claim has been settled by the Primary Carrier, you will receive a statement outlining how your claim has been handled. Submit this statement along with all necessary claim forms and receipts to the Secondary Carrier for further consideration of payment, if applicable.

Who Qualifies for Coverage?

Eligibility

You are eligible for Group Benefits if you:

- are a full-time employee of EARTH Corporation and work at least the Required Number of Hours,
- are a member of an eligible class,
- are younger than the Termination Age,
- are residing in Canada, and
- have completed the Waiting Period.

The Termination Age and Waiting Period may vary from benefit to benefit. For this information, please refer to each benefit in the section entitled Your Group Benefits.

Your dependents are eligible for insurance on the date you become eligible or the date you first acquire a dependent, whichever is later. You must apply for insurance for yourself in order for your dependents to be eligible.

Required Number of Hours

Full-time employee - 20 hour(s) per week

Evidence of Insurability

Medical evidence is required when you apply for insurance in excess of the Non-Evidence Limit.

Medical evidence is also required for all benefits, except Dental insurance, when you make a Late Application for insurance on any person.

Late Application

An application is considered late when you:

- apply for insurance on any person after having been eligible for more than 31 days ; or
- re-apply for insurance on any person whose insurance had earlier been cancelled.

If you apply for benefits that were previously waived because you were covered for similar benefits under your spouse's plan, your application is considered late when you:

- apply for insurance more than 31 days after the date benefits terminated under your spouse's plan; or
- apply for insurance and benefits under your spouse's plan have not terminated.

Medical evidence can be submitted by completing the Evidence of Insurability form, available from your Plan Administrator.

Further medical evidence may be requested by Manulife Financial.

Eligibility

Required Number of Hours

Evidence of Insurability

Late Application

Who Qualifies for Coverage?

Late Dental Application

Late Dental Application

If you apply for coverage for Dental insurance for yourself or your dependents late, insurance will be limited to \$125 for each insured person for the first 12 months of coverage.

Effective Date of Coverage

Effective Date of Coverage

- If Evidence of Insurability is not required, your Group Benefits will be effective on the date you are eligible.
- If Evidence of Insurability is required, your Group Benefits will be effective on the date you become eligible or the date the evidence is approved by Manulife Financial, whichever is later.

You must be actively at work for insurance to become effective. If you are not actively at work on the date your insurance would normally become effective, your insurance will take effect on the next day on which you are again actively at work.

Your dependent's insurance becomes effective on the date the dependent becomes eligible, or the date any required evidence of insurability on the dependent is approved by Manulife Financial, whichever is later.

Your dependent's insurance will not be effective prior to the date your insurance becomes effective.

Termination of Insurance

Termination of Insurance

Your Group Insurance will terminate on the earliest of:

- the date you cease to be an eligible employee,
- the date you cease to be actively at work, unless the Group Policy allows for your coverage to be extended beyond this date,
- the date your employer terminates coverage,
- the date you enter the armed forces of any country on a full-time basis,
- the date the Group Policy terminates or insurance on the class to which you belong terminates,
- the date you reach the Termination Age, or
- the date of your death.

Your dependents' insurance terminates on the date your insurance terminates or the date the dependent ceases to be an eligible dependent, whichever is earlier.

Your Group Benefits

Employee Life Insurance

If you die while insured, this benefit provides financial assistance to your beneficiary. If your beneficiary dies before you or if there is no designated beneficiary, this benefit is payable to your estate.

*Employee Life
Insurance*

The Benefit

Benefit Amount - \$6,000

*Employee Life
Insurance - The Benefit*

Non-Evidence Limit - \$6,000

Qualifying Period for Waiver of Premium - 105 days

Termination Age - your benefit amount reduces by 50% at age 65 and terminates at age 71 or retirement, whichever is earlier

Waiting Period

3 months for employees hired on or prior to the Group Policy Effective Date
3 months for all other employees

Submitting a Claim

To submit an Employee Life Insurance claim, your beneficiary must complete the Life Claim form which is available from your Plan Administrator.

*Employee Life
Insurance - Submitting
a Claim*

Documents necessary to submit with the form are listed on the form.

A completed claim form must be submitted within 90 days from the date of the loss.

To submit a claim for the Waiver of Premium benefit you must complete a Waiver of Premium claim form which is available from your Plan Administrator. Your attending physician must also complete a portion of this form.

A completed claim form must be submitted within 180 days from the end of the qualifying period.

Waiver of Premium

If you become Totally Disabled while insured and prior to age 65 and meet the Entitlement Criteria outlined below, your Life Insurance will continue without payment of premium.

*Employee Life
Insurance - Waiver of
Premium*

Your Group Benefits

Definition of Totally Disabled

Employee Life Insurance - Totally Disabled

Totally Disabled means a restriction or lack of ability due to an illness or injury which prevents you from performing the essential duties of:

- your own occupation, during the Qualifying Period and the 2 years immediately following the Qualifying Period
- any occupation for which you are qualified, or may reasonably become qualified by training, education or experience, after the 2 years specified above

The availability of work will not be considered by Manulife Financial in assessing your disability.

If you must hold a government permit or licence to perform the duties of your job, you will not be considered Totally Disabled solely because your permit or licence has been withdrawn or not renewed.

Entitlement Criteria

Employee Life Insurance - Entitlement Criteria

To be entitled to Waiver of Premium, you must meet the following criteria:

- you must be continuously Totally Disabled throughout the Qualifying Period. If you cease to be Totally Disabled during this period and then become disabled again within 3 weeks due to the same or related illness or injury, your Qualifying Period will be extended by the number of days during which you ceased to be Totally Disabled.
- Manulife Financial must receive medical evidence documenting how your illness or injury causes restrictions or lack of ability, such that you are prevented from performing the essential duties of:
 - your own occupation, during the Qualifying Period and the following 2 years, and
 - any occupation for which you are qualified, or may reasonably become qualified by training, education or experience, after the 2 years specified above.
- you must be receiving from a physician, regular, ongoing care and treatment appropriate for your disabling condition, as determined by Manulife Financial.

At any time, Manulife Financial may require you to submit to a medical, psychiatric, psychological, functional, educational and/or vocational examination or evaluation by an examiner selected by Manulife Financial.

Termination of Waiver of Premium

Employee Life Insurance - Termination of Waiver of Premium

Your Waiver of Premium will cease on the earliest of:

- the date you cease to be Totally Disabled, as defined under this benefit.

Your Group Benefits

- the date you do not supply Manulife Financial with appropriate medical evidence documenting how your illness or injury causes restrictions or lack of ability, such that you are prevented from performing the essential duties of:
 - your own occupation, during the Qualifying Period and the following 2 years, and
 - any occupation for which you are qualified, or may reasonably become qualified by training, education or experience, after the 2 years specified above.
- the date you are no longer receiving from a physician, regular, ongoing care and treatment appropriate for the disabling condition, as determined by Manulife Financial.
- the date you do not attend an examination by an examiner selected by Manulife Financial.
- the date of your 65th birthday.
- the date of your death.

Recurrent Disability

If you become Totally Disabled again from the same or related causes as those for which premiums were previously waived, and such disability recurs within 6 months of cessation of the Waiver of Premium benefit, Manulife Financial will waive the Qualifying Period.

Your amount of insurance on which premiums were previously waived will be reinstated.

If the same disability recurs more than 6 months after cessation of your Waiver of Premium benefit, such disability will be considered a separate disability.

Two disabilities which are due to unrelated causes are considered separate disabilities if they are separated by a return to work of at least one day.

Conversion Privilege

If your Group Benefits terminate or reduce, you may be eligible to convert your Employee Life Insurance to an individual policy, without medical evidence. Your application for the individual policy along with the first monthly premium must be received by Manulife Financial within 31 days of the termination or reduction of your Employee Life Insurance. If you die during this 31-day period, the amount of Employee Life Insurance available for conversion will be paid to your beneficiary or estate, even if you didn't apply for conversion.

For more information on the conversion privilege, please see your Plan Administrator. Provincial differences may exist.

***Employee Life
Insurance - Recurrent
Disability***

***Employee Life
Insurance - Conversion
Privilege***

Your Group Benefits

Extended Health Care

Extended Health Care

If you or your dependents incur charges for any of the Covered Expenses specified, your Extended Health Care benefit can provide financial assistance.

Payment of Covered Expenses is subject to any maximum amounts shown below under The Benefit and in the expenses listed under Covered Expenses.

Claim amounts that will be applied to the maximum are the amounts paid after applying the Deductible, Benefit Percentage, and any other applicable provisions.

Drug Benefit for Quebec Residents

Group benefit plans that provide prescription drug coverage to Quebec residents must meet certain requirements under Quebec's prescription drug insurance legislation (An Act Respecting Prescription Drug Insurance And Amending Various Legislative Provisions). If you and your dependents reside in Quebec, the provisions specified under Drug Benefit For Persons Who Reside In Quebec, will apply to your drug benefit.

The Benefit

Extended Health Care - The Benefit

Overall Benefit Maximum - Unlimited

Deductible - Nil

Benefit Percentage (Co-insurance) -

100% for - Hospital Care - Medical Services & Supplies - Professional Services - Vision - Drugs

Note:

The Benefit Percentage for Out-of-Canada Emergency Medical Treatment is 100%.

The Benefit Percentage for Out-of-Canada Referrals for treatment Not Available in Canada is 100%

The Benefit Percentage for Emergency Travel Assistance is 100%.

Termination Age - employee's retirement

Waiting Period

3 months for employees hired on or prior to the Group Policy Effective Date

3 months for all other employees

Covered Expenses

Extended Health Care - Covered Expenses

The expenses specified are covered to the extent that they are reasonable and customary, as determined by Manulife Financial, provided they are:

- medically necessary for the treatment of sickness or injury and recommended by a physician
- incurred for the care of a person while insured under this Group Benefit Program

Your Group Benefits

- reasonable taking all factors into account
- not covered under the Provincial Plan or any other government-sponsored program
- legally insurable

In the event that a provincial plan or government-sponsored program or plan or legally mandated program discontinues or reduces payment for any services, treatments or supplies formerly covered in full or in part by such plan or program, this Policy will not automatically assume coverage of the charges for such treatments, services or supplies, but will reserve the right to determine, at the time of change, whether the expenses will be considered eligible or not.

Advance Supply Limitation

Payment of any Covered Expenses under this benefit which may be purchased in large quantities will be limited to the purchase of up to a 3 months' supply at any one time, except for covered drug expenses.

- Drug Expenses

The maximum quantity of drugs that will be payable for each prescription will be limited to the lesser of:

a) the quantity prescribed by your physician or dentist, or

b) a 34 day supply.

A quantity of up to a 100 day supply may be payable in long term therapy cases, where the larger quantity is recommended as appropriate by your physician and pharmacist.

Hospital Care

- charges, in excess of the hospital's public ward charge, for semi-private accommodation, provided:
 - the person was confined to hospital on an in-patient basis, and
 - the accommodation was specifically elected in writing by the patient
- confinement in a convalescent/rehabilitative care facility which starts within 14 days of discharge from a hospital, up to a maximum of 180 days per disability
- charges for any portion of the cost of ward accommodation, utilization or co-payment fees (or similar charges) are not covered

Direct Drugs - Plan 3

Charges incurred for the following expenses are payable when prescribed in writing by a physician or dentist and dispensed by a licensed pharmacist.

***Extended Health Care -
Advance Supply
Limitation***

- Drug Expenses

***Extended Health Care -
Hospital Care***

***Extended Health Care -
Direct Drugs - Plan 3***

Your Group Benefits

- drugs for the treatment of an illness or injury, which by law or convention require the written prescription of a physician or dentist
- oral contraceptives
- injectable medications
- life-sustaining drugs
- preventive vaccines and medicines (oral or injected)
- diabetic supplies (excluding cotton swabs, rubbing alcohol, automatic jet injectors and similar equipment)

Charges for the following are not covered:

- the administration of injectable medications
- drugs, biologicals and related preparations which are intended to be administered in hospital on an in-patient or out-patient basis and are not intended for a patient's use at home
- drugs used in the treatment of a sexual dysfunction

- Drug Maximums

Fertility drugs - 6 months or 6 cycles of treatment per lifetime

Anti-smoking drugs - \$300 per lifetime

All other covered drug expenses - Unlimited

Payment of Drug Claims

Your Pay Direct Drug Card provides your pharmacist with immediate confirmation of covered drug expenses. This means that when you present your Pay Direct Drug Card to your pharmacist at the time of purchase, you and your eligible dependents will not incur out-of-pocket expenses for the full cost of the prescription.

The Pay Direct Drug Card is honoured by participating pharmacists displaying the appropriate Pay Direct Drug decal.

To fill a prescription for covered drug expenses:

- a) present your Pay Direct Drug Card to the pharmacist at the time of purchase, and
- b) pay any amounts that are not covered under this benefit.

You will be required to pay the full cost of the prescription at time of purchase if:

- you cannot locate a participating Pay Direct Drug pharmacy
- you do not have your Pay Direct Drug Card with you at that time
- the prescription is not payable through the Pay Direct Drug Card system

For details on how to receive reimbursement after paying the full cost of the prescription, please see your Plan Administrator.

Your Group Benefits

Vision Care

Extended Health Care - Vision Care

- eye exams, once per 12 months for persons under age 18 and once per 24 months for persons age 18 and over
- purchase and fitting of prescription glasses or elective contact lenses, as well as repairs, or elective laser vision correction procedures, to a maximum of \$350 during any 12 months for persons under age 18 and \$350 during any 24 months for persons age 18 and over
- if contact lenses are required to treat a severe condition, or if vision in the better eye can be improved to a 20/40 level with contact lenses but not with glasses, the maximum payable will be \$250 during any 12 months for persons under age 18 and \$250 during any 24 months for persons age 18 and over
- visual training, to a maximum of \$250 per lifetime

Professional Services

Extended Health Care - Professional Services

Services provided by the following licensed practitioners:

- Chiropractor - \$600 per calendar year(s)
- Osteopath - \$600 per calendar year(s)
- Podiatrist/Chiropodist - \$600 per calendar year(s)
- Massage Therapist - \$500 per calendar year(s)
- Dietician - \$500 per calendar year(s)
- Naturopath - \$500 per calendar year(s)
- Speech Therapist - \$500 per calendar year(s)
- Physiotherapist - \$500 per calendar year(s)
- Psychologist/Social Worker - \$500 per calendar year(s)
- Acupuncturist - \$500 per calendar year(s)

Expenses for some of these Professional Services may be payable in part by Provincial Plans. Coverage for the balance of such expenses prior to reaching the Provincial Plan maximum may be prohibited by provincial legislation. In those provinces, expenses under this Benefit Program are payable after the Provincial Plan's maximum for the benefit year has been paid.

Recommendation by a physician for Professional Services provided by a Massage Therapist is required.

Your Group Benefits

Extended Health Care - Medical Services and Supplies

Medical Services and Supplies

For all medical equipment and supplies covered under this provision, Covered Expenses will be limited to the cost of the device or item that adequately meets the patient's fundamental medical needs.

- Private Duty Nursing

Private Duty Nursing

Services which are deemed to be within the practice of nursing and which are provided in the patient's home by:

- a registered nurse, or
- a registered nursing assistant (or equivalent designation) who has completed an approved medications training program

Covered Expenses are subject to a maximum of \$10,000 per calendar year(s).

Charges for the following services are not covered:

- service provided primarily for custodial care, homemaking duties, or supervision
- service performed by a nursing practitioner who is an immediate family member or who lives with the patient
- service performed while the patient is confined in a hospital, nursing home, or similar institution
- service which can be performed by a person of lesser qualification, a relative, friend, or a member of the patient's household

Pre-Determination of Benefits

Manulife Financial suggests that a detailed treatment plan be submitted with cost estimates before Private Duty Nursing services begin. Manulife Financial will then advise you of any benefit that will be provided.

- Ambulance

Ambulance

- licensed ambulance service provided in the patient's province of residence, including air ambulance, to transfer the patient from the nearest hospital where adequate treatment is available

Medical Equipment

- rental or, when approved by Manulife Financial, purchase of:

- Mobility Equipment: crutches, canes, walkers, and wheelchairs

- Durable Medical Equipment: manual hospital beds, respiratory and oxygen equipment, and other durable equipment usually found only in hospitals

- Medical Equipment

Your Group Benefits

Non-Dental Prostheses, Supports and Hearing Aids

**- Non-Dental
Prostheses, Supports
and Hearing Aids**

- external prostheses
- surgical stockings, up to a maximum of 4 pairs per calendar year
- surgical brassieres, up to a maximum of 2 per calendar year
- braces (other than foot braces), trusses, collars, leg orthosis, casts and splints
- custom-made shoes which are required because of a medical abnormality that, based on medical evidence, cannot be accommodated in a stock-item orthopaedic shoe or a modified stock-item orthopaedic shoe (must be constructed by a certified orthopaedic footwear specialist)
OR

stock-item orthopaedic shoes and modifications or adjustments to stock-item orthopaedic shoes or regular footwear, all up to a maximum of \$100 per calendar year(s) (recommendation of either a physician or a podiatrist is required)

- casted, custom-made orthotics, up to a maximum of 2 pair per calendar year(s) (recommendation of either a physician or a podiatrist is required)
- cost, installation, repair and maintenance of hearing aids (including charges for batteries), to a maximum of \$400 every 5 calendar year(s)

Other Supplies and Services

**- Other Supplies and
Services**

- ileostomy, colostomy and incontinence supplies
- medicated dressings and burn garments
- breast prosthesis, 1 per calendar year(s)
- wigs and hairpieces for patients with temporary hair loss as a result of medical treatment, unlimited, subject to reasonable and customary limits
- oxygen
- microscopic and other similar diagnostic tests and services rendered in a licensed laboratory in the province of Quebec
- charges for the treatment of accidental injuries to natural teeth or jaw, provided the treatment is rendered within 12 months of the accident, excluding injuries due to biting or chewing

Your Group Benefits

- Out-of-Province/ Out-of-Canada

Out-of-Province/Out-of-Canada

- treatment required as a result of a medical emergency which occurs while temporarily outside the province of residence, provided the insured person who receives the treatment is also covered by the Provincial Plan during the absence from the province of residence.

A medical emergency is a sudden, unexpected injury which occurs or an unforeseen illness which begins while an insured person is travelling outside his province of residence and requires immediate medical attention. Such emergency no longer exists when, in the opinion of the attending physician and supporting medical evidence, the insured person is stable enough to return to his province of residence.

- expenses are payable up to a maximum of \$5,000,000 per lifetime for Out-of-Canada Emergency and Out-of-Canada Referral expenses combined
- Out-of-Country Referral Travel services for services not available in Canada.

The expenses must be for the treatment of an illness and ordered in writing by a doctor located in the province where you live. The employee residence provincial medicare plan must agree in writing to pay benefits for the referral services.

Referral services must be obtained in Canada, if available, regardless of any waiting lists, and covered by the medicare plan in the province of residence.

Out-of-Country Advances - Manulife will advance funds for services in excess of \$200 to medical facilities to ensure treatment.

Charges for the following are payable under this expense:

- physician's services
- hospital room and board at standard ward rates. Charges in excess of ward rates are payable, if hospital coverage is provided under this Benefit Program.
- special hospital services
- hospital charges for out-patient treatment
- licensed ambulance services, including air ambulance, to transfer the patient to the nearest medical facility or hospital where adequate treatment is available
- medical evacuation for admission to a hospital or medical facility in the province where the patient normally resides

The amount payable for these expenses will be the reasonable and customary charges less the amount payable by the Provincial Plan.

Charges incurred outside the province of residence for all other Covered Extended Health Care Expenses are payable on the same basis as if they were incurred in the province of residence.

Your Group Benefits

Emergency Travel Assistance

Extended Health Care - Emergency Travel Assistance

Emergency Travel Assistance provides travel assistance for you and your dependents while you are temporarily outside your province of residence. The assistance services are delivered through an international organization, specializing in travel assistance.

Assistance is provided for both Medical and Non-Medical travel emergencies. Services are available during the period that you are covered for Out-of-Province/Out-of-Canada emergency medical treatment, provided under this benefit.

In addition, Emergency Travel Assistance also provides you and your dependents with Health Advice and Assistance, whenever and wherever such services are needed - whether at home or while travelling.

Details on your Emergency Travel Assistance benefit are provided below, as well as in your Emergency Travel Assistance brochure.

Medical Emergency Assistance

A Medical Emergency is a sudden, unexpected injury which occurs or an unforeseen illness which begins while an insured person is travelling outside his province of residence and requires immediate medical attention. Such emergency no longer exists when, in the opinion of the attending physician and supporting medical evidence, the insured person is stable enough to return to his or her province of residence.

a) 24-Hour Access

Multilingual assistance is available 24 hours a day, seven days a week, through telephone (toll-free or call collect), telex or fax.

b) Medical Referral

Referral to the nearest physician, dentist, pharmacist or appropriate medical facility, and verification of insurance coverage, is provided.

Your Group Benefits

c) Claims Payment Service

If a hospital or other provider of medical services requires a deposit or payment in full for services rendered, and the expenses exceed \$200 (Canadian), payment of such expenses will be arranged and claims co-ordinated on behalf of the insured person.

Payment and co-ordination of expenses will take into account the coverage that the insured person is eligible for under a Provincial Plan and this benefit. If such payments are subsequently determined to be in excess of the amount of benefits to which the insured person is entitled, Manulife Financial shall have the right to recover the excess amount by assignment of Provincial Plan benefits and/or refund from you.

d) Medical Care Monitoring

Medical care and services rendered to the insured person will be monitored by medical staff who will maintain contact, as frequently as necessary, with the insured person, the attending physician, the insured person's personal physician and family.

e) Medical Transportation

If medically necessary, arrangements will be made to transfer an insured person to and from the nearest medical facility or to a medical facility in the insured person's province of residence. Expenses incurred for the medical transportation will be paid, as described under Medical Services and Supplies - Out-of-Province/Out-of-Canada.

If medically necessary for a qualified medical attendant to accompany the insured person, expenses incurred for round-trip transportation will be paid.

f) Return of Dependent Children

If dependent children are left unattended due to the hospitalization of an insured person, arrangements will be made to return the children to their home. The extra costs over and above any allowance available under pre-paid travel arrangements will be paid.

If necessary for a qualified escort to accompany the dependent children, expenses incurred for round-trip transportation will be paid.

Your Group Benefits

g) Trip Interruption/Delay

If a trip is interrupted or delayed due to an illness or injury of an insured person, one-way economy transportation will be arranged to enable each insured person and a Travelling Companion (if applicable) to rejoin the trip or return home. Expenses incurred, over and above any allowance available under pre-paid travel arrangements will be paid.

A Travelling Companion is any one person travelling with the insured person, and whose fare for transportation and accommodation was pre-paid at the same time as the insured person's fare.

If the insured person chooses to rejoin the trip, further expenses incurred which are related directly or indirectly to the same illness or injury, will not be paid.

If an insured person must return home due to the hospitalization or death of an immediate family member, one-way economy transportation will be arranged and expenses incurred, over and above any allowance available under pre-paid travel arrangements, will be paid.

h) After Hospital Convalescence

If an insured person is unable to travel due to medical reasons following discharge from a hospital, expenses incurred for meals and accommodation after the originally scheduled departure date will be paid, subject to the maximum shown in part l) of this provision.

i) Visit of Family Member

Expenses incurred for round-trip economy transportation will be paid for an immediate family member to visit an insured person who, while travelling alone, becomes hospitalized and is expected to be hospitalized for longer than 7 days. The visit must be approved in advance by Manulife Financial.

j) Vehicle Return

If an insured person is unable to operate his owned or rented vehicle due to illness, injury or death, expenses incurred for a commercial agency to return the vehicle to the insured person's home or nearest appropriate rental agency will be paid, up to a maximum of \$1,000 (Canadian).

k) Identification of Deceased

If an insured person dies while travelling alone, expenses incurred for round-trip economy transportation will be paid for an immediate family member to travel, if necessary, to identify the deceased prior to release of the body.

Your Group Benefits

l) Meals and Accommodation

Under the circumstances described in parts f),g),h),i), and k) of this provision, expenses incurred for meals and accommodation will be paid, subject to a combined maximum of \$2,000 (Canadian) per medical emergency.

Non-Medical Assistance

a) Return of Deceased to Province of Residence

In the event of the death of an insured person, the necessary authorizations will be obtained and arrangements made for the return of the deceased to his province of residence. Expenses incurred for the preparation and transportation of the body will be paid, up to a maximum of \$5,000 (Canadian). Expenses related to the burial, such as a casket or an urn, will not be paid.

b) Lost Document and Ticket Replacement

Assistance in contacting the local authorities is provided, to help an insured person in replacing lost or stolen passports, visas, tickets or other travel documents.

c) Legal Referral

Referral to a local legal advisor, and if necessary, arrangement for cash advances from the insured person's credit cards, family or friends, is provided.

d) Interpretation Service

Telephone interpretation service in most major languages is provided.

e) Message Service

Telephone message service is provided for messages to or from family, friends or business associates. Messages will be held for up to 15 days.

f) Pre-trip Assistance Service

Up-to-date information is provided on passport and visa, vaccination and inoculation requirements for the country where the insured person plans to travel.

Your Group Benefits

Health Advice and Assistance

The following services are available for an insured person when required as a result of an illness or injury:

a) After Hours Access to a Registered Nurse

Toll free telephone access to a registered nurse is available seven days a week, during the hours that a family physician is not readily accessible.

b) Medical Advice

Medical advice will be provided on:

- i) whether the illness or injury can be safely treated at home or will require a visit to a physician or hospital emergency room;
- ii) the type of side effect to expect from a prescribed drug or medicine; and
- iii) other health related services that may be requested or required by the insured person.

c) Link to 911

If necessary, an insured person will be immediately linked to their local 911 emergency service for medical assistance.

d) Follow-Up Call

Where appropriate, to monitor the care of the insured person, the registered nurse will follow-up with the insured person within 24 hours after the medical advice is provided.

Exceptions

Manulife Financial, and the company contracted by Manulife Financial to provide the travel assistance services described in this benefit, will not be responsible for the availability, quality, or results of any medical treatment, or the failure of an insured person to obtain medical treatment or emergency assistance services for any reason.

Emergency assistance services may not be available in all countries due to conditions such as war, political unrest or other circumstances which interfere with or prevent the provision of any services.

How to Access Emergency Travel Assistance - Your Emergency Travel Assistance Card

Your Emergency Travel Assistance card lists the toll free numbers to call in case of an emergency, while travelling outside your province. The toll free number will put you in touch with the international travel assistance organization.

Your Group Benefits

Your Emergency Travel Assistance card also lists your I.D. number and group policy number, which the travel assistance organization needs to confirm that you are covered by Emergency Travel Assistance.

If you do not have a Emergency Travel Assistance Card, please contact your Plan Administrator.

Health Service Navigator™

**Health Service
Navigator™**

Your Extended Health Care benefit includes Health Service Navigator, a service designed to provide credible health information and resources to assist you in better understanding your health concerns and health services available within Canada and your local community. It includes provincial guides that summarize the coverage available to you through your provincial health plan coverage, a national physician search database and tips on how to navigate and leverage the myriad of health resources available to you within the Canadian health care system. Health Service Navigator also provides access to a second opinion service delivered through a premiere second opinion service coordinator with a consortium of highly ranked U.S. based hospitals that support the service. Second opinions are available for a broad range of specific medical conditions.

Limitations

Any medical conditions that are a direct result of either of the following events are excluded from coverage for Health Service Navigator:

- Radioactive Contamination that is not associated with one's occupation; or
- War or warlike operations (whether war is declared or not), invasion, act of foreign enemy, hostilities, mutiny, riot, civil commotion, civil war, rebellion, revolution, insurrections, conspiracy, military or usurped power, martial law or state of siege, or any events or causes which determine the proclamation or maintenance of martial law or state of siege.

Furthermore, Manulife Financial shall not be liable for any expense incurred by you or your eligible dependent which is not specifically described and covered under this Health Service Navigator benefit or your Group Benefits Policy, including but not limited to the cost of treatment, travel costs, fees, medical expenses, appointment cancellation charges and other expenses.

Right of Refusal

In some cases, the medical information submitted by the patient may be determined by the physicians of the consortium hospitals to be insufficient, or not of an adequate quality to render a second opinion. In such cases, the second opinion service coordinator will inform the patient within 24 hours, of the reasons for the inability to deliver a report. The patient will then have the opportunity to deliver additional or alternative material to the second opinion service coordinator, for consideration by the physicians of the consortium hospital rendering the opinion. If such information is still insufficient, then the physicians of such consortium hospital have the right to refuse to render a second opinion, and neither they nor the second opinion service coordinator nor Manulife shall have any further obligation in relation to such second opinion request.

Your Group Benefits

Summary Only

Please note that the provisions in this section of the booklet are only intended as a brief summary of the services available under Health Service Navigator. Your plan member brochure has additional information concerning the services. Your Plan Administrator or Manulife Financial can answer any questions you may have about this benefit.

Submitting a Claim

To submit an Extended Health Care claim, you must complete an Extended Health Care Claim form, except when claiming for physician or hospital expenses incurred outside your province of residence. For these expenses, you must complete an Out-of-Province/Out-of-Canada claim form. Claim forms are available from your Plan Administrator.

All applicable receipts must be attached to the completed claim form when submitting it to Manulife Financial.

All claims must be submitted within 12 months after the date the expense was incurred. However, upon termination of your insurance, all claims must be submitted no later than 90 days from the termination date.

Claims for Out-of-Canada expenses must first be submitted to the Provincial Plan for payment. Any outstanding balance should be submitted to Manulife Financial, along with the explanation of payment from the Provincial Plan.

Subrogation (Third Party Liability)

If your medical expenses result from an injury caused by another person and you have the legal right to recover damages, Manulife Financial may request that you complete a subrogation reimbursement agreement when you submit a claim for such expenses.

On settlement or judgement of your legal action, you will be required to reimburse Manulife Financial those amounts you recover which, when added to the payments you received from Manulife Financial, exceed 100% of your incurred expenses.

Exclusions

No Extended Health Care benefits are payable for expenses related to:
(not applicable to Health Service Navigator™)

- self-inflicted injuries
- war, insurrection, the hostile actions of any armed forces or participation in a riot or civil commotion
- committing or attempting to commit an assault or criminal offence
- injuries sustained while operating a motor vehicle while under the influence of any intoxicant, including alcohol

***Extended Health Care -
Submitting a Claim***

***Subrogation (Third
Party Liability)***

***Extended Health Care -
Exclusions***

Your Group Benefits

- an illness or injury for which benefits are payable under any government plan or workers' compensation
- charges for periodic check-ups, broken appointments, third party examinations, travel for health purposes, or completion of claim forms
- services or supplies provided by an employer's medical or dental department
- services or supplies for which no charge would normally be made in the absence of insurance
- services and supplies where reimbursement would have been made under a government-sponsored plan, in the absence of insurance
- services or supplies which are not permitted by law to be paid
- services or supplies which are required for recreation or sports
- services or supplies which would have been payable by the Provincial Plan if proper application had been made
- medical treatment which is not usual or customary, or is experimental or investigational in nature
- medical or surgical care which is cosmetic, except for sclerotherapy injections
- medical or surgical care which is cosmetic
- services or supplies which are performed or provided by the insured person, an immediate family member or a person who lives with the insured person
- services or supplies which are provided while confined in a hospital on an in-patient basis
- services or supplies which are not specified as a covered expense under this benefit

Continuation of Coverage

Extended Health Care - Continuation of Coverage

If a person is disabled when insurance under this Extended Health Care benefit terminates, covered expenses related to the treatment of the disability will continue to be payable by Manulife Financial, for up to 90 days. However, coverage will terminate if the disabled person becomes eligible for insurance under another group plan.

You will be considered disabled if you are eligible for disability benefits under any other provision of this Group Benefit Program.

Your dependent will be considered disabled if he or she is receiving medical treatment from a physician and confined to a hospital or to his or her home.

Your Group Benefits

Drug Benefit For Persons Who Reside In Quebec

*Drug Benefit For
Persons Who Reside In
Quebec*

If you and your dependents reside in Quebec, the following provisions apply to your drug benefit coverage.

Covered Drug Expenses

The following expenses are covered:

- drugs that are on the List of Insured Drugs that is published by the Régie de l'assurance-maladie du Québec (RAMQ List), provided such drugs are on the list at the time the expense is incurred; and
- drugs that are listed as a covered expense in this Benefit Booklet, but are not on the RAMQ List.

Coverage for drugs on the List of Insured Drugs that is published by the Régie de l'assurance-maladie du Québec (RAMQ List)

The following provisions apply only to the coverage of drugs that are on the RAMQ List, as legislated by An Act Respecting Prescription Drug Insurance (R.S.Q. c., A-29-01). Coverage for all other drugs will be subject to the regular provisions included in this Benefit Booklet:

a) Benefit Percentage

Prior to the annual out-of-pocket maximum being reached, the percentage of covered drug expenses payable under this benefit will be as follows:

- i) For any drug on the RAMQ List which is not otherwise covered under the terms of this Benefit, the percentage payable is the percentage as set out by the then applicable Legislation.
- ii) For any drug on the RAMQ List which is covered under the terms of this Benefit, the percentage payable is the greater of:
 - the benefit percentage stated under The Benefit; and
 - the percentage as set out by the then applicable Legislation.

After the annual out-of-pocket maximum has been reached, the percentage of covered drug expenses payable under this benefit will be 100%.

b) Annual Out-of-Pocket Maximum

The annual out-of-pocket maximum is the portion of covered drug expenses which must be paid by you and your spouse in a calendar year, before the percentage payable under this benefit will be 100%. Amounts that will be applied to the annual out-of-pocket maximum are:

- i) deductible amounts, and

Your Group Benefits

- ii) the portion of covered drug expenses that is paid by an insured person, when the percentage of covered expenses payable under this benefit is less than 100%.

The annual out-of-pocket maximum for you and your spouse is as stipulated in the Legislation and includes those portions of covered drug expenses paid for your dependent children.

For the purposes of calculating the out-of-pocket maximum for you and your spouse, those portions of covered drug expenses paid for your dependent children will be applied to the person who is closest to reaching the annual out-of-pocket maximum.

c) **Deductible**

Deductible amounts (if any) for the drug benefit will apply, until the annual out-of-pocket maximum is reached. Thereafter, the deductible will not apply.

d) **Lifetime Maximums**

Lifetime maximums (if any) for the drug benefit will not apply. Drug coverage provided after the lifetime maximum stated under The Benefit is reached is subject to the following conditions:

- i) only drugs that are on the RAMQ List are covered, and
- ii) the percentage payable by Manulife Financial for covered expenses is the percentage as set out by the then applicable Legislation.

e) **Eligible Dependent Children**

Your eligible dependent children who are in full-time attendance at an accredited educational institution will be covered until the later of:

- i) the age specified in this Benefit Booklet (please refer to definition of child in the Explanation of Common Insurance Terms), and
- ii) age 26.

Drug coverage provided for dependent children after the age stated in this Benefit Booklet is subject to the following conditions:

only drugs that are on the RAMQ List are covered, and

the percentage payable by Manulife Financial for covered expenses is the percentage as set out by the then applicable Legislation.

Your Group Benefits

f) Termination Age

Provided you are otherwise eligible for the drug benefit, the Termination Age (if any) for the drug benefit will not apply. Drug coverage provided after the Termination Age specified under The Benefit is subject to the following conditions:

- i) only drugs that are on the RAMQ List are covered,
- ii) the percentage payable by Manulife Financial for covered expenses is the percentage as stipulated in the then applicable Legislation
- iii) the Annual Out-of-Pocket Maximum is as stipulated in the then applicable Legislation
- iv) the premium required for the drug coverage is the premium for Extended Health Care

Coverage for drugs that are listed as a covered expense in this Benefit Booklet but are not on the RAMQ List

Coverage for drugs that are listed as a covered expense under this Benefit but not on the RAMQ List will be subject to all the standard provisions included in this Benefit Booklet.

Dental Care

If you or your dependents require any of the dental services specified under Covered Expenses, your Dental Care benefit can provide financial assistance.

Dental Care

Payment of Covered Expenses is subject to any maximum amounts shown below under The Benefit and in the expenses listed under Covered Expenses.

Claim amounts that will be applied to the maximum are the amounts paid after applying the Deductible, Benefit Percentage, and any other applicable provisions.

The Benefit

Deductible - Nil

Dental Care - The Benefit

Dental Fee Guide - Fee Guide for General Practitioners and Specialists which was in effect 1 year(s) prior to the current Fee Guide for your Province of Residence

If you reside in Alberta, the Fee Guide is considered to be the 1997 Alberta Dental Association Fee Guide for General Practitioners and Specialists plus inflationary adjustment as determined by Manulife Financial

Benefit Percentage (Co-insurance) -

100% for Level I - Basic Services

Your Group Benefits

100% for Level II - Supplementary Basic Services

50% for Level III - Dentures

50% for Level IV - Major Restorative Services

50% for Level V - Orthodontics

Benefit Maximums

Unlimited for Level I

Unlimited for Level II

\$2,000 per calendar year combined for Level III and Level IV

\$1,500 per lifetime for Level V

Termination Age - employee's retirement

Waiting Period

3 months for employees hired on or prior to the Group Policy Effective Date

3 months for all other employees

Covered Expenses

Dental Care - Covered Expenses

The following expenses are covered if they:

- are incurred for the necessary dental care of an insured person while insured under this benefit
- are incurred for services provided by a dentist, a dental hygienist working within the scope of his license, or a denturist working within the scope of his license
- are reasonable as determined by Manulife Financial, taking all factors into account, and
- do not exceed the fees recommended in the Dental Fee Guide, or reasonable and customary charges as determined by Manulife Financial, if the expenses are not listed in the Dental Fee Guide.

Alternate Treatment

Dental Care - Alternate Treatment

Where any two or more courses of treatment covered under this benefit would produce professionally adequate results for a given condition, Manulife Financial will pay benefits as if the least expensive course of treatment were used. Manulife Financial will determine the adequacy of the various courses of treatment available, through a professional dental consultant.

Level I - Basic Services

Dental Care - Level I - Basic Services

- complete oral exam, one per 2 calendar years

Your Group Benefits

- full-mouth x-rays, one per 2 calendar years
- one unit of light scaling and one unit of polishing once every 6 months, when the service is performed outside Quebec, or prophylaxis once every 6 months, when the service is performed in Quebec
- recall exams, bitewing x-rays, and fluoride treatments, once every 6 months
- routine diagnostic and laboratory procedures
- initial oral hygiene instruction, plus one recall
- fillings, retentive pins and pit and fissure sealants. Replacement fillings are covered provided:
 - the existing filling is at least 12 months old and must be replaced either due to significant breakdown of the existing filling or recurrent decay, or
 - the existing filling is amalgam and there is medical evidence indicating that the patient is allergic to amalgam
- pre-fabricated full coverage restorations (metal and plastic)
- space maintainers (appliances placed for orthodontic purposes are not covered)
- minor surgical procedures and post surgical care
- extractions (including impacted and residual roots)
- consultations, anaesthesia, and conscious sedation
- denture repairs, relines and rebases, only if the expense is incurred later than 3 months after the date of the initial placement of the denture
- injection of antibiotic drugs when administered by a Dentist in conjunction with dental surgery

Level II - Supplementary Services

Dental Care - Level II - Supplementary Services

- surgical procedures not included in Level I (excluding implant surgery)
- periodontal services for treatment of diseases of the gums and other supporting tissue of the teeth, including:
 - scaling not covered under Level I, and root planing, up to a combined maximum of 16 units per calendar year(s) ;
 - provisional splinting; and
 - occlusal equilibration, up to a maximum of 8 units per calendar year(s)
- endodontic services which include root canals and therapy, root amputation, apexifications and periapical services

Your Group Benefits

- root canals and therapy are limited to one initial treatment plus one re-treatment per tooth per lifetime
- re-treatment is covered only if the expense is incurred more than 12 months after the initial treatment

Level III - Dentures

Dental Care - Level III - Dentures

- initial provision of full or partial removable dentures
- replacement of removable dentures, provided the dentures are required because:
 - a natural tooth is extracted and the existing appliance cannot be made serviceable;
 - the existing appliance is at least 60 months old and cannot be made serviceable; or
 - the existing appliance is temporary and is replaced with the permanent dentures within 12 months of its installation
- dentures required solely to replace a natural tooth which was missing prior to becoming insured for this covered expense are not covered

Level IV - Major Restorative Services

Dental Care - Level IV - Major Restorative Services

- crowns and onlays when the function of a tooth is impaired due to cuspal or incisal angle damage caused by trauma or decay
- inlays, covering at least 3 surfaces, provided the tooth cusp is missing
- initial provision of fixed bridgework
- replacement of bridgework, provided the new bridgework is required because:
 - a natural tooth is extracted and the existing appliance cannot be made serviceable;
 - the existing appliance is at least 60 months old and cannot be made serviceable; or
 - the existing appliance is temporary and is replaced with the permanent bridge within 12 months of its installation
- bridgework required solely to replace a natural tooth which was missing prior to becoming insured for this covered expense is not covered

Your Group Benefits

Level V - Orthodontics

- orthodontic services (for dependent children only, provided treatment commences prior to reaching age 19)

***Dental Care - Level V -
Orthodontics***

Late Entrant Limitation

If you or your dependents become insured for dental benefits more than 31 days after you first become eligible to apply, the amount payable in the first 12 months of coverage will be limited to \$125 for each insured person.

***Dental Care - Late
Entrant Limitation***

Pre-Determination of Benefits

If the cost of any proposed dental treatment is expected to exceed \$500, Manulife Financial suggests that you submit a detailed treatment plan, available from your dentist, before the treatment begins. You can then be advised of the amount you are entitled to receive under this benefit.

***Dental Care -
Pre-Determination of
Benefits***

Work in Progress When Coverage Terminates

Covered expenses related to dental treatment that was in progress at the time your dental benefits terminate (for reasons other than termination of the Group Policy or the Dental Care Benefit) are payable, provided the expense is incurred within 31 days after your benefit terminates.

***Dental Care - Work in
Progress When
Coverage Terminates***

Submitting a Claim

To submit a claim, you and your dentist must complete a Dental Claim form which is available from your Plan Administrator.

All claims must be submitted within 12 months after the date the expense was incurred. However, upon termination of your insurance, all claims must be submitted no later than 90 days from the termination date.

***Dental Care -
Submitting a Claim***

Subrogation (Third Party Liability)

If your dental expenses result from an injury caused by another person and you have the legal right to recover damages, Manulife Financial may request that you complete a subrogation reimbursement agreement when you submit a claim for such expenses.

On settlement or judgement of your legal action, you will be required to reimburse Manulife Financial those amounts you recover which, when added to the payments you received from Manulife Financial, exceed 100% of your incurred expenses.

***Subrogation (Third
Party Liability)***

Your Group Benefits

Exclusions

Dental Care - Exclusions

No Dental Care benefits will be payable for expenses resulting from:

- self-inflicted injuries
- war, insurrection, the hostile actions of any armed forces or participation in a riot or civil commotion
- the committing of or the attempt to commit an assault or criminal offence
- injuries sustained while operating a motor vehicle while under the influence of any intoxicant, including alcohol
- dental care which is cosmetic, unless required because of an accidental injury which occurred while the patient was insured under this benefit
- anti-snoring or sleep apnea devices
- broken dental appointments, third party examinations, travel to and from appointments, or completion of claim forms
- services which are payable by any government plan
- services or supplies provided by an employer's medical or dental department
- services or supplies for which no charge would normally be made in the absence of insurance
- treatment rendered for a full mouth reconstruction, for a vertical dimension or for a correction of temporomandibular joint dysfunction
- replacement of removable dental appliances which have been lost, mislaid or stolen
- laboratory fees which exceed reasonable and customary charges
- services or supplies which are performed or provided by the insured person, an immediate family member or a person who lives with the insured person
- implants, or any services rendered in conjunction with implants
- treatment which is not generally recognized by the dental profession as an effective, appropriate and essential form of treatment for the dental condition
- services or supplies which are not specified as a covered expense under this benefit

Your Group Benefits

Survivor Extended Benefit

Survivor Extended Benefit

If you die while your dependents are insured under this Group Benefit Program, Manulife Financial will continue the Extended Health Care and Dental Care benefits without payment of premium, until the earliest of:

- the date your dependent is no longer a dependent, according to the definition of dependent (see Explanation of Common Insurance Terms),
- the date similar coverage is obtained elsewhere,
- the date which is 2 years from your death, or
- the date the Group Policy terminates.

Your Group Benefit Program

Your Group Benefit Program has been arranged by:

Becky Black
Stevenson & Hunt Insurance

Notes

This page has been provided to allow you to make notes regarding your Group Benefit Program, or how to best access your Group Benefits.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

PROFESSIONAL SERVICES AGREEMENT

Effective Date: May 1, 2011



This Professional Services Agreement (the "**Agreement**") is entered into as of the Effective Date between Ecaliber, a division of EARTH (Holdings) Inc. ("**Ecaliber**"), a corporation organized and existing under the laws of Ontario, and Erie Thames Powerlines Corporation"), a corporation organized and existing under the laws of Ontario (the "**Client**").

In consideration of the mutual covenants and agreements contained herein, Ecaliber and the Client agree as follow:

1. DEFINITIONS

Unless otherwise defined herein, capitalized terms used in this Agreement are defined in Section 16.1.

2. SERVICES

2.1 Ecaliber will provide to Client the services described in the proposal attached as Schedule A (the "**Services**") pursuant to the terms and conditions of this Agreement. The scope of the Services may be amended or modified by written agreement of the parties.

2.2 The Client acknowledges that the site is hosted by a third party ("**Third Party Hosting**") and Ecaliber agrees to pass on the benefits and features of the Third Party Hosting which may be described in Schedule A. The Client agrees that Ecaliber may, at its sole discretion, change Third Party Hosting at any time during the Term if the new host continues to provide benefits that are materially similar to those described in Schedule A.

2.3 The parties acknowledge and agree that the minimum operational requirements (the "**Minimum Requirements**") described in Schedule A, if any, are necessary for the delivery and receipt of the Services. The Client agrees that it is responsible for the Minimum Requirements during the Term.

2.4 Upon payment of the Fees, the Client shall have access to the Services for the number of users described in Schedule A. The Client shall not (a) allow additional users to access the Services, and (b) allow access to the administrative portion of the Services or share the Service with anyone outside the Client's organization. In the event of the Client's breach of this Section 2.4, Ecaliber reserves the right to cancel this Agreement pursuant to Section 10.3.

2.5 The use of the Services by the Client is limited to normal user activity having regard to the ordinary and usual needs and requirements of the Client's business and affairs and the "day-to-day" conduct and operation thereof. Ecaliber limits the Client's right to schedule non-critical system use to non-business hours, it being hereby agreed that the Client, acting reasonably and having regard to all such then prevailing factors as the Client may consider appropriate, shall have the sole authority to determine what types of use will constitute "non-critical system use". Without limiting the generality of the foregoing, report processing, batch processing and the calculation of month end unbilled revenue are each examples of "non-critical system use" while access to information by the Client in order to respond to inquiries involving customer payments, customer payment processing and customer billing collection activities shall

not, under any circumstances whatsoever, be considered as a "non-critical system use".

2.6 Ecaliber shall, at its sole expense, maintain one complete version of the Services at all times during the Term. All upgrades, changes to software versions, and patches to the Services shall be undertaken at the sole expense of Ecaliber and shall be coordinated with the Client prior to implementation. The Client acknowledges that training may be required as a result of the implementation of the above changes, which training shall be provided at the Client's sole expense and in accordance with the fees set out in Schedule B.

2.7 The parties acknowledge that any computer systems of the Client which are not being maintained by Ecaliber pursuant to this Agreement shall not be supported by Ecaliber.

2.8 Ecaliber will provide such resources and utilize such employees or consultants as it deems necessary to perform the Services. The manner and means used by Ecaliber to perform the Services are in the sole discretion and control of Ecaliber. In delivering the Services, Ecaliber hereby represents and warrants to the Client that:

- a) it has the right and has obtained and holds all necessary licences, permits, consents and other authorizations in order to enable Ecaliber deliver the Services,
- b) there are no existing restrictions or constraints on Ecaliber's right and ability to deliver the Services in accordance with this Agreement; and
- c) it has not infringed the rights of any other Persons with respect to the delivery of the Service, and has not received notice of an impending dispute regarding such an infringement.

3. FEES AND OTHER CHARGES

3.1 For the Services provided by Ecaliber, the Client will pay Ecaliber the fees set forth in Schedule A in lawful money of Canada (the "**Fees**").

3.2 The Fees payable to Ecaliber pursuant to this agreement are exclusive of HST, any sales, use or other taxes or governmental charges. The Client is responsible for payment of all such taxes or charges, except for any taxes based solely on Ecaliber's net income.

3.3 For additional services not described in Schedule A that are requested in writing by the Client ("**Additional Services**"), Ecaliber will provide an estimate to the Client of fees for the Additional Services and the Client must

approve the estimate prior to commencement of Additional Services.

3.4 Other fees not under the control of Ecaliber such as third party maintenance fees ("**Third Party Fees**") will be pass-through costs and any increases in Third Party Fees will be passed through to the Client.

3.5 On every anniversary of the Effective Date during the Term (each a "**Change Date**"), the Fees shall be changed by the average of the monthly percentage changes in the CPI during the twelve (12) consecutive months immediately preceding the Change Date (the "**Percentage Change**"). In the event that the Percentage Change is positive on a Change Date, then the Fees shall be multiplied by the Percentage Change, and the resulting increase shall be added to the Fees and such sum shall be the escalated Fees effective as of that Change Date. In the event that the Percentage Change is negative on a Change Date, then the Fees shall be multiplied by the Percentage Change, and the resulting decrease shall be subtracted from the Fees and the resulting sum shall be the reduced Fees effective as of that Change Date. The Client agrees that said changed Fees shall thereafter be payable in accordance with Section 4, until the next Change Date. In the event that the CPI information necessary to determine the Percentage Change is unavailable as of a Change Date, the Client shall continue to pay the Fees it had been paying immediately prior to said Change Date until such information is made available; at that time the Fees shall change in accordance with this Section and the Client shall make a retroactive payment to Ecaliber equal to the increase, if any, or subsequent invoices from Ecaliber will be discounted equal to the decrease, if any. No subsequent adjustments or recomputations, retroactive or otherwise, shall be made to the CPI due to any revision that may later be made to the first published figure of the CPI for any month.

4. INVOICING AND PAYMENT

4.1 Ecaliber will invoice the Client at the end of each calendar month for Services delivered and Fees incurred during said month. All Invoices will be due and payable when invoiced, and will be deemed defaulted if they remain unpaid for fifteen (15) days after delivery. Overdue amounts will accrue simple interest at the rate of one (1.5%) percent per month (18% p.a.), or at the highest legal interest rate, if less.

4.2 If the Client's procedures require that an invoice be submitted against a purchase order before payment can be made, the Client will be responsible for issuing such purchase order at least thirty (30) days before the payment due date.

5. INTELLECTUAL PROPERTY RIGHTS

5.1 If applicable, the Client will provide Ecaliber with access to the Licensed Technology for the sole purpose of allowing Ecaliber to perform the Services. The Client

hereby grants Ecaliber a royalty-free, non-exclusive, license to use the Licensed Technology (if any), and all Client IP Rights covering such Licensed Technology, solely in order for Ecaliber to perform the Services and solely during the term of this Agreement. The Client represents that it has obtained all necessary permissions, licenses, consents and has the authority and right to provide such Licensed Technology (if applicable) to Ecaliber.

5.2 Except as otherwise set out herein, neither this Agreement, nor the provision of Services hereunder, will give either Ecaliber or the Client any ownership interest in or rights to the existing IP Rights of the other party. All IP Rights that are owned or controlled by a party at the commencement of this Agreement will remain under the ownership or control of such party throughout the term of this Agreement and thereafter.

5.3 To perfect ownership of Ecaliber's IP Rights, the Client assigns to Ecaliber all rights that the Client may have in the Innovations, and will assist and cooperate with Ecaliber in all reasonable respects, subject to reasonable availability, (a) in actions to acquire, transfer or maintain such IP Rights of Ecaliber, including executing the customary documents associated therewith, and (b) in actions of enforcement of such Ecaliber IP Rights, subject to payment by Ecaliber of all costs reasonably incurred by the Client that are associated therewith.

5.4 Ecaliber acknowledges that the data contained in the database files is the sole property of the Client and that the Client is free to download the database files at any time for the Client's own use. Ecaliber reserves the right to download the database files for maintenance and backup purposes.

6. LIMITED WARRANTIES AND EXCEPTIONS

6.1 Ecaliber warrants that the Services provided hereunder will be performed in a professional manner and in accordance with customary industry practices.

6.2 THE WARRANTY IN SECTION 6.1 IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED, OR STATUTORY, INCLUDING THE IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY/MERCHANTABLE QUALITY, REASONABLE SKILL AND CARE, FITNESS FOR USE OR A PARTICULAR PURPOSE, CONTINUAL OR UNINTERRUPTED SERVICE OR NON-INFRINGEMENT, EACH OF WHICH IS EXPRESSLY DISCLAIMED TO THE FULLEST EXTENT PERMISSIBLE BY LAW.

7. INDEMNIFICATION

7.1 Subject to the provisions of Sections 7.2, 8.1, 8.2, and 8.3, Ecaliber will indemnify, defend and hold the Client and its affiliates and their respective officers, directors, employees, and agents (the "**Client Indemnitees**") harmless from and against any and all



liabilities, losses, damages, costs, and expenses (“**Losses**”), and any legal fees and expenses relating to its defence, resulting from any suit or action brought against the Client Indemnitees alleging infringement of any third party copyright or trade secret by Ecaliber or its contractors resulting from the delivery of the Services to the Client.

7.2 If any claim or action is commenced against Client for Losses resulting from such claim or action (a “**Claim**”), the Client will give written notice to Ecaliber within twenty (20) days of notice of such Claim. If Ecaliber is obligated under this Agreement to indemnify Losses arising from such Claim, then Ecaliber may, in its discretion, take control of the defence and investigation of the Claim, using such counsel and other assistance as it selects in its discretion. The Client agrees to cooperate in all commercially reasonable respects in such investigation and defence, including trial and any appeals, provided that the Client may also participate, at its own expense, in such defence. No settlement of a Claim that involves a remedy other than payment of money by Ecaliber will be agreed to and entered without the consent of the Client, which consent will not be unreasonably withheld.

7.3 THE FOREGOING STATES THE CLIENT'S SOLE AND EXCLUSIVE REMEDIES WITH RESPECT TO CLAIMS OF INFRINGEMENT OF THIRD PARTY PROPRIETARY RIGHTS OF ANY KIND.

8. LIMITATIONS ON LIABILITY

8.1 IN NO EVENT WILL A PARTY (INCLUDING ANY THIRD PARTY INVOLVED IN DELIVERY OF THE SERVICES) BE LIABLE UNDER THIS AGREEMENT FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, INDIRECT, PUNITIVE OR EXEMPLARY DAMAGES, OR LOST PROFITS OR FOR THE COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, HOWEVER CAUSED, WHETHER FOR BREACH OF WARRANTY, CONTRACT, TORT NEGLIGENCE, STRICT LIABILITY OR OTHERWISE, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

8.2 Ecaliber shall not be liable for protection or privacy of information transferred through the Client's network provider or for any damages resulting from or related to any failure or delay of Ecaliber to provide service under this Agreement, unless caused by Ecaliber's gross negligence or wilful misconduct.

8.3 THE AGGREGATE CUMULATIVE LIABILITY OF EACH PARTY ARISING OUT OF THIS AGREEMENT WILL NOT EXCEED THE TOTAL AMOUNT ACTUALLY PAID BY THE CLIENT TO Ecaliber HEREUNDER.

8.4 No action, regardless of form, arising from this Agreement may be brought by either party more than two (2) years after the cause of action has accrued.

9. CONFIDENTIALITY AND NON-SOLICITATION

9.1 Except as otherwise expressly provided in this Agreement, each party (the “**Receiving Party**”) agrees that all Confidential Information provided to it by the other party (the “**Disclosing Party**”) by any method and in any format whatsoever, whether before or after the Effective Date (collectively, “**Confidential Information**”), shall be deemed to be confidential and proprietary to the Disclosing Party. The Receiving Party may use such Confidential Information only in connection with and for the purposes of exercising its rights and carrying out its obligations under this Agreement. Each party agrees to use the same means as it uses to protect its own confidential information, but in no event less than reasonable means, to prevent the disclosure and to protect the confidentiality of the other party's Confidential Information.

9.2 In the event that the Receiving Party or any person to whom it discloses the Confidential Information pursuant to the terms of this Agreement becomes legally compelled to disclose any of the Confidential Information, the Receiving Party shall provide the Disclosing Party with prompt written notice so that the Disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the confidentiality provisions of this Agreement. In the event that such protective order or other remedy is not obtained, or the Disclosing Party waives in writing compliance with the confidentiality provisions of this Agreement, the Receiving Party or the person legally compelled to disclose the Confidential Information shall furnish only that portion of the Confidential Information that is legally required and the Receiving Party shall use its best efforts to obtain reliable written assurances from the recipients of the Confidential Information that confidential treatment will be accorded such Confidential Information.

9.3 The Receiving Party shall not disclose the Confidential Information of the Disclosing Party without their prior written consent, provided that the Receiving Party may disclose the Disclosing Party's Confidential Information to the Receiving Party's directors, officers, employees, agents, advisors, consultants and representatives (collectively, “**Representatives**”), but only to the extent that such Representatives need to have access to such Confidential Information for purposes associated with the performance of this Agreement. Each Receiving Party shall advise each such Representative of the confidentiality obligations set forth in this Agreement. Compliance by each Representative with such confidentiality obligations shall remain the responsibility of the Receiving Party employing or retaining the Representative. Notwithstanding the foregoing, Ecaliber may disclose to certain entities, including without limitation the Ontario Energy Board and the Independent Electricity System Operator, such portions of the Client's Confidential Information that Ecaliber must disclose in order to perform its obligations under this Agreement.

9.4 Upon termination of this Agreement, Ecaliber shall return to the Client all of its Confidential Information upon written request.

9.5 During the term of this Agreement and for a period of one (1) year thereafter neither party shall, without the prior written consent of the other party, hire or allow its respective affiliates to hire (i) any employee of the other party, or (ii) any person who was an employee of the other party during the previous six (6) months, who was directly involved with the implementation and maintenance of the Services.

10. TERM AND TERMINATION

10.1 This Agreement shall commence on the Effective Date and shall remain in full force and effect for a period of three (3) years (the “**Initial Term**”), subject to earlier termination as provided for in this Agreement. This Agreement will automatically be renewed for successive one (1) year periods unless either party provides the other party with no less than one hundred and eighty (180) days written notice prior to the end of the initial term or applicable renewal period (each, a “**Renewal Period**” and collectively with the Initial Term, the “**Term**”).

10.2 This Agreement may be terminated by either party: (a) for any reason, upon one hundred and eighty (180) calendar days' prior written notice to the other party, or (b) upon thirty (30) days' prior written notice if the other party materially breaches or fails to perform any material term hereof and the breaching party fails to cure such breach within the thirty (30) day period, or (c) immediately in the event of bankruptcy or insolvency by the other party.

10.3 Notwithstanding Section 10.2, Ecaliber may terminate the Agreement immediately if (i) the Client fails to pay a monthly invoice within sixty (60) days of the invoice date, and (ii) the Client breaches the Section 2.4.

10.4 Upon the termination of the Agreement for any reason, the Client will be responsible for entering into new arrangements related to the services contemplated herein. Ecaliber will use commercially reasonable efforts to assist with the transferring the Client to a new service provider and the Client agrees to pay Ecaliber's then current rates for such work (including, but not limited to, programming and file transfers).

10.5 Each party's obligations under Sections 4, 5, 6, 7, 8, 9, 10.4, 11, 12, 14 and 16.3 of the Agreement will survive termination or expiration of the Agreement. Within thirty (30) days of termination of this Agreement for any reason, Ecaliber will submit to the Client an invoice for any fees or expenses accrued and unpaid under this Agreement prior to the date of such termination.

11. INDEPENDENT CONTRACTORS

Ecaliber will perform the Services as an independent contractor, and nothing contained in this Agreement will be construed to create or imply a joint venture, partnership, principal-agent or employment relationship between the parties. Neither party will take any action or

permit any action to be taken on its behalf that purports to be done in the name of or on behalf of the other party and will have no power or authority to bind the other party to assume or create any obligation or responsibility express or implied on the other party's behalf or in its name, nor will such party represent to any one that it has such power or authority.

12. GOVERNING LAW

This Agreement will be governed by the procedural and substantive laws of the Province of Ontario, without regard to conflicts of laws principles. This Agreement is prepared and executed and will be interpreted in the English language only, and no translation of the Agreement into another language will have any effect. The United Nations Convention on Contracts for the International Sale of Goods is specifically excluded from and will not apply to this Agreement.

13. LANGUAGE

It is hereby agreed that both parties specifically require that this Agreement and any notices, consents, authorizations, communications and approvals be drawn up in the English language. Il est convenu par le ☐authori acte que les deux parties exigent que ce contrat et tout avis, consentement, ☐authorisation, communication et approbation soient rédigés en langue anglaise.

14. DISPUTE RESOLUTION

14.1 The parties will attempt in good faith to resolve any dispute arising in connection with this Agreement informally according to the following procedure. Upon written request of a party identifying a dispute to be resolved, each party will designate a management representative with the responsibility and authority to resolve the dispute. The designated management representatives will meet preliminarily within fifteen (15) days after the request is received from the requesting party. At this first meeting, the designated management representatives will identify the scope of the dispute and the information needed to discuss and attempt to resolve the dispute. These management representatives will then gather relevant information regarding the dispute and will meet again to discuss the issues and negotiate in good faith to resolve the dispute. Such second meeting will occur within fifteen (15) days of the first meeting.

14.2 Nothing in this Section 14 will restrict the right of either party to apply to a court of competent jurisdiction for injunctive relief or damages at any time. However, the right of either party to file a lawsuit does not abrogate each party's obligations under Subsection 14.1. Moreover, a party that elects to file a lawsuit will provide the written notice identified in Subsection 14.1 to the other party at the same time the lawsuit is filed with a court.

14.3 The prevailing party in any judicial action brought to enforce or interpret this Agreement or for relief for its breach will be entitled to recover its costs and its

reasonable legal fees incurred to prosecute or defend such action.

15. FORCE MAJEURE

Notwithstanding any other provision herein, neither party shall be liable for any delay in performance or non-performance of any of its obligations under this Agreement (other than an obligation to pay money) if such delay or non-performance is due to any cause beyond its control including but not limited to any act of God, flood, drought, lightning or fire, labour lockout, labour dispute (other than a trade dispute affecting the party claiming force majeure), war, terrorist act, plague, military operations or riot, and any act, omission or decision of Government ("**Force Majeure Event**"). If either of the parties shall become aware of a Force Majeure Event which gives rise to or which is likely to give rise to any such failure or delay to perform its obligations under this Agreement, it shall immediately give written notice to the other party and shall inform the other party of the period of time which it is estimated that such failure or delay shall continue. The parties shall, as soon as reasonably practicable following such notification, discuss all of the implications of the Force Majeure Event and use their best efforts to agree to a plan to remedy or overcome any problems arising from the Force Majeure Event.

16. MISCELLANEOUS

16.1 Capitalized Terms. The following definitions apply to the capitalized terms used in this Agreement that are not otherwise defined:

a) "**Confidential Information**" means any information written or otherwise disclosed in any medium by one party to the other under this Agreement and marked or otherwise designated as "Confidential" or clearly by its nature is likely to be confidential. However, Confidential Information will not include any information of a party that: (a) is or becomes a part of the public domain through no act or omission of either party or otherwise available to the public other than by breach of this Agreement; or (b) was in the other party's lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; or (c) is lawfully disclosed to the other party by a third party without restriction on disclosure; or (d) is independently developed by the other party without access to the Confidential Information.

b) "**CPI**" means the consumer price index for "All Items" published or established by Statistics Canada (or its successor) in relation to the Province of Ontario.

c) "**Effective Date**" means the date set out at the beginning of the Agreement.

d) "**Ecaliber Technology**", means Ecaliber's proprietary information, methodologies and materials, software tools, computer programs and interfaces and their documentation, computer languages, methods,

design flows, libraries, algorithms, databases and templates.

e) "**Innovations**" means any invention, development or innovation conceived or developed in the course of performance of the Services, including, but not limited to, information, methodologies and materials, tools (including software tools), computer programs and interfaces and their documentation, computer languages, methods, design flows, libraries, algorithms, databases, encoding techniques, articles, writings, compositions, works of authorship and modifications thereof.

f) "**IP Rights**" means all intellectual property rights, including patents, copyrights, trademarks (including service marks), trade secrets, and design rights, whether registered or unregistered, including any application for registration of any of the foregoing and all rights or forms of protection of a similar nature of having equivalent or similar effect to any of these, that may subsist anywhere in the world.

g) "**Licensed Technology**" means the materials and technology (if any) owned, controlled or otherwise provided by the Client (including Third Party Technology) that Ecaliber reasonably requires access to in order to perform the Services.

h) "**Third Party Technology**" means such third party information, materials and technology, and the IP Rights therein, as are routinely used by the Client, as of right, and as Ecaliber reasonably requires access to in order to perform the Services.

16.2 Notices. Notices to be given or submitted by either party to other pursuant to this Agreement will be in writing and delivered via email, courier or facsimile.

16.3 Severability. If any term or provision of this Agreement is determined to be invalid or unenforceable for any reason, it will be adjusted rather than voided, if possible, to achieve the intent of the parties to extent possible. In any event, all other terms and provisions will be deemed valid and enforceable to the maximum extent possible.

16.4 Entire Agreement. The Client acknowledges that it has read, understands and will be bound by this Agreement, and that this Agreement is the complete and exclusive statement of the agreement between the parties regarding the subject matter hereof, superseding all proposals, oral or written, and all other communications between the parties relating to such subject matter.

16.5 Amendment. Any terms and conditions of any purchase order or other instrument issued by the Client in connection with the Agreement that are in addition to or inconsistent with the terms and conditions of this Agreement will be of no force or effect. This Agreement may be modified only by a written instrument duly executed by an authorized representative of each of Ecaliber and the Client.

16.6 No Waiver. The failure of a party to enforce any provision of this Agreement will not constitute a waiver of

such provision or the right of such party to enforce such provision or any other provision.

16.7 Assignment. Neither party may assign this Agreement without the prior written consent of the other party, which shall not be unreasonably withheld. Ecaliber may, without prior consent of the Client, assign this Agreement to a third party in connection with the sale or transfer of all or substantially all of its business or assets.

16.8 Schedule. Schedules A to this Agreement constitute part of this Agreement as if included herein.

In Witness Whereof, the parties hereto have executed this Agreement as of the Effective Date.

ERIE THAMES POWERLINES CORPORATION:

Signature: _____ [ORIGINAL SIGNED] _____

Date: _____ May 1, 2011 _____

Name:

Title:

ECALIBER, A DIVISION OF ERTH (HOLDINGS) INC.:

Signature: _____ [ORIGINAL SIGNED] _____

Date: _____ May 1, 2011 _____

Name:

Title:



SCHEDULE A

Copy of Proposal Attached.



Proposal

Application Service Provider

for

Erie Thames Powerlines

Version 1.0
May 1, 2011



Revision Control

Document Title: Proposal – Application Service Provider
Author: ECALIBER – A division of ERTH Holdings Inc.

Version	Date	Author	Details / Comments
Version 1.0	2011.05.01	L. Palmer	Initial Version

Confidentiality Statement

The material contained in this document is proprietary to ECALIBER Inc (“ECALIBER”), a division of ERTH Holdings Inc. This material may not be disclosed, duplicated, or otherwise revealed, in whole or in part, to any party other than Erie Thames Powerlines without prior written consent.

In no event shall ECALIBER be liable to anyone for special, incidental, collateral, or consequential damages arising from the use of this information.

This information has been provided in confidence to Erie Thames Powerlines (hereafter referred to as “ETPL”) for the purpose of evaluating the following proposal from ECALIBER for services and software described within the following response.



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1. Executive Summary

In Ontario's electricity market, ECALIBER is a leading provider of "Software as a Service" to local distribution companies (LDCs). Through a combination of strategic partnerships and in-house solutions, we have developed our services into a best of class offering. With a client base of approximately 160,000 customers, we have a thorough knowledge of the NorthStar application and of the business aspects of a utility's back-office. You will find that through our Application Management Model, ETPL will have more time and energy to focus on delivering quality service for your customers.

The following proposal will outline the Scope of Work to be delivered under the ERTH Application Service Provider model. As an added benefit, ETPL will find themselves as part of a user community who will have the option of participating in various cost sharing activities. ECALIBER encourages collaboration amongst our client base and I'm sure that you will find that software and services can be delivered at a fraction of a cost to that which is provided through software vendors directly. In addition to the core solutions being proposed and priced for ETPL, ECALIBER also offers many complementary services that can be tailored to meet your future needs.

As you know, ECALIBER was the first and is the largest NorthStar Enterprise Business Partner. The ECALIBER client base has grown steadily since market opening in 2002 and ECALIBER has focused on the delivery of exceptional product support and 'filling in the gaps' where Harris as a vendor requires translation of market changes. In recent years, Harris has made additional support available to its customer base for such things as MDM/R integration testing. ECALIBER has provided this support at a fraction of the cost to our client base and their experience has shown a greater ability for our clients to meet the regulatory requirements of the Ontario market. Our clients have also been able to benefit from a group buying pool associated with such things as software customizations, automation tools, bill presentment changes and consumable materials.

In addition to being partnered with Harris Computer Systems, ECALIBER has also established a strategic partnership with Aegisys Inc. Aegisys is a premier hosting facility that will warehouse your mission critical CIS system.

Outlined below are the Business and Technical considerations associated with ECALIBER's value proposition.

- ECALIBER customers have indicated that they have more time and resources to focus on quality customer service and meeting the demands of the regulatory environment.
- Testing and data validation is primarily executed by ECALIBER resources, therefore reducing internal costs associated with upgrades and patches
- All patch upgrades are executed after hours by ECALIBER, thereby reducing labour requirement for ETPL
- All system setups and configurations are managed by ECALIBER, reducing Erie Thames Powerline's internal labour costs and risks associated with managing the application

- The strong partnerships that ECALIBER maintains with its system vendors results in regular improvements to the systems based on suggestions made by ECALIBER and its clients.
- With ECALIBER's in-house technical expertise, custom queries and reports can be developed at a fraction of the cost of software development.
- Given ECALIBER's extensive experience with the NorthStar product, it is able to work on behalf of its customers to undertake many of the more complicated and infrequent CIS challenges, such as rate changes, new retailers and BPPR rebates.
- ECALIBER attends annual vendor conferences and user group meetings and communicates changes to its clients. This minimizes the costs incurred by ETPL while still providing the most current information on the system and services.

2. Solution Offering

2.1. Application Maintenance

As an Application Service Provider, ECALIBER will provide ETPL with licensing, support and maintenance for the NorthStar Customer Information and Billing System.

Included in the NorthStar system are the following modules:

- Account and Customer Management
- Device Management
- Meter Reading
- Service Order Management
- Billing & Invoicing
- Credit & Collections
- Payment Processing
- Reporting
- Ontario Dereg Modules

The following Interfaces will also be supported through the ASP model:

- Bank Interfacing
- Bill Print Interfacing
- EBT Integration
- Settlement Integration
- MDM/R Integration

As part of software maintenance, ETPL will be provided with the following support services:

- Web based support access 24 x 7 with the following on-line benefits:
 - Ability to Log, View, Update & Close calls
 - E-mail support call logging and notification
 - Ability to Update contact information
 - Access published documentation and available downloads

- Access Support knowledge base
- Report on metrics
- Phone support
- Technical troubleshooting & issue resolution
- Scheduled assistance for installations, upgrades & other special projects
- Standard software product releases and updates
 - Defect corrections
 - Planned enhancements
 - State and/or Federal mandated changes (charges may exist depending on scope)
 - Payroll regulated changes
 - Release notes
- Response to training questions
- Participation in Ontario User Group Meetings
- Participate in Discussion Forums
- Annual Customer Conferences for both NorthStar and ECALIBER

2.2. Application Hosting

ECALIBER will be responsible for all hardware, licensing and software maintenance for the CIS application in a production, test and Disaster Recovery Environment. Our systems are hosted at a state of the art Network Operations Center whereby key controls are in place to ensure optimal system uptime, optimal performance and optimal data security and privacy. ECALIBER has also engaged a 3rd party audit organization for annual security audits on your systems.

The Network Operations Centre is located in Sudbury Ontario for all hardware and we maintain the following standards:

- Two facilities have fire suppression, 24x7x365 monitoring. Both facilities have backup generator capabilities and are tested weekly. Aegisys maintains a standard using APC UPS's. Batteries are replaced every 3 years or as required based on issue.
- Aegisys uses a second provider to manage our External IP layer. Our IP's are "transportable" between sites. This means that should one of our Network Operation Centers went off-line, we would be able to "go live" using our secondary site.
- Disaster Recovery is synchronized between sites as part of our internal process.
- Aegisys has primary and secondary cooling at our facilities. This controls temperature, humidity and air quality. Each sight has a temperature alarm which is based on thresholds pre-assigned. If the Operations center gets to cold or too hot, our alarm system is triggered to our External monitoring company who calls staff for verification.
- Aegisys Physical security is based on KanteK Card swipes. No public traffic is allowed in our facilities. Staff cards are restricted based on location and time of day. **ALL** access to logs are reviewed regularly. This access log is part of our audit each year.
- Aegisys Data Center is based on CAT 5 and CAT 6 standards based on location and system requirements. Aegisys standardizes on PANDUIT and is certified by contracted cabling company against failure. Aegisys meets and exceeds cabling standards for facility management.



- Aegisys facilities are not in any flood plains. Our two Data Centers are 15 Miles apart. Each location is in a different power grid (Sudbury Hydro, Hydro One). Layer Two fiber link the two Operation Centers managed by Agilis.
- All reasonable care is taken within the NOC against Electrostatic discharge. Policies are in place to use static straps whenever system maintenance is required. Antistatic flooring is in place in our computer rooms.
- Aegisys Facilities are staffed 24x7x365 – however, our operations after hours do not receive direct calls unless pre scheduled. Aegisys maintains an answering service for any emergency calls after hours which are dispatched to Aegisys support on rotation. Clients have 24x7x365 access to our support site and monitors email around the clock for non critical inquiries.
- Aegisys will meet any standard on security reporting for MCU. Detail of report will be engineered based on your requirements.

In addition to our infrastructure investment, ECALIBER includes the following Infrastructure management activities:

- Quality Control Checks to actively monitor for risks
- System integrity Checks
- File System Monitoring
- Database Administration, including performance tuning and monitoring
- Management of Hardware availability and capacity.
- Network Management
- Database refreshes as required and requested by Erie Thames

2.3. Application Management

As a provider of NorthStar Application Management Services, ECALIBER will provide the following activities:

- 1st Tier Support
- Software Configurations
- Securities Administration
- Printer Administration
- Patch Management
- Testing Services

2.3.1. Front-Line Support Services

ECALIBER's Application and Technical Support are offered Monday through Friday, from 8:30am until 4:30pm, excluding statutory holidays. With our "on-call" support team, critical support items will be responded to outside of those parameters for Severity 1 items.

As a NorthStar business partner, ECALIBER will ensure that you receive a seamless experience as it relates to support. ETPL would log into the NorthStar support portal and an ECALIBER resource will provide front-line response to troubleshoot and resolve your issue. Should the issue require program modification or escalation; ECALIBER will perform detailed analysis and make associated notes on the support call, then escalate such to a NorthStar resource. In most cases, this is conducted when a modification to code is required. It has been our experience that NorthStar is quicker to respond to



support requests when detailed analysis has been pre-emptively provided, thus allowing them to focus on issue resolution versus analysis. Through the support call process, Erie Thames will maintain a single ticket number and have access to all details of troubleshooting performed by both ECALIBER and NorthStar staff.

ECALIBER does our best to ensure that we deal with incoming calls in the order that they are received; however, our response times vary based on call priorities. Calls will be escalated based on the urgency of the issue reported. Our average response time is within one (1) hour. Call resolution times (targets) will vary and are dependent on the priority of the call. During resolution, we update our customer's on the progress of the issue.

For front-line support items, resolution is typically provided within the hour for priority 1 issues. Priority 2 and 3 issues are typically resolved within 24 hours. Should second-line support be required, call information is passed to NorthStar for resolution. Until resolved, ECALIBER will work on your behalf to troubleshoot the issue with NorthStar. If resolution from NorthStar is delayed, ECALIBER will also work on behalf of ETPL to provide an appropriate "work-around". This may include a temporary change to business process or a development item supplied by ECALIBER.

As ECALIBER support personnel have also worked in a utility environment, you will find that the quality of support is superior to that delivered directly via the Application provider. Typically, there is less time spent in explaining the business process through the call resolution. The business process expertise will also enhance the support process as our resources can share valuable information on known best practices or alternate business processes that could improve operations.

Another use of technology employed by our support organization is the ability to help our clients remotely via the Web. Our support staff and clients will electronically share their desktops to quickly understand and resolve issues. In addition, support staff have the ability to remotely take control of the customer's computer (with the customer's permission) to show a potential work-around or to simply verify the issue. This helps us better identify the issues and resolve them quickly.

As part of our support services, ECALIBER follows a call prioritization and review process. Each month, ECALIBER will review and prioritize outstanding support calls with Erie Thames. This information is then used on a monthly basis during ECALIBER's call with NorthStar to ensure ongoing progress towards call/issue resolution. Items identified as defects across the ECALIBER client base will receive a higher priority for resolution as NorthStar is aware that they are impacting multiple utility sites.

2.3.2. Software Configurations

ECALIBER will execute on software configuration activities and associated testing for management of the NorthStar application. Such configurations include but are not limited to rate setups/updates, retailer setups, bill print setups, key value deployment, etc. It is ECALIBER's standard practice to deploy software configurations on a test system first, execute testing, and once approved, move such changes into production. Scope of testing activities associated with software configuration changes will be for known programs associated with the change.



In addition to configuring the software, ECALIBER will be responsible for all forms design and creation. This includes bill print, notices and letters.

2.3.3. Securities Administration

Maintaining securities within the NorthStar application can be an onerous task. With our application expertise, ECALIBER will ensure that ETPL's resources are appropriately configured to administer the functions required to perform their daily activities, while maintaining appropriate restrictions to mitigate risk.

As part of security administration, ECALIBER will also initiate database triggering to ensure that logs of key pieces of information are maintained as required.

2.3.4. Printer Administration

As part of the application management activities, ECALIBER will administer all printer setup/configuration requirements.

2.3.5. Patch Management

ECALIBER will conduct the installation of all patches and minor releases at the request of Erie Thames outside of business hours. These releases are made available from Harris on a regular basis and it is a business decision of Erie Thames on when they wish to be deployed into production. ECALIBER will manage the installation process and coordinate with Erie Thames. Typical process will be for ECALIBER to install the programs in our beta test environment and conduct Beta testing activities. These activities are generally executed on a quarterly basis in an effort to stay current with program changes/enhancements. The results of such testing will be communicated to Erie Thames. Once authorized, ECALIBER will advise Erie Thames that they can begin execution of their business process testing. Once confirmed, ECALIBER will administer the installation into production system outside of business hours.

The CIS update process incorporates Major Releases, Minor Releases and Software Patches. These components are defined below.

- a) Major Release - Fundamental changes to product functionality. May include changes to database structure and tables and the introduction of new product functionality. Major releases are typically made available every 18 - 24 months. Although the development of the release is included in scope of services, it is recommended that ETPL purchase enhanced services for to implement the release for such things as training and testing.



- b) Minor Release - Minor addition of new functionality and defect fixes. Minor releases are typically made available every 4 – 6 months. Deployment and testing is included in Scope of Application Management Services.
- c) Patches - Performance enhancements and/or bug fixes. Patches are incorporated into minor releases and therefore customers tend to install these only if there is specific interest in one of the product changes in them. Patches will be made available for critical fixes in situations where Erie Thames is experiencing an urgent issue and cannot wait for a minor release for resolution. Patches will be installed and tested as required within scope of this service.

3. Pricing Model

3.1. Fees and Terms

The services outlined in this proposal will be delivered at a monthly cost of **\$\$8,830** plus applicable taxes. Invoices are issued on a monthly basis and payable on a net 30 basis.

4. Document Acceptance and Signoff

Accepted on this day by:

Erie Thames Powerlines	ECALIBER Inc (A division of ERTH Holdings)
_____	_____
Full name	Full name
_____	_____
Title	Title
_____	_____
Signature	Signature
_____	_____
Date	Date

Appendix 2-I

OM&A Cost per Customer and per FTEE

	LRV - Board Approved	2008	2009	2010	Bridge Year	Test Year
Number of Customers	17,950	17,950	18,239	18,388	18,723	-
Total OM&A from Appendix 2-G	\$ 4,193,808	\$ 5,881,291	\$ 5,669,841	\$ 5,967,342	\$ 5,782,518	\$ 5,730,237
OM&A cost per customer	\$ 242.43	\$ 339.98	\$ 337.23	\$ 337.27	\$ 250.01	\$ 246.86
Number of FTEEs	45	45	45	45	45	45
Customers/FTEEs	8,649.50	8,649.50	1,120.86	520.38	513.98	515.84
OM&A Cost per FTEE	\$ 2,096,904.00	\$ 2,940,645.42	\$ 377,989.37	\$ 175,510.06	\$ 128,500.40	\$ 127,338.60

Notes:

- (1) If it has been more than three years since the applicant last filed a cost of service application, additional years of historical actuals should be incorporated into the table, as necessary, to go back to the last cost of service application. If the applicant last filed a cost of service application less than three years ago, a minimum of three years of actual information is required.
- (2) The method of calculating the number of customers must be identified.
- (3) The method of calculating the number of FTEEs must be identified. See also Appendix 2-K.
- (4) The number of customers and the number of FTEEs should correspond to mid-year or average of January 1 and December 31 figures.

Ontario Energy
Board
P.O. Box 2319
2300 Yonge Street
26th. Floor
Toronto ON M4P 1E4
Telephone: (416) 481-1967
Facsimile: (416) 440-7656

Commission de l'Énergie
de l'Ontario
C.P. 2319
2300, rue Yonge
26e étage
Toronto ON M4P 1E4
Téléphone: (416) 481-1967
Télécopieur: (416) 440-7656



Writer's Direct Line (416) 440-7605
BY PRIORITY POST

August 3, 2001

Mr. Jeffrey Pettit
President
Erie Thames Powerlines Corporation
143 Bell Street
P.O. Box 157
Ingersoll, Ontario
N5C 3K5

Dear Ms. Pettit:

Re: Erie Thames Powerlines Corporation - Electricity Rate Change
Board File No. RP-2000-0223/EB-2000-0466

The Board has today issued its Decision with Reasons and Order in the above matter and an executed copy is enclosed herewith.

Yours truly,

A handwritten signature in black ink, appearing to read "P. O'Dell", written over a horizontal line.

Peter H. O'Dell
Assistant Board Secretary

Encl.

- 2 -

On April 27, 2001, the Applicant filed its request for approval for new rates reflecting the June 1, 2001 cost of power increase using the Standard Method of Implementation (EB-2001-0197). On May 31, 2001, the Board approved an increase of \$0.00735 per kWh to be added to the energy and related rates of Erie Thames, and indicated this change to the rate schedule would be issued in due course.

Erie Thames filed a revised application on June 5, 2001 to correct a previously uncorrected error.

On June 26, 2001, Erie Thames filed an addendum to its rate application to clarify its rate implementation plan and to request a retroactive implementation of the applied-for rates to May 1, 2001.

Erie Thames has elected to use the maximum allowable Target Return on Common Equity of 9.88%. The resulting incremental revenue is \$266,990, which is one third of the amount required to achieve the Target Rate on Equity, exclusive of Payment in Lieu of Taxes. Erie Thames has also requested approval for \$53,266 in foregone revenue arising from the change in late payment charges to a 1.5% interest rate to be recovered in first year rates. The Revised Application also states that for a typical residential customer consuming 1,000 kWh per month, the increase in their total bill in the first year of the rate mitigation plan is:

Aylmer	8.5%	Central Elgin	3.3%
East Zorra	6.4%	Ingersoll	0.7%
Norwich	2.1%	South West Oxford	6.1%
Zorra	0.7%		

and for a typical general service customer consuming 2,000 kWh per month, the increase in their total bill in the first year of the rate mitigation plan is:

Aylmer	6.1%	Central Elgin	6.8%
East Zorra	7.8%	Ingersoll	3.7%
Norwich	6.4%	South West Oxford	8.5%
Zorra	1.4%		

- 3 -

Due to rate restructuring, individual customer bill impacts may be higher or lower depending on a customer's electricity consumption.

Copies of the Application, including the evidence filed in this proceeding, are available for review at the Board's offices.

Board Findings

While the Board has considered all of the evidence filed in this proceeding, the Board has only referenced the evidence to the extent necessary to provide background to its findings.

The Board finds that Erie Thames' election of a 9.88% Target Rate of Return on Common Equity, and its plan for mitigation of the impact of that election on customers, are in conformity with the Rate Handbook and the RP-2000-0069 Decision, and are acceptable.

Erie Thames has proposed to treat its un-metered scattered load customers as a separate class of customers. The Board finds this proposal is acceptable.

Erie Thames has applied for approval to increase its specific charges due to greater expenses associated with a larger distribution area respectively. Erie Thames has also applied for a new charge of \$125.00 for connecting a temporary service. The Applicant provided cost justification for these charges. The Board finds these charges to be acceptable.

The Applicant also proposed to change the current 5% Late Payment Charge to a 1.5% charge when due and 1.5% each month thereafter charged on outstanding balance overdue and to adjust the required incremental revenue requirements to account for lower late payment revenue resulting from the change. The Board finds that the proposed changes are reasonable.

The Board is satisfied that there are no other significant deviations from the Electricity Distribution Rate Handbook.

The Board finds that the rates applied for are just and reasonable.

- 4 -

By letter dated February 28, 2001, the Board indicated that the rates set out in the Transitional Distribution Rate Order are declared interim as of March 1, 2001 for all licensed distributors who filed submissions for unbundled distribution rates on or before February 28, 2001. Erie Thames has proposed that the rates applied for, other than miscellaneous charges, be made effective May 1, 2001 and that it be allowed to retroactively bill customers for electricity usage back to the May 1, 2001 date through a one-time charge to appear on August bills. The Board finds this acceptable.

THE BOARD ORDERS THAT:

1. The rates declared interim by letter dated February 28, 2001 are hereby approved as final rates for the period March 1, 2001 to April 30, 2001.
2. The rates as set out in Appendix "A" of this Order are hereby approved as final rates for the period May 1, 2001 to May 31, 2001.
3. The rates, which include the cost of power increase, as set out in Appendix "B" of this Order are hereby approved on all energy consumed effective June 1, 2001.

DATED at Toronto, August 3, 2001.

ONTARIO ENERGY BOARD



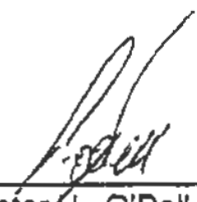
Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2000-0223
EB-2000-0466

August 3, 2001

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

Erie Thames Powerlines Corporation**Schedule of Rates****Effective May 1, 2001****Time Periods for Time of Use Rates (Local Time)**

Winter:	all hours October 1 through March 31
Summer:	all hours April 1 through September 30
On-Peak:	07:00 to 23:00 hours Monday to Friday inclusive, except for public holidays, including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (as in Toronto), Labour Day, Thanksgiving Day, Christmas & Boxing Days.
Off-Peak:	all other hours.

Residential

Monthly Service Charge	(per month)	\$ 9.33
Distribution Volumetric Rate	(per kWh)	\$0.0068
Cost of Power	(per kWh)	\$0.0700

General Service Non-time of Use (Less than 50 kW)

Monthly Service Charge	(per month)	\$17.99
Distribution Volumetric Rate	(per kWh)	\$0.0091
Cost of Power	(per kWh)	\$0.0679

General Service Non-time of Use (Greater than 50 kW)

Monthly Service Charge	(per month)	\$264.04
Distribution Volumetric Rate	(per kWh)	\$ 0.8890
Demand Charge	(per kW)	\$ 4.0784
Cost of Power Charge	(per kWh)	\$0.0440

General Service Time of Use (Greater than 50 kW)

Monthly Service Charge	(per month)	\$4,159.61
Distribution Volumetric Rate	(per kW)	\$ 1.0695
Cost of Power - Winter Peak	(per kW)	\$ 9.5524
Cost of Power - Summer Peak	(per kW)	\$ 7.1786
Cost of Power - Winter Peak	(per kWh)	\$ 0.0630
Cost of Power - Winter Off-Peak	(per kWh)	\$ 0.0345
Cost of Power - Summer Peak	(per kWh)	\$ 0.0516
Cost of Power - Summer Off-Peak	(per kWh)	\$ 0.0235

Intermediate Use

Monthly Service Charge	(per month)	\$ 4,834.82
Distribution Volumetric Rate	(per kW)	\$ 0.9335
Cost of Power - Winter Peak	(per kW)	\$ 8.7146
Cost of Power - Summer Peak	(per kW)	\$ 7.9881
Cost of Power - Winter Peak	(per kWh)	\$ 0.0643
Cost of Power - Winter Off-Peak	(per kWh)	\$ 0.0353
Cost of Power - Summer Peak	(per kWh)	\$ 0.0531
Cost of Power - Summer Off-Peak	(per kWh)	\$ 0.0243

Large Users Time of Use (5000 kW or more)

Monthly Service Charge	(per month)	\$ 9,808.55
Distribution Volumetric Rate	(per kW)	\$ 0.4348
Cost of Power - Winter Peak	(per kW)	\$ 12.4851
Cost of Power - Summer Peak	(per kW)	\$ 8.4634
Cost of Power - Winter Peak	(per kWh)	\$ 0.0615
Cost of Power - Winter Off-Peak	(per kWh)	\$ 0.0338
Cost of Power - Summer Peak	(per kWh)	\$0.0508
Cost of Power - Summer Off-Peak	(per kWh)	\$ 0.0232

	Winter	Summer
Diversity Adjustment Credit (per kW)	\$ 1.76	\$ 2.04
(these credits will be discontinued upon Market Opening)		

Street Lighting (Non-Time of Use)

Monthly Service Charge	(per connection)	\$ 0.3600
Distribution Volumetric Rate	(per kW)	\$ 0.8047
Cost of Power	(per kW)	\$21.8002

Sentinel Lights (Non-Time of Use)

Monthly Service Charge	(per connection)	\$ 1.4982
Distribution Volumetric Rate	(per kW)	\$ 6.0500
Cost of Power	(per kW)	\$ 10.1359

Un-metered Scattered Loads

Un-metered scattered loads include traffic lights, telephone booths, cable amplifiers and radio antennae. kWh usage is based on connected load estimates. Charges per account will be as follows:

Monthly Service Charge	(per month)	\$ 3.77
Distribution Volumetric Rate	(per kWh)	\$0.0226
Cost of Power	(per kWh)	\$0.0625

Specific Service Charges

Late Payment	1.5% when due and 1.5% monthly thereafter
Returned Cheque - actual bank charges plus	\$ 10.00
Collection Charge	\$ 10.00
Reconnection - during regular hours	\$ 30.00
Reconnection - after regular hours	\$100.00
Occupancy Charge/Account Setup Fee	\$ 20.00
Meter Dispute Charge	\$ 20.00
Arrears Confirmation	\$ 20.00
Temporary Service	\$125.00
Transformer Ownership Credit - per kW of billing demand for transformation that meets utility transformer loss specifications	\$0.60 per kW
Primary Metering Adjustment	1% of kW and kWh billed



RP-2005-0013
EB-2005-0024

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

AND IN THE MATTER OF an Application by **Erie
Thames Powerlines Corp.** for an order or orders
approving or fixing just and reasonable rates.

BEFORE: Gordon Kaiser
Vice Chair and Presiding Member

Paul Vlahos
Member

Pamela Nowina
Member

DECISION AND ORDER

Background and Application

In November 2003 the Ontario government announced that it would permit local distribution companies to apply to the Board for the next installment of their allowable return on equity beginning March 1, 2005. The Government also indicated that the Board's approval would be conditional on a financial commitment to reinvest in conservation and demand management initiatives, an amount equal to one year's incremental returns.

Also in November 2003, the Government announced, in conjunction with the introduction of Bill 4, the *Ontario Energy Board Amendment Act, (Electricity Pricing), 2003*, that electricity distributors could start recovering Regulatory Assets in their rates, beginning March 1, 2004, over a four year period.

In February and March, 2004, the Board approved the applications of distributors to recover 25% of their December 31, 2002 Regulatory Asset balances (or additional amounts for rate stability) in their distribution rates on an interim basis effective March 1, 2004 and implemented on April 1, 2004.

On December 20, 2004 the Board issued filing guidelines to all electricity distribution utilities for the April 1, 2005 distribution rate adjustments. The guidelines allowed the applicants to recover three types of costs. These costs concern (i) the rate recovery of the third tranche of the allowable return on equity (Market Adjusted Revenue Requirement or "MARR"), (ii) the 2005 proxy allowance for payments in lieu of taxes ("PILs") and (iii) a second installment of the recovery of Regulatory Assets.

A generic Notice of the proceedings was published on January 25, 2005 in major newspapers in the province, which provided a 14 day period for submissions from interested parties. On February 4, 2005, the Board issued Procedural Order No. 1, providing for an extension for submissions until February 16, 2005 and also providing for reply submissions from applicants and other parties.

The Applicant filed a revised application for adjustments to their rates for the following amounts:

MARR: \$ 260,301

2005 PILs Proxy: \$ 672,980

Regulatory Assets Second Tranche: \$1,012,830

The Applicant also applied for recovery of amounts and/or items outside of the guidelines. Specifically, the Applicant requested an amount of PILs proxy in excess of the guidelines.

Submissions

The Board received one submission which addressed the 2005 rate setting process in general. This submission was made by School Energy Coalition (SEC). SEC objected to the guideline which caused the recovery of the 2005 PILs proxy to be reflected only on the variable charge. SEC was also concerned that monthly service charges and overall distribution charges varied significantly between utilities across the province. SEC also raised concerns regarding the consistency of, and access to, information on the applications as filed by the utilities.

Reply submissions to SEC's general submissions were received from the Coalition of Large Distributors, the Electricity Distributors Association, Hydro One Networks, and the LDC Coalition (a group of 7 distributors). These parties generally argued against the recommendations put forward by SEC, by and large indicating that the Board's existing processes for 2006 and 2007 have been planned to address these issues going forward and that these issues should not be added to the 2005 rates adjustment process.

The Applicant was not specifically named in any of these submissions.

Board Findings

The Board first addresses the general submission of SEC. While SEC raises important issues regarding electricity distribution rates, the Board has put in place a process which will address most of the issues raised by SEC on a

comprehensive basis with coordinated cost of service, cost allocation and cost of capital studies for all distributors in 2006, 2007 and 2008. The Board does agree that unless there are compelling reasons to diverge from the Board's original filing guidelines for the 2005 distribution rate adjustment process, distributors should follow the guidelines in their applications.

At this time, the Board will approve only the portion of the application that conforms to the guidelines as the generic notice published informed customers and the public of only the changes contemplated in the guidelines. The Applicant may wish to apply for other specific changes to rates in a separate application.

As a result, the Board has made adjustments to the PILs proxy applied for resulting in the following approved amounts:

MARR: \$ 260,301

2005 PILs Proxy: \$ 428,225

Regulatory Assets Second Tranche: \$1,012,830

Subject to these adjustments, the Board finds that the application conforms with earlier decisions of the Board (including approval for the Applicant's Conservation and Demand Management plan), directives and guidelines.

The Board will issue a separate decision on cost awards.

THE BOARD ORDERS THAT:

- 1) The rate schedule attached as Appendix "A" is approved effective March 1, 2005, to be implemented on April 1, 2005. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the

April 1, 2005 implementation date, the new rates shall be implemented with the first billing cycle for electricity consumed or estimated to have been consumed after April 1, 2005.

- 2) The Applicant shall notify its customers of the rate changes, no later than with the first bill reflecting the new rates and include the brochure provided by the Board.

DATED at Toronto, March 30, 2005

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2005-0013
EB-2005-0024

March 30, 2005

ONTARIO ENERGY BOARD

SECTION 93 PILs TAX GROSS-UP

PROXY CALCULATION FOR 2005

PILS2005.V1.1

REGULATORY INFORMATION (REGINFO)

Utility Name:

Erie Thames Powerlines Revision March 8th 2005

File Number:

RP-2005-0013

EB-2005-0024

Reporting period:

January 1, 2005 - December 31, 2005

Days in reporting period:

365

Total days in the calendar year:

365

BACKGROUND

1. Are the Capital Tax & Large Corporations Tax Exemptions shared among the corporate group? (Yes or No)

No

2. Please identify the percentage used to allocate the exemption.

100.00%

3. Please explain the basis of the allocation if the percentage is other than 100%.

4. Accounting Year End

Dec. 31

MARR NO TAX CALCULATIONS
FROM SHEET #7 FINAL 2001 RUD MODEL DATA
(FROM 1999 FINANCIAL STATEMENTS)

Rate base (wires-only)

\$16,104,265.00

Common Equity Ratio (CER)

50.00%

1-CER

50.00%

Target Return On Equity (%)

9.88%

Debt rate

7.25%

Regulatory Income

Market Adjusted Revenue Requirement

\$1,379,330

1999 return from RUD Sheet #7

\$545,161

Total Incremental revenue

\$834,169

Amount allowed in 2001, Year 1

\$278,056

Amount allowed in 2002, Year 2

\$278,056

Amount allowed in 2003, Year 3

\$278,056

Based on Board's Decision
(RP-2000-0069)Board-Approved
Amounts

\$313,568

\$260,301

\$260,301

Permanent Changes to Base Rate (e.g. LPP 5% to 1.5%)

\$11,839

C&DM Capital Portion from "C&DM TAX FORECAST" worksheet

75%

Total Regulatory Income

\$1,391,169

Equity

\$8,052,133

Return at target ROE

\$795,551

Debt

\$8,052,133

Deemed interest amount in EBIT

\$583,780

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC)		ITEM	Proxy Calculation	Comments
Utility Name: Erie Thames Powerlines Revision March 8th 2005 Reporting Period: January 1, 2005 - December 31, 2005 Days in Reporting Period: 365 Total days in the calendar year: 365			\$	
I) CORPORATE INCOME TAXES				
Regulatory Net Income		1	\$1,391,169	
BOOK TO TAX ADJUSTMENTS				
Additions:				
Depreciation & Amortization		2	\$866,731	
Employee Benefit Plans - Accrued, Not Paid		3	\$0	
Tax reserves deducted in prior year		4	\$0	
Reserves from financial statements-end of year		4	\$0	
Regulatory Adjustments		5	\$0	
Other Additions				
"Material" Items		6	\$0	
Other Additions		6	\$0	
"Material Items		6	\$0	
Other Additions		6	\$0	
Deductions:				
Capital Cost Allowance and CEC		7	\$585,215	
Employee Benefit Plans - Paid Amounts		8	\$0	
Items Capitalized for Regulatory Purposes		9	\$0	
Regulatory Adjustments		10	\$0	
Interest Expense Deemed		11	\$583,780	
Tax reserves claimed in current year		4	\$0	
Reserves from F/S beginning of year		4	\$0	
Contributions to deferred income plans		3	\$0	
Contributions to pension plans		3	\$0	
Interest capitalized for accounting but deducted for tax		11	\$0	
Other Deductions				
"Material" Items		12	\$0	
C&DM 2005 Incremental OM&A expenses per C&DM Plan		12	\$28,000	
Material Items		12	\$0	
Other Deductions		12	\$0	
REGULATORY TAXABLE INCOME			\$1,060,906	
CORPORATE INCOME TAX RATE				
Deemed %		13	27.50%	
REGULATORY INCOME TAX			\$291,749	
Taxable Income x Rate				
Miscellaneous Tax Credits		14	\$0	
Total Regulatory Income Tax			\$291,749	

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC)		ITEM	Proxy Calculation	Comments
Utility Name: Erie Thames Powerlines Revision March 8th 2005 Reporting Period: January 1, 2005 - December 31, 2005 Days in Reporting Period: 365 Total days in the calendar year: 365			\$	
Percentage used to determine the exemptions for capital tax and large corporations tax			100%	
II) CAPITAL TAXES				
<i>Ontario</i>				
Rate Base	15		\$16,104,265	
Less: Exemption	16		\$7,500,000	
Deemed Taxable Capital			\$8,604,265	
Rate (.3%)	17		0.3000%	
Net Amount (Taxable Capital x Rate)			\$25,813	
<i>Federal (LCT)</i>				
Base	18		\$16,104,265	
Less: Exemption	19		\$50,000,000	
Deemed Taxable Capital			\$0	
Rate (.175%)	20		0.1750%	
Gross Amount (Taxable Capital x Rate)			\$0	
Less: Federal Surtax	21		\$0	
Net LCT			\$0	
III) INCLUSION IN RATES				
Income Tax Rate used for gross- up			27.50%	
Income Tax (grossed-up)	22		\$402,413	
LCT (grossed-up)	23		\$0	
Ontario Capital Tax	24		\$25,813	
Total S. 93 PILs Rate Adjustment (Enter this amount in the 2005 RAM, Sheet #4, cell G14)		25	\$428,225	

SECTION 93 PILs TAX GROSS-UP "SIMPIL"

Corporate Tax Rates for 2005

Income Range	\$0 to \$400,000	\$400,001 to \$1,128,000	> \$1,128,000
<i>Income Tax Rate</i>	18.62%	27.50%	36.12%
Capital Tax Rate	0.300%		
LCT Rate	0.175%		
Surtax	1.12%		
Ontario Capital Tax Exemption	\$7,500,000		
Federal Large Corporations Tax Exemption	\$50,000,000		

Conservation and Demand Management Tax Forecast

Utility Name: Erie Thames Powerlines Revision March 8th 2005

File Number: RP-2005-0013

EB-2005-0024

	Jan - Dec 2005		Jan - Dec 2006		Jan - Sept 30 th 2007		Total	
	\$	%	\$	%	\$	%	\$	%
Capital	\$85,000	75%	\$33,000	46%	\$59,000	82%	\$177,000	69%
Tax Deductible Expense	\$28,000	25%	\$39,000	54%	\$13,000	18%	\$80,000	31%
Total	\$113,000	100%	\$72,000	100%	\$72,000	100%	\$257,000	100%

Notes:

1. Capital that will be recognized for tax purposes (i.e. UCC addition), not from a capital budget or commitment perspective.
2. Expenses to be recognized in the period shown that will be used as a tax deduction for the same period. The 2005 tax deduction amount will be entered automatically into the TAXCALC worksheet, cell C44.
3. The amounts shown in the "Total" column should agree with the C&DM plan filed with or approved by the Board. The amount of the third tranche of MARR is the maximum amount unless the utility has applied for a lower amount.

2005 Rate Adjustment Model

Name of Utility: Erie Thames Powerlines

License Number: ED-2002-0516

File Number: RP-2005-0013

EB-2005-0024

Name of Contact: John Puhr

E- Mail Address: johnp@erie-thamespower.com

Phone Number: 519-773-2931 Extension:

Date: March 8th, 2005 Revision

Version Number: **2005.V1.1**

SHEET 1 - 2002 Base Rate Schedule

Name of Utility:	Erie Thames Powerlines	2005.V1.1
License Number:	ED-2002-0516	RP-2005-0013
Name of Contact:	John Puhr	EB-2005-0024
E- Mail Address:	johnp@erie-thamespower.com	
Phone Number:	519-773-2931	Extension:
Date:	March 8th, 2005 Revision	

Enter the values for your 2002 Base Rates as shown on sheet 4 of the 2002 RAM or sheet 2 of the 2004 RAM.

Using the 2002 base rates removes the impact of 2004 interim Regulatory Assets and the 2004 PILs Proxy, added in the approved rates on April 1, 2004.

Adjustments to rate classes may be made if your LDC has non-standard classes.

RESIDENTIAL

Distribution kWh Rate	\$0.0072
Monthly Service Charge (Per Customer)	\$9.95

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	
Monthly Service Charge (Per Customer)	

GENERAL SERVICE < 50 KW

Distribution kWh Rate	\$0.0097
Monthly Service Charge (Per Customer)	\$19.18

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	\$0.9477
Monthly Service Charge (Per Customer)	\$281.49

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	\$1.1401
Monthly Service Charge (Per Customer)	\$4,434.48

SHEET 1 - 2002 Base Rate Schedule

INTERMEDIATE USE

Distribution KW Rate	\$0.9951
Monthly Service Charge (Per Customer)	\$5,154.31

LARGE USE

Distribution KW Rate	\$0.4635
Monthly Service Charge (Per Customer)	\$10,456.72

SENTINEL LIGHTS (NON TIME OF USE)

Distribution KW Rate	\$6.0739
Monthly Service Charge (Per Connection)	\$1.49

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Connection)	

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	\$0.8578
Monthly Service Charge (Per Connection)	\$0.38

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Connection)	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Name of Utility:	Erie Thames Powerlines	2005.V1.1
License Number:	ED-2002-0516	RP-2005-0013
Name of Contact:	John Puhr	EB-2005-0024
E- Mail Address:	johnp@erie-thamespower.com	
Phone Number:	519-773-2931	Extension:
Date:	March 8th, 2005 Revision	

Enter the final MARR installment calculated in the 2001 RUD Model	\$ 259,499.59
---	---------------

Have you applied for approval of your C&DM plan?	yes
--	-----

Enter the amount applied for your C&DM plan	\$266,000.00
---	--------------

Has the C&DM application been approved?	no
---	----

Enter the final MARR installment <i>(based on Board-Approved C&DM plan or applied-for amount)</i>	\$ 259,499.59
---	---------------

Grossed-up MARR based on 14 months recovery over 13 months.	\$ 279,461.10
---	---------------

Use the Table below to enter the 1999 data for your LDC from your approved 2001 RUD Model.
 1999 Distribution Revenue Shares will be used to allocate the Board-Approved MARR Value to rate classes.
 You may adjust the rate classes if your LDC has non-standard classes.

1999 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	1999 Distribution Shares	Allocation of Board-Approved MARR Value
Residential Class		106,336,959	11,308	\$1,815,301	55.12%	\$154,052
General Service < 50 KW Class		79,786,668	1,359	\$420,729	12.78%	\$35,704
General Service > 50 KW Non-Time of Use	288,632		142	\$645,215	19.59%	\$54,755
General Service > 50 KW Time of Use	53,234		2	\$143,163	4.35%	\$12,149
Intermediate Use	35,445		1	\$83,201	2.53%	\$7,061
Large Class User	154,384		1	\$168,793	5.13%	\$14,324
Sentinel Lights	22		66	\$65	0.00%	\$6
Street Lighting	8,207		2,660	\$16,606	0.50%	\$1,409
TOTALS	539,924	186,123,627	15,539	\$3,293,073	100.00%	\$279,461
Grossed-up MARR Value =====>						\$279,461

Note: LDCs must enter the fixed-variable split used on Sheet 13 (Sensitivity Analysis 2) of their 2001 Approved RUD Model.

Residential Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			\$154,052
(B) Fixed-Variable Split (%)	36.3%	63.7%	100%
(C) Re-Allocated MARR (\$)	\$55,921	\$98,131	\$154,052
(D) Number of kWh	106,336,959		
(E) Number of Customers		11,308	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0005		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.7232	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$35,704
(B) Fixed-Variable Split (%)	36.3%	63.7%	100%
(C) Re-Allocated MARR (\$)	\$12,961	\$22,744	\$35,704
(D) Number of kWh	79,786,668		
(E) Number of Customers		1,359	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0002		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$1.3946	

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$54,755
(B) Fixed-Variable Split (%)	36.3%	63.7%	100%
(C) Re-Allocated MARR (\$)	\$19,876	\$34,879	\$54,755
(D) Number of kW	288,632		
(E) Number of Customers		142	
(F) Incremental Distribution kWh Rate (\$/kW)	\$0.0689		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$20.4689	

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$12,149
(B) Fixed-Variable Split (%)	36.3%	63.7%	100%
(C) Re-Allocated MARR (\$)	\$4,410	\$7,739	\$12,149
(D) Number of kW	53,234		
(E) Number of Customers		2	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0828		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$322.4630	

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$7,061
(B) Fixed-Variable Split (%)	36.3%	63.7%	100%
(C) Re-Allocated MARR (\$)	\$2,563	\$4,498	\$7,061
(D) Number of kW	35,445		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0723		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$374.8069	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Large User Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$14,324
(B) Fixed-Variable Split (%)	36.3%	63.7%	100%
(C) Re-Allocated MARR (\$)	\$5,200	\$9,125	\$14,324
(D) Number of kW	154,384		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0337		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$760.3833	

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$6
(B) Fixed-Variable Split (%)	36.3%	63.7%	100%
(C) Re-Allocated MARR (\$)	\$2	\$4	\$6
(D) Number of kW	22		
(E) Number of Customers		66	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0910		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0044	

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$1,409
(B) Fixed-Variable Split (%)	36.3%	63.7%	100%
(C) Re-Allocated MARR (\$)	\$512	\$898	\$1,409
(D) Number of kW	8,207		
(E) Number of Customers		2,660	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0623		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0281	

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Name of Utility:	Erie Thames Powerlines	2005.V1.1
License Number:	ED-2002-0516	RP-2005-0013
Name of Contact:	John Puhr	EB-2005-0024
E- Mail Address:	johnp@erie-thamespower.com	
Phone Number:	519-773-2931	Extension:
Date:	March 8th, 2005 Revision	

Residential Class

DISTRIBUTION KWH RATE	\$0.0077
MONTHLY SERVICE CHARGE (Per Customer)	\$10.67

Residential Class (Time-of-Use)

DISTRIBUTION KWH RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

General Service < 50 KW

DISTRIBUTION KWH RATE	\$0.0099
MONTHLY SERVICE CHARGE (Per Customer)	\$20.57

General Service > 50 KW (Non-Time of Use)

DISTRIBUTION KW RATE	\$1.0166
MONTHLY SERVICE CHARGE (Per Customer)	\$301.96

General Service > 50 KW (Time of Use)

DISTRIBUTION KW RATE	\$1.2230
MONTHLY SERVICE CHARGE (Per Customer)	\$4,756.94

Intermediate Use

DISTRIBUTION KW RATE	\$1.0674
MONTHLY SERVICE CHARGE (Per Customer)	\$5,529.12

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Large Use

DISTRIBUTION KW RATE	\$0.4972
MONTHLY SERVICE CHARGE (Per Customer)	\$11,217.10

Sentinel Lights (Non-Time of Use)

DISTRIBUTION KW RATE	\$6.1649
MONTHLY SERVICE CHARGE (Per Connection)	\$1.49

OR

Sentinel Lights (Time of Use)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Connection)	

Street Lighting (Non-Time of Use)

DISTRIBUTION KW RATE	\$0.9201
MONTHLY SERVICE CHARGE (Per Connection)	\$0.41

OR

Street Lighting (Time of Use)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Connection)	

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Name of Utility:	Erie Thames Powerlines	2005.V1.1
License Number:	ED-2002-0516	RP-2005-0013
Name of Contact:	John Puhr	EB-2005-0024
E- Mail Address:	johnp@erie-thamespower.com	
Phone Number:	519-773-2931	Extension:
Date:	March 8th, 2005 Revision	

This schedule requires LDCs to input the 2003 data which will be used to allocate 2005 PILs to the rate classes.
The 2005 PILs Proxy is calculated in the 2005 PILs model, TAXCALC Worksheet, Cell C95

Enter the 2005 PILs Proxy Amount	\$ 426,906.93
---	----------------------

Distribution Revenue is used to allocate the 2005 PILs Proxy Amount to the rate classes.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 Distribution Shares	2005 PILs Proxy Allocation
Residential Class		118,291,008	11,895	\$2,752,237	55.4%	\$236,709
General Service < 50 KW Class		44,666,643	1,400	\$878,009	17.7%	\$75,514
General Service > 50 KW Non-Time of Use	264,610	105,153,645	110	\$772,039	15.6%	\$66,400
General Service > 50 KW Time of Use	48,911	20,907,273	2	\$172,103	3.5%	\$14,802
Intermediate Use	43,299	18,097,438	1	\$125,940	2.5%	\$10,832
Large Class User	134,464	68,856,055	1	\$233,081	4.7%	\$20,046
Sentinel Lights	502	221,616	237	\$4,819	0.1%	\$414
Street Lighting	8,444	3,097,092	2,660	\$25,456	0.5%	\$2,189
TOTALS	500,230	379,290,770	16,306	\$4,963,683	1.00	\$426,907
2005 PILs Proxy Amount =====>						\$426,907

2005 PILs Proxy amount will be recovered only in the distribution kWh charge (Variable Charge).

Residential Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$236,709
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$236,709	\$0	\$236,709
(D) Number of kWh	118,291,008		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0020		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$75,514
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$75,514	\$0	\$75,514
(D) Number of kWh	44,666,643		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0017		

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$66,400
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$66,400	\$0	\$66,400
(D) Number of kW	264,610		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.2509		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$14,802
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$14,802	\$0	\$14,802
(D) Number of kW	48,911		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.3026		

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$10,832
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$10,832	\$0	\$10,832
(D) Number of kW	43,299		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.2502		

Large User Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$20,046
(B) Fixed-Variable Split (%)	100.0%	0.0%	100%
(C) Re-Allocated PILs (\$)	\$20,046	\$0	\$20,046
(D) Number of kW	134,464	1	
(E) Incremental Distribution kW Rate (\$/kW)	\$0.1491	\$0.00	

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$414
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$414	\$0	\$414
(D) Number of kW	502		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.8256		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$2,189
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$2,189	\$0	\$2,189
(D) Number of kW	8,444		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.2593		

SHEET 5 - Rate Schedule including 2005 PILs

Name of Utility:	Erie Thames Powerlines	2005.V1.1
License Number:	ED-2002-0516	RP-2005-0013
Name of Contact:	John Puhr	EB-2005-0024
E- Mail Address:	johnp@erie-thamespower.com	
Phone Number:	519-773-2931	Extension:
Date:	March 8th, 2005 Revision	

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0097
MONTHLY SERVICE CHARGE (Per Customer)	\$10.67

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0116
MONTHLY SERVICE CHARGE (Per Customer)	\$20.57

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.2675
MONTHLY SERVICE CHARGE (Per Customer)	\$301.96

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$1.5256
MONTHLY SERVICE CHARGE (Per Customer)	\$4,756.94

INTERMEDIATE USE

DISTRIBUTION KW RATE	\$1.3176
MONTHLY SERVICE CHARGE (Per Customer)	\$5,529.12

SHEET 5 - Rate Schedule including 2005 PILs

LARGE USE

DISTRIBUTION KW RATE	\$0.6463
MONTHLY SERVICE CHARGE (Per Customer)	\$11,217.10

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.9905
MONTHLY SERVICE CHARGE (Per Connection)	\$1.49

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Connection)	

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.1794
MONTHLY SERVICE CHARGE (Per Connection)	\$0.41

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Connection)	

SHEET 6 - December 31, 2003 Regulatory Assets

Name of Utility:	Erie Thames Powerlines	2005.V1.1
License Number:	ED-2002-0516	RP-2005-0013
Name of Contact:	John Puhr	EB-2005-0024
E- Mail Address:	johnp@erie-thamespower.com	
Phone Number:	519-773-2931	Extension:
Date:	March 8th, 2005 Revision	

LDCs should enter their December 3, 2003 balances for each regulatory asset account. In the case of distributors that have approved Regulatory Asset recovery rate riders, the distributor should not enter any balances on Sheet 6 and should go directly to Sheet 10. In this instance, the rate schedule on Sheet 5 is identical to Sheet 9.

Description	Account Number	Amount Applied- for Balance as at Dec. 31, 2003
RSVA - Wholesale Market Service Charge	1580	\$728,700
RSVA - One-time Wholesale Market Service	1582	\$15,170
RSVA - Retail Transmission Network Charge	1584	\$34,304
RSVA - Retail Transmission Connection Charge	1586	\$526,924
RSVA - Power	1588	\$1,112,478
Sub-Total for RSVA Accounts		\$2,417,576
Current Recovery: Amount Entered on Sheet 3, cell G13, of 2004 RAM		\$920,217
Adjusted 2005 Recovery Amount (RSVA Accounts)		\$1,497,359
Other Regulatory Assets	1508	
Retail Cost Variance Account - Retail	1518	
Retail Cost Variance Account - STR	1548	
Misc. Deferred Debits - incl. Rebate Cheques	1525	\$20,005
Deferred Payments in Lieu of Taxes	1562	-\$55,335
<i>PILs Contra Account</i>	1563	
Qualifying Transition Costs	1570	\$527,182
Pre-Market Opening Energy Variances Total	1571	\$1,043,281
Extra-Ordinary Event Losses	1572	
Deferred Rate Impact Amounts	1574	
Other Deferred Credits	2425	
Sub-Total for Non-RSVA Regulatory Asset Accounts		\$1,535,133
Current Recovery: Amount Entered on Sheet 5, cell G14, of 2004 RAM		
Adjusted 2005 Recovery Amount (Non-RSVA Accounts)		\$1,535,133
Total Adjusted Regulatory Assets		\$3,032,492
33% of Total Adjusted Regulatory Assets		\$1,010,830.80

SHEET 6 - December 31, 2003 Regulatory Assets

----- Please go to Section 1 -----

Section 1: For LDCs with Total RSVA adjusted balances greater than 33 % of Total:		
Total Adjusted Balance for RSVA Accounts	(a)	\$1,497,359
33% of Total Adjusted Regulatory Assets	(b)	\$1,010,831
Remaining Final Amount to be recovered in future periods (a) - (b)		\$486,528

Section 2: For LDCs with Total RSVA adjusted balances less than 33 % of Total:	
33% OF Total Adjusted Regulatory Assets	N/A
Total Adjusted Balance for RSVA Accounts	N/A
Amount to be collected from RSVA Accounts	N/A
Amount to be collected from Non-RSVA accounts	N/A

Rate Implementation

Check Box
YES or NO

Our utility is able to pro-rate the bill so that consumption before April 1 is at the old rates and post April 1 consumption is billed at the new rates.



YES



NO

Our utility is not able to pro-rate consumption and therefore our customers will not be charged the new rates until the completion of an entire billing cycle.



YES



NO

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Name of Utility:	Erie Thames Powerlines	2005.V1.1
License Number:	ED-2002-0516	RP-2005-0013
Name of Contact:	John Puhr	EB-2005-0024
E- Mail Address:	johnp@erie-thamespower.com	
Phone Number:	519-773-2931	Extension:
Date:	March 8th, 2005 Revision	

Approved Regulatory Asset Recovery from Sheet 4 (either from Section 1 or Section 2)

\$ 1,010,830.80

The share of class kWh sold in 2003 is used to allocate the approved interim RSVA Regulatory Asset amounts.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 kWh Shares	2003 RSVA Allocations
Residential Class	0	118,291,008	11,895	\$2,752,237	31.2%	\$315,252
General Service < 50 KW Class	0	44,666,643	1,400	\$878,009	11.8%	\$119,039
General Service > 50 KW Non-Time of Use	264,610	105,153,645	110	\$772,039	27.7%	\$280,240
General Service > 50 KW Time of Use	48,911	20,907,273	2	\$172,103	5.5%	\$55,719
Intermediate Use	43,299	18,097,438	1	\$125,940	4.8%	\$48,231
Large Class User	134,464	68,856,055	1	\$233,081	18.2%	\$183,505
Sentinel Lights	502	221,616	237	\$4,819	0.1%	\$591
Street Lighting	8,444	3,097,092	2,660	\$25,456	0.8%	\$8,254
TOTALS		379,290,770	16,306	\$4,963,683.31	1.00	\$1,010,831
Allocated Total for RSVA accounts =====>						\$1,010,831

Regulatory Assets will be recovered only in the distribution variable charge (\$/kWh or \$/kW).

Residential Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$315,252
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$315,252	\$0	\$315,252
(D) Number of kWh	118,291,008		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0027		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$119,039
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$119,039	\$0	\$119,039
(D) Number of kWh	44,666,643		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0027		

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$280,240
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$280,240	\$0	\$280,240
(D) Number of kW	264,610		
(E) Incremental Distribution kW Rate (\$/kW)	\$1.0591		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$55,719
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$55,719	\$0	\$55,719
(D) Number of kW	48,911		
(E) Incremental Distribution kW Rate (\$/kW)	\$1.1392		

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$48,231
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$48,231	\$0	\$48,231
(D) Number of kW	43,299		
(E) Incremental Distribution kW Rate (\$/kW)	\$1.1139		

Large User Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$183,505
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$183,505	\$0	\$183,505
(D) Number of kW	134,464		
(E) Incremental Distribution kW Rate (\$/kW)	\$1.3647		

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$591
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$591	\$0	\$591
(D) Number of kW	502		
(E) Incremental Distribution kW Rate (\$/kW)	\$1.1765		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$8,254
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$8,254	\$0	\$8,254
(D) Number of kW	8,444		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.9774		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Name of Utility:	Erie Thames Powerlines	2005.V1.1
License Number:	ED-2002-0516	RP-2005-0013
Name of Contact:	John Puhr	EB-2005-0024
E- Mail Address:	johnp@erie-thamespower.com	
Phone Number:	519-773-2931	Extension:
Date:	March 8th, 2005 Revision	

Approved Regulatory Asset Recovery from Non-RSVA Accounts(Sheet 4, Section 2)

\$ -

Distribution Revenue is used to allocate the approved final Regulatory Asset amounts related to the Non-RSVA accounts.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 Distribution Shares	2002 Regulatory Asset RSVA Allocations
Residential Class	0	118,291,008	11,895	\$2,752,237	55.4%	\$0
General Service < 50 KW Class	0	44,666,643	1,400	\$878,009	17.7%	\$0
General Service > 50 KW Non-Time of Use	264,610	105,153,645	110	\$772,039	15.6%	\$0
General Service > 50 KW Time of Use	48,911	20,907,273	2	\$172,103	3.5%	\$0
Intermediate Use	43,299	18,097,438	1	\$125,940	2.5%	\$0
Large Class User	134,464	68,856,055	1	\$233,081	4.7%	\$0
Sentinel Lights	502	221,616	237	\$4,819	0.1%	\$0
Street Lighting	8,444	3,097,092	2,660	\$25,456	0.5%	\$0
TOTALS		379,290,770	16,306	\$4,963,683	1.00	\$0
						Allocated Total for Non-RSVA accounts =====>
						\$0

Regulatory Assets will be recovered only in the distribution variable charge (\$/kWh or \$/kW).

Residential Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kWh	118,291,008		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kWh	44,666,643		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	264,610		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	48,911		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	43,299		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Large User Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	134,464		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Sentinel Lighting Class			
	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	502		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Street Lighting Class			
	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	8,444		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

Name of Utility:	Erie Thames Powerlines	2005.V1.1
License Number:	ED-2002-0516	RP-2005-0013
Name of Contact:	John Puhr	EB-2005-0024
E- Mail Address:	johnp@erie-thamespower.com	
Phone Number:	519-773-2931	Extension:
Date:	March 8th, 2005 Revision	

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.0124

MONTHLY SERVICE CHARGE (Per Customer) \$10.67

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE

MONTHLY SERVICE CHARGE (Per Customer)

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.0142

MONTHLY SERVICE CHARGE (Per Customer) \$20.57

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$2.3266

MONTHLY SERVICE CHARGE (Per Customer) \$301.96

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE \$2.6648

MONTHLY SERVICE CHARGE (Per Customer) \$4,756.94

INTERMEDIATE USE

DISTRIBUTION KW RATE \$2.4315

MONTHLY SERVICE CHARGE (Per Customer) \$5,529.12

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

LARGE USE

DISTRIBUTION KW RATE	\$2.0110
MONTHLY SERVICE CHARGE (Per Customer)	\$11,217.10

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$8.1670
MONTHLY SERVICE CHARGE (Per Connection)	\$1.49

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Connection)	

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$2.1568
MONTHLY SERVICE CHARGE (Per Connection)	\$0.41

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Connection)	

SHEET 10 - Phase 2 Final Rate Riders

Name of Utility:	Erie Thames Powerlines	2005.V1.1
License Number:	ED-2002-0516	RP-2005-0013
Name of Contact:	John Puhr	EB-2005-0024
E- Mail Address:	johnp@erie-thamespower.com	
Phone Number:	519-773-2931	Extension:
Date:	March 8th, 2005 Revision	

This sheet is to be used by those distributors that have final approval of their Regulatory Asset Recovery
- Phase 2 rate riders.

Class	Rate Rider per kWh (or kW)
Residential Class	
General Service < 50 KW Class	
General Service > 50 KW Non-Time of Use	
General Service > 50 KW Time of Use	
Intermediate Use	
Large Class User	
Sentinel Lights	
Street Lighting	

Erie Thames Powerlines
RP-2005-0013 EB-2005-0024
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.67
Distribution Volumetric Rate	(per kWh)	\$0.0124

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	
Distribution Volumetric Rate	(per kWh)	

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$20.57
Distribution Volumetric Rate	(per kWh)	\$0.0142

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$301.96
Distribution Volumetric Rate	(per kW)	\$2.3266

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$4,756.94
Distribution Volumetric Rate	(per kW)	\$2.6648

INTERMEDIATE USE

Monthly Service Charge	(per month)	\$5,529.12
Distribution Volumetric Rate	(per kW)	\$2.4315

LARGE USE

Monthly Service Charge	(per month)	\$11,217.10
Distribution Volumetric Rate	(per kW)	\$2.0110

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	\$1.49
Distribution Volumetric Rate	(per kW)	\$8.1670

Erie Thames Powerlines
RP-2005-0013 EB-2005-0024
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	\$0.41
Distribution Volumetric Rate	(per kW)	\$2.1568

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SHEET 12 - Current Rates as of April 1, 2004

Name of Utility:	Erie Thames Powerlines	2005.V1.1
License Number:	ED-2002-0516	RP-2005-0013
Name of Contact:	John Puhr	EB-2005-0024
E- Mail Address:	johnp@erie-thamespower.com	
Phone Number:	519-773-2931	Extension:
Date:	March 8th, 2005	Revision

In order to calculate bill impacts on Sheet 13, enter your current rates as approved in your 2004 Rate Order.

You may adjust the rate classes if your LDC has non-standard classes.

RESIDENTIAL

Distribution kWh Rate	\$0.0099
Monthly Service Charge (Per Customer)	\$12.34

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	
Monthly Service Charge (Per Customer)	

GENERAL SERVICE < 50 KW

Distribution kWh Rate	\$0.0126
Monthly Service Charge (Per Customer)	\$23.80

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	\$1.2937
Monthly Service Charge (Per Customer)	\$349.36

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	\$1.4809
Monthly Service Charge (Per Customer)	\$5,503.75

INTERMEDIATE USE

Distribution KW Rate	\$1.3323
Monthly Service Charge (Per Customer)	\$6,397.14

SHEET 12 - Current Rates as of April 1, 2004

LARGE USE

Distribution KW Rate	\$2.2380
Monthly Service Charge (Per Customer)	\$12,978.09

SENTINEL LIGHTS (NON TIME OF USE)

Distribution KW Rate	\$7.5008
Monthly Service Charge (Per Customer)	\$1.50

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	\$1.8970
Monthly Service Charge (Per Customer)	\$0.48

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Name of Utility:	Erie Thames Powerlines	2005.V1.0
License Number:	ED-2002-0516	RP-2005-0013
Name of Contact:	John Puhr	EB-2005-0024
E- Mail Address:	johnp@erie-thamespower.com	
Phone Number:	519-773-2931	Extension:
Date:	March 8th, 2005 Revision	

Monthly Consumption

RESIDENTIAL CLASS

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$0.0107, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0239/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

CURRENT 2004 BILL					FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
	100									
	Monthly Service Charge	N/A	N/A	\$ 12.34	Monthly Service Charge	N/A	N/A	\$ 10.67		
	Distribution (kWh)	100	\$ 0.0099	\$ 0.99	Distribution (kWh)	100	\$ 0.0124	\$ 1.24		
			Sub-Total	\$ 13.33			Sub Total	\$ 11.91	\$ (1.42)	-10.63%
	Other Charges (kWh)	100	\$ 0.0239	\$ 2.39	Other Charges (kWh)	100	\$ 0.0239	\$ 2.39		
	Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70	Cost of Power (kWh)	100	\$ 0.0470	\$ 4.70		
Current 2004 Bill				\$ 20.42	Adjusted 2005 Bill			\$ 19.00	\$ (1.42)	-6.94%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
250										
	Monthly Service Charge	N/A	N/A	\$ 12.34		Monthly Service Charge	N/A	\$ 10.67		
	Distribution (kWh)	250	\$ 0.0099	\$ 2.48		Distribution (kWh)	250	\$ 0.0124	\$ 3.10	
			Sub-Total	\$ 14.82			Sub Total	\$ 13.77	\$ (1.04)	-7.05%
	Other Charges (kWh)	250	\$ 0.0239	\$ 5.98		Other Charges (kWh)	250	\$ 0.0239	\$ 5.98	
	Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75		Cost of Power (kWh)	250	\$ 0.0470	\$ 11.75	
	Current 2004 Bill			\$ 32.54		Adjusted 2005 Bill		\$ 31.50	\$ (1.04)	-3.21%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
500										
	Monthly Service Charge	N/A	N/A	\$ 12.34		Monthly Service Charge	N/A	\$ 10.67		
	Distribution (kWh)	500	\$ 0.0099	\$ 4.95		Distribution (kWh)	500	\$ 0.0124	\$ 6.20	
			Sub-Total	\$ 17.29			Sub Total	\$ 16.87	\$ (0.42)	-2.43%
	Other Charges (kWh)	500	\$ 0.0239	\$ 11.95		Other Charges (kWh)	500	\$ 0.0239	\$ 11.95	
	Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50		Cost of Power (kWh)	500	\$ 0.0470	\$ 23.50	
	Current 2004 Bill			\$ 52.74		Adjusted 2005 Bill		\$ 52.32	\$ (0.42)	-0.80%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
750										
	Monthly Service Charge	N/A	N/A	\$ 12.34		Monthly Service Charge	N/A	\$ 10.67		
	Distribution (kWh)	750	\$0.0099	\$ 7.43		Distribution (kWh)	750	\$ 0.0124	\$ 9.29	
				Sub-Total	\$ 19.77				Sub Total	\$ 19.97
	Other Charges (kWh)	750	0.0239	\$ 17.93		Other Charges (kWh)	750	0.0239	\$ 17.93	
	Cost of Power (kWh)	750	0.0470	\$ 35.25		Cost of Power (kWh)	750	0.0470	\$ 35.25	
	Current 2004 Bill			\$ 72.94		Adjusted 2005 Bill			\$ 73.14	\$ 0.20 1.02%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,000										
	Monthly Service Charge	N/A	N/A	\$ 12.34		Monthly Service Charge	N/A	\$ 10.67		
	Distribution (kWh)	1000	\$0.0099	\$ 9.90		Distribution (kWh)	1000	\$ 0.0124	\$ 12.39	
				Sub-Total	\$ 22.24				Sub Total	\$ 23.07
	Other Charges (kWh)	1000	0.0239	\$ 23.90		Other Charges (kWh)	1000	0.0239	\$ 23.90	
	Cost of Power (kWh)	750	0.0470	\$ 35.25		Cost of Power (kWh)	750	0.0470	\$ 35.25	
	Cost of Power (kWh)	250	0.0550	\$ 13.75		Cost of Power (kWh)	250	0.0550	\$ 13.75	
	Current 2004 Bill			\$ 95.14		Adjusted 2005 Bill			\$ 95.97	\$ 0.83 3.71%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,500										
	Monthly Service Charge	N/A	N/A	\$ 12.34		Monthly Service Charge	N/A	\$ 10.67		
	Distribution (kWh)	1500	\$0.0099	\$ 14.85		Distribution (kWh)	1500	\$ 0.0124	\$ 18.59	
				Sub-Total	\$ 27.19				Sub Total	\$ 29.26
	Other Charges (kWh)	1500	0.0239	\$ 35.85		Other Charges (kWh)	1500	0.0239	\$ 35.85	
	Cost of Power (kWh)	750	0.0470	\$ 35.25		Cost of Power (kWh)	750	0.0470	\$ 35.25	
	Cost of Power (kWh)	750	0.0550	\$ 41.25		Cost of Power (kWh)	750	0.0550	\$ 41.25	
	Current 2004 Bill			\$ 139.54		Adjusted 2005 Bill			\$ 141.61	\$ 2.07 1.48%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
2,000										
	Monthly Service Charge	N/A	N/A	\$ 12.34		Monthly Service Charge	N/A	\$ 10.67		
	Distribution (kWh)	2000	\$0.0099	\$ 19.80		Distribution (kWh)	2000	\$ 0.0124	\$ 24.78	
				Sub-Total	\$ 32.14				Sub Total	\$ 35.46
	Other Charges (kWh)	2000	0.0239	\$ 47.80		Other Charges (kWh)	2000	0.0239	\$ 47.80	
	Cost of Power (kWh)	750	0.0470	\$ 35.25		Cost of Power (kWh)	750	0.0470	\$ 35.25	
	Cost of Power (kWh)	1,250	0.0550	\$ 68.75		Cost of Power (kWh)	1,250	0.0550	\$ 68.75	
	Current 2004 Bill			\$ 183.94		Adjusted 2005 Bill			\$ 187.26	\$ 3.32 1.80%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

GENERAL SERVICE < 50 KW

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$0.0097, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0229/kWh. These charges may differ slightly for your utility. In addition, consumption has not been adjusted for line losses.

CURRENT 2004 BILL					FUTURE 2005 BILL							
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)		
		1,000										
		Monthly Service Charge	N/A	N/A	\$ 23.80	Monthly Service Charge	N/A	N/A	\$ 20.57			
		Distribution (kWh)	1000	\$ 0.0126	\$ 12.60	Distribution (kWh)	1000	\$ 0.0142	\$ 14.22			
				Sub-Total	\$ 36.40			Sub Total	\$ 34.79		\$ (1.61)	-4.42%
		Other Charges (kWh)	1000	\$ 0.0229	\$ 22.90	Other Charges (kWh)	1000	\$ 0.0229	\$ 22.90			
		Cost of Power (kWh)	1000	\$ 0.0470	\$ 47.00	Cost of Power (kWh)	1000	\$ 0.0470	\$ 47.00			
				Current 2004 Bill			\$ 106.30	Adjusted 2005 Bill			\$ 104.69	\$ (1.61)

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
2,000										
	Monthly Service Charge	N/A	N/A	\$ 23.80	Monthly Service Charge	N/A	N/A	\$ 20.57		
	Distribution (kWh)	2000	\$0.0126	\$ 25.20	Distribution (kWh)	2000	\$0.0142	\$ 28.44		
			Sub-Total	\$ 49.00			Sub Total	\$ 49.01	\$ 0.01	0.02%
	Other Charges (kWh)	2000	\$0.0229	\$ 45.80	Other Charges (kWh)	2,000	\$0.0229	\$ 45.80		
	Cost of Power (kWh)	750	\$0.0470	\$ 35.25	Cost of Power (kWh)	750	\$0.0470	\$ 35.25		
	Cost of Power (kWh)	1,250	\$0.0550	\$ 68.75	Cost of Power (kWh)	1,250	\$0.0550	\$ 68.75		
	Current 2004 Bill			\$ 198.80	Adjusted 2005 Bill			\$ 198.81	\$ 0.01	0.01%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
5,000										
	Monthly Service Charge	N/A	N/A	\$ 23.80	Monthly Service Charge	N/A	N/A	\$ 20.57		
	Distribution (kWh)	5000	\$0.0126	\$ 63.00	Distribution (kWh)	5000	\$0.0142	\$ 71.09		
			Sub-Total	\$ 86.80			Sub Total	\$ 91.67	\$ 4.87	5.61%
	Other Charges (kWh)	5000	\$0.0229	\$ 114.50	Other Charges (kWh)	5,000	\$0.0229	\$ 114.50		
	Cost of Power (kWh)	750	\$0.0470	\$ 35.25	Cost of Power (kWh)	750	\$0.0470	\$ 35.25		
	Cost of Power (kWh)	4,250	\$0.0550	\$ 233.75	Cost of Power (kWh)	4,250	\$0.0550	\$ 233.75		
	Current 2004 Bill			\$ 470.30	Adjusted 2005 Bill			\$ 475.17	\$ 4.87	1.03%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
10,000										
	Monthly Service Charge	N/A	N/A	\$ 23.80	Monthly Service Charge	N/A	N/A	\$ 20.57		
	Distribution (kWh)	10000	\$0.0126	\$ 126.00	Distribution (kWh)	10000	\$0.0142	\$ 142.18		
			Sub-Total	\$ 149.80			Sub Total	\$ 162.76	\$ 12.96	8.65%
	Other Charges (kWh)	10000	\$0.0229	\$ 229.00	Other Charges (kWh)	10,000	\$0.0229	\$ 229.00		
	Cost of Power (kWh)	750	\$0.0470	\$ 35.25	Cost of Power (kWh)	750	\$0.0470	\$ 35.25		
	Cost of Power (kWh)	9,250	\$0.0550	\$ 508.75	Cost of Power (kWh)	9,250	\$0.0550	\$ 508.75		
	Current 2004 Bill			\$ 922.80	Adjusted 2005 Bill			\$ 935.76	\$ 12.96	1.40%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
15,000										
	Monthly Service Charge	N/A	N/A	\$ 23.80	Monthly Service Charge	N/A	N/A	\$ 20.57		
	Distribution (kWh)	15000	\$0.0126	\$ 189.00	Distribution (kWh)	15000	\$0.0142	\$ 213.27		
			Sub-Total	\$ 212.80			Sub Total	\$ 233.85	\$ 21.05	9.89%
	Other Charges (kWh)	15000	\$0.0229	\$ 343.50	Other Charges (kWh)	15,000	\$0.0229	\$ 343.50		
	Cost of Power (kWh)	750	\$0.0470	\$ 35.25	Cost of Power (kWh)	750	\$0.0470	\$ 35.25		
	Cost of Power (kWh)	14,250	\$0.0550	\$ 783.75	Cost of Power (kWh)	14,250	\$0.0550	\$ 783.75		
	Current 2004 Bill			\$ 1,375.30	Adjusted 2005 Bill			\$ 1,396.35	\$ 21.05	1.53%

GENERAL SERVICE > 50 KW to 3000 KW

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$3.91/kW, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility.
 Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003.
 You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

CURRENT 2004 BILL					FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW										
60	Monthly Service Charge	N/A	N/A	\$ 349.36	Monthly Service Charge	N/A	N/A	\$ 301.96		
kWh	Distribution (kW)	60	\$1.2937	\$ 77.62	Distribution (kW)	60	\$2.3266	\$ 139.59		
15,000			Sub-Total	\$ 426.98			Sub Total	\$ 441.55	\$ 14.57	3.41%
	Other Charges (kW)	60	\$3.9100	\$ 234.60	Other Charges (kW)	60.00	\$3.9100	\$ 234.60		
	Other Charges (kWh)	15,000	\$0.0132	\$ 198.00	Other Charges (kWh)	15,000	\$0.0132	\$ 198.00		
	Cost of Power (kWh)	750	\$0.0550	\$ 41.25	Cost of Power (kWh)	750	\$0.0550	\$ 41.25		
	Current 2004 Bill			\$ 900.83	Adjusted 2005 Bill			\$ 915.40	\$ 14.57	1.62%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW	100	Monthly Service Charge	N/A	\$ 349.36	Monthly Service Charge	N/A	N/A	\$ 301.96		
	kWh	Distribution (kW)	100	\$1.2937	\$ 129.37	Distribution (kW)	100	\$2.3266		
	40,000		Sub-Total	\$ 478.73			Sub Total	\$ 534.62	\$ 55.89	11.67%
		Other Charges (kW)	100	\$3.9100	\$ 391.00	Other Charges (kW)	100.00	\$3.9100		
		Other Charges (kWh)	40,000	\$0.0132	\$ 528.00	Other Charges (kWh)	40,000	\$0.0132		
		Cost of Power (kWh)	40,000	\$0.0550	\$ 2,200.00	Cost of Power (kWh)	40,000	\$0.0550		
		Current 2004 Bill		\$ 3,597.73	Adjusted 2005 Bill		\$ 3,653.62	\$ 55.89		1.55%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW	500	Monthly Service Charge	N/A	\$ 349.36	Monthly Service Charge	N/A	N/A	\$ 301.96		
	kWh	Distribution (kW)	500	\$1.2937	\$ 646.85	Distribution (kW)	500	\$2.3266		
	100,000		Sub-Total	\$ 996.21			Sub Total	\$ 1,465.24	\$ 469.03	47.08%
		Other Charges (kW)	500	\$3.9100	\$ 1,955.00	Other Charges (kW)	500.00	\$3.9100		
		Other Charges (kWh)	100,000	\$0.0132	\$ 1,320.00	Other Charges (kWh)	100,000	\$0.0132		
		Cost of Power (kWh)	100,000	\$0.0550	\$ 5,500.00	Cost of Power (kWh)	100,000	\$0.0550		
		Current 2004 Bill		\$ 9,771.21	Adjusted 2005 Bill		\$ 10,240.24	\$ 469.03		4.80%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW	1,000	Monthly Service Charge	N/A	\$ 349.36	Monthly Service Charge	N/A	N/A	\$ 301.96		
	kWh	Distribution (kW)	1,000	\$1.2937	\$ 1,293.70	Distribution (kW)	1000	2.3266		
	400,000		Sub-Total	\$ 1,643.06			Sub Total	\$ 2,628.53	\$ 985.47	59.98%
		Other Charges (kW)	1,000	3.9100	\$ 3,910.00	Other Charges (kW)	1,000.00	3.9100		
		Other Charges (kWh)	400,000	0.0132	\$ 5,280.00	Other Charges (kWh)	400,000	0.0132		
		Cost of Power (kWh)	400,000	0.0550	\$ 22,000.00	Cost of Power (kWh)	400,000	0.0550		
		Current 2004 Bill		\$ 32,833.06	Adjusted 2005 Bill		\$ 33,818.53	\$ 985.47		3.00%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW										
3,000	Monthly Service Charge	N/A	N/A	\$ 349.36		Monthly Service Charge	N/A	\$ 301.96		
kWh	Distribution (kW)	3,000	\$1.2937	\$ 3,881.10		Distribution (kW)	3000	\$ 6,979.70		
1,000,000			Sub-Total	\$ 4,230.46			Sub Total	\$ 7,281.66	\$ 3,051.20	72.12%
	Other Charges (kW)	3,000	3.9100	\$ 11,730.00		Other Charges (kW)	3,000.00	\$ 11,730.00		
	Other Charges (kWh)	1,000,000	0.0132	\$ 13,200.00		Other Charges (kWh)	1,000,000	\$ 13,200.00		
	Cost of Power (kWh)	1,000,000	0.0550	\$ 55,000.00		Cost of Power (kWh)	1,000,000	\$ 55,000.00		
	Current 2004 Bill			\$ 84,160.46		Adjusted 2005 Bill		\$ 87,211.66	\$ 3,051.20	3.63%

INTERMEDIATE CLASS (> 3000 KW to 5000 KW)

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$4.2138/kW, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility.
 Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003.
 You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

CURRENT 2004 BILL					FUTURE 2005 BILL						
ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)		
		Monthly Service Charge	N/A	N/A	\$ 6,397.14	Monthly Service Charge	N/A	N/A	\$ 5,529.12		
		Distribution (kW)	3,000	\$1.3323	\$ 3,996.90	Distribution (kW)	3000	\$2.43	\$ 7,294.49		
				Sub-Total	\$ 10,394.04			Sub Total	\$ 12,823.61	\$ 2,429.57	23.37%
		Other Charges (kW)	3,000	4.2138	\$ 12,641.40	Other Charges (kWh)	3,000.00	4.2138	\$ 12,641.40		
Other Charges (kWh)	800,000	0.0132	\$ 10,560.00	Other Charges (kWh)	800,000	0.0132	\$ 10,560.00				
Cost of Power (kWh)	800,000	0.0550	\$ 44,000.00	Cost of Power (kWh)	800,000	0.0550	\$ 44,000.00				
Current 2004 Bill				\$ 77,595.44	Adjusted 2005 Bill			\$ 80,025.01	\$ 2,429.57	3.131%	

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW										
3,000	Monthly Service Charge	N/A	N/A	\$ 6,397.14		Monthly Service Charge	N/A	\$ 5,529.12		
kWh	Distribution (kW)	3,000	\$1.3323	\$ 3,996.90		Distribution (kW)	3000	\$ 7,294.49		
1,000,000			Sub-Total	\$ 10,394.04			Sub Total	\$ 12,823.61	\$ 2,429.57	23.37%
	Other Charges (kW)	3,000	4.2138	\$ 12,641.40		Other Charges (kW)	3,000.00	\$ 12,641.40		
	Other Charges (kWh)	1,000,000	0.0132	\$ 13,200.00		Other Charges (kWh)	1,000,000	\$ 13,200.00		
	Cost of Power (kWh)	1,000,000	0.0550	\$ 55,000.00		Cost of Power (kWh)	1,000,000	\$ 55,000.00		
	Current 2004 Bill			\$ 91,235.44		Adjusted 2005 Bill		\$ 93,665.01	\$ 2,429.57	2.663%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW										
4,000	Monthly Service Charge	N/A	N/A	\$ 6,397.14		Monthly Service Charge	N/A	\$ 5,529.12		
kWh	Distribution (kW)	4,000	\$1.3323	\$ 5,329.20		Distribution (kW)	4000	\$ 9,725.99		
1,200,000			Sub-Total	\$ 11,726.34			Sub Total	\$ 15,255.11	\$ 3,528.77	30.09%
	Other Charges (kW)	4,000	4.2138	\$ 16,855.20		Other Charges (kW)	4,000.00	\$ 16,855.20		
	Other Charges (kWh)	1,200,000	0.0132	\$ 15,840.00		Other Charges (kWh)	1,200,000	\$ 15,840.00		
	Cost of Power (kWh)	1,200,000	0.0550	\$ 66,000.00		Cost of Power (kWh)	1,200,000	\$ 66,000.00		
	Current 2004 Bill			\$ 110,421.54		Adjusted 2005 Bill		\$ 113,950.31	\$ 3,528.77	3.20%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW										
4,000	Monthly Service Charge	N/A	N/A	\$ 6,397.14	Monthly Service Charge	N/A	N/A	\$ 5,529.12		
kWh	Distribution (kW)	4,000	\$1.3323	\$ 5,329.20	Distribution (kW)	4000	\$2.4315	\$ 9,725.99		
1,800,000			Sub-Total	\$ 11,726.34			Sub Total	\$ 15,255.11	\$ 3,528.77	30.09%
	Other Charges (kW)	4,000	4.2138	\$ 16,855.20	Other Charges (kWh)	4,000.00	4.2138	\$ 16,855.20		
	Other Charges (kWh)	1,800,000	0.0132	\$ 23,760.00	Other Charges (kWh)	1,800,000	0.0132	\$ 23,760.00		
	Cost of Power (kWh)	1,800,000	0.0550	\$ 99,000.00	Cost of Power (kWh)	1,800,000	0.0550	\$ 99,000.00		
	Current 2004 Bill			\$ 151,341.54	Adjusted 2005 Bill			\$ 154,870.31	\$ 3,528.77	2.332%

LARGE USE CLASS (> 5000 KW)

For the purpose of this estimate, Other Charges include Retail Transmission Rate of \$0.047369/kWh, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility. Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

CURRENT 2004 BILL					FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW										
6,000	Monthly Service Charge	N/A	N/A	\$ 12,978.09	Monthly Service Charge	N/A	N/A	\$ 11,217.10		
kWh	Distribution (kW)	6,000	\$2.2380	\$ 13,428.00	Distribution (kW)	6000	\$2.01	\$ 12,065.90		
2,800,000			Sub-Total	\$ 26,406.09			Sub Total	\$ 23,283.01	\$ (3,123.08)	-11.83%
	Other Charges (kW)	6,000	0.0474	\$ 284.21	Other Charges (kWh)	6,000.00	0.0474	\$ 284.21		
	Other Charges (kWh)	2,800,000	0.0132	\$ 36,960.00	Other Charges (kWh)	2,800,000	0.0132	\$ 36,960.00		
	Cost of Power (kWh)	2,800,000	0.0550	\$ 154,000.00	Cost of Power (kWh)	2,800,000	0.0550	\$ 154,000.00		
	Current 2004 Bill			\$ 217,650.30	Adjusted 2005 Bill			\$ 214,527.22	\$ (3,123.08)	-1.43%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kW										
15,000	Monthly Service Charge	N/A	N/A	\$ 12,978.09	Monthly Service Charge	N/A	N/A	\$ 11,217.10		
kWh	Distribution (kW)	15,000	\$2.2380	\$ 33,570.00	Distribution (kW)	15000	\$2.01	\$ 30,164.76		
10,000,000			Sub-Total	\$ 46,548.09			Sub Total	\$ 41,381.86	\$ (5,166.23)	-11.10%
	Other Charges (kW)	15,000	0.0474	\$ 710.54	Other Charges (kWh)	15,000.00	0.0474	\$ 710.54		
	Other Charges (kWh)	10,000,000	0.0132	\$ 132,000.00	Other Charges (kWh)	10,000,000	0.0132	\$ 132,000.00		
	Cost of Power (kWh)	10,000,000	0.0550	\$ 550,000.00	Cost of Power (kWh)	10,000,000	0.0550	\$ 550,000.00		
	Current 2004 Bill			\$ 729,258.63	Adjusted 2005 Bill			\$ 724,092.40	\$ (5,166.23)	-0.71%

	A	B	C	D
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"			
2	REGULATORY INFORMATION (REGINFO)			
3				
4	Utility Name Erie Thames Power Corporation			Amount
5	Reporting period March 1st, 2002			
6				
7	BACKGROUND			
8	Has the utility reviewed section 149(1) ITA to			
9	confirm that it is not subject to regular corporate			
10	tax (and therefore subject to PILs)?		Y/N	Y
11				
12	Was the utility recently acquired by Hydro One			
13	and now subject to s.89 & 90 PILs?		Y/N	N
14				
15	Accounting Year End		Date	Dec. 31st
16				
17	MARR NO TAX CALCULATIONS			
18	SHEET #7 FINAL RUD MODEL DATA			
19	(FROM 1999 FINANCIAL STATEMENTS)			
20	USE BOARD-APPROVED AMOUNTS			
21				
22	Rate base (wires-only)			16,104,265
23				
24	Common Equity Ratio (CER)			50.00%
25				
26	1-CER			50.00%
27				
28	Target Return On Equity			9.88%
29				
30	Debt rate			7.25%
31				
32	Market Adjusted Revenue Requirement			1,379,330
33				
34	1999 return from RUD Sheet #7			525,094
35				
36	Total Incremental revenue			854,236
37	Input Board-approved dollar amounts phased-in (generally prorated			
38	on the effective date of the inclusion of MARR in rates)			
39	Amount allowed in 2001, Year 1			320,257
40	Amount allowed in 2002, Year 2			266,990
41	Amount allowed in 2003, Year 3			266,990
42				
43	Equity			8,052,133
44				
45	Return at target ROE			795,551
46				
47	Debt			8,052,133
48				
49	Deemed interest amount in EBIT			583,780
50				
51	Phase-in of interest - Year 1			357,781
52	$((D34+D39)/D32)*D49$			
53	Phase-in of interest - Year 2			470,780
54	$((D34+D39+D40)/D32)*D49$			
55	Phase-in of interest - Year 3 (D49)			583,780
56				

	A	B	C	D	E	F	G	H	I	J	K	L
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	Initial	Source	Deferral	Deferral	Deferral	Source	M of F	M of F	M of F	Source
2	DEFERRAL/VARIANCE ACCOUNTS		Estimate		Account	Account	Account		Filing	Filing	Filing	
3	TAX CALCULATIONS (TAXCALC)			Foot-	Variance	Variance	Allowance	Foot-	Variance	Variance		Foot-
4	("Wires-only" business - see Tab TAXREC)			note	G-C	Explanation		note	K-G	Explanation	(June)	note
5			\$	#	\$		\$	#	\$		\$	#
6												
7	Utility Name: Erie Thames Powerlines										Column	
8	Reporting period: January 1, 2002 - December 31, 2002										Brought	
9											Forward	
10											From	
11											TAXREC	
12	I) CORPORATE INCOME TAXES											
13												
14	ACCOUNTING INCOME											
15	Regulatory Net Income	1	1,112,341	1A	-1,112,341			1B	0		0	1C
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	Additions: To Accounting Income											
20	Depreciation & Amortization	2	866,731	2A	-866,731			2B	0		0	2C
21	Federal Large Corporation Tax	3		3A	0			3B	0		0	3C
22	Employee Benefit Plans - Accrued, Not Paid	4		4A	0			4B	0		0	4C
23	Change in Tax Reserves	5		5A	0			5B	0		0	5C
24	Regulatory Adjustments (transitional costs)	6	83,642	6A	-83,642			6B	0		0	6C
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Item #1	7		7A	0			7B	0		0	7C
27	"Material" Item #2	7		7A	0			7B	0		0	7C
28	Other Additions (not "Material")	7		7A	0			7B	0		0	7C
29	Deductions: From Accounting Income											
30	Capital Cost Allowance	8	-585,215	8A	585,215			8B	0		0	8C
31	Employee Benefit Plans - Paid Amounts	9		9A	0			9B	0		0	9C
32	Items Capitalized for Regulatory Purposes	10		10A	0			10B	0		0	10C
33	Regulatory Adjustments	11		11A	0			11B	0		0	11C
34	Interest Expense Deemed/ Incurred	12	-470,780	12A	470,780			12B	0		0	12C
35	Other Deductions (See Tab entitled "TAXREC")											
36	"Material" Item #1	13		13A	0			13B	0		0	13C
37	"Material" Item #2	13		13A	0			13B	0		0	13C
38	Other Deductions (not "Material")	13		13A	0			13B	0		0	13C
39												
40	REGULATORY TAXABLE INCOME		1,006,719		-1,006,719		0		0		0	
41	(sum of above)											
42												
43	CORPORATE INCOME TAX RATE											
44	Deemed %	14	38.6200%	14A	0.0000%		38.6200%	14B	0.0000%		38.6200%	14C
45												
46	REGULATORY INCOME TAX											
47	Taxable Income x Rate		388,795		-388,795		0		0		0	
48												
49	Miscellaneous Tax Credits	15		15A	0			15B	0			15C
50												
51	Total Regulatory Income Tax		388,795		-388,795		0		0		0	
52												
53												
54												

[illegible]

[illegible]

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
7	Utility Name: Erie Thames Powerlines Corporation					
8	Reporting period: October 1, 2001 - December 31, 2001					
9						
10	Note: Carry forward Wires-only Data to Tab "TAXCALC"					
11	Column K					
12	I) CORPORATE INCOME TAXES					
13	(Input unconsolidated financial statement data					
14	submitted with tax returns as applicable)					
15	Revenue	1			0	
16	Other Income	2			0	
17	Expenses					
18	Administration	3			0	
19	Distribution	4			0	
20	Operations and Maintenance	5			0	
21	Depreciation and Amortization	6			0	
22	Municipal Property Taxes	7			0	
23	Ontario Capital Tax	8			0	
24	Federal LCT	9			0	
25						
26	Net Income Before Interest & Income Taxes EBIT	10	0	0	0	1C
27						
28	BOOK TO TAX ADDITIONS:					
29	Depreciation & Amortization		0	0	0	2C
30	Federal Large Corporation Tax		0	0	0	3C
31	Employee benefit plans-accrued, not paid				0	4C
32	Change in tax reserves				0	5C
33	Regulatory adjustments				0	6C
34	Other additions "Material" Item #1				0	7C
35	Other additions "Material" Item #2				0	7C
36			0	0	0	
37	<i>Other Additions:</i> (From T2 S1)					
38	Recapture of CCA				0	7C
39	Non-deductible expenses:				0	7C
40	Club dues and fees				0	7C
41	Meals and entertainment				0	7C
42	Automobile				0	7C
43	Life insurance premiums				0	7C
44	Company pension plans				0	7C
45	Advertising				0	7C
46	Interest and penalties on taxes				0	7C
47	Legal and accounting fees				0	7C
48	Debt issue expenses				0	7C
49	Capital items expensed				0	7C
50	All crown charges, royalties, rentals				0	7C
51	Deemed dividend income				0	7C
52	Deemed interest on loans to non-residents				0	7C
53	Deemed interest received				0	7C
54	Development expenses claimed				0	7C
55	Dividend stop-loss adjustments				0	7C
56	Dividends credited to investment account				0	7C
57	Investment tax credit				0	7C
58	Financing fees deducted in books				0	7C
59	Foreign accrual property income				0	7C
60	Foreign affiliate property income				0	7C
61						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
62	Federal reassessment amounts				0	7C
63	Gain on settlement of debt				0	7C
64	Interest paid on income debentures				0	7C
65	Gain on sale of eligible capital property				0	7C
66	Loss on disposal of assets				0	7C
67	Reserves from financial statements- end of year				0	7C
68	Holdbacks				0	7C
69	Taxable capital gains				0	7C
70	Political donations- book				0	7C
71	Charitable donations- book				0	7C
72	Capitalized interest				0	7C
73	Deferred and prepaid- beginning of year				0	7C
74	Tax reserves deducted in prior year				0	7C
75	Loss from joint ventures				0	7C
76	Loss from subsidiaries				0	7C
77	Limited partnership losses				0	7C
78	Sales tax assessments				0	7C
79	Share issue expenses				0	7C
80	Write-down of capital property				0	7C
81					0	
82	<i>Other Additions:</i>				0	7C
83					0	
84	<i>Total Other Additions</i>		0	0	0	7C
85						
86	<i>Total Additions</i>		0	0	0	
87						
88	BOOK TO TAX DEDUCTIONS:					
89	Capital cost allowance				0	8C
90	Employee benefit plans-paid amounts				0	9C
91	Items capitalized for regulatory purposes				0	10C
92	Regulatory adjustments				0	11C
93	Interest expense incurred				0	12C
94	Other deductions "Material" Item #1				0	13C
95	Other deductions "Material" Item #2				0	13C
96			0	0	0	
97	<i>Other deductions: (From T2 S1)</i>					
98	Grossed up Part VI.1 tax (preferred shares)				0	13C
99	Amortization of eligible capital expenditures				0	13C
100	Amortization of debt and equity issue cost				0	13C
101	Loss carryback to prior period				0	13C
102	Contributions to deferred income plans				0	13C
103	Contributions to pension plans				0	13C
104	Income from subsidiaries				0	13C
105	Income from joint ventures				0	13C
106	Gain on disposal of assets				0	13C
107	Terminal loss				0	13C
108	Cumulative eligible capital deduction				0	13C
109	Allowable business investment loss				0	13C
110	Holdbacks				0	13C
111	Deferred and prepaids- end of year				0	13C
112	Tax reserves claimed in current year				0	13C
113	Reserves from F/S- beginning of year				0	13C
114	Patronage dividends				0	13C
115	Accrued dividends- current year				0	13C
116	Bad debts				0	13C

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
117						
118						
119	Exempt income under section 81				0	13C
120	Contributions to environmental trust				0	13C
121	Other income from financial statements				0	13C
122	Charitable donations - tax basis				0	13C
123	Gifts to Canada or a province				0	13C
124	Cultural gifts				0	13C
125	Ecological gifts				0	13C
126	Taxable dividends s. 112, 113 or ss. 138(6)				0	13C
127	Non-capital losses-preceding years				0	13C
128	Net-capital losses- preceding years				0	13C
129	Limited partnership losses- preceding years				0	13C
130	<i>Other deductions:</i>				0	13C
131					0	
132					0	
133	<i>Total Other Deductions</i>		0	0	0	13C
134						
135	<i>Total Deductions</i>		0	0	0	
136						
137						
138	TAXABLE INCOME		0	0	0	
139						
140						
141						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
142						
143						
144	ONTARIO CAPITAL TAX					
145						
146	PAID-UP CAPITAL					
147						
148	Paid-up capital stock				0	
149	Retained earnings (if deficit, deduct)				0	
150	Capital and other surplus excluding				0	
151	appraisal surplus				0	
152	Loans and advances				0	
153	Bank loans				0	
154	Bankers acceptances				0	
155	Bonds and debentures payable				0	
156	Mortgages payable				0	
157	Lien notes payable				0	
158	Deferred credits				0	
159	Contingent, investment, inventory and				0	
160	similar reserves				0	
161	Other reserves not allowed as deductions				0	
162	Share of partnership(s), joint venture(s)				0	
163	paid-up capital				0	
164	Sub-total		0	0	0	
165	Subtract:					
166	Amounts deducted for income tax				0	
167	purposes in excess of amounts booked				0	
168	Deductible R&D expenditures and ONTTI				0	
169	costs deferred for income tax				0	
170					0	
171	Total (Net) Paid-up Capital		0	0	0	
172						
173	ELIGIBLE INVESTMENTS					
174						
175	Bonds, lien notes, interest coupons				0	
176	Mortgages due from other corporations				0	
177	Shares in other corporations				0	
178	Loans and advances to unrelated corporations				0	
179	Eligible loans and advances to related				0	
180	corporations				0	
181	Share of partnership(s) or joint venture(s)				0	
182	eligible investments				0	
183						
184	Total Eligible Investments		0	0	0	
185						
186						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
187						
188	TOTAL ASSETS					
189						
190	Total assets per balance sheet				0	
191	Mortgages or other liabilities deducted from				0	
192	assets				0	
193	Share of partnership(s)/ joint venture(s) total				0	
194	assets				0	
195	Subtract: Investment in partnership(s)/joint				0	
196	venture(s)				0	
197						
198	Total assets as adjusted		0	0	0	
199						
200	Add: (if deducted from assets)					
201	Contingent, investment, inventory and				0	
202	similar reserves				0	
203	Other reserves not allowed as deductions				0	
204	Subtract:				0	
205	Amounts deducted for income tax				0	
206	purposes in excess of amounts booked				0	
207	Deductible R&D expenditures and ONTTI				0	
208	costs deferred for income tax				0	
209	Subtract: Appraisal surplus if booked				0	
210	Add or subtract: Other adjustments		1	1	2	
211						
212	Total Assets		1	1	2	
213						
214	Investment Allowance					
215						
216	(Total Eligible Investments / Total Assets) x					
217	Net paid-up capital		0	0	0	
218						
219	Taxable Capital					
220						
221	Net paid-up capital		0	0	0	
222	Subtract: Investment Allowance		0	0	0	
223					0	
224	Taxable Capital		0	0	0	
225						
226	Capital Tax Calculation					
227						
228	Taxable capital		0	0	0	16C
229						
230	Deduction from taxable capital up to \$5,000,000				0	17C
231						
232	Net Taxable Capital		0	0	0	
233						
234	Rate 0.3%		0.3000%	0.3000%	0.3000%	18C
235						
236	Days in taxation year		365	365	365	
237	Divide days by 365		1.0000	1.0000	1.0000	
238						
239	Ontario Capital Tax		0	0	0	
240						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
241						
242						
243	LARGE CORPORATION TAX					
244						
245	CAPITAL					
246						
247	ADD:					
248	Reserves that have not been deducted in				0	
249	computing income for the year under Part I				0	
250	Capital stock				0	
251	Retained earnings				0	
252	Contributed surplus				0	
253	Any other surpluses				0	
254	Deferred unrealized foreign exchange gains				0	
255	All loans and advances to the corporation				0	
256	All indebtedness- bonds, debentures, notes,				0	
257	mortgages, bankers acceptances, or similar				0	
258	obligations				0	
259	Any dividends declared but not paid				0	
260	All other indebtedness outstanding for more				0	
261	than 365 days				0	
262						
263	Subtotal		0	0	0	
264						
265	DEDUCT:					
266	Deferred tax debit balance				0	
267	Any deficit deducted in computing				0	
268	shareholders' equity				0	
269	Any patronage dividends 135(1) deducted in				0	
270	computing income under Part I included in				0	
271	amounts above				0	
272	Deferred unrealized foreign exchange losses				0	
273						
274	Subtotal		0	0	0	
275						
276	Capital for the year		0	0	0	
277						
278	INVESTMENT ALLOWANCE					
279						
280	Shares in another corporation				0	
281	Loan or advance to another corporation				0	
282	Bond, debenture, note, mortgage, or				0	
283	similar obligation of another corporation				0	
284	Long term debt of financial institution				0	
285	Dividend receivable from another corporation				0	
286	Debts of corporate partnerships that were not				0	
287	exempt from tax under Part I.3				0	
288	Interest in a partnership				0	
289						
290	Investment Allowance		0	0	0	
291						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
292						
293	TAXABLE CAPITAL					
294						
295	Capital for the year		0	0	0	
296						
297	Deduct: Investment allowance		0	0	0	
298						
299	Taxable Capital for taxation year		0	0	0	19C
300						
301	Deduct: Capital Deduction \$10,000,000				0	20C
302						
303	Taxable Capital		0	0	0	
304						
305	Rate .225%		0.22500%	0.22500%	0.22500%	21C
306						
307	Days in year		365	365	365	
308	Divide days by 365		1.0000	1.0000	1.0000	
309						
310	Gross Part I.3 Tax LCT		0	0	0	
311						
312	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
313						
314	Federal Surtax = Taxable Income x Surtax Rate		0	0	0	
315						
316	Net Part I.3 Tax LCT Payable		0	0	0	
317	(If surtax is greater than Gross LCT, then zero)					
318						
319						
320						

	A	B	C	D
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"			
2	REGULATORY INFORMATION (REGINFO)			
3				
4	Utility Name Erie Thames Power Corporation			Amount
5	Reporting period March 1st, 2002			
6				
7	BACKGROUND			
8	Has the utility reviewed section 149(1) ITA to			
9	confirm that it is not subject to regular corporate			
10	tax (and therefore subject to PILs)?		Y/N	Y
11				
12	Was the utility recently acquired by Hydro One			
13	and now subject to s.89 & 90 PILs?		Y/N	N
14				
15	Accounting Year End		Date	Dec. 31st
16				
17	MARR NO TAX CALCULATIONS			
18	SHEET #7 FINAL RUD MODEL DATA			
19	(FROM 1999 FINANCIAL STATEMENTS)			
20	USE BOARD-APPROVED AMOUNTS			
21				
22	Rate base (wires-only)			16,104,265
23				
24	Common Equity Ratio (CER)			50.00%
25				
26	1-CER			50.00%
27				
28	Target Return On Equity			9.88%
29				
30	Debt rate			7.25%
31				
32	Market Adjusted Revenue Requirement			1,379,330
33				
34	1999 return from RUD Sheet #7			525,094
35				
36	Total Incremental revenue			854,236
37	Input Board-approved dollar amounts phased-in (generally prorated			
38	on the effective date of the inclusion of MARR in rates)			
39	Amount allowed in 2001, Year 1			320,257
40	Amount allowed in 2002, Year 2			266,990
41	Amount allowed in 2003, Year 3			266,990
42				
43	Equity			8,052,133
44				
45	Return at target ROE			795,551
46				
47	Debt			8,052,133
48				
49	Deemed interest amount in EBIT			583,780
50				
51	Phase-in of interest - Year 1			357,781
52	$((D34+D39)/D32)*D49$			
53	Phase-in of interest - Year 2			470,780
54	$((D34+D39+D40)/D32)*D49$			
55	Phase-in of interest - Year 3 (D49)			583,780
56				

[illegible]

[illegible]

[illegible]

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
7	Utility Name:Erie Thames Powerlines Corporation					
8	Reporting period:					
9						
10	Note: Carry forward Wires-only Data to Tab "TAXCALC"					
11	Column K					
12	I) CORPORATE INCOME TAXES					
13	(Input unconsolidated financial statement data					
14	submitted with tax returns as applicable)					
15	Revenue	1			0	
16	Other Income	2			0	
17	Expenses					
18	Administration	3			0	
19	Distribution	4			0	
20	Operations and Maintenance	5			0	
21	Depreciation and Amortization	6			0	
22	Municipal Property Taxes	7			0	
23	Ontario Capital Tax	8			0	
24	Federal LCT	9			0	
25						
26	Net Income Before Interest & Income Taxes EBIT	10	0	0	0	1C
27						
28	BOOK TO TAX ADDITIONS:					
29	Depreciation & Amortization		0	0	0	2C
30	Federal Large Corporation Tax		0	0	0	3C
31	Employee benefit plans-accrued, not paid				0	4C
32	Change in tax reserves				0	5C
33	Regulatory adjustments				0	6C
34	Other additions "Material" Item #1				0	7C
35	Other additions "Material" Item #2				0	7C
36			0	0	0	
37	<i>Other Additions:</i> (From T2 S1)					
38	Recapture of CCA				0	7C
39	Non-deductible expenses:				0	7C
40	Club dues and fees				0	7C
41	Meals and entertainment				0	7C
42	Automobile				0	7C
43	Life insurance premiums				0	7C
44	Company pension plans				0	7C
45	Advertising				0	7C
46	Interest and penalties on taxes				0	7C
47	Legal and accounting fees				0	7C
48	Debt issue expenses				0	7C
49	Capital items expensed				0	7C
50	All crown charges, royalties, rentals				0	7C
51	Deemed dividend income				0	7C
52	Deemed interest on loans to non-residents				0	7C
53	Deemed interest received				0	7C
54	Development expenses claimed				0	7C
55	Dividend stop-loss adjustments				0	7C
56	Dividends credited to investment account				0	7C
57	Investment tax credit				0	7C
58	Financing fees deducted in books				0	7C
59	Foreign accrual property income				0	7C
60	Foreign affiliate property income				0	7C
61						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
62	Federal reassessment amounts				0	7C
63	Gain on settlement of debt				0	7C
64	Interest paid on income debentures				0	7C
65	Gain on sale of eligible capital property				0	7C
66	Loss on disposal of assets				0	7C
67	Reserves from financial statements- end of year				0	7C
68	Holdbacks				0	7C
69	Taxable capital gains				0	7C
70	Political donations- book				0	7C
71	Charitable donations- book				0	7C
72	Capitalized interest				0	7C
73	Deferred and prepaid- beginning of year				0	7C
74	Tax reserves deducted in prior year				0	7C
75	Loss from joint ventures				0	7C
76	Loss from subsidiaries				0	7C
77	Limited partnership losses				0	7C
78	Sales tax assessments				0	7C
79	Share issue expenses				0	7C
80	Write-down of capital property				0	7C
81					0	
82	<i>Other Additions:</i>				0	7C
83					0	
84	<i>Total Other Additions</i>		0	0	0	7C
85						
86	<i>Total Additions</i>		0	0	0	
87						
88	BOOK TO TAX DEDUCTIONS:					
89	Capital cost allowance				0	8C
90	Employee benefit plans-paid amounts				0	9C
91	Items capitalized for regulatory purposes				0	10C
92	Regulatory adjustments				0	11C
93	Interest expense incurred				0	12C
94	Other deductions "Material" Item #1				0	13C
95	Other deductions "Material" Item #2				0	13C
96			0	0	0	
97	<i>Other deductions: (From T2 S1)</i>					
98	Grossed up Part VI.1 tax (preferred shares)				0	13C
99	Amortization of eligible capital expenditures				0	13C
100	Amortization of debt and equity issue cost				0	13C
101	Loss carryback to prior period				0	13C
102	Contributions to deferred income plans				0	13C
103	Contributions to pension plans				0	13C
104	Income from subsidiaries				0	13C
105	Income from joint ventures				0	13C
106	Gain on disposal of assets				0	13C
107	Terminal loss				0	13C
108	Cumulative eligible capital deduction				0	13C
109	Allowable business investment loss				0	13C
110	Holdbacks				0	13C
111	Deferred and prepaids- end of year				0	13C
112	Tax reserves claimed in current year				0	13C
113	Reserves from F/S- beginning of year				0	13C
114	Patronage dividends				0	13C
115	Accrued dividends- current year				0	13C
116	Bad debts				0	13C

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
117						
118						
119	Exempt income under section 81				0	13C
120	Contributions to environmental trust				0	13C
121	Other income from financial statements				0	13C
122	Charitable donations - tax basis				0	13C
123	Gifts to Canada or a province				0	13C
124	Cultural gifts				0	13C
125	Ecological gifts				0	13C
126	Taxable dividends s. 112, 113 or ss. 138(6)				0	13C
127	Non-capital losses-preceding years				0	13C
128	Net-capital losses- preceding years				0	13C
129	Limited partnership losses- preceding years				0	13C
130	<i>Other deductions:</i>				0	13C
131					0	
132					0	
133	<i>Total Other Deductions</i>		0	0	0	13C
134						
135	<i>Total Deductions</i>		0	0	0	
136						
137						
138	TAXABLE INCOME		0	0	0	
139						
140						
141						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
142						
143						
144	ONTARIO CAPITAL TAX					
145						
146	PAID-UP CAPITAL					
147						
148	Paid-up capital stock				0	
149	Retained earnings (if deficit, deduct)				0	
150	Capital and other surplus excluding				0	
151	appraisal surplus				0	
152	Loans and advances				0	
153	Bank loans				0	
154	Bankers acceptances				0	
155	Bonds and debentures payable				0	
156	Mortgages payable				0	
157	Lien notes payable				0	
158	Deferred credits				0	
159	Contingent, investment, inventory and				0	
160	similar reserves				0	
161	Other reserves not allowed as deductions				0	
162	Share of partnership(s), joint venture(s)				0	
163	paid-up capital				0	
164	Sub-total		0	0	0	
165	Subtract:					
166	Amounts deducted for income tax				0	
167	purposes in excess of amounts booked				0	
168	Deductible R&D expenditures and ONTTI				0	
169	costs deferred for income tax				0	
170					0	
171	Total (Net) Paid-up Capital		0	0	0	
172						
173	ELIGIBLE INVESTMENTS					
174						
175	Bonds, lien notes, interest coupons				0	
176	Mortgages due from other corporations				0	
177	Shares in other corporations				0	
178	Loans and advances to unrelated corporations				0	
179	Eligible loans and advances to related				0	
180	corporations				0	
181	Share of partnership(s) or joint venture(s)				0	
182	eligible investments				0	
183						
184	Total Eligible Investments		0	0	0	
185						
186						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
187						
188	TOTAL ASSETS					
189						
190	Total assets per balance sheet				0	
191	Mortgages or other liabilities deducted from				0	
192	assets				0	
193	Share of partnership(s)/ joint venture(s) total				0	
194	assets				0	
195	Subtract: Investment in partnership(s)/joint				0	
196	venture(s)				0	
197						
198	Total assets as adjusted		0	0	0	
199						
200	Add: (if deducted from assets)					
201	Contingent, investment, inventory and				0	
202	similar reserves				0	
203	Other reserves not allowed as deductions				0	
204	Subtract:				0	
205	Amounts deducted for income tax				0	
206	purposes in excess of amounts booked				0	
207	Deductible R&D expenditures and ONTTI				0	
208	costs deferred for income tax				0	
209	Subtract: Appraisal surplus if booked				0	
210	Add or subtract: Other adjustments		1	1	2	
211						
212	Total Assets		1	1	2	
213						
214	Investment Allowance					
215						
216	(Total Eligible Investments / Total Assets) x					
217	Net paid-up capital		0	0	0	
218						
219	Taxable Capital					
220						
221	Net paid-up capital		0	0	0	
222	Subtract: Investment Allowance		0	0	0	
223					0	
224	Taxable Capital		0	0	0	
225						
226	Capital Tax Calculation					
227						
228	Taxable capital		0	0	0	16C
229						
230	Deduction from taxable capital up to \$5,000,000				0	17C
231						
232	Net Taxable Capital		0	0	0	
233						
234	Rate 0.3%		0.3000%	0.3000%	0.3000%	18C
235						
236	Days in taxation year		365	365	365	
237	Divide days by 365		1.0000	1.0000	1.0000	
238						
239	Ontario Capital Tax		0	0	0	
240						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
241						
242						
243	LARGE CORPORATION TAX					
244						
245	CAPITAL					
246						
247	ADD:					
248	Reserves that have not been deducted in				0	
249	computing income for the year under Part I				0	
250	Capital stock				0	
251	Retained earnings				0	
252	Contributed surplus				0	
253	Any other surpluses				0	
254	Deferred unrealized foreign exchange gains				0	
255	All loans and advances to the corporation				0	
256	All indebtedness- bonds, debentures, notes,				0	
257	mortgages, bankers acceptances, or similar				0	
258	obligations				0	
259	Any dividends declared but not paid				0	
260	All other indebtedness outstanding for more				0	
261	than 365 days				0	
262						
263	Subtotal		0	0	0	
264						
265	DEDUCT:					
266	Deferred tax debit balance				0	
267	Any deficit deducted in computing				0	
268	shareholders' equity				0	
269	Any patronage dividends 135(1) deducted in				0	
270	computing income under Part I included in				0	
271	amounts above				0	
272	Deferred unrealized foreign exchange losses				0	
273						
274	Subtotal		0	0	0	
275						
276	Capital for the year		0	0	0	
277						
278	INVESTMENT ALLOWANCE					
279						
280	Shares in another corporation				0	
281	Loan or advance to another corporation				0	
282	Bond, debenture, note, mortgage, or				0	
283	similar obligation of another corporation				0	
284	Long term debt of financial institution				0	
285	Dividend receivable from another corporation				0	
286	Debts of corporate partnerships that were not				0	
287	exempt from tax under Part I.3				0	
288	Interest in a partnership				0	
289						
290	Investment Allowance		0	0	0	
291						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
292						
293	TAXABLE CAPITAL					
294						
295	Capital for the year		0	0	0	
296						
297	Deduct: Investment allowance		0	0	0	
298						
299	Taxable Capital for taxation year		0	0	0	19C
300						
301	Deduct: Capital Deduction \$10,000,000				0	20C
302						
303	Taxable Capital		0	0	0	
304						
305	Rate .225%		0.22500%	0.22500%	0.22500%	21C
306						
307	Days in year		365	365	365	
308	Divide days by 365		1.0000	1.0000	1.0000	
309						
310	Gross Part I.3 Tax LCT		0	0	0	
311						
312	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
313						
314	Federal Surtax = Taxable Income x Surtax Rate		0	0	0	
315						
316	Net Part I.3 Tax LCT Payable		0	0	0	
317	(If surtax is greater than Gross LCT, then zero)					
318						
319						
320						

SHEET 1 - 2001 OEB Approved Rate Schedule**V2**

NAME OF UTILITY Erie Thames Powerlines
NAME OF CONTACT Jeff Pettit
E- Mail Address jeffp@erie-thames power.com
VERSION NUMBER 1
Date 25-Jan-02

LICENCE NUMBER ED-1999-0287
PHONE NUMBER 519-485-1820

Enter the values for your 2001 OEB approved distribution rates in the appropriate areas which are highlighted in yellow.

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.0068
MONTHLY SERVICE CHARGE (Per Customer) \$9.33
COST OF POWER KWH RATE \$0.0774

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE \$0.0000
MONTHLY SERVICE CHARGE (Per Customer) \$0.00
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF- PEAK	SUMMER PEAK	SUMMER OFF- PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.0091
MONTHLY SERVICE CHARGE (Per Customer) \$17.99
COST OF POWER KWH RATE \$0.0752

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE
MONTHLY SERVICE CHARGE (Per Customer)
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF- PEAK	SUMMER PEAK	SUMMER OFF- PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$0.8890
MONTHLY SERVICE CHARGE (Per Customer) \$264.04
COST OF POWER KW RATE \$4.0784
COST OF POWER KWH RATE \$0.0514

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$1.0695					
MONTHLY SERVICE CHARGE (Per Customer)	\$4,159.61					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$9.55	\$7.18	\$0.0703	\$0.0418	\$0.0589	\$0.0309

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	\$0.9335					
MONTHLY SERVICE CHARGE (Per Customer)	\$4,834.82					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$8.71	\$7.99	\$0.0716	\$0.0427	\$0.0604	\$0.0317

LARGE USE

DISTRIBUTION KW RATE	\$0.4348					
MONTHLY SERVICE CHARGE (Per Customer)	\$9,808.55					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$12.4851	\$8.4634	\$0.0689	\$0.0412	\$0.0582	\$0.0306

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.0500
MONTHLY SERVICE CHARGE (Per Connection)	\$1.50
COST OF POWER KW RATE	\$12.7859

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE		
MONTHLY SERVICE CHARGE (Per Connection)		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.8047
MONTHLY SERVICE CHARGE (Per Connection)	\$0.36
COST OF POWER KW RATE	\$24.4502

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE		
MONTHLY SERVICE CHARGE (Per Connection)		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW

MISCELLANEOUS CHARGES

ADD 2001 OEB APPROVED MISCELLANEOUS CHARGES BELOW.

Please enter these charges exactly as they are entered in your current approved rate schedule.

Please add your specific charges as necessary.

New Account Setup	\$	20.00
Change of Occupancy	\$	20.00
Account History		
Administration Fee		
Current Year Data		
Each Additional Year Data		
Arrear's Certificate		
Late Payment		1.50%
Dispute Involvement Charge		
Returned Cheque		\$10.00
Collection of Account Charge		\$10.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours		\$30.00
At Meter - After Hours		\$100.00
Temporary Pole Service	\$	125.00
After Hours High Voltage Station Outage		
Residential Service 2nd Visit to Connect New Service		
Residential Service After Hours Visit to Connect New Service		
Diversity Adjustment Credit (per KW)	Winter	\$1.76
(discontinued at Market Opening)	Summer	\$2.04

SHEET 2 - 2002 Rate Schedule including 2nd Year PBR Adjustment

NAME OF UTILITY
NAME OF CONTACT
E- Mail Address
VERSION NUMBER

Erie Thames Powerlines
Jeff Pettit
jeffp@erie-thames power.com

LICENCE NUMBER ED 1999-0287
PHONE NUMBER 519-485-1820

Date

25-Jan-02

Enter the IPI for 2001 when released by the Board in January.

IPI	PF	Adjustment Factor
0.4%	-1.5%	-1.1%

This schedule includes distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment.

or
98.90%
of current rates.

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.006725
MONTHLY SERVICE CHARGE (Per Customer) \$9.2274
COST OF POWER KWH RATE \$0.0774

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE \$0.000000
MONTHLY SERVICE CHARGE (Per Customer) \$0.0000
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.009000
MONTHLY SERVICE CHARGE (Per Customer) \$17.7921
COST OF POWER KWH RATE \$0.07520

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE \$0.000000
MONTHLY SERVICE CHARGE (Per Customer) \$0.0000
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$0.879221
MONTHLY SERVICE CHARGE (Per Customer) \$261.1356
COST OF POWER KW RATE \$4.0784
COST OF POWER KWH RATE \$0.0514

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$1.057736				
MONTHLY SERVICE CHARGE (Per Customer)	\$4,113.8543				
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH
	\$9.55	\$7.18	\$0.0703	\$0.0418	\$0.0589

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	\$0.923232				
MONTHLY SERVICE CHARGE (Per Customer)	\$4,781.6370				
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH
	\$8.71	\$7.99	\$0.0716	\$0.0427	\$0.0604

LARGE USE

DISTRIBUTION KW RATE	\$0.430017				
MONTHLY SERVICE CHARGE (Per Customer)	\$9,700.66				
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH
	\$12.49	\$8.46	\$0.0689	\$0.0412	\$0.0582

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$5.983450
MONTHLY SERVICE CHARGE (Per Connection)	\$1.4817
COST OF POWER KW RATE	\$12.7859

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.7958
MONTHLY SERVICE CHARGE (Per Connection)	\$0.3560
COST OF POWER KW RATE	\$24.4502

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000
----------------------	----------

MONTHLY SERVICE CHARGE (Per Connection)	\$0.00	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SUMMER OFF-
PEAK
\$/KWH
\$0.0309

SUMMER OFF-
PEAK
\$/KWH
\$0.0317

SUMMER OFF-
PEAK
\$/KWH
\$0.0306

SHEET 3 - Calculating Rate Increases using 1999 LDC Data and adding 2002 Incremental MARR

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED 1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule requires LDCs to input the 1999 statistics (identical to those in your approved RUD Model) which will be used to allocate distribution revenue to rate classes and also used to determine 2002 rate additions to recover the additional 1/3 of incremental MARR.

If your LDC has other issues that will have a permanent impact on MARR (change in late payment policy or other revenue adjustments) you must justify them and provide evidence in your manager's summary.

Enter the permanent revenue adjustment amount here: \$ 11,800.00 Cell G36 will be adjusted by this amount.

Retirement Benefit Adder See Ta

Enter the 1/3 of incremental MARR used in the RUD Model that your LDC used for approved 2001 rates.

\$319,202.00

Enter the 1/3 of incremental MARR you seek to recover in 2002 (should be same as previous entry)

\$266,110.90

Enter the 1/3 of incremental MARR you will seek to recover in 2003 (should be same as first 1/3 increment)

\$266,110.90

Use the Table below to enter the 1999 statistics for your LDC. These should be the same as reported to the OEB in your approved RUD Model used to set current rates. The share of class distribution revenue in 1999 is used to allocate the additional 1/3 incremental MARR to the classes for 2002 rates.

1999 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	1999 Revenue Shares	2002 1/3 MARR Allocations
RESIDENTIAL CLASS	-	106,336,959	11,308	\$1,815,301.11	55.12%	\$ 153,197.92
GENERAL SERVICE <50 KW CLASS	-	18,425,012	1,359	\$420,728.80	12.78%	\$ 35,506.38
GENERAL SERVICE >50 KW NON TIME OF USE	288,632		142	\$645,215.23	19.59%	\$ 54,451.37
GENERAL SERVICE >50 KW TIME OF USE	53,234		2	\$143,163.31	4.35%	\$ 12,081.92
INTERMEDIATE USE	35,445		1	\$83,201.17	2.53%	\$ 7,021.56
LARGE USER CLASS	154,384		1	\$168,793.00	5.13%	\$ 14,244.87
SENTINEL LIGHTS	22		66	\$65.00	0.00%	\$ 5.49
STREET LIGHTING CLASS	8,207		2,660	\$16,605.61	0.50%	\$ 1,401.39
TOTALS				\$3,293,073.23	1.00	\$ 277,910.90
Allocated Total for 2002 including adjustments at Cell B13 ==>						\$ 277,910.90

Residential Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G26 above)	\$ 55,610.84	\$ 97,587.07	\$ 153,197.92
(B) RETAIL KWH	106,336,959		
(C) NUMBER OF CUSTOMERS		11,308	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.000523		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$0.7192	

General Service <50kW Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G27 above)	\$ 12,888.82	\$ 22,617.57	\$ 35,506.38
(B) RETAIL KWH	18,425,012		
(C) NUMBER OF CUSTOMERS		1,359	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.000700		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$1.3869	

General Service >50kW Class Non TOU

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G28 above)	\$ 19,765.85	\$ 34,685.52	\$ 54,451.37
(B) RETAIL KW	288,632		
(C) NUMBER OF CUSTOMERS		142	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.068481		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$20.3554	

General Service >50kW ClassTOU

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G29 above)	\$ 4,385.74	\$ 7,696.18	\$ 12,081.92
(B) RETAIL KW	53,234		
(C) NUMBER OF CUSTOMERS		2	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.082386		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$320.6743	

Intermediate Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G30 above)	\$ 2,548.83	\$ 4,472.73	\$ 7,021.56
(B) RETAIL KW	35,445		
(C) NUMBER OF CUSTOMERS		1	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.071909		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$372.7278	

Large User Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G31 above)	\$ 5,170.89	\$ 9,073.98	\$ 14,244.87
(B) RETAIL KW	154,384		
(C) NUMBER OF CUSTOMERS		1	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.033494		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$756.1654	

Sentinel Lighting Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G32 above)	\$ 1.99	\$ 3.49	\$ 5.49
(B) RETAIL KW	22		
(C) NUMBER OF CUSTOMERS (Connections)		66	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and	\$0.090511		

the total new rate appears on the Rate Schedule on Sheet 4)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12
(this amount is added to the Service Charge shown on Sheet 2 and
the total new Service Charge appears on the Rate Schedule on Sheet 4)

\$0.0044

Streetlighting Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE		SERVICE CHARGE REVENUE		TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	Percentage		Percentage		
	0.363		0.637		100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G33 above)	\$	508.70	\$	892.69	\$ 1,401.39
(B) RETAIL KW		8,207			
(C) NUMBER OF CUSTOMERS				2,660	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)		\$0.061984			
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)				\$0.0280	

SHEET 4 - 2002 Base Rate Schedule including 2002 1/3 Incremental MARR Adjustment

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED-1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment and the addition of the 2nd Installment of 1/3 Incremental MARR.

This is the **Base Rate Schedule** which will be used as the base for the March 1, 2003 PBR Rate Adjustment.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0072
MONTHLY SERVICE CHARGE (Per Customer)	\$9.95
COST OF POWER KWH RATE	\$0.0774

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0005			
MONTHLY SERVICE CHARGE (Per Customer)	\$0.72			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0097
MONTHLY SERVICE CHARGE (Per Customer)	\$19.18
COST OF POWER KWH RATE	\$0.0752

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0007			
MONTHLY SERVICE CHARGE (Per Customer)	\$1.39			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.9477
MONTHLY SERVICE CHARGE (Per Customer)	\$281.49
COST OF POWER KW RATE	\$4.0784
COST OF POWER KWH RATE	\$0.0514

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$1.140122					
MONTHLY SERVICE CHARGE (Per Customer)	\$4,434.53					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$9.5524	\$7.1786	\$0.0703	\$0.0418	\$0.0589	\$0.0309

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	\$0.995141					
MONTHLY SERVICE CHARGE (Per Customer)	\$5,154.3648					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$8.7146	\$7.9881	\$0.0716	\$0.0427	\$0.0604	\$0.0317

LARGE USE

DISTRIBUTION KW RATE	\$0.463511					
MONTHLY SERVICE CHARGE (Per Customer)	\$10,456.82					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$12.4851	\$8.4634	\$0.0689	\$0.0412	\$0.0582	\$0.0306

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.0740
MONTHLY SERVICE CHARGE (Per Connection)	\$1.49
COST OF POWER KW RATE	\$12.7859

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0905	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.8578
MONTHLY SERVICE CHARGE (Per Connection)	\$0.38
COST OF POWER KW RATE	\$24.4502

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0620	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.03	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 5 - Bill Impact Analysis for 2002 Rate Schedule including IPI-PF & 2002 1/3 Incremental MARR Adjustment

NAME OF UTILITY Erie Thames Powerlines
NAME OF CONTACT Jeff Pettit
E- Mail Address jeffp@erie-thames power.com
VERSION NUMBER 1
Date 25-Jan-02

LICENCE NUMBER ED-1999-0287
PHONE NUMBER 519-485-1820

This schedule shows the bill impacts using the 2002 Base Rate Schedule which includes the IPI - PF 2nd year PBR rate adjustment and the addition of the 2nd Installment of 1/3 Incremental MARR.

BILL IMPACT ANALYSIS: Current Bill vs. 2002 Base Rate Schedule (including IPI-PF & 1/3 Incremental MARR)

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVEL	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
100 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	\$ 9.95		
	100	0.0068	\$ 0.68			100	0.00725	\$ 0.72	
COST OF POWER KWH	100	0.0774	\$ 7.74		COST OF POWER KWH	100	0.0774	\$ 7.74	
CURRENT 2001 BILL			\$ 17.75	Adjusted 2002 BILL			\$ 18.41	\$ 0.66	3.7%

MONTHLY CONSUMPTION OF 250 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	\$ 9.95		
	250	0.0068	\$ 1.70			250	0.00725	\$ 1.81	
COST OF POWER KWH	250	0.0774	\$ 19.35		COST OF POWER KWH	250	0.0774	\$ 19.35	
CURRENT 2001 BILL			\$ 30.38	Adjusted 2002 BILL			\$ 31.11	\$ 0.73	2.4%

MONTHLY CONSUMPTION OF 500 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	\$ 9.95		
	500	0.0068	\$ 3.40			500	0.00725	\$ 3.62	
COST OF POWER KWH	500	0.0774	\$ 38.70		COST OF POWER KWH	500	0.0774	\$ 38.70	
CURRENT 2001 BILL			\$ 51.43	Adjusted 2002 BILL			\$ 52.27	\$ 0.84	1.6%

MONTHLY CONSUMPTION OF 750 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	\$ 9.95		
	750	0.0068	\$ 5.10			750	0.00725	\$ 5.44	
COST OF POWER KWH	750	0.0774	\$ 58.05		COST OF POWER KWH	750	0.0774	\$ 58.05	
CURRENT 2001 BILL			\$ 72.48	Adjusted 2002 BILL			\$ 73.43	\$ 0.95	1.3%

MONTHLY CONSUMPTION OF 1000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	\$ 9.95		
	1000	0.0068	\$ 6.80			1000	0.00725	\$ 7.25	
COST OF POWER KWH	1000	0.0774	\$ 77.40		COST OF POWER KWH	1000	0.0774	\$ 77.40	
CURRENT 2001 BILL			\$ 93.53	Adjusted 2002 BILL			\$ 94.59	\$ 1.06	1.1%

MONTHLY CONSUMPTION OF	KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
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1500 kWh		(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	9.33	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	9.95	
	1500	0.0068	\$	10.20		1500	0.00725	\$	10.87	
COST OF POWER KWH	1500	0.0774	\$	116.10	COST OF POWER KWH	1500	0.0774	\$	116.10	
CURRENT 2001 BILL			\$	135.63	Adjusted 2002 BILL			\$	136.92	\$ 1.29 1.0%

MONTHLY CONSUMPTION OF 2000 kWh		KWH (enter)	RATE \$/KWH	CHARGE \$			KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	9.33	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	9.95		
	2000	0.0068	\$	13.60		2000	0.00725	\$	14.50		
COST OF POWER KWH	2000	0.0774	\$	154.80	COST OF POWER KWH	2000	0.0774	\$	154.80		
CURRENT 2001 BILL			\$	177.73	Adjusted 2002 BILL			\$	179.24	\$ 1.51 0.9%	

GENERAL SERVICE < 50 KW

CURRENT 2001 BILL					2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)						
ENTER DESIRED CONSUMPTION LEVEL											
1000 kWh		KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %	
	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 17.99		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 19.18		
	DISTRIBUTION KWH	1000	0.0091	\$ 9.10		DISTRIBUTION KWH	1000	0.00970	\$ 9.70		
	COST OF POWER KWH	1000	0.0752	\$ 75.20		COST OF POWER KWH	1000	0.0752	\$ 75.20		
CURRENT 2001 BILL				\$ 102.29	Adjusted 2002 BILL				\$ 104.08	\$ 1.79	1.7%

MONTHLY CONSUMPTION 2000 kWh		KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	19.18	
	2000	0.0091	\$	18.20		2000	0.00970	\$	19.40	
COST OF POWER KWH	2000	0.0752	\$	150.40	COST OF POWER KWH	2000	0.0752	\$	150.40	
CURRENT 2001 BILL			\$	186.59	Adjusted 2002 BILL			\$	188.98	\$ 2.39 1.3%

MONTHLY CONSUMPTION 5000 kWh		KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	19.18	
	5000	0.0091	\$	45.50		5000	0.00970	\$	48.50	
COST OF POWER KWH	5000	0.0752	\$	376.00	COST OF POWER KWH	5000	0.0752	\$	376.00	
CURRENT 2001 BILL			\$	439.49	Adjusted 2002 BILL			\$	443.68	\$ 4.19 1.0%

MONTHLY CONSUMPTION 10,000 kWh		KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	19.18	
	10000	0.0091	\$	91.00		10000	0.00970	\$	96.99	
COST OF POWER KWH	10000	0.0752	\$	752.00	COST OF POWER KWH	10000	0.0752	\$	752.00	
CURRENT 2001 BILL			\$	860.99	Adjusted 2002 BILL			\$	868.17	\$ 7.18 0.8%

MONTHLY CONSUMPTION 20,000 kWh		KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	19.18	
	20000	0.0091	\$	182.00		20000	0.00970	\$	193.99	

COST OF POWER					COST OF POWER				
KWH	20000	0.0752	\$	1,504.00	KWH	20000	0.0752	\$	1,504.00
CURRENT 2001 BILL				\$ 1,703.99	Adjusted 2002 BILL				\$ 1,717.17 \$ 13.18 0.8%

GENERAL SERVICE > 50 KW NON TIME OF USE

CURRENT 2001 BILL					2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
ENTER DESIRED CONSUMPTION LEVEL										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 281.49		
KW	0	0.8890	\$ -		KW	0	0.94770	\$ -		
COST OF POWER KW	0	4.0784	\$ -		COST OF POWER KW	0	4.0784	\$ -		
COST OF POWER KWH	0	0.0514	\$ -		COST OF POWER KWH	0	0.0514	\$ -		
CURRENT 2001 BILL			\$ 264.04	Adjusted 2002 BILL			\$ 281.49	\$ 17.45	6.6%	
MONTHLY CONSUMPTION 100kW, 30,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 281.49		
KW	100	0.8890	\$ 88.90		KW	100	0.94770	\$ 94.77		
COST OF POWER KW	100	4.0784	\$ 407.84		COST OF POWER KW	100	4.0784	\$ 407.84		
COST OF POWER KWH	30,000	0.0514	\$ 1,542.00		COST OF POWER KWH	30,000	0.0514	\$ 1,542.00		
CURRENT 2001 BILL			\$ 2,302.78	Adjusted 2002 BILL			\$ 2,326.10	\$ 23.32	1.0%	
MONTHLY CONSUMPTION 100kW, 40,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 281.49		
KW	100	0.8890	\$ 88.90		KW	100	0.94770	\$ 94.77		
COST OF POWER KW	100	4.0784	\$ 407.84		COST OF POWER KW	100	4.0784	\$ 407.84		
COST OF POWER KWH	40,000	0.0514	\$ 2,056.00		COST OF POWER KWH	40,000	0.0514	\$ 2,056.00		
CURRENT 2001 BILL			\$ 2,816.78	Adjusted 2002 BILL			\$ 2,840.10	\$ 23.32	0.8%	
MONTHLY CONSUMPTION 500kW, 100,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 281.49		
KW	500	0.8890	\$ 444.50		KW	500	0.94770	\$ 473.85		
COST OF POWER KW	500	4.0784	\$ 2,039.20		COST OF POWER KW	500	4.0784	\$ 2,039.20		
COST OF POWER KWH	#####	0.0514	\$ 5,140.00		COST OF POWER KWH	100,000	0.0514	\$ 5,140.00		
CURRENT 2001 BILL			\$ 7,887.74	Adjusted 2002 BILL			\$ 7,934.54	\$ 46.80	0.6%	
MONTHLY CONSUMPTION 500kW, 250,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 281.49		
KW	500	0.8890	\$ 444.50		KW	500	0.94770	\$ 473.85		
COST OF POWER KW	500	4.0784	\$ 2,039.20		COST OF POWER KW	500	4.0784	\$ 2,039.20		
COST OF POWER KWH	#####	0.0514	\$ 12,850.00		COST OF POWER KWH	250,000	0.0514	\$ 12,850.00		
CURRENT 2001 BILL			\$ 15,597.74	Adjusted 2002 BILL			\$ 15,644.54	\$ 46.80	0.3%	
MONTHLY CONSUMPTION 1000kW, 400,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 281.49		

DISTRIBUTION KW	1000	0.8890	\$	889.00	DISTRIBUTION KW	1000	0.94770	\$	947.70
COST OF POWER KW	1000	4.0784	\$	4,078.40	COST OF POWER KW	1000	4.0784	\$	4,078.40
COST OF POWER KWH	#####	0.0514	\$	20,560.00	COST OF POWER KWH	400,000	0.0514	\$	20,560.00
CURRENT 2001 BILL				\$ 25,791.44	Adjusted 2002 BILL			\$ 25,867.59	\$ 76.15 0.3%

MONTHLY CONSUMPTION 1000kW, 500,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	264.04	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 281.49	
DISTRIBUTION KW	1000	0.8890	\$	889.00	DISTRIBUTION KW	1000	0.94770	\$ 947.70	
COST OF POWER KW	1000	4.0784	\$	4,078.40	COST OF POWER KW	1000	4.0784	\$ 4,078.40	
COST OF POWER KWH	#####	0.0514	\$	25,700.00	COST OF POWER KWH	500,000	0.0514	\$ 25,700.00	
CURRENT 2001 BILL				\$ 30,931.44	Adjusted 2002 BILL			\$ 31,007.59	\$ 76.15 0.2%

MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	264.04	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 281.49	
DISTRIBUTION KW	3000	0.8890	\$	2,667.00	DISTRIBUTION KW	3000	0.94770	\$ 2,843.11	
COST OF POWER KW	3000	4.0784	\$	12,235.20	COST OF POWER KW	3000	4.0784	\$ 12,235.20	
COST OF POWER KWH	#####	0.0514	\$	51,400.00	COST OF POWER KWH	#####	0.0514	\$ 51,400.00	
CURRENT 2001 BILL				\$ 66,566.24	Adjusted 2002 BILL			\$ 66,759.80	\$ 193.56 0.3%

MONTHLY CONSUMPTION 3,000kW, 1,500,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	264.04	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 281.49	
DISTRIBUTION KW	3000	0.8890	\$	2,667.00	DISTRIBUTION KW	3000	0.94770	\$ 2,843.11	
COST OF POWER KW	3000	4.0784	\$	12,235.20	COST OF POWER KW	3000	4.0784	\$ 12,235.20	
COST OF POWER KWH	#####	0.0514	\$	77,100.00	COST OF POWER KWH	#####	0.0514	\$ 77,100.00	
CURRENT 2001 BILL				\$ 92,266.24	Adjusted 2002 BILL			\$ 92,459.80	\$ 193.56 0.2%

MONTHLY CONSUMPTION 4,000kW, 1,200,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	264.04	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 281.49	
DISTRIBUTION KW	4000	0.8890	\$	3,556.00	DISTRIBUTION KW	4000	0.94770	\$ 3,790.81	
COST OF POWER KW	4000	4.0784	\$	16,313.60	COST OF POWER KW	4000	4.0784	\$ 16,313.60	
COST OF POWER KWH	#####	0.0514	\$	61,680.00	COST OF POWER KWH	#####	0.0514	\$ 61,680.00	
CURRENT 2001 BILL				\$ 81,813.64	Adjusted 2002 BILL			\$ 82,065.90	\$ 252.26 0.3%

MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	264.04	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 281.49	
DISTRIBUTION KW	4000	0.8890	\$	3,556.00	DISTRIBUTION KW	4000	0.94770	\$ 3,790.81	
COST OF POWER KW	4000	4.0784	\$	16,313.60	COST OF POWER KW	4000	4.0784	\$ 16,313.60	
COST OF POWER KWH	#####	0.0514	\$	92,520.00	COST OF POWER KWH	#####	0.0514	\$ 92,520.00	
CURRENT 2001 BILL				\$ 112,653.64	Adjusted 2002 BILL			\$ 112,905.90	\$ 252.26 0.2%

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL	2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)
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ENTER DESIRED CONSUMPTION LEVELS 100kW, 40,000kWh	WINTER	KW	RATE \$/kW	CHARGE \$	WINTER	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
	DISTRIBUTION KW	100	1.0695	\$ 106.95	DISTRIBUTION KW	100	1.1401	\$ 114.01		

kW COST OF POWER				kW COST OF POWER			
Demand Charge	100	9.5524	\$	955.24	Demand Charge	100	9.5524 \$ 955.24
		RATE				RATE	
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh
WINTER PEAK	20,000	0.0703	\$	1,406.00	WINTER PEAK	20,000	0.0703 \$ 1,406.00
WINTER OFF					WINTER OFF		
PEAK	20,000	0.0418	\$	836.00	PEAK	20,000	0.0418 \$ 836.00
MONTHLY					MONTHLY		
SERVICE					SERVICE		
CHARGE			\$	4,159.61	CHARGE		\$ 4,434.53
TOTAL			\$	7,463.80	TOTAL		\$ 7,745.78 \$ 281.98 3.8%

SUMMER				SUMMER					
	KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
		\$/kW	\$			\$/kW	\$	DOLLARS	%
DISTRIBUTION kW	100	1.0695	\$ 106.95	DISTRIBUTION kW	100	1.1401	\$ 114.01		
kW COST OF POWER				kW COST OF POWER					
Demand Charge	100	7.1786	\$ 717.86	Demand Charge	100	7.1786	\$ 717.86		
		RATE				RATE			
COST OF POWER kWh	kWh	\$/kWh		COST OF POWER kWh	kWh	\$/kWh			
SUMMER PEAK	20,000	0.0589	\$ 1,178.00	SUMMER PEAK	20,000	0.0589	\$ 1,178.00		
SUMMER OFF				SUMMER OFF					
PEAK	20,000	0.0309	\$ 618.00	PEAK	20,000	0.0309	\$ 618.00		
MONTHLY				MONTHLY					
SERVICE				SERVICE					
CHARGE			\$ 4,159.61	CHARGE			\$ 4,434.53		
TOTAL			\$ 6,780.42	TOTAL			\$ 7,062.40	\$ 281.98	4.2%

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVELS
4000kW, 1,200,000kWh

WINTER				WINTER					
	KW	RATE \$/kW	CHARGE \$		KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION				DISTRIBUTION					
kW	4000	0.9335	\$ 3,734.00	kW	4000	0.9951	\$ 3,980.56		
kW COST OF				kW COST OF					
POWER				POWER					
Demand Charge	4000	8.7146	\$ 34,858.40	Demand Charge	4000	8.7146	\$ 34,858.40		
		RATE				RATE			
		\$/kWh				\$/kWh			
COST OF POWER	kWh			COST OF POWER	kWh				
WINTER PEAK	600,000	0.0716	\$ 42,960.00	WINTER PEAK	600,000	0.0716	\$ 42,960.00		
WINTER OFF				WINTER OFF					
PEAK	600,000	0.0427	\$ 25,620.00	PEAK	600,000	0.0427	\$ 25,620.00		
MONTHLY				MONTHLY					
SERVICE				SERVICE					
CHARGE			\$ 4,834.82	CHARGE			\$ 5,154.36		
TOTAL			\$ 112,007.22	TOTAL			\$ 112,573.33	\$ 566.11	0.5%

SUMMER				SUMMER					
	KW	RATE \$/kW	CHARGE \$		KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION				DISTRIBUTION					
kW	4000	0.9335	\$ 3,734.00	kW	4000	0.9951	\$ 3,980.56		
kW COST OF				kW COST OF					
POWER				POWER					
Demand Charge	4000	7.9881	\$ 31,952.40	Demand Charge	4000	7.9881	\$ 31,952.40		
		RATE				RATE			
		\$/kWh				\$/kWh			
COST OF POWER	kWh			COST OF POWER	kWh				
SUMMER PEAK	600,000	0.0604	\$ 36,240.00	SUMMER PEAK	600,000	0.0604	\$ 36,240.00		
SUMMER OFF				SUMMER OFF					
PEAK	600,000	0.0317	\$ 18,990.00	PEAK	600,000	0.0317	\$ 18,990.00		
MONTHLY				MONTHLY					
SERVICE				SERVICE					
CHARGE			\$ 4,834.82	CHARGE			\$ 5,154.36		
TOTAL			\$ 95,751.22	TOTAL			\$ 96,317.33	\$ 566.11	0.6%

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVELS
6000kW, 3,000,000kWh

WINTER				WINTER					
	KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
		\$/kW	\$			\$/kW	\$	DOLLARS	%
DISTRIBUTION				DISTRIBUTION					
kW	6000	0.4348	\$ 2,608.80	kW	6000	0.4635	\$ 2,781.07		
kW COST OF				kW COST OF					
POWER				POWER					
Demand Charge	6000	12.4851	\$ 74,910.60	Demand Charge	6000	12.4851	\$ 74,910.60		
		RATE				RATE			

COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
WINTER PEAK	#####	0.0689	\$	103,350.00	WINTER PEAK	#####	0.0689	\$	103,350.00
WINTER OFF					WINTER OFF				
PEAK	#####	0.0412	\$	61,800.00	PEAK	1,500,000	0.0412	\$	61,800.00
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	9,808.55	CHARGE			\$	10,456.82
TOTAL			\$	252,477.95	TOTAL			\$	253,298.49
								\$	820.54
									0.3%

SUMMER

	KW	RATE \$/kW	CHARGE \$
DISTRIBUTION			
kW	6000	0.4348	\$ 2,608.80
kW COST OF			
POWER			
Demand Charge	6000	8.4634	\$ 50,780.40
COST OF POWER	kWh	RATE \$/kWh	
SUMMER PEAK	#####	0.0582	\$ 87,300.00
SUMMER OFF			
PEAK	#####	0.0306	\$ 45,900.00
MONTHLY			
SERVICE			
CHARGE			\$ 9,808.55
TOTAL			\$ 196,397.75

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION					
kW	6000	0.4635	\$ 2,781.07		
kW COST OF					
POWER					
Demand Charge	6000	8.4634	\$ 50,780.40		
COST OF POWER	kWh	RATE \$/kWh			
SUMMER PEAK	#####	0.0582	\$ 87,300.00		
SUMMER OFF					
PEAK	1,500,000	0.0306	\$ 45,900.00		
MONTHLY					
SERVICE					
CHARGE			\$ 10,456.82		
TOTAL			\$ 197,218.29	\$ 820.54	0.4%

SHEET 6 - 2001 PILs Deferral Account Estimate Adder Calculation

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED-1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames-power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the calculated value for the 2001 PILs Defferal Account. Use the methodolgy released by the Board on December 21, 2001.

Enter the Estimated Value for the 2001 PILs Defferal Account.

\$ 186,117.10

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2001 PILs defferal amount and to create the adders in each class. Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

1999 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2001 PILs Deferral Allocations
RESIDENTIAL CLASS	-	106,336,959	11,308	\$1,815,301.11	55.12%	\$ 102,596.74
GENERAL SERVICE <50 KW CLASS	-	18,425,012	1,359	\$420,728.80	12.78%	\$ 23,778.65
GENERAL SERVICE >50 KW NON TIME OF USE	288,632		142	\$645,215.23	19.59%	\$ 36,466.12
GENERAL SERVICE >50 KW TIME OF USE	53,234		2	\$143,163.31	4.35%	\$ 8,091.27
INTERMEDIATE USE	35,445		1	\$83,201.17	2.53%	\$ 4,702.34
LARGE USER CLASS	154,384		1	\$168,793.00	5.13%	\$ 9,539.80
SENTINEL LIGHTS	22		66	\$65.00	0.00%	\$ 3.67
STREET LIGHTING CLASS	8,207		2,660	\$16,605.61	0.50%	\$ 938.51
TOTALS				\$3,293,073.23	1.00	186,117.10
						\$ 186,117.10

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G26 above)	\$ 37,242.62	\$ 65,354.12	\$ 102,596.74
(B) RETAIL KWH	106,336,959		
(C) NUMBER OF CUSTOMERS		11,308	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.000350		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$0.4816	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G27 above)	\$ 8,631.65	\$ 15,147.00	\$ 23,778.65
(B) RETAIL KWH	18,425,012		
(C) NUMBER OF CUSTOMERS		1,359	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.000468		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$0.9288	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G28 above)	\$ 13,237.20	\$ 23,228.92	\$ 36,466.12
(B) RETAIL KW	288,632		
(C) NUMBER OF CUSTOMERS		142	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.045862		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$13.6320	

General Service >50kW ClassTOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G29 above)	\$ 2,937.13	\$ 5,154.14	\$ 8,091.27
(B) RETAIL KW	53,234		
(C) NUMBER OF CUSTOMERS		2	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.055174		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$214.7558	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G30 above)	\$ 1,706.95	\$ 2,995.39	\$ 4,702.34
(B) RETAIL KW	35,445		
(C) NUMBER OF CUSTOMERS		1	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.048158		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$249.6161	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G31 above)	\$ 3,462.95	\$ 6,076.85	\$ 9,539.80
(B) RETAIL KW	154,384		
(C) NUMBER OF CUSTOMERS		1	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.022431		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$506.4044	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G32 above)	\$ 1.33	\$ 2.34	\$ 3.67
(B) RETAIL KW	22		
(C) NUMBER OF CUSTOMERS		66	

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B)
(this amount is added to the kW rate shown on Sheet 4 and
the total new rate appears on the Rate Schedule on Sheet 7)

\$0.060615

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12
(this amount is added to the Service Charge shown on Sheet 4 and
the total new Service Charge appears on the Rate Schedule on Sheet 7)

\$0.0030

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage		SERVICE CHARGE REVENUE Percentage		ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363		0.637		100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G33 above)	\$	340.68	\$	597.83	\$ 938.51
(B) RETAIL KW		8,207			
(C) NUMBER OF CUSTOMERS (Connections)				2,660	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)		\$0.041511			
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)				\$0.0187	

SHEET 7 - 2002 Rate Schedule including 2001PILs Deferral Account Estimate Adder

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED-1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd Installment of 1/3 Incremental MARR and 2001PILs Deferral Account Estimate Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.00760
MONTHLY SERVICE CHARGE (Per Customer)	\$10.42815
COST OF POWER KWH RATE	\$0.07740

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00087				
MONTHLY SERVICE CHARGE (Per Customer)	\$1.20078				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.01017
MONTHLY SERVICE CHARGE (Per Customer)	\$20.10782
COST OF POWER KWH RATE	\$0.075200

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00117				
MONTHLY SERVICE CHARGE (Per Customer)	\$2.31571				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	\$/KWH	\$/KWH	\$/KWH	\$/KWH	
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.99356
MONTHLY SERVICE CHARGE (Per Customer)	\$295.12291
COST OF POWER KW RATE	\$4.078400
COST OF POWER KWH RATE	\$0.051400

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$1.19530					
MONTHLY SERVICE CHARGE (Per Customer)	\$4,649.28431					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$9.5524	\$7.1786	\$0.0703	\$0.0418	\$0.0589	\$0.0309

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	\$1.04330					
MONTHLY SERVICE CHARGE (Per Customer)	\$5,403.98085					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$8.7146	\$7.9881	\$0.0716	\$0.0427	\$0.0604	\$0.0317

LARGE USE

DISTRIBUTION KW RATE	\$0.48594					
MONTHLY SERVICE CHARGE (Per Customer)	\$10,963.22581					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$12.4851	\$8.4634	\$0.0689	\$0.0412	\$0.0582	\$0.0306

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.13458
MONTHLY SERVICE CHARGE (Per Connection)	\$1.48909
COST OF POWER KW RATE	\$12.7859

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.15113	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00737	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.89934
MONTHLY SERVICE CHARGE (Per Connection)	\$0.40274
COST OF POWER KW RATE	\$24.4502

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.10350	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.04670	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 8 - 2002 PILs Proxy Estimate Adder Calculation

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED-1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the calculated value for the 2002 PILs Proxy Estimate. Use the methodology released by the Board on December 21, 2001.

Enter the Estimated Value for the 2002 PILs Proxy **\$ 657,149.00**

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2002 PILs Proxy Estimate amount and to create the adders in each class. Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

When this data was added on Sheet 6, it will also appear in the table below.

1999 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 PILs Estimate Allocations
RESIDENTIAL CLASS	-	106,336,959	11,308	\$1,815,301.11	55.12%	\$ 362,252.29
GENERAL SERVICE <50 KW CLASS	-	18,425,012	1,359	\$420,728.80	12.78%	\$ 83,958.51
GENERAL SERVICE >50 KW NON TIME OF USE	288,632	-	142	\$645,215.23	19.59%	\$ 128,755.88
GENERAL SERVICE >50 KW TIME OF USE	53,234	-	2	\$143,163.31	4.35%	\$ 28,568.94
INTERMEDIATE USE	35,445	-	1	\$83,201.17	2.53%	\$ 16,603.20
LARGE USER CLASS	154,384	-	1	\$168,793.00	5.13%	\$ 33,683.48
SENTINEL LIGHTS	22	-	66	\$65.00	0.00%	\$ 12.97
STREET LIGHTING CLASS	8,207	-	2,660	\$16,605.61	0.50%	\$ 3,313.73
TOTALS				\$3,293,073.23	1.00	657,149.00
						\$ 657,149.00

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 PILs (Total in Cell G26 above)	\$ 131,497.58	\$ 230,754.71	\$ 362,252.29
(B) RETAIL KWH	106,336,959		
(C) NUMBER OF CUSTOMERS		11,308	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	\$0.001237		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$1.7005	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
0.363	0.637	100%

(A) ALLOCATED 2002 PILs (Total in Cell G27 above)	\$	30,476.94	\$	53,481.57	\$	83,958.51
(B) RETAIL KWH		18,425,012				
(C) NUMBER OF CUSTOMERS				1,359		
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(E) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	\$	0.001654				
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)				\$3.2795		

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 PILs (Total in Cell G28 above)	\$ 46,738.38	\$ 82,017.50	\$ 128,755.88
(B) RETAIL KW	288,632		
(C) NUMBER OF CUSTOMERS		142	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	\$0.161931		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$48.1323	

General Service >50kW ClassTOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 PILs (Total in Cell G29 above)	\$ 10,370.53	\$ 18,198.42	\$ 28,568.94
(B) RETAIL KW	53,234		
(C) NUMBER OF CUSTOMERS			2
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	\$0.194810		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$758.2674	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%

(A) ALLOCATED 2002 PILs (Total in Cell G30 above)	\$	6,026.96	\$	10,576.24	\$	16,603.20
(B) RETAIL KW		35,445				
(C) NUMBER OF CUSTOMERS				1		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)		\$0.170037				
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)				\$881.3534		

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 PILs (Total in Cell G31 above)	\$ 12,227.10	\$ 21,456.37	\$ 33,683.48
(B) RETAIL KW	154,384		
(C) NUMBER OF CUSTOMERS			1
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	\$0.079199		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$1,788.0312	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 PILs (Total in Cell G32 above)	\$ 4.71	\$ 8.26	\$ 12.97
(B) RETAIL KW	22		
(C) NUMBER OF CUSTOMERS		66	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	\$0.214023		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$0.0104	

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%

(A) ALLOCATED 2002 PILs (Total in Cell G33 above)	\$	1,202.88	\$	2,110.85	\$	3,313.73
(B) RETAIL KW		8,207				
(C) NUMBER OF CUSTOMERS (Connections)				2,660		
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)		\$0.146568				
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)				\$0.0661		

SHEET 9 - 2002 Rate Schedule including 2001 and 2002 PILs Estimate Adders

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED-1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, and the 2002 PILs Estimate Adder. If you are not applying to recover any Z-factors or transistion costs for March 1, 2002, this becomes your final 2002 Rate Schedule and will appear at Sheet 16.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.00884
MONTHLY SERVICE CHARGE (Per Customer)	\$12.12868
COST OF POWER KWH RATE	\$0.07740

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00211			
MONTHLY SERVICE CHARGE (Per Customer)	\$2.90131			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF- PEAK	SUMMER PEAK	SUMMER OFF- PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.01182
MONTHLY SERVICE CHARGE (Per Customer)	\$23.38729
COST OF POWER KWH RATE	\$0.075200

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00282			
MONTHLY SERVICE CHARGE (Per Customer)	\$5.59518			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF- PEAK	SUMMER PEAK	SUMMER OFF- PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.15549
MONTHLY SERVICE CHARGE (Per Customer)	\$343.25524
COST OF POWER KW RATE	\$4.078400
COST OF POWER KWH RATE	\$0.051400

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$1.39011					
MONTHLY SERVICE CHARGE (Per Customer)	\$5,407.55171					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$9.5524	\$7.1786	\$0.0703	\$0.0418	\$0.0589	\$0.0309

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	\$1.21334					
MONTHLY SERVICE CHARGE (Per Customer)	\$6,285.33425					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$8.7146	\$7.9881	\$0.0716	\$0.0427	\$0.0604	\$0.0317

LARGE USE

DISTRIBUTION KW RATE	\$0.56514					
MONTHLY SERVICE CHARGE (Per Customer)	\$12,751.25696					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$12.4851	\$8.4634	\$0.0689	\$0.0412	\$0.0582	\$0.0306

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.34860
MONTHLY SERVICE CHARGE (Per Connection)	\$1.49952
COST OF POWER KW RATE	\$12.7859

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.36515	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.01780	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.04591
MONTHLY SERVICE CHARGE (Per Connection)	\$0.46886
COST OF POWER KW RATE	\$24.4502

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.25006	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.11282	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 10 - Bill Impact Analysis for 2002 Rate Schedule after 2001 and 2002 PILs Adjustments

NAME OF UTILITY
NAME OF CONTACT
E- Mail Address
VERSION NUMBER
Date

Erie Thames Powerlines
Jeff Pettit
jeffp@erie-thames power.com
1
25-Jan-02

LICENCE NUMBER
PHONE NUMBER

ED-1999-0287
519-485-1820

This schedule shows the bill impacts using the 2002 Rate Schedule which includes the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd Installment of 1/3 Incremental MARR, the 2001 PILs deferral account estimate and the 2002 PILs estimate.

BILL IMPACT ANALYSIS: Current Bill vs. 2002 Bill (including IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVEL	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
100 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE	n/a	\$ 12.13		
DISTRIBUTION KWH	100	0.0068	\$ 0.68		DISTRIBUTION KWH	100	\$ 0.88		
COST OF POWER KWH	100	0.0774	\$ 7.74		COST OF POWER KWH	100	\$ 7.74		
CURRENT 2001 BILL			\$ 17.75		Adjusted 2002 BILL		\$ 20.75	\$ 3.00	16.9%

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
250 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE	n/a	\$ 12.13		
DISTRIBUTION KWH	250	0.0068	\$ 1.70		DISTRIBUTION KWH	250	\$ 2.21		
COST OF POWER KWH	250	0.0774	\$ 19.35		COST OF POWER KWH	250	\$ 19.35		
CURRENT 2001 BILL			\$ 30.38		Adjusted 2002 BILL		\$ 33.69	\$ 3.31	10.9%

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
500 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE	n/a	\$ 12.13		
DISTRIBUTION KWH	500	0.0068	\$ 3.40		DISTRIBUTION KWH	500	\$ 4.42		
COST OF POWER KWH	500	0.0774	\$ 38.70		COST OF POWER KWH	500	\$ 38.70		
CURRENT 2001 BILL			\$ 51.43		Adjusted 2002 BILL		\$ 55.25	\$ 3.82	7.4%

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
750 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE	n/a	\$ 12.13		
DISTRIBUTION KWH	750	0.0068	\$ 5.10		DISTRIBUTION KWH	750	\$ 6.63		
COST OF POWER KWH	750	0.0774	\$ 58.05		COST OF POWER KWH	750	\$ 58.05		
CURRENT 2001 BILL			\$ 72.48		Adjusted 2002 BILL		\$ 76.80	\$ 4.32	6.0%

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
1000 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE	n/a	\$ 12.13		
DISTRIBUTION KWH	1000	0.0068	\$ 6.80		DISTRIBUTION KWH	1000	\$ 8.84		
COST OF POWER KWH	1000	0.0774	\$ 77.40		COST OF POWER KWH	1000	\$ 77.40		
CURRENT 2001 BILL			\$ 93.53		Adjusted 2002 BILL		\$ 98.36	\$ 4.83	5.2%

MONTHLY CONSUMPTION OF	KWH	RATE	CHARGE	KWH	RATE	CHARGE	IMPACT	IMPACT
------------------------	-----	------	--------	-----	------	--------	--------	--------

1500 kWh	(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$	9.33	MONTHLY SERVICE CHARGE	n/a	n/a	\$	12.13
DISTRIBUTION KWH	1500	0.0068	\$	10.20	DISTRIBUTION KWH	1500	0.00884	\$	13.25
COST OF POWER KWH	1500	0.0774	\$	116.10	COST OF POWER KWH	1500	0.0774	\$	116.10
CURRENT 2001 BILL			\$	135.63	Adjusted 2002 BILL		\$	141.48	\$ 5.85 4.3%

MONTHLY CONSUMPTION OF 2000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	9.33	MONTHLY SERVICE CHARGE	n/a	n/a	\$	12.13
DISTRIBUTION KWH	2000	0.0068	\$	13.60	DISTRIBUTION KWH	2000	0.00884	\$	17.67
COST OF POWER KWH	2000	0.0774	\$	154.80	COST OF POWER KWH	2000	0.0774	\$	154.80
CURRENT 2001 BILL			\$	177.73	Adjusted 2002 BILL		\$	184.60	\$ 6.87 3.9%

GENERAL SERVICE < 50 KW

CURRENT 2001 BILL					2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)				
ENTER DESIRED CONSUMPTION LEVEL	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
1000 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE	n/a	n/a	\$	23.39
DISTRIBUTION KWH	1000	0.0091	\$	9.10	DISTRIBUTION KWH	1000	0.01182	\$	11.82
COST OF POWER KWH	1000	0.0752	\$	75.20	COST OF POWER KWH	1000	0.0752	\$	75.20
CURRENT 2001 BILL			\$	102.29	Adjusted 2002 BILL		\$	110.41	\$ 8.12 7.9%

MONTHLY CONSUMPTION 2000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE	n/a	n/a	\$	23.39
DISTRIBUTION KWH	2000	0.0091	\$	18.20	DISTRIBUTION KWH	2000	0.01182	\$	23.64
COST OF POWER KWH	2000	0.0752	\$	150.40	COST OF POWER KWH	2000	0.0752	\$	150.40
CURRENT 2001 BILL			\$	186.59	Adjusted 2002 BILL		\$	197.43	\$ 10.84 5.8%

MONTHLY CONSUMPTION 5000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE	n/a	n/a	\$	23.39
DISTRIBUTION KWH	5000	0.0091	\$	45.50	DISTRIBUTION KWH	5000	0.01182	\$	59.11
COST OF POWER KWH	5000	0.0752	\$	376.00	COST OF POWER KWH	5000	0.0752	\$	376.00
CURRENT 2001 BILL			\$	439.49	Adjusted 2002 BILL		\$	458.50	\$ 19.01 4.3%

MONTHLY CONSUMPTION 10,000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE	n/a	n/a	\$	23.39
DISTRIBUTION KWH	10000	0.0091	\$	91.00	DISTRIBUTION KWH	10000	0.01182	\$	118.22
COST OF POWER KWH	10000	0.0752	\$	752.00	COST OF POWER KWH	10000	0.0752	\$	752.00
CURRENT 2001 BILL			\$	860.99	Adjusted 2002 BILL		\$	893.61	\$ 32.62 3.8%

MONTHLY CONSUMPTION 20,000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE	n/a	n/a	\$	23.39
DISTRIBUTION KWH	20000	0.0091	\$	182.00	DISTRIBUTION KWH	20000	0.01182	\$	236.44

COST OF POWER					COST OF POWER				
KWH	20000	0.0752	\$	1,504.00	KWH	20000	0.0752	\$	1,504.00
CURRENT 2001 BILL				\$ 1,703.99	Adjusted 2002 BILL				\$ 1,763.83 \$ 59.84 3.5%

GENERAL SERVICE > 50 KW NON TIME OF USE

CURRENT 2001 BILL					2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)					
ENTER DESIRED CONSUMPTION LEVEL										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 343.26		
KW	0	0.8890	\$ -		KW	0	1.15549	\$ -		
COST OF POWER KW	0	4.0784	\$ -		COST OF POWER KW	0	4.0784	\$ -		
COST OF POWER KWH	0	0.0514	\$ -		COST OF POWER KWH	0	0.0514	\$ -		
CURRENT 2001 BILL			\$ 264.04	Adjusted 2002 BILL			\$ 343.26	\$ 79.22	30.0%	
MONTHLY CONSUMPTION 100kW, 30,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 343.26		
KW	100	0.8890	\$ 88.90		KW	100	1.15549	\$ 115.55		
COST OF POWER KW	100	4.0784	\$ 407.84		COST OF POWER KW	100	4.0784	\$ 407.84		
COST OF POWER KWH	30,000	0.0514	\$ 1,542.00		COST OF POWER KWH	30,000	0.0514	\$ 1,542.00		
CURRENT 2001 BILL			\$ 2,302.78	Adjusted 2002 BILL			\$ 2,408.64	\$ 105.86	4.6%	
MONTHLY CONSUMPTION 100kW, 40,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 343.26		
KW	100	0.8890	\$ 88.90		KW	100	1.15549	\$ 115.55		
COST OF POWER KW	100	4.0784	\$ 407.84		COST OF POWER KW	100	4.0784	\$ 407.84		
COST OF POWER KWH	40,000	0.0514	\$ 2,056.00		COST OF POWER KWH	40,000	0.0514	\$ 2,056.00		
CURRENT 2001 BILL			\$ 2,816.78	Adjusted 2002 BILL			\$ 2,922.64	\$ 105.86	3.8%	
MONTHLY CONSUMPTION 500kW, 100,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 343.26		
KW	500	0.8890	\$ 444.50		KW	500	1.15549	\$ 577.75		
COST OF POWER KW	500	4.0784	\$ 2,039.20		COST OF POWER KW	500	4.0784	\$ 2,039.20		
COST OF POWER KWH	100,000	0.0514	\$ 5,140.00		COST OF POWER KWH	100,000	0.0514	\$ 5,140.00		
CURRENT 2001 BILL			\$ 7,887.74	Adjusted 2002 BILL			\$ 8,100.20	\$ 212.46	2.7%	
MONTHLY CONSUMPTION 500kW, 250,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 343.26		
KW	500	0.8890	\$ 444.50		KW	500	1.15549	\$ 577.75		
COST OF POWER KW	500	4.0784	\$ 2,039.20		COST OF POWER KW	500	4.0784	\$ 2,039.20		
COST OF POWER KWH	250,000	0.0514	\$ 12,850.00		COST OF POWER KWH	250,000	0.0514	\$ 12,850.00		
CURRENT 2001 BILL			\$ 15,597.74	Adjusted 2002 BILL			\$ 15,810.20	\$ 212.46	1.4%	
MONTHLY CONSUMPTION 1000kW, 400,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 343.26		

DISTRIBUTION KW	1000	0.8890	\$	889.00	DISTRIBUTION KW	1000	1.15549	\$	1,155.49
COST OF POWER KW	1000	4.0784	\$	4,078.40	COST OF POWER KW	1000	4.0784	\$	4,078.40
COST OF POWER KWH	400,000	0.0514	\$	20,560.00	COST OF POWER KWH	400,000	0.0514	\$	20,560.00
CURRENT 2001 BILL				\$ 25,791.44	Adjusted 2002 BILL			\$ 26,137.15	\$ 345.71 1.3%

MONTHLY CONSUMPTION
1000kW, 500,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 343.26	
DISTRIBUTION KW	1000	0.8890	\$ 889.00		DISTRIBUTION KW	1000	1.15549	\$ 1,155.49	
COST OF POWER KW	1000	4.0784	\$ 4,078.40		COST OF POWER KW	1000	4.0784	\$ 4,078.40	
COST OF POWER KWH	500,000	0.0514	\$ 25,700.00		COST OF POWER KWH	500,000	0.0514	\$ 25,700.00	
CURRENT 2001 BILL			\$ 30,931.44		Adjusted 2002 BILL		\$ 31,277.15	\$ 345.71	1.1%

MONTHLY CONSUMPTION
3,000kW, 1,000,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 343.26	
DISTRIBUTION KW	3000	0.8890	\$ 2,667.00		DISTRIBUTION KW	3000	1.15549	\$ 3,466.48	
COST OF POWER KW	3000	4.0784	\$ 12,235.20		COST OF POWER KW	3000	4.0784	\$ 12,235.20	
COST OF POWER KWH	1,000,000	0.0514	\$ 51,400.00		COST OF POWER KWH	#####	0.0514	\$ 51,400.00	
CURRENT 2001 BILL			\$ 66,566.24		Adjusted 2002 BILL		\$ 67,444.94	\$ 878.70	1.3%

MONTHLY CONSUMPTION
3,000kW, 1,500,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 343.26	
DISTRIBUTION KW	3000	0.8890	\$ 2,667.00		DISTRIBUTION KW	3000	1.15549	\$ 3,466.48	
COST OF POWER KW	3000	4.0784	\$ 12,235.20		COST OF POWER KW	3000	4.0784	\$ 12,235.20	
COST OF POWER KWH	1,500,000	0.0514	\$ 77,100.00		COST OF POWER KWH	#####	0.0514	\$ 77,100.00	
CURRENT 2001 BILL			\$ 92,266.24		Adjusted 2002 BILL		\$ 93,144.94	\$ 878.70	1.0%

MONTHLY CONSUMPTION
4,000kW, 1,200,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 343.26	
DISTRIBUTION KW	4000	0.8890	\$ 3,556.00		DISTRIBUTION KW	4000	1.15549	\$ 4,621.98	
COST OF POWER KW	4000	4.0784	\$ 16,313.60		COST OF POWER KW	4000	4.0784	\$ 16,313.60	
COST OF POWER KWH	1,200,000	0.0514	\$ 61,680.00		COST OF POWER KWH	#####	0.0514	\$ 61,680.00	
CURRENT 2001 BILL			\$ 81,813.64		Adjusted 2002 BILL		\$ 82,958.83	\$ 1,145.19	1.4%

MONTHLY CONSUMPTION
4,000kW, 1,800,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 343.26	
DISTRIBUTION KW	4000	0.8890	\$ 3,556.00		DISTRIBUTION KW	4000	1.15549	\$ 4,621.98	
COST OF POWER KW	4000	4.0784	\$ 16,313.60		COST OF POWER KW	4000	4.0784	\$ 16,313.60	
COST OF POWER KWH	1,800,000	0.0514	\$ 92,520.00		COST OF POWER KWH	#####	0.0514	\$ 92,520.00	
CURRENT 2001 BILL			\$ 112,653.64		Adjusted 2002 BILL		\$ 113,798.83	\$ 1,145.19	1.0%

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL	2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)
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ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

WINTER

	KW	RATE \$/KW	CHARGE \$
DISTRIBUTION KW	100	1.0695	\$ 106.95

WINTER

	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION KW	100	1.3901	\$ 139.01		

kW COST OF POWER					kW COST OF POWER				
Demand Charge	100	9.5524	\$	955.24	Demand Charge	100	9.5524	\$	955.24
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
WINTER PEAK	20,000	0.0703	\$	1,406.00	WINTER PEAK	20,000	0.0703	\$	1,406.00
WINTER OFF					WINTER OFF				
PEAK	20,000	0.0418	\$	836.00	PEAK	20,000	0.0418	\$	836.00
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	4,159.61	CHARGE			\$	5,407.55
TOTAL			\$	7,463.80	TOTAL			\$	8,743.80
								\$	1,280.00
									17.1%

SUMMER					SUMMER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	
		\$/kW	\$				\$/kW	\$	
DISTRIBUTION					DISTRIBUTION				
kW	100	1.0695	\$	106.95	kW	100	1.3901	\$	139.01
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	100	7.1786	\$	717.86	Demand Charge	100	7.1786	\$	717.86
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
SUMMER PEAK	20,000	0.0589	\$	1,178.00	SUMMER PEAK	20,000	0.0589	\$	1,178.00
SUMMER OFF					SUMMER OFF				
PEAK	20,000	0.0309	\$	618.00	PEAK	20,000	0.0309	\$	618.00
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	4,159.61	CHARGE			\$	5,407.55
TOTAL			\$	6,780.42	TOTAL			\$	8,060.42
								\$	1,280.00
									18.9%

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVELS
4000kW, 1,200,000kWh

WINTER					WINTER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	
		\$/kW	\$				\$/kW	\$	
DISTRIBUTION					DISTRIBUTION				
kW	4000	0.9335	\$	3,734.00	kW	4000	1.2133	\$	4,853.34
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	4000	8.7146	\$	34,858.40	Demand Charge	4000	8.7146	\$	34,858.40
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
WINTER PEAK	600,000	0.0716	\$	42,960.00	WINTER PEAK	600,000	0.0716	\$	42,960.00
WINTER OFF					WINTER OFF				
PEAK	600,000	0.0427	\$	25,620.00	PEAK	600,000	0.0427	\$	25,620.00
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	4,834.82	CHARGE			\$	6,285.33
TOTAL			\$	112,007.22	TOTAL			\$	114,577.08
								\$	2,569.86
									2.3%
SUMMER					SUMMER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	
		\$/kW	\$				\$/kW	\$	
DISTRIBUTION					DISTRIBUTION				
kW	4000	0.9335	\$	3,734.00	kW	4000	1.2133	\$	4,853.34
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	4000	7.9881	\$	31,952.40	Demand Charge	4000	7.9881	\$	31,952.40
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
SUMMER PEAK	600,000	0.0604	\$	36,240.00	SUMMER PEAK	600,000	0.0604	\$	36,240.00
SUMMER OFF					SUMMER OFF				
PEAK	600,000	0.0317	\$	18,990.00	PEAK	600,000	0.0317	\$	18,990.00
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	4,834.82	CHARGE			\$	6,285.33
TOTAL			\$	95,751.22	TOTAL			\$	98,321.08
								\$	2,569.86
									2.7%

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVELS
6000kW, 3,000,000kWh

WINTER					WINTER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	
		\$/kW	\$				\$/kW	\$	
DISTRIBUTION					DISTRIBUTION				
kW	6000	0.4348	\$	2,608.80	kW	6000	0.5651	\$	3,390.85
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	6000	12.4851	\$	74,910.60	Demand Charge	6000	12.4851	\$	74,910.60
		RATE					RATE		

SUMMER				SUMMER				IMPACT DOLLARS	IMPACT %
	KW	RATE \$/kW	CHARGE \$		KW	RATE \$/kW	CHARGE \$		
DISTRIBUTION kW	6000	0.4348	\$ 2,608.80	DISTRIBUTION kW	6000	0.5651	\$ 3,390.85		
kW COST OF POWER				kW COST OF POWER					
Demand Charge	6000	8.4634	\$ 50,780.40	Demand Charge	6000	8.4634	\$ 50,780.40		
		RATE				RATE			
COST OF POWER	kWh	\$/kWh		COST OF POWER	kWh	\$/kWh			
SUMMER PEAK	1,500,000	0.0582	\$ 87,300.00	SUMMER PEAK	#####	0.0582	\$ 87,300.00		
SUMMER OFF				SUMMER OFF					
PEAK	1,500,000	0.0306	\$ 45,900.00	PEAK	1,500,000	0.0306	\$ 45,900.00		
MONTHLY SERVICE CHARGE			\$ 9,808.55	MONTHLY SERVICE CHARGE			\$ 12,751.26		
TOTAL			\$ 196,397.75	TOTAL			\$ 200,122.50	\$ 3,724.75	1.9%

SHEET 11 - Z-Factor Adder Calculation

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED-1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the Applied for Value for a Z-Factor.

The amount is allocated to the classes in the same manner as the PILs amount added on Sheet 6 and is recovered as a rate adder.

Enter the applied for Value for the Z-factor:

\$ -

The Table below uses the 2001 statistics for your LDC to allocate the Z-Factor amount.

The share of class distribution revenue in 2001 is used to allocate this amount to the rate classes.

When this data was added on Sheet 6, it will also appear in the table below.

1999 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Z-Factor for Recovery
RESIDENTIAL CLASS	-	106,336,959	11,308	\$1,815,301.11	55.12%	\$ -
GENERAL SERVICE <50 KW CLASS	-	18,425,012	1,359	\$420,728.80	12.78%	\$ -
GENERAL SERVICE >50 KW NON TIME OF USE	288,632	-	142	\$645,215.23	19.59%	\$ -
GENERAL SERVICE >50 KW TIME OF USE	53,234	-	2	\$143,163.31	4.35%	\$ -
INTERMEDIATE USE	35,445	-	1	\$83,201.17	2.53%	\$ -
LARGE USER CLASS	154,384	-	1	\$168,793.00	5.13%	\$ -
SENTINEL LIGHTS	22	-	66	\$65.00	0.00%	\$ -
STREET LIGHTING CLASS	8,207	-	2,660	\$16,605.61	0.50%	\$ -
TOTALS				\$3,293,073.23	1.00	\$ -

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z-Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G26 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH	106,336,959		
(C) NUMBER OF CUSTOMERS		11,308	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G27 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH	18,425,012		
(C) NUMBER OF CUSTOMERS		1,359	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G28 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	288,632		
(C) NUMBER OF CUSTOMERS		142	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

General Service >50kW ClassTOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G29 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	53,234		
(C) NUMBER OF CUSTOMERS		2	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G30 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	35,445		
(C) NUMBER OF CUSTOMERS		1	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G31 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	154,384		
(C) NUMBER OF CUSTOMERS		1	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G32 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	22		
(C) NUMBER OF CUSTOMERS		66	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and		\$0.0000	

the total new Service Charge appears on the Rate Schedule on Sheet 12)

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G33 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	8,207		
(C) NUMBER OF CUSTOMERS (Connections)		2,660	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

SHEET 12 - 2002 Rate Schedule including 2001/2002 PILs Estimate and Z-Factor Adders

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED-1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, the 2002 PILs Proxy Estimate Adder, and the Z-Factor Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.00884
MONTHLY SERVICE CHARGE (Per Customer)	\$12.12868
COST OF POWER KWH RATE	\$0.07740

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00211			
MONTHLY SERVICE CHARGE (Per Customer)	\$2.90131			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.01182
MONTHLY SERVICE CHARGE (Per Customer)	\$23.38729
COST OF POWER KWH RATE	\$0.075200

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00282			
MONTHLY SERVICE CHARGE (Per Customer)	\$5.59518			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.15549
MONTHLY SERVICE CHARGE (Per Customer)	\$343.25524
COST OF POWER KW RATE	\$4.078400
COST OF POWER KWH RATE	\$0.051400

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$1.39011					
MONTHLY SERVICE CHARGE (Per Customer)	\$5,407.55171					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$9.5524	\$7.1786	\$0.0703	\$0.0418	\$0.0589	\$0.0309

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	\$1.21334					
MONTHLY SERVICE CHARGE (Per Customer)	\$6,285.33425					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$8.7146	\$7.9881	\$0.0716	\$0.0427	\$0.0604	\$0.0317

LARGE USE

DISTRIBUTION KW RATE	\$0.56514					
MONTHLY SERVICE CHARGE (Per Customer)	\$12,751.25696					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$12.4851	\$8.4634	\$0.0689	\$0.0412	\$0.0582	\$0.0306

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.34860
MONTHLY SERVICE CHARGE (Per Connection)	\$1.49952
COST OF POWER KW RATE	\$12.7859

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.36515	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.01780	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.04591
MONTHLY SERVICE CHARGE (Per Connection)	\$0.46886
COST OF POWER KW RATE	\$24.4502

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.25006	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.11282	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 13 - Transition Cost Adder Calculation

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED-1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the Applied for Value for Transition Costs by the 10 cost categories shown in Article 480 of the APH Handbook. These categories are:

- 1 Billing Activities

2 Customer Education Services

3 Wholesale Market Requirements

4 IMO Requirements

5 Retailer/Customer Requirements
- 6 Staff Adjustment Activities

7 Regulatory Costs

8 Taxes

9 Regulatory Requirements

10 Other

Enter the Amounts to be Applied under each category. The model will allocate the cost under each category to a rate class based on 2001 Distribution Revenue as shown in the 2001 Statistics Table below. If the Utility would like to allocate the costs on a different basis, allocations can be adjusted manually.

Enter the applied for Total Value for Transition Costs: \$ 83,366.77

Transition Cost Category	1	Allocation	2	Allocation	3	Allocation	4	Allocation	5	Allocation	6	Allocation	7	Allocation	8	Allocation	9	Allocation	10	Allocation	Total
Total	\$ 24,634.88		\$ -		\$ 17,707.10		\$ 12,054.83		\$ 9,770.59		\$ -		\$ -		\$ -		\$ 19,199.37		\$ -		\$ 83,366.77
RESIDENTIAL CLASS	\$ 13,579.94	55.12%	\$ -	55.12%	\$ 9,761.01	55.12%	\$ 6,645.20	55.12%	\$ 5,386.02	55.12%	\$ -	55.12%	\$ -	55.12%	\$ -	55.12%	\$ 10,583.62	55.12%	\$ -	55.12%	\$ 45,955.79
GENERAL SERVICE <50 KW CLASS	\$ 3,147.40	12.78%	\$ -	12.78%	\$ 2,262.29	12.78%	\$ 1,540.15	12.78%	\$ 1,248.31	12.78%	\$ -	12.78%	\$ -	12.78%	\$ -	12.78%	\$ 2,452.95	12.78%	\$ -	12.78%	\$ 10,651.08
GENERAL SERVICE >50 KW NON TIME OF USE	\$ 4,826.74	19.59%	\$ -	19.59%	\$ 3,469.37	19.59%	\$ 2,361.92	19.59%	\$ 1,914.36	19.59%	\$ -	19.59%	\$ -	19.59%	\$ -	19.59%	\$ 3,761.75	19.59%	\$ -	19.59%	\$ 16,334.14
GENERAL SERVICE >50 KW TIME OF USE	\$ 1,070.98	4.35%	\$ -	4.35%	\$ 769.80	4.35%	\$ 524.07	4.35%	\$ 424.77	4.35%	\$ -	4.35%	\$ -	4.35%	\$ -	4.35%	\$ 834.67	4.35%	\$ -	4.35%	\$ 3,624.29
INTERMEDIATE USE	\$ 622.41	2.53%	\$ -	2.53%	\$ 447.38	2.53%	\$ 304.57	2.53%	\$ 246.86	2.53%	\$ -	2.53%	\$ -	2.53%	\$ -	2.53%	\$ 485.08	2.53%	\$ -	2.53%	\$ 2,106.30
LARGE USER CLASS	\$ 1,262.71	5.13%	\$ -	5.13%	\$ 907.61	5.13%	\$ 617.89	5.13%	\$ 500.81	5.13%	\$ -	5.13%	\$ -	5.13%	\$ -	5.13%	\$ 984.10	5.13%	\$ -	5.13%	\$ 4,273.13
SENTINEL LIGHTS	\$ 0.49	0.00%	\$ -	0.00%	\$ 0.35	0.00%	\$ 0.24	0.00%	\$ 0.19	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 0.38	0.00%	\$ -	0.00%	\$ 1.65
STREET LIGHTING CLASS	\$ 124.22	0.50%	\$ -	0.50%	\$ 89.29	0.50%	\$ 60.79	0.50%	\$ 49.27	0.50%	\$ -	0.50%	\$ -	0.50%	\$ -	0.50%	\$ 96.81	0.50%	\$ -	0.50%	\$ 420.38
TOTALS		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%	\$ 83,366.77

		kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Transition Costs for Recovery
1999 Statistics by Class	kW					
RESIDENTIAL CLASS	-	106,336,959	11,308	\$1,815,301.11	55.12%	\$ 45,955.79
GENERAL SERVICE <50 KW CLASS	-	18,425,012	1,359	\$420,728.80	12.78%	\$ 10,651.08
GENERAL SERVICE >50 KW NON TIME OF USE	288,632	-	142	\$645,215.23	19.59%	\$ 16,334.14
GENERAL SERVICE >50 KW TIME OF USE	53,234	-	2	\$143,163.31	4.35%	\$ 3,624.29
INTERMEDIATE USE	35,445	-	1	\$83,201.17	2.53%	\$ 2,106.30
LARGE USER CLASS	154,384	-	1	\$168,793.00	5.13%	\$ 4,273.13
SENTINEL LIGHTS	22	-	66	\$65.00	0.00%	\$ 1.65
STREET LIGHTING CLASS	8,207	-	2,660	\$16,605.61	0.50%	\$ 420.38
TOTALS				\$3,293,073.23	1.00	83,366.77
					\$	83,366.77

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G42 above)	\$ 16,681.95	\$ 29,273.84	\$ 45,955.79
(B) RETAIL KWH	106,336,959		
(C) NUMBER OF CUSTOMERS		11,308	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.000157		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$0.2157	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery

	Percentage	Percentage	
	0.363	0.637	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G43 above)	\$ 3,866.34	\$ 6,784.74	\$ 10,651.08
(B) RETAIL KWH	18,425,012		
(C) NUMBER OF CUSTOMERS		1,359	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.000210		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$0.4160	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G44 above)	\$ 5,929.29	\$ 10,404.85	\$ 16,334.14
(B) RETAIL KW	288,632		
(C) NUMBER OF CUSTOMERS		142	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.020543		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$6.1061	

General Service >50kW ClassTOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G45 above)	\$ 1,315.62	\$ 2,308.67	\$ 3,624.29
(B) RETAIL KW	53,234		
(C) NUMBER OF CUSTOMERS		2	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.024714		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$96.1948	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G46 above)	\$ 764.59	\$ 1,341.72	\$ 2,106.30
(B) RETAIL KW	35,445		
(C) NUMBER OF CUSTOMERS		1	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.021571		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$111.8096	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G47 above)	\$ 1,551.15	\$ 2,721.98	\$ 4,273.13
(B) RETAIL KW	154,384		
(C) NUMBER OF CUSTOMERS		1	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.010047		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$226.8319	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G48 above)	\$ 0.60	\$ 1.05	\$ 1.65
(B) RETAIL KW	22		
(C) NUMBER OF CUSTOMERS		66	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.027151		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$0.0013	

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G49 above)	\$ 152.60	\$ 267.78	\$ 420.38
(B) RETAIL KW	8,207		
(C) NUMBER OF CUSTOMERS (Connections)		2,660	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.018594		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$0.0084	

SHEET 14 - 2002 Rate Schedule including 2001/2002 PILs Estimate, Z-Factor & Transition Cost Adders

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED-1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, the 2002 PILs Estimate Adder, the Z-Factor Adder and the Transition Cost Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0090
MONTHLY SERVICE CHARGE (Per Customer)	\$12.3444
COST OF POWER KWH RATE	\$0.0774

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0023			
MONTHLY SERVICE CHARGE (Per Customer)	\$3.1170			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0120
MONTHLY SERVICE CHARGE (Per Customer)	\$23.8033
COST OF POWER KWH RATE	\$0.075200

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0030			
MONTHLY SERVICE CHARGE (Per Customer)	\$6.0112			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.1760
MONTHLY SERVICE CHARGE (Per Customer)	\$349.3614
COST OF POWER KW RATE	\$4.078400
COST OF POWER KWH RATE	\$0.051400

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$1.4148					
MONTHLY SERVICE CHARGE (Per Customer)	\$5,503.7465					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$9.5524	\$7.1786	\$0.0703	\$0.0418	\$0.0589	\$0.0309

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	\$1.2349					
MONTHLY SERVICE CHARGE (Per Customer)	\$6,397.1439					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$8.7146	\$7.9881	\$0.0716	\$0.0427	\$0.0604	\$0.0317

LARGE USE

DISTRIBUTION KW RATE	\$0.5752					
MONTHLY SERVICE CHARGE (Per Customer)	\$12,978.0889					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$12.4851	\$8.4634	\$0.0689	\$0.0412	\$0.0582	\$0.0306

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$6.3758
MONTHLY SERVICE CHARGE (Per Connection)	\$1.4995
COST OF POWER KW RATE	\$12.7859

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.3923	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.0178	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.0645
MONTHLY SERVICE CHARGE (Per Connection)	\$0.4773
COST OF POWER KW RATE	\$24.4502

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.2687	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.1212	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 15 - Bill Impact Analysis for 2002 Rate Schedule after 2001 & 2002 PILs Adjustments, Z-Factor & Transition Costs

NAME OF UTILITY
NAME OF CONTACT
E- Mail Address
VERSION NUMBER
Date

Erie Thames Powerlines
Jeff Pettit
jeffp@erie-thames power.com
1
25-Jan-02

LICENCE NUMBER
PHONE NUMBER

ED-1999-0287
519-485-1820

This schedule shows the bill impacts using the 2002 Rate Schedule which includes the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd Installment of 1/3 Incremental MARR, the 2001 PILs deferral account estimate, the 2002 PILs estimate and the impact of the addition of Z-Factor and Transition Cost amounts.

BILL IMPACT ANALYSIS: Current Bill vs. 2002 Bill (including IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs, Z-Factor and Transition Costs)

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

ENTER DESIRED CONSUMPTION LEVEL	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
100 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 12.34	
	100	0.0068	\$ 0.68			100	0.00899	\$ 0.90	
COST OF POWER KWH	100	0.0774	\$ 7.74		COST OF POWER KWH	100	0.0774	\$ 7.74	
CURRENT 2001 BILL			\$ 17.75		Adjusted 2002 BILL		\$ 20.98	\$ 3.23	18.2%

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
250 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 12.34	
	250	0.0068	\$ 1.70			250	0.00899	\$ 2.25	
COST OF POWER KWH	250	0.0774	\$ 19.35		COST OF POWER KWH	250	0.0774	\$ 19.35	
CURRENT 2001 BILL			\$ 30.38		Adjusted 2002 BILL		\$ 33.94	\$ 3.56	11.7%

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
500 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 12.34	
	500	0.0068	\$ 3.40			500	0.00899	\$ 4.50	
COST OF POWER KWH	500	0.0774	\$ 38.70		COST OF POWER KWH	500	0.0774	\$ 38.70	
CURRENT 2001 BILL			\$ 51.43		Adjusted 2002 BILL		\$ 55.54	\$ 4.11	8.0%

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
750 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 12.34	
	750	0.0068	\$ 5.10			750	0.00899	\$ 6.74	
COST OF POWER KWH	750	0.0774	\$ 58.05		COST OF POWER KWH	750	0.0774	\$ 58.05	
CURRENT 2001 BILL			\$ 72.48		Adjusted 2002 BILL		\$ 77.14	\$ 4.66	6.4%

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
1000 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 9.33		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 12.34	
	1000	0.0068	\$ 6.80			1000	0.00899	\$ 8.99	
COST OF POWER KWH	1000	0.0774	\$ 77.40		COST OF POWER KWH	1000	0.0774	\$ 77.40	
CURRENT 2001 BILL			\$ 93.53		Adjusted 2002 BILL		\$ 98.74	\$ 5.21	5.6%

MONTHLY CONSUMPTION OF	KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
------------------------	-----	------	--------	--	-----	------	--------	--------	--------

1500 kWh	(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$	9.33	MONTHLY SERVICE CHARGE	n/a	n/a	\$	12.34
DISTRIBUTION KWH	1500	0.0068	\$	10.20	DISTRIBUTION KWH	1500	0.00899	\$	13.49
COST OF POWER KWH	1500	0.0774	\$	116.10	COST OF POWER KWH	1500	0.0774	\$	116.10
CURRENT 2001 BILL			\$	135.63	Adjusted 2002 BILL		\$	141.93	\$ 6.30 4.6%

MONTHLY CONSUMPTION OF 2000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	9.33	MONTHLY SERVICE CHARGE	n/a	n/a	\$	12.34
DISTRIBUTION KWH	2000	0.0068	\$	13.60	DISTRIBUTION KWH	2000	0.00899	\$	17.98
COST OF POWER KWH	2000	0.0774	\$	154.80	COST OF POWER KWH	2000	0.0774	\$	154.80
CURRENT 2001 BILL			\$	177.73	Adjusted 2002 BILL		\$	185.13	\$ 7.40 4.2%

GENERAL SERVICE < 50 KW

CURRENT 2001 BILL					2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)				
ENTER DESIRED CONSUMPTION LEVEL	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
1000 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE	n/a	n/a	\$	23.80
DISTRIBUTION KWH	1000	0.0091	\$	9.10	DISTRIBUTION KWH	1000	0.01203	\$	12.03
COST OF POWER KWH	1000	0.0752	\$	75.20	COST OF POWER KWH	1000	0.0752	\$	75.20
CURRENT 2001 BILL			\$	102.29	Adjusted 2002 BILL		\$	111.04	\$ 8.75 8.5%

MONTHLY CONSUMPTION 2000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE	n/a	n/a	\$	23.80
DISTRIBUTION KWH	2000	0.0091	\$	18.20	DISTRIBUTION KWH	2000	0.01203	\$	24.06
COST OF POWER KWH	2000	0.0752	\$	150.40	COST OF POWER KWH	2000	0.0752	\$	150.40
CURRENT 2001 BILL			\$	186.59	Adjusted 2002 BILL		\$	198.27	\$ 11.68 6.3%

MONTHLY CONSUMPTION 5000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE	n/a	n/a	\$	23.80
DISTRIBUTION KWH	5000	0.0091	\$	45.50	DISTRIBUTION KWH	5000	0.01203	\$	60.16
COST OF POWER KWH	5000	0.0752	\$	376.00	COST OF POWER KWH	5000	0.0752	\$	376.00
CURRENT 2001 BILL			\$	439.49	Adjusted 2002 BILL		\$	459.96	\$ 20.47 4.7%

MONTHLY CONSUMPTION 10,000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE	n/a	n/a	\$	23.80
DISTRIBUTION KWH	10000	0.0091	\$	91.00	DISTRIBUTION KWH	10000	0.01203	\$	120.32
COST OF POWER KWH	10000	0.0752	\$	752.00	COST OF POWER KWH	10000	0.0752	\$	752.00
CURRENT 2001 BILL			\$	860.99	Adjusted 2002 BILL		\$	896.12	\$ 35.13 4.1%

MONTHLY CONSUMPTION 20,000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	17.99	MONTHLY SERVICE CHARGE	n/a	n/a	\$	23.80
DISTRIBUTION KWH	20000	0.0091	\$	182.00	DISTRIBUTION KWH	20000	0.01203	\$	240.64

COST OF POWER					COST OF POWER				
KWH	20000	0.0752	\$	1,504.00	KWH	20000	0.0752	\$	1,504.00
CURRENT 2001 BILL				\$ 1,703.99	Adjusted 2002 BILL				\$ 1,768.44 \$ 64.45 3.8%

GENERAL SERVICE > 50 KW NON TIME OF USE

CURRENT 2001 BILL					2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)					
ENTER DESIRED CONSUMPTION LEVEL										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 349.36		
KW	0	0.8890	\$ -		KW	0	1.17604	\$ -		
COST OF POWER KW	0	4.0784	\$ -		COST OF POWER KW	0	4.0784	\$ -		
COST OF POWER KWH	0	0.0514	\$ -		COST OF POWER KWH	0	0.0514	\$ -		
CURRENT 2001 BILL			\$ 264.04	Adjusted 2002 BILL			\$ 349.36	\$ 85.32	32.3%	
MONTHLY CONSUMPTION 100kW, 30,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 349.36		
KW	100	0.8890	\$ 88.90		KW	100	1.17604	\$ 117.60		
COST OF POWER KW	100	4.0784	\$ 407.84		COST OF POWER KW	100	4.0784	\$ 407.84		
COST OF POWER KWH	30,000	0.0514	\$ 1,542.00		COST OF POWER KWH	30,000	0.0514	\$ 1,542.00		
CURRENT 2001 BILL			\$ 2,302.78	Adjusted 2002 BILL			\$ 2,416.81	\$ 114.03	5.0%	
MONTHLY CONSUMPTION 100kW, 40,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 349.36		
KW	100	0.8890	\$ 88.90		KW	100	1.17604	\$ 117.60		
COST OF POWER KW	100	4.0784	\$ 407.84		COST OF POWER KW	100	4.0784	\$ 407.84		
COST OF POWER KWH	40,000	0.0514	\$ 2,056.00		COST OF POWER KWH	40,000	0.0514	\$ 2,056.00		
CURRENT 2001 BILL			\$ 2,816.78	Adjusted 2002 BILL			\$ 2,930.81	\$ 114.03	4.0%	
MONTHLY CONSUMPTION 500kW, 100,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 349.36		
KW	500	0.8890	\$ 444.50		KW	500	1.17604	\$ 588.02		
COST OF POWER KW	500	4.0784	\$ 2,039.20		COST OF POWER KW	500	4.0784	\$ 2,039.20		
COST OF POWER KWH	100,000	0.0514	\$ 5,140.00		COST OF POWER KWH	100,000	0.0514	\$ 5,140.00		
CURRENT 2001 BILL			\$ 7,887.74	Adjusted 2002 BILL			\$ 8,116.58	\$ 228.84	2.9%	
MONTHLY CONSUMPTION 500kW, 250,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 349.36		
KW	500	0.8890	\$ 444.50		KW	500	1.17604	\$ 588.02		
COST OF POWER KW	500	4.0784	\$ 2,039.20		COST OF POWER KW	500	4.0784	\$ 2,039.20		
COST OF POWER KWH	250,000	0.0514	\$ 12,850.00		COST OF POWER KWH	250,000	0.0514	\$ 12,850.00		
CURRENT 2001 BILL			\$ 15,597.74	Adjusted 2002 BILL			\$ 15,826.58	\$ 228.84	1.5%	
MONTHLY CONSUMPTION 1000kW, 400,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 264.04		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 349.36		

DISTRIBUTION KW	1000	0.8890	\$	889.00	DISTRIBUTION KW	1000	1.17604	\$	1,176.04
COST OF POWER KW	1000	4.0784	\$	4,078.40	COST OF POWER KW	1000	4.0784	\$	4,078.40
COST OF POWER KWH	400,000	0.0514	\$	20,560.00	COST OF POWER KWH	400,000	0.0514	\$	20,560.00
CURRENT 2001 BILL				\$ 25,791.44	Adjusted 2002 BILL			\$ 26,163.80	\$ 372.36 1.4%

MONTHLY CONSUMPTION 1000kW, 500,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	264.04	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 349.36	
DISTRIBUTION KW	1000	0.8890	\$	889.00	DISTRIBUTION KW	1000	1.17604	\$ 1,176.04	
COST OF POWER KW	1000	4.0784	\$	4,078.40	COST OF POWER KW	1000	4.0784	\$ 4,078.40	
COST OF POWER KWH	500,000	0.0514	\$	25,700.00	COST OF POWER KWH	500,000	0.0514	\$ 25,700.00	
CURRENT 2001 BILL				\$ 30,931.44	Adjusted 2002 BILL			\$ 31,303.80	\$ 372.36 1.2%

MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	264.04	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 349.36	
DISTRIBUTION KW	3000	0.8890	\$	2,667.00	DISTRIBUTION KW	3000	1.17604	\$ 3,528.11	
COST OF POWER KW	3000	4.0784	\$	12,235.20	COST OF POWER KW	3000	4.0784	\$ 12,235.20	
COST OF POWER KWH	1,000,000	0.0514	\$	51,400.00	COST OF POWER KWH	#####	0.0514	\$ 51,400.00	
CURRENT 2001 BILL				\$ 66,566.24	Adjusted 2002 BILL			\$ 67,512.67	\$ 946.43 1.4%

MONTHLY CONSUMPTION 3,000kW, 1,500,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	264.04	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 349.36	
DISTRIBUTION KW	3000	0.8890	\$	2,667.00	DISTRIBUTION KW	3000	1.17604	\$ 3,528.11	
COST OF POWER KW	3000	4.0784	\$	12,235.20	COST OF POWER KW	3000	4.0784	\$ 12,235.20	
COST OF POWER KWH	1,500,000	0.0514	\$	77,100.00	COST OF POWER KWH	#####	0.0514	\$ 77,100.00	
CURRENT 2001 BILL				\$ 92,266.24	Adjusted 2002 BILL			\$ 93,212.67	\$ 946.43 1.0%

MONTHLY CONSUMPTION 4,000kW, 1,200,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	264.04	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 349.36	
DISTRIBUTION KW	4000	0.8890	\$	3,556.00	DISTRIBUTION KW	4000	1.17604	\$ 4,704.15	
COST OF POWER KW	4000	4.0784	\$	16,313.60	COST OF POWER KW	4000	4.0784	\$ 16,313.60	
COST OF POWER KWH	1,200,000	0.0514	\$	61,680.00	COST OF POWER KWH	#####	0.0514	\$ 61,680.00	
CURRENT 2001 BILL				\$ 81,813.64	Adjusted 2002 BILL			\$ 83,047.11	\$ 1,233.47 1.5%

MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	264.04	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 349.36	
DISTRIBUTION KW	4000	0.8890	\$	3,556.00	DISTRIBUTION KW	4000	1.17604	\$ 4,704.15	
COST OF POWER KW	4000	4.0784	\$	16,313.60	COST OF POWER KW	4000	4.0784	\$ 16,313.60	
COST OF POWER KWH	1,800,000	0.0514	\$	92,520.00	COST OF POWER KWH	#####	0.0514	\$ 92,520.00	
CURRENT 2001 BILL				\$ 112,653.64	Adjusted 2002 BILL			\$ 113,887.11	\$ 1,233.47 1.1%

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL	2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)
-------------------	---

ENTER DESIRED CONSUMPTION LEVELS 1300kW, 250,000kWh	WINTER	KW	RATE \$/KW	CHARGE \$	WINTER	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
	DISTRIBUTION KW	1300	1.0695	\$ 1,390.35	DISTRIBUTION KW	1300	1.4148	\$ 1,839.27		

kW COST OF POWER				kW COST OF POWER			
Demand Charge	1300	9.5524	\$	12,418.12	Demand Charge	1300	9.5524 \$ 12,418.12
		RATE				RATE	
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh
WINTER PEAK	250,000	0.0703	\$	17,575.00	WINTER PEAK	250,000	0.0703 \$ 17,575.00
WINTER OFF					WINTER OFF		
PEAK	250,000	0.0418	\$	10,450.00	PEAK	250,000	0.0418 \$ 10,450.00
MONTHLY					MONTHLY		
SERVICE					SERVICE		
CHARGE			\$	4,159.61	CHARGE		\$ 5,503.75
TOTAL			\$	45,993.08	TOTAL		\$ 47,786.13 \$ 1,793.05 3.9%

SUMMER				SUMMER					
	KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
		\$/kW	\$			\$/kW	\$	DOLLARS	%
DISTRIBUTION				DISTRIBUTION					
kW	1300	1.0695	\$	1,390.35	kW	1300	1.4148 \$	1,839.27	
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	1300	7.1786	\$	9,332.18	Demand Charge	1300	7.1786 \$	9,332.18	
		RATE				RATE			
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
SUMMER PEAK	250,000	0.0589	\$	14,725.00	SUMMER PEAK	250,000	0.0589 \$	14,725.00	
SUMMER OFF					SUMMER OFF				
PEAK	250,000	0.0309	\$	7,725.00	PEAK	250,000	0.0309 \$	7,725.00	
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	4,159.61	CHARGE		\$	5,503.75	
TOTAL			\$	37,332.14	TOTAL		\$ 39,125.19	\$ 1,793.05	4.8%

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

ENTER DESIRED CONSUMPTION LEVELS
4000kW, 1,200,000kWh

WINTER				WINTER					
	KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
		\$/kW	\$			\$/kW	\$	DOLLARS	%
DISTRIBUTION				DISTRIBUTION					
kW	4000	0.9335	\$	3,734.00	kW	4000	1.2349 \$	4,939.63	
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	4000	8.7146	\$	34,858.40	Demand Charge	4000	8.7146 \$	34,858.40	
		RATE				RATE			
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
WINTER PEAK	600,000	0.0716	\$	42,960.00	WINTER PEAK	600,000	0.0716 \$	42,960.00	
WINTER OFF					WINTER OFF				
PEAK	600,000	0.0427	\$	25,620.00	PEAK	600,000	0.0427 \$	25,620.00	
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	4,834.82	CHARGE		\$	6,397.14	
TOTAL			\$	112,007.22	TOTAL		\$ 114,775.17	\$ 2,767.95	2.5%

SUMMER				SUMMER					
	KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
		\$/kW	\$			\$/kW	\$	DOLLARS	%
DISTRIBUTION				DISTRIBUTION					
kW	4000	0.9335	\$	3,734.00	kW	4000	1.2349 \$	4,939.63	
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	4000	7.9881	\$	31,952.40	Demand Charge	4000	7.9881 \$	31,952.40	
		RATE				RATE			
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
SUMMER PEAK	600,000	0.0604	\$	36,240.00	SUMMER PEAK	600,000	0.0604 \$	36,240.00	
SUMMER OFF					SUMMER OFF				
PEAK	600,000	0.0317	\$	18,990.00	PEAK	600,000	0.0317 \$	18,990.00	
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	4,834.82	CHARGE		\$	6,397.14	
TOTAL			\$	95,751.22	TOTAL		\$ 98,519.17	\$ 2,767.95	2.9%

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

ENTER DESIRED CONSUMPTION LEVELS
6000kW, 3,000,000kWh

WINTER				WINTER					
	KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
		\$/kW	\$			\$/kW	\$	DOLLARS	%
DISTRIBUTION				DISTRIBUTION					
kW	6000	0.4348	\$	2,608.80	kW	6000	0.5752 \$	3,451.13	
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	6000	12.4851	\$	74,910.60	Demand Charge	6000	12.4851 \$	74,910.60	
		RATE				RATE			

Schedule of Rates and Charges

Erie Thames Powerlines

Effective March 1, 2002

RP-2002-xxxx

EB-2002-xxxx

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto) Labour Day, Thansgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.34
Distribution Volumetric Rate	(per kWh)	\$0.0090
Cost of Power Rate	(per kWh)	\$0.0774

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kWh)	\$0.0000
Cost of Power - Winter Peak	(per kWh)	\$0.0000
Cost of Power - Winter Off Peak	(per kWh)	\$0.0000
Cost of Power - Summer Peak	(per kWh)	\$0.0000
Cost of Power - Summer Off Peak	(per kWh)	\$0.0000

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$23.80
Distribution Volumetric Rate	(per kWh)	\$0.0120
Cost of Power Rate	(per kWh)	\$0.0752

GENERAL SERVICE < 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kWh)	\$0.0000
Cost of Power - Winter Peak	(per kWh)	\$0.0000
Cost of Power - Winter Off Peak	(per kWh)	\$0.0000
Cost of Power - Summer Peak	(per kWh)	\$0.0000
Cost of Power - Summer Off Peak	(per kWh)	\$0.0000

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$349.36
Distribution Volumetric Rate	(per kW)	\$1.1760

Schedule of Rates and Charges

Cost of Power Demand Rate	(per kW)	\$4.0784
Cost of Power Energy Rate	(per kWh)	\$0.0514

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$5,503.75
Distribution Volumetric Rate	(per kW)	\$1.4148
Cost of Power - Winter Peak	(per kW)	\$9.5524
Cost of Power - Summer Peak	(per kW)	\$7.1786
Cost of Power - Winter Peak	(per kWh)	\$0.0703
Cost of Power - Winter Off Peak	(per kWh)	\$0.0418
Cost of Power - Summer Peak	(per kWh)	\$0.0589
Cost of Power - Summer Off Peak	(per kWh)	\$0.0309

GENERAL SERVICE INTERMEDIATE USE

Monthly Service Charge	(per month)	\$6,397.14
Distribution Volumetric Rate	(per kW)	\$1.2349
Cost of Power - Winter Peak	(per kW)	\$8.7146
Cost of Power - Summer Peak	(per kW)	\$7.9881
Cost of Power - Winter Peak	(per kWh)	\$0.0716
Cost of Power - Winter Off Peak	(per kWh)	\$0.0427
Cost of Power - Summer Peak	(per kWh)	\$0.0604
Cost of Power - Summer Off Peak	(per kWh)	\$0.0317

LARGE USE

Monthly Service Charge	(per month)	\$12,978.09
Distribution Volumetric Rate	(per kW)	\$0.5752
Cost of Power - Winter Peak	(per kW)	\$12.4851
Cost of Power - Summer Peak	(per kW)	\$8.4634
Cost of Power - Winter Peak	(per kWh)	\$0.0689
Cost of Power - Winter Off Peak	(per kWh)	\$0.0412
Cost of Power - Summer Peak	(per kWh)	\$0.0582
Cost of Power - Summer Off Peak	(per kWh)	\$0.0306

Un-metered Load

Monthly Service Charge	(per month)	\$5.1539
Distribution Volumetric Rate	(per kWh)	\$0.0309
Cost of Power Demand Rate	(per kWh)	\$0.0699

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	\$1.50
Distribution Volumetric Rate	(per kW)	\$6.3758
Cost of Power Demand Rate	(per kW)	\$12.7859

Schedule of Rates and Charges

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kW)	\$0.0000
Cost of Power - Winter	(per kW)	\$0.0000
Cost of Power - Summer	(per kW)	\$0.0000

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	\$0.48
Distribution Volumetric Rate	(per kW)	\$1.0645
Cost of Power Demand Rate	(per kW)	\$24.4502

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kW)	\$0.0000
Cost of Power - Winter	(per kW)	\$0.0000
Cost of Power - Summer	(per kW)	\$0.0000

MISCELLANEOUS CHARGES

ADD 2002 OEB APPROVED MISCELLANEOUS CHARGES HERE

New Account Setup	\$	20.00
Change of Occupancy	\$	20.00
Account History		
Administration Fee		
Current Year Data		
Each Additional Year Data		
Arrear's Certificate		
Late Payment		1.50%
Dispute Involvement Charge		
Returned Cheque		\$10.00
Collection of Account Charge		\$10.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours		\$30.00
At Meter - After Hours		\$100.00
Temporary Pole Service	\$	125.00
After Hours High Voltage Station Outage		
Residential Service 2nd Visit to Connect New Service		
Residential Service After Hours Visit to Connect New Service		
Diversity Adjustr Winter		\$1.76
(discontinued at Summer		\$2.04

SHEET 1 - 2001 OEB Approved Rate Schedule**V2**

NAME OF UTILITY Erie Thames Powerlines
NAME OF CONTACT Jeff Pettit
E- Mail Address jeffp@erie-thames power.com
VERSION NUMBER 1
Date 25-Jan-02

LICENCE NUMBER ED 1999-0287
PHONE NUMBER 519-485-1820

Enter the values for your 2001 OEB approved distribution rates in the appropriate areas which are highlighted in yellow.

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.0000
MONTHLY SERVICE CHARGE (Per Customer) \$0.00
COST OF POWER KWH RATE \$0.0000

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE \$0.0000
MONTHLY SERVICE CHARGE (Per Customer) \$0.00
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF- PEAK	SUMMER PEAK	SUMMER OFF- PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.0226
MONTHLY SERVICE CHARGE (Per Customer) \$3.77
COST OF POWER KWH RATE \$0.0699

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE
MONTHLY SERVICE CHARGE (Per Customer)
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF- PEAK	SUMMER PEAK	SUMMER OFF- PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$0.0000
MONTHLY SERVICE CHARGE (Per Customer) \$0.00
COST OF POWER KW RATE \$0.0000
COST OF POWER KWH RATE \$0.0000

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000					
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	\$0.0000					
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000	\$0.0000

LARGE USE

DISTRIBUTION KW RATE	\$0.0000					
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00
COST OF POWER KW RATE	\$0.0000

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE		
MONTHLY SERVICE CHARGE (Per Connection)		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00
COST OF POWER KW RATE	\$0.0000

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE		
MONTHLY SERVICE CHARGE (Per Connection)		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW

MISCELLANEOUS CHARGES

ADD 2001 OEB APPROVED MISCELLANEOUS CHARGES BELOW.

Please enter these charges exactly as they are entered in your current approved rate schedule.

Please add your specific charges as necessary.

New Account Setup	\$	20.00
Change of Occupancy	\$	20.00
Account History		
Administration Fee		
Current Year Data		
Each Additional Year Data		
Arrear's Certificate		
Late Payment		1.50%
Dispute Involvement Charge		
Returned Cheque		\$10.00
Collection of Account Charge		\$10.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours		\$30.00
At Meter - After Hours		\$100.00
Temporary Pole Service	\$	125.00
After Hours High Voltage Station Outage		
Residential Service 2nd Visit to Connect New Service		
Residential Service After Hours Visit to Connect New Service		
Diversity Adjustment Credit (per KW)	Winter	\$1.76
(discontinued at Market Opening)	Summer	\$2.04

SHEET 2 - 2002 Rate Schedule including 2nd Year PBR Adjustment

NAME OF UTILITY
NAME OF CONTACT
E- Mail Address
VERSION NUMBER

Erie Thames Powerlines
Jeff Pettit
jeffp@erie-thames power.com

LICENCE NUMBER ED 1999-0287
PHONE NUMBER 519-485-1820

Date

25-Jan-02

Enter the IPI for 2001 when released by the Board in January.

IPI	PF	Adjustment Factor
0.4%	-1.5%	-1.1%

This schedule includes distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment.

or
98.90%
of current rates.

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.000000
MONTHLY SERVICE CHARGE (Per Customer) \$0.0000
COST OF POWER KWH RATE \$0.0000

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE \$0.000000
MONTHLY SERVICE CHARGE (Per Customer) \$0.0000
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.022351
MONTHLY SERVICE CHARGE (Per Customer) \$3.7285
COST OF POWER KWH RATE \$0.06990

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE \$0.000000
MONTHLY SERVICE CHARGE (Per Customer) \$0.0000
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$0.000000
MONTHLY SERVICE CHARGE (Per Customer) \$0.0000
COST OF POWER KW RATE \$0.0000
COST OF POWER KWH RATE \$0.0000

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	\$0.000000				
MONTHLY SERVICE CHARGE (Per Customer)	\$0.0000				
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH
	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	\$0.000000				
MONTHLY SERVICE CHARGE (Per Customer)	\$0.0000				
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH
	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000

LARGE USE

DISTRIBUTION KW RATE	\$0.000000				
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00				
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH
	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.000000
MONTHLY SERVICE CHARGE (Per Connection)	\$0.0000
COST OF POWER KW RATE	\$0.0000

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000
MONTHLY SERVICE CHARGE (Per Connection)	\$0.0000
COST OF POWER KW RATE	\$0.0000

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000
----------------------	----------

MONTHLY SERVICE CHARGE (Per Connection)	\$0.00	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SUMMER OFF-
PEAK
\$/KWH
\$0.0000

SUMMER OFF-
PEAK
\$/KWH
\$0.0000

SUMMER OFF-
PEAK
\$/KWH
\$0.0000

SHEET 3 - Calculating Rate Increases using 1999 LDC Data and adding 2002 Incremental MARR

NAME OF UTILITY
NAME OF CONTACT
E- Mail Address
VERSION NUMBER
Date

Erie Thames Powerlines
Jeff Pettit
jeffp@erie-thames power.com
1
25-Jan-02

LICENCE NUMBER
PHONE NUMBER
ED 1999-0287
519-485-1820

This schedule requires LDCs to input the 1999 statistics (identical to those in your approved RUD Model) which will be used to allocate distribution revenue to rate classes and also used to determine 2002 rate additions to recover the additional 1/3 of incremental MARR.

If your LDC has other issues that will have a permanent impact on MARR (change in late payment policy or other revenue adjustments) you must justify them and provide evidence in your manager's summary.

Enter the permanent revenue adjustment amount here: \$ 38.85 Cell G36 will be adjusted by this amount.

One Third Phase in of Retirement

Enter the 1/3 of incremental MARR used in the RUD Model that your LDC used for approved 2001 rates.

\$1,054.52

Enter the 1/3 of incremental MARR you seek to recover in 2002 (should be same as previous entry)

\$879.12

Enter the 1/3 of incremental MARR you will seek to recover in 2003 (should be same as first 1/3 increment)

\$879.12

Use the Table below to enter the 1999 statistics for your LDC. These should be the same as reported to the OEB in your approved RUD Model used to set current rates. The share of class distribution revenue in 1999 is used to allocate the additional 1/3 incremental MARR to the classes for 2002 rates.

1999 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	1999 Revenue Shares	2002 1/3 MARR Allocations
RESIDENTIAL CLASS	-				0.00%	\$ -
GENERAL SERVICE <50 KW CLASS	-	415,932	52	\$10,878.61	100.00%	\$ 917.97
GENERAL SERVICE >50 KW NON TIME OF USE					0.00%	\$ -
GENERAL SERVICE >50 KW TIME OF USE					0.00%	\$ -
INTERMEDIATE USE					0.00%	\$ -
LARGE USER CLASS					0.00%	\$ -
SENTINEL LIGHTS					0.00%	\$ -
STREET LIGHTING CLASS					0.00%	\$ -
TOTALS				\$10,878.61	1.00	\$ 917.97
Allocated Total for 2002 including adjustments at Cell B13 ==>						\$ 917.97

Residential Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G26 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)		#DIV/0!	
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		#DIV/0!	

General Service <50kW Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.800	0.200	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G27 above)	\$ 734.38	\$ 183.59	\$ 917.97
(B) RETAIL KWH	415,932		
(C) NUMBER OF CUSTOMERS		52	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$0.001766		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		\$0.2942	

General Service >50kW Class Non TOU

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G28 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		#DIV/0!	

General Service >50kW ClassTOU

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G29 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		#DIV/0!	

Intermediate Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G30 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		#DIV/0!	

Large User Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G31 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		#DIV/0!	

Sentinel Lighting Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G32 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS (Connections)		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and	#DIV/0!		

the total new rate appears on the Rate Schedule on Sheet 4)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12
(this amount is added to the Service Charge shown on Sheet 2 and
the total new Service Charge appears on the Rate Schedule on Sheet 4)

#DIV/0!

Streetlighting Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage		SERVICE CHARGE REVENUE Percentage		TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.363		0.637		100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G33 above)	\$	-	\$	-	\$ -
(B) RETAIL KW	0				
(C) NUMBER OF CUSTOMERS	-				
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!				
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)	#DIV/0!				

t Benefit Adder

SHEET 4 - 2002 Base Rate Schedule including 2002 1/3 Incremental MARR Adjustment

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED 1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment and the addition of the 2nd Installment of 1/3 Incremental MARR.

This is the **Base Rate Schedule** which will be used as the base for the March 1, 2003 PBR Rate Adjustment.

RESIDENTIAL

DISTRIBUTION KWH RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!
COST OF POWER KWH RATE	\$0.0000

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	#DIV/0!			
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0241
MONTHLY SERVICE CHARGE (Per Customer)	\$4.02
COST OF POWER KWH RATE	\$0.0699

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0018			
MONTHLY SERVICE CHARGE (Per Customer)	\$0.29			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!
COST OF POWER KW RATE	\$0.0000
COST OF POWER KWH RATE	\$0.0000

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!
COST OF POWER KW RATE	\$0.0000

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!	
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!
COST OF POWER KW RATE	\$0.0000

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!	
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 5 - Bill Impact Analysis for 2002 Rate Schedule including IPI-PF & 2002 1/3 Incremental MARR Adjustment

NAME OF UTILITY
Erie Thames Powerlines
NAME OF CONTACT
Jeff Pettit
E- Mail Address
jeffp@erie-thames power.com
VERSION NUMBER
1
Date
25-Jan-02

LICENCE NUMBER
ED 1999-0287
PHONE NUMBER
519-485-1820

This schedule shows the bill impacts using the 2002 Base Rate Schedule which includes the IPI - PF 2nd year PBR rate adjustment and the addition of the 2nd Installment of 1/3 Incremental MARR.

BILL IMPACT ANALYSIS: Current Bill vs. 2002 Base Rate Schedule (including IPI-PF & 1/3 Incremental MARR)

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVEL	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
100 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	#DIV/0!	
	100	0.0000	\$ -			100	#DIV/0!	#DIV/0!	
COST OF POWER KWH	100	0.0000	\$ -		COST OF POWER KWH	100	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF 250 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	#DIV/0!	
	250	0.0000	\$ -			250	#DIV/0!	#DIV/0!	
COST OF POWER KWH	250	0.0000	\$ -		COST OF POWER KWH	250	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF 500 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	#DIV/0!	
	500	0.0000	\$ -			500	#DIV/0!	#DIV/0!	
COST OF POWER KWH	500	0.0000	\$ -		COST OF POWER KWH	500	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF 750 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	#DIV/0!	
	750	0.0000	\$ -			750	#DIV/0!	#DIV/0!	
COST OF POWER KWH	750	0.0000	\$ -		COST OF POWER KWH	750	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF 1000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	#DIV/0!	
	1000	0.0000	\$ -			1000	#DIV/0!	#DIV/0!	
COST OF POWER KWH	1000	0.0000	\$ -		COST OF POWER KWH	1000	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF	KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
------------------------	-----	------	--------	--	-----	------	--------	--------	--------

1500 kWh		(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	#DIV/0!		
	1500	0.0000	\$	-		1500	#DIV/0!	#DIV/0!		
COST OF POWER KWH	1500	0.0000	\$	-	COST OF POWER KWH	1500	0.0000	\$	-	
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL			#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF 2000 kWh		KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	#DIV/0!		
	2000	0.0000	\$	-		2000	#DIV/0!	#DIV/0!		
COST OF POWER KWH	2000	0.0000	\$	-	COST OF POWER KWH	2000	0.0000	\$	-	
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL			#DIV/0!	#DIV/0!	#DIV/0!

GENERAL SERVICE < 50 KW

CURRENT 2001 BILL					2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)						
ENTER DESIRED CONSUMPTION LEVEL											
1000 kWh		KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %	
MONTHLY SERVICE CHARGE DISTRIBUTION KWH		n/a	n/a	\$ 3.77		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 4.02		
		1000	0.0226	\$ 22.60			1000	0.02412	\$ 24.12		
COST OF POWER KWH		1000	0.0699	\$ 69.90		COST OF POWER KWH	1000	0.0699	\$ 69.90		
CURRENT 2001 BILL				\$ 96.27	Adjusted 2002 BILL				\$ 98.04	\$ 1.77	1.8%

MONTHLY CONSUMPTION 2000 kWh		KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	4.02	
	2000	0.0226	\$	45.20		2000	0.02412	\$	48.23	
COST OF POWER KWH	2000	0.0699	\$	139.80	COST OF POWER KWH	2000	0.0699	\$	139.80	
CURRENT 2001 BILL			\$	188.77	Adjusted 2002 BILL			\$	192.06	\$ 3.29 1.7%

MONTHLY CONSUMPTION 5000 kWh		KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	4.02	
	5000	0.0226	\$	113.00		5000	0.02412	\$	120.59	
COST OF POWER KWH	5000	0.0699	\$	349.50	COST OF POWER KWH	5000	0.0699	\$	349.50	
CURRENT 2001 BILL			\$	466.27	Adjusted 2002 BILL			\$	474.11	\$ 7.84 1.7%

MONTHLY CONSUMPTION 10,000 kWh		KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	4.02	
	10000	0.0226	\$	226.00		10000	0.02412	\$	241.17	
COST OF POWER KWH	10000	0.0699	\$	699.00	COST OF POWER KWH	10000	0.0699	\$	699.00	
CURRENT 2001 BILL			\$	928.77	Adjusted 2002 BILL			\$	944.19	\$ 15.42 1.7%

MONTHLY CONSUMPTION 20,000 kWh		KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$	4.02	
	20000	0.0226	\$	452.00		20000	0.02412	\$	482.34	

COST OF
POWER KWH 20000 0.0699 \$ 1,398.00

COST OF POWER
KWH 20000 0.0699 \$ 1,398.00

CURRENT 2001 BILL \$ 1,853.77

Adjusted 2002 BILL \$ 1,884.36 \$ 30.59 1.7%

GENERAL SERVICE > 50 KW NON TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVEL

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -
DISTRIBUTION KW	0	0.0000	\$ -
COST OF POWER KW	0	0.0000	\$ -
COST OF POWER KWH	0	0.0000	\$ -

	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	0	#DIV/0!	#DIV/0!		
COST OF POWER KW	0	0.0000	\$ -		
COST OF POWER KWH	0	0.0000	\$ -		

CURRENT 2001 BILL \$ -

Adjusted 2002 BILL #DIV/0! #DIV/0! #DIV/0!

MONTHLY CONSUMPTION 100kW, 30,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -
DISTRIBUTION KW	100	0.0000	\$ -
COST OF POWER KW	100	0.0000	\$ -
COST OF POWER KWH	30,000	0.0000	\$ -

	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	100	#DIV/0!	#DIV/0!		
COST OF POWER KW	100	0.0000	\$ -		
COST OF POWER KWH	30,000	0.0000	\$ -		

CURRENT 2001 BILL \$ -

Adjusted 2002 BILL #DIV/0! #DIV/0! #DIV/0!

MONTHLY CONSUMPTION 100kW, 40,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -
DISTRIBUTION KW	100	0.0000	\$ -
COST OF POWER KW	100	0.0000	\$ -
COST OF POWER KWH	40,000	0.0000	\$ -

	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	100	#DIV/0!	#DIV/0!		
COST OF POWER KW	100	0.0000	\$ -		
COST OF POWER KWH	40,000	0.0000	\$ -		

CURRENT 2001 BILL \$ -

Adjusted 2002 BILL #DIV/0! #DIV/0! #DIV/0!

MONTHLY CONSUMPTION 500kW, 100,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -
DISTRIBUTION KW	500	0.0000	\$ -
COST OF POWER KW	500	0.0000	\$ -
COST OF POWER KWH	#####	0.0000	\$ -

	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	500	#DIV/0!	#DIV/0!		
COST OF POWER KW	500	0.0000	\$ -		
COST OF POWER KWH	100,000	0.0000	\$ -		

CURRENT 2001 BILL \$ -

Adjusted 2002 BILL #DIV/0! #DIV/0! #DIV/0!

MONTHLY CONSUMPTION 500kW, 250,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -
DISTRIBUTION KW	500	0.0000	\$ -
COST OF POWER KW	500	0.0000	\$ -
COST OF POWER KWH	#####	0.0000	\$ -

	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	500	#DIV/0!	#DIV/0!		
COST OF POWER KW	500	0.0000	\$ -		
COST OF POWER KWH	250,000	0.0000	\$ -		

CURRENT 2001 BILL \$ -

Adjusted 2002 BILL #DIV/0! #DIV/0! #DIV/0!

MONTHLY CONSUMPTION 1000kW, 400,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -

	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		

DISTRIBUTION KW	1000	0.0000	\$	-	DISTRIBUTION KW	1000	#DIV/0!	#DIV/0!	
COST OF POWER KW	1000	0.0000	\$	-	COST OF POWER KW	1000	0.0000	\$	-
COST OF POWER KWH	#####	0.0000	\$	-	COST OF POWER KWH	400,000	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 1000kW, 500,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KW	1000	0.0000	\$	-	DISTRIBUTION KW	1000	#DIV/0!	#DIV/0!	
COST OF POWER KW	1000	0.0000	\$	-	COST OF POWER KW	1000	0.0000	\$	-
COST OF POWER KWH	#####	0.0000	\$	-	COST OF POWER KWH	500,000	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KW	3000	0.0000	\$	-	DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
COST OF POWER KW	3000	0.0000	\$	-	COST OF POWER KW	3000	0.0000	\$	-
COST OF POWER KWH	#####	0.0000	\$	-	COST OF POWER KWH	#####	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 3,000kW, 1,500,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KW	3000	0.0000	\$	-	DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
COST OF POWER KW	3000	0.0000	\$	-	COST OF POWER KW	3000	0.0000	\$	-
COST OF POWER KWH	#####	0.0000	\$	-	COST OF POWER KWH	#####	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 4,000kW, 1,200,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KW	4000	0.0000	\$	-	DISTRIBUTION KW	4000	#DIV/0!	#DIV/0!	
COST OF POWER KW	4000	0.0000	\$	-	COST OF POWER KW	4000	0.0000	\$	-
COST OF POWER KWH	#####	0.0000	\$	-	COST OF POWER KWH	#####	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KW	4000	0.0000	\$	-	DISTRIBUTION KW	4000	#DIV/0!	#DIV/0!	
COST OF POWER KW	4000	0.0000	\$	-	COST OF POWER KW	4000	0.0000	\$	-
COST OF POWER KWH	#####	0.0000	\$	-	COST OF POWER KWH	#####	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL	2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)
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ENTER DESIRED CONSUMPTION LEVELS 100kW, 40,000kWh	WINTER	KW	RATE \$/kW	CHARGE \$	WINTER	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
	DISTRIBUTION KW	100	0.0000	\$	-	DISTRIBUTION KW	100	#DIV/0!	#DIV/0!	

kW COST OF POWER					kW COST OF POWER				
Demand Charge	100	0.0000	\$	-	Demand Charge	100	0.0000	\$	-
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
WINTER PEAK	20,000	0.0000	\$	-	WINTER PEAK	20,000	0.0000	\$	-
WINTER OFF					WINTER OFF				
PEAK	20,000	0.0000	\$	-	PEAK	20,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	-	CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!

SUMMER					SUMMER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT
		\$/kW	\$				\$/kW	\$	DOLLARS
DISTRIBUTION					DISTRIBUTION				IMPACT
kW	100	0.0000	\$	-	kW	100	#DIV/0!	#DIV/0!	%
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	100	0.0000	\$	-	Demand Charge	100	0.0000	\$	-
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
SUMMER PEAK	20,000	0.0000	\$	-	SUMMER PEAK	20,000	0.0000	\$	-
SUMMER OFF					SUMMER OFF				
PEAK	20,000	0.0000	\$	-	PEAK	20,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE			\$	-	SERVICE			#DIV/0!	
CHARGE			\$	-	CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVELS

4000kW, 1,200,000kWh

WINTER					WINTER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT
		\$/kW	\$				\$/kW	\$	DOLLARS
DISTRIBUTION					DISTRIBUTION				IMPACT
kW	4000	0.0000	\$	-	kW	4000	#DIV/0!	#DIV/0!	%
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	4000	0.0000	\$	-	Demand Charge	4000	0.0000	\$	-
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
WINTER PEAK	600,000	0.0000	\$	-	WINTER PEAK	600,000	0.0000	\$	-
WINTER OFF					WINTER OFF				
PEAK	600,000	0.0000	\$	-	PEAK	600,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE			\$	-	SERVICE			#DIV/0!	
CHARGE			\$	-	CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!
SUMMER					SUMMER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT
		\$/kW	\$				\$/kW	\$	DOLLARS
DISTRIBUTION					DISTRIBUTION				IMPACT
kW	4000	0.0000	\$	-	kW	4000	#DIV/0!	#DIV/0!	%
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	4000	0.0000	\$	-	Demand Charge	4000	0.0000	\$	-
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
SUMMER PEAK	600,000	0.0000	\$	-	SUMMER PEAK	600,000	0.0000	\$	-
SUMMER OFF					SUMMER OFF				
PEAK	600,000	0.0000	\$	-	PEAK	600,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE			\$	-	SERVICE			#DIV/0!	
CHARGE			\$	-	CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

ENTER DESIRED CONSUMPTION LEVELS

6000kW, 3,000,000kWh

WINTER					WINTER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT
		\$/kW	\$				\$/kW	\$	DOLLARS
DISTRIBUTION					DISTRIBUTION				IMPACT
kW	6000	0.0000	\$	-	kW	6000	#DIV/0!	#DIV/0!	%
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	6000	0.0000	\$	-	Demand Charge	6000	0.0000	\$	-
		RATE					RATE		

COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
WINTER PEAK	#####	0.0000	\$	-	WINTER PEAK	#####	0.0000	\$	-
WINTER OFF					WINTER OFF				
PEAK	#####	0.0000	\$	-	PEAK	1,500,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	-	CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!

SUMMER					SUMMER				
	KW	RATE \$/kW	CHARGE \$			KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS
DISTRIBUTION					DISTRIBUTION				
kW	6000	0.0000	\$	-	kW	6000	#DIV/0!	#DIV/0!	
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	6000	0.0000	\$	-	Demand Charge	6000	0.0000	\$	-
COST OF POWER	kWh	RATE \$/kWh			COST OF POWER	kWh	RATE \$/kWh		
SUMMER PEAK	#####	0.0000	\$	-	SUMMER PEAK	#####	0.0000	\$	-
SUMMER OFF					SUMMER OFF				
PEAK	#####	0.0000	\$	-	PEAK	1,500,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	-	CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!

SHEET 10 - Bill Impact Analysis for 2002 Rate Schedule after 2001 and 2002 PILs Adjustments

NAME OF UTILITY
NAME OF CONTACT
E- Mail Address
VERSION NUMBER
Date

Erie Thames Powerlines
Jeff Pettit
jeffp@erie-thames power.com
1
25-Jan-02

LICENCE NUMBER
PHONE NUMBER

ED 1999-0287
519-485-1820

This schedule shows the bill impacts using the 2002 Rate Schedule which includes the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd Installment of 1/3 Incremental MARR, the 2001 PILs deferral account estimate and the 2002 PILs estimate.

BILL IMPACT ANALYSIS: Current Bill vs. 2002 Bill (including IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVEL	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
100 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	#DIV/0!		
DISTRIBUTION KWH	100	0.0000	\$ -		DISTRIBUTION KWH	100	#DIV/0!	#DIV/0!	
COST OF POWER KWH	100	0.0000	\$ -		COST OF POWER KWH	100	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
250 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	#DIV/0!		
DISTRIBUTION KWH	250	0.0000	\$ -		DISTRIBUTION KWH	250	#DIV/0!	#DIV/0!	
COST OF POWER KWH	250	0.0000	\$ -		COST OF POWER KWH	250	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
500 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	#DIV/0!		
DISTRIBUTION KWH	500	0.0000	\$ -		DISTRIBUTION KWH	500	#DIV/0!	#DIV/0!	
COST OF POWER KWH	500	0.0000	\$ -		COST OF POWER KWH	500	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
750 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	#DIV/0!		
DISTRIBUTION KWH	750	0.0000	\$ -		DISTRIBUTION KWH	750	#DIV/0!	#DIV/0!	
COST OF POWER KWH	750	0.0000	\$ -		COST OF POWER KWH	750	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
1000 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	#DIV/0!		
DISTRIBUTION KWH	1000	0.0000	\$ -		DISTRIBUTION KWH	1000	#DIV/0!	#DIV/0!	
COST OF POWER KWH	1000	0.0000	\$ -		COST OF POWER KWH	1000	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF	KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
------------------------	-----	------	--------	--	-----	------	--------	--------	--------

1500 kWh	(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KWH	1500	0.0000	\$	-	DISTRIBUTION KWH	1500	#DIV/0!	#DIV/0!	
COST OF POWER KWH	1500	0.0000	\$	-	COST OF POWER KWH	1500	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF 2000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KWH	2000	0.0000	\$	-	DISTRIBUTION KWH	2000	#DIV/0!	#DIV/0!	
COST OF POWER KWH	2000	0.0000	\$	-	COST OF POWER KWH	2000	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

GENERAL SERVICE < 50 KW

CURRENT 2001 BILL					2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)				
ENTER DESIRED CONSUMPTION LEVEL	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
1000 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE	n/a	n/a	\$	4.92
DISTRIBUTION KWH	1000	0.0226	\$	22.60	DISTRIBUTION KWH	1000	0.02948	\$	29.48
COST OF POWER KWH	1000	0.0699	\$	69.90	COST OF POWER KWH	1000	0.0699	\$	69.90
CURRENT 2001 BILL			\$	96.27	Adjusted 2002 BILL		\$	104.29	\$ 8.02 8.3%

MONTHLY CONSUMPTION 2000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE	n/a	n/a	\$	4.92
DISTRIBUTION KWH	2000	0.0226	\$	45.20	DISTRIBUTION KWH	2000	0.02948	\$	58.95
COST OF POWER KWH	2000	0.0699	\$	139.80	COST OF POWER KWH	2000	0.0699	\$	139.80
CURRENT 2001 BILL			\$	188.77	Adjusted 2002 BILL		\$	203.67	\$ 14.90 7.9%

MONTHLY CONSUMPTION 5000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE	n/a	n/a	\$	4.92
DISTRIBUTION KWH	5000	0.0226	\$	113.00	DISTRIBUTION KWH	5000	0.02948	\$	147.38
COST OF POWER KWH	5000	0.0699	\$	349.50	COST OF POWER KWH	5000	0.0699	\$	349.50
CURRENT 2001 BILL			\$	466.27	Adjusted 2002 BILL		\$	501.79	\$ 35.52 7.6%

MONTHLY CONSUMPTION 10,000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE	n/a	n/a	\$	4.92
DISTRIBUTION KWH	10000	0.0226	\$	226.00	DISTRIBUTION KWH	10000	0.02948	\$	294.75
COST OF POWER KWH	10000	0.0699	\$	699.00	COST OF POWER KWH	10000	0.0699	\$	699.00
CURRENT 2001 BILL			\$	928.77	Adjusted 2002 BILL		\$	998.67	\$ 69.90 7.5%

MONTHLY CONSUMPTION 20,000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE	n/a	n/a	\$	4.92
DISTRIBUTION KWH	20000	0.0226	\$	452.00	DISTRIBUTION KWH	20000	0.02948	\$	589.50

COST OF POWER					COST OF POWER				
KWH	20000	0.0699	\$	1,398.00	KWH	20000	0.0699	\$	1,398.00
CURRENT 2001 BILL				\$ 1,853.77	Adjusted 2002 BILL				\$ 1,992.42 \$ 138.65 7.5%

GENERAL SERVICE > 50 KW NON TIME OF USE

CURRENT 2001 BILL					2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)					
ENTER DESIRED CONSUMPTION LEVEL										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	#DIV/0!		
KW	0	0.0000	\$ -		KW	0	#DIV/0!	#DIV/0!		
COST OF POWER KW	0	0.0000	\$ -		COST OF POWER KW	0	0.0000	\$ -		
COST OF POWER KWH	0	0.0000	\$ -		COST OF POWER KWH	0	0.0000	\$ -		
CURRENT 2001 BILL			<div>\$ -</div>		Adjusted 2002 BILL			<div>#DIV/0!</div>	<div>#DIV/0!</div>	<div>#DIV/0!</div>
MONTHLY CONSUMPTION 100kW, 30,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	#DIV/0!		
KW	100	0.0000	\$ -		KW	100	#DIV/0!	#DIV/0!		
COST OF POWER KW	100	0.0000	\$ -		COST OF POWER KW	100	0.0000	\$ -		
COST OF POWER KWH	30,000	0.0000	\$ -		COST OF POWER KWH	30,000	0.0000	\$ -		
CURRENT 2001 BILL			<div>\$ -</div>		Adjusted 2002 BILL			<div>#DIV/0!</div>	<div>#DIV/0!</div>	<div>#DIV/0!</div>
MONTHLY CONSUMPTION 100kW, 40,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	#DIV/0!		
KW	100	0.0000	\$ -		KW	100	#DIV/0!	#DIV/0!		
COST OF POWER KW	100	0.0000	\$ -		COST OF POWER KW	100	0.0000	\$ -		
COST OF POWER KWH	40,000	0.0000	\$ -		COST OF POWER KWH	40,000	0.0000	\$ -		
CURRENT 2001 BILL			<div>\$ -</div>		Adjusted 2002 BILL			<div>#DIV/0!</div>	<div>#DIV/0!</div>	<div>#DIV/0!</div>
MONTHLY CONSUMPTION 500kW, 100,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	#DIV/0!		
KW	500	0.0000	\$ -		KW	500	#DIV/0!	#DIV/0!		
COST OF POWER KW	500	0.0000	\$ -		COST OF POWER KW	500	0.0000	\$ -		
COST OF POWER KWH	100,000	0.0000	\$ -		COST OF POWER KWH	100,000	0.0000	\$ -		
CURRENT 2001 BILL			<div>\$ -</div>		Adjusted 2002 BILL			<div>#DIV/0!</div>	<div>#DIV/0!</div>	<div>#DIV/0!</div>
MONTHLY CONSUMPTION 500kW, 250,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	#DIV/0!		
KW	500	0.0000	\$ -		KW	500	#DIV/0!	#DIV/0!		
COST OF POWER KW	500	0.0000	\$ -		COST OF POWER KW	500	0.0000	\$ -		
COST OF POWER KWH	250,000	0.0000	\$ -		COST OF POWER KWH	250,000	0.0000	\$ -		
CURRENT 2001 BILL			<div>\$ -</div>		Adjusted 2002 BILL			<div>#DIV/0!</div>	<div>#DIV/0!</div>	<div>#DIV/0!</div>
MONTHLY CONSUMPTION 1000kW, 400,000kWh										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		

DISTRIBUTION KW	1000	0.0000	\$	-	DISTRIBUTION KW	1000	#DIV/0!	#DIV/0!	
COST OF POWER KW	1000	0.0000	\$	-	COST OF POWER KW	1000	0.0000	\$	-
COST OF POWER KWH	400,000	0.0000	\$	-	COST OF POWER KWH	400,000	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION
1000kW, 500,000kWh

	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT	IMPACT
	(enter)	\$/KW	\$				\$/KW	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	1000	0.0000	\$	-	DISTRIBUTION KW	1000	#DIV/0!	#DIV/0!		
COST OF POWER KW	1000	0.0000	\$	-	COST OF POWER KW	1000	0.0000	\$	-	
COST OF POWER KWH	500,000	0.0000	\$	-	COST OF POWER KWH	500,000	0.0000	\$	-	
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!	

MONTHLY CONSUMPTION
3,000kW, 1,000,000kWh

	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT	IMPACT
	(enter)	\$/KW	\$				\$/KW	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	3000	0.0000	\$	-	DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!		
COST OF POWER KW	3000	0.0000	\$	-	COST OF POWER KW	3000	0.0000	\$	-	
COST OF POWER KWH	1,000,000	0.0000	\$	-	COST OF POWER KWH	#####	0.0000	\$	-	
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!	

MONTHLY CONSUMPTION
3,000kW, 1,500,000kWh

	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT	IMPACT
	(enter)	\$/KW	\$				\$/KW	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	3000	0.0000	\$	-	DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!		
COST OF POWER KW	3000	0.0000	\$	-	COST OF POWER KW	3000	0.0000	\$	-	
COST OF POWER KWH	1,500,000	0.0000	\$	-	COST OF POWER KWH	#####	0.0000	\$	-	
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!	

MONTHLY CONSUMPTION
4,000kW, 1,200,000kWh

	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT	IMPACT
	(enter)	\$/KW	\$				\$/KW	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	4000	0.0000	\$	-	DISTRIBUTION KW	4000	#DIV/0!	#DIV/0!		
COST OF POWER KW	4000	0.0000	\$	-	COST OF POWER KW	4000	0.0000	\$	-	
COST OF POWER KWH	1,200,000	0.0000	\$	-	COST OF POWER KWH	#####	0.0000	\$	-	
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!	

MONTHLY CONSUMPTION
4,000kW, 1,800,000kWh

	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT	IMPACT
	(enter)	\$/KW	\$				\$/KW	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	4000	0.0000	\$	-	DISTRIBUTION KW	4000	#DIV/0!	#DIV/0!		
COST OF POWER KW	4000	0.0000	\$	-	COST OF POWER KW	4000	0.0000	\$	-	
COST OF POWER KWH	1,800,000	0.0000	\$	-	COST OF POWER KWH	#####	0.0000	\$	-	
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!	

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL	2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)
--------------------------	---

ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

WINTER

	KW	RATE	CHARGE	
		\$/KW	\$	
DISTRIBUTION KW	100	0.0000	\$	-

WINTER

	KW	RATE	CHARGE	IMPACT	IMPACT
		\$/KW	\$	DOLLARS	%
DISTRIBUTION KW	100	#DIV/0!	#DIV/0!		

kW COST OF POWER					kW COST OF POWER				
Demand Charge	100	0.0000	\$	-	Demand Charge	100	0.0000	\$	-
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
WINTER PEAK	20,000	0.0000	\$	-	WINTER PEAK	20,000	0.0000	\$	-
WINTER OFF					WINTER OFF				
PEAK	20,000	0.0000	\$	-	PEAK	20,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	-	CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!

SUMMER					SUMMER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT
		\$/kW	\$				\$/kW	\$	DOLLARS
									IMPACT
									%
DISTRIBUTION					DISTRIBUTION				
kW	100	0.0000	\$	-	kW	100	#DIV/0!	#DIV/0!	
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	100	0.0000	\$	-	Demand Charge	100	0.0000	\$	-
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
SUMMER PEAK	20,000	0.0000	\$	-	SUMMER PEAK	20,000	0.0000	\$	-
SUMMER OFF					SUMMER OFF				
PEAK	20,000	0.0000	\$	-	PEAK	20,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE			\$	-	SERVICE			#DIV/0!	
CHARGE					CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVELS
4000kW, 1,200,000kWh

WINTER					WINTER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT
		\$/kW	\$				\$/kW	\$	DOLLARS
									IMPACT
									%
DISTRIBUTION					DISTRIBUTION				
kW	4000	0.0000	\$	-	kW	4000	#DIV/0!	#DIV/0!	
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	4000	0.0000	\$	-	Demand Charge	4000	0.0000	\$	-
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
WINTER PEAK	600,000	0.0000	\$	-	WINTER PEAK	600,000	0.0000	\$	-
WINTER OFF					WINTER OFF				
PEAK	600,000	0.0000	\$	-	PEAK	600,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE			\$	-	SERVICE			#DIV/0!	
CHARGE					CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!
SUMMER					SUMMER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT
		\$/kW	\$				\$/kW	\$	DOLLARS
									IMPACT
									%
DISTRIBUTION					DISTRIBUTION				
kW	4000	0.0000	\$	-	kW	4000	#DIV/0!	#DIV/0!	
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	4000	0.0000	\$	-	Demand Charge	4000	0.0000	\$	-
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
SUMMER PEAK	600,000	0.0000	\$	-	SUMMER PEAK	600,000	0.0000	\$	-
SUMMER OFF					SUMMER OFF				
PEAK	600,000	0.0000	\$	-	PEAK	600,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE			\$	-	SERVICE			#DIV/0!	
CHARGE					CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

ENTER DESIRED CONSUMPTION LEVELS
6000kW, 3,000,000kWh

WINTER					WINTER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT
		\$/kW	\$				\$/kW	\$	DOLLARS
									IMPACT
									%
DISTRIBUTION					DISTRIBUTION				
kW	6000	0.0000	\$	-	kW	6000	#DIV/0!	#DIV/0!	
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	6000	0.0000	\$	-	Demand Charge	6000	0.0000	\$	-
		RATE					RATE		

COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
WINTER PEAK	1,500,000	0.0000	\$	-	WINTER PEAK	#####	0.0000	\$	-
WINTER OFF					WINTER OFF				
PEAK	1,500,000	0.0000	\$	-	PEAK	1,500,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	-	CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!

SUMMER	KW	RATE \$/kW	CHARGE \$		SUMMER	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION					DISTRIBUTION					
kW	6000	0.0000	\$	-	kW	6000	#DIV/0!	#DIV/0!		
kW COST OF					kW COST OF					
POWER					POWER					
Demand Charge	6000	0.0000	\$	-	Demand Charge	6000	0.0000	\$	-	
COST OF POWER	kWh	RATE \$/kWh			COST OF POWER	kWh	RATE \$/kWh			
SUMMER PEAK	1,500,000	0.0000	\$	-	SUMMER PEAK	#####	0.0000	\$	-	
SUMMER OFF					SUMMER OFF					
PEAK	1,500,000	0.0000	\$	-	PEAK	1,500,000	0.0000	\$	-	
MONTHLY					MONTHLY					
SERVICE					SERVICE					
CHARGE			\$	-	CHARGE			#DIV/0!		
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SHEET 11 - Z-Factor Adder Calculation

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED 1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the Applied for Value for a Z-Factor.

The amount is allocated to the classes in the same manner as the PILs amount added on Sheet 6 and is recovered as a rate adder.

Enter the applied for Value for the Z-factor:

\$ -

The Table below uses the 2001 statistics for your LDC to allocate the Z-Factor amount.

The share of class distribution revenue in 2001 is used to allocate this amount to the rate classes.

When this data was added on Sheet 6, it will also appear in the table below.

1999 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Z-Factor for Recovery
RESIDENTIAL CLASS	-	0	-	\$0.00	0.00%	\$ -
GENERAL SERVICE <50 KW CLASS	-	415,932	52	\$10,878.61	100.00%	\$ -
GENERAL SERVICE >50 KW NON TIME OF USE	0	-	-	\$0.00	0.00%	\$ -
GENERAL SERVICE >50 KW TIME OF USE	0	-	-	\$0.00	0.00%	\$ -
INTERMEDIATE USE	0	-	-	\$0.00	0.00%	\$ -
LARGE USER CLASS	0	-	-	\$0.00	0.00%	\$ -
SENTINEL LIGHTS	0	-	-	\$0.00	0.00%	\$ -
STREET LIGHTING CLASS	0	-	-	\$0.00	0.00%	\$ -
TOTALS				\$10,878.61	1.00	\$ -

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z-Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G26 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)		#DIV/0!	
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and the total new Service Charge appears on the Rate Schedule on Sheet 12)		#DIV/0!	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.800	0.200	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G27 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH	415,932		
(C) NUMBER OF CUSTOMERS		52	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G28 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		#DIV/0!	

General Service >50kW ClassTOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G29 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		#DIV/0!	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G30 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		#DIV/0!	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G31 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		#DIV/0!	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G32 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and		#DIV/0!	

the total new Service Charge appears on the Rate Schedule on Sheet 12)

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G33 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS (Connections)		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		#DIV/0!	

SHEET 12 - 2002 Rate Schedule including 2001/2002 PILs Estimate and Z-Factor Adders

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED 1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, the 2002 PILs Proxy Estimate Adder, and the Z-Factor Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!
COST OF POWER KWH RATE	\$0.00000

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	#DIV/0!			
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.02948
MONTHLY SERVICE CHARGE (Per Customer)	\$4.91564
COST OF POWER KWH RATE	\$0.069900

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00712			
MONTHLY SERVICE CHARGE (Per Customer)	\$1.18711			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!
COST OF POWER KW RATE	\$0.000000
COST OF POWER KWH RATE	\$0.000000

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!
COST OF POWER KW RATE	\$0.0000

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!	
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!
COST OF POWER KW RATE	\$0.0000

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!	
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 13 - Transition Cost Adder Calculation

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the Applied for Value for Transition Costs by the 10 cost categories shown in Article 480 of the APH Handbook. These categories are:

- | | |
|----------------------------------|-------------------------------|
| 1 Billing Activities | 6 Staff Adjustment Activities |
| 2 Customer Education Services | 7 Regulatory Costs |
| 3 Wholesale Market Requirements | 8 Taxes |
| 4 IMO Requirements | 9 Regulatory Requirements |
| 5 Retailer/Customer Requirements | 10 Other |

Enter the Amounts to be Applied under each category. The model will allocate the cost under each category to a rate class based on 2001 Distribution Revenue as shown in the 2001 Statistics Table below. If the Utility would like to allocate the costs on a different basis, allocations can be adjusted manually.

Enter the applied for Total Value for Transition Costs: \$ 275.41

Transition Cost Category	1 Allocation	2 Allocation	3 Allocation	4 Allocation	5 Allocation	6 Allocation	7 Allocation	8 Allocation	9 Allocation	10 Allocation	Total
Total	\$ 81.38	\$ -	\$ 58.50	\$ 39.82	\$ 32.28	\$ -	\$ -	\$ -	\$ 63.43	\$ -	\$ 275.41
RESIDENTIAL CLASS	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ -
GENERAL SERVICE <50 KW CLASS	\$ 81.38 100.00%	\$ - 100.00%	\$ 58.50 100.00%	\$ 39.82 100.00%	\$ 32.28 100.00%	\$ - 100.00%	\$ - 100.00%	\$ - 100.00%	\$ 63.43 100.00%	\$ - 100.00%	\$ 275.41
GENERAL SERVICE >50 KW NON TIME OF USE	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ -
GENERAL SERVICE >50 KW TIME OF USE	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ -
INTERMEDIATE USE	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ -
LARGE USER CLASS	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ -
SENTINEL LIGHTS	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ -
STREET LIGHTING CLASS	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ - 0.00%	\$ -
TOTALS	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	\$ 275.41

1999 Statistics by Class	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Transition Costs for Recovery
RESIDENTIAL CLASS	-	0	\$0.00	0.00%	\$ -
GENERAL SERVICE <50 KW CLASS	-	415,932	\$10,878.61	100.00%	\$ 275.41
GENERAL SERVICE >50 KW NON TIME OF USE	0	-	\$0.00	0.00%	\$ -
GENERAL SERVICE >50 KW TIME OF USE	0	-	\$0.00	0.00%	\$ -
INTERMEDIATE USE	0	-	\$0.00	0.00%	\$ -
LARGE USER CLASS	0	-	\$0.00	0.00%	\$ -
SENTINEL LIGHTS	0	-	\$0.00	0.00%	\$ -
STREET LIGHTING CLASS	0	-	\$0.00	0.00%	\$ -
TOTALS			\$10,878.61	1.00	275.41

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G42 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)		#DIV/0!	
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		#DIV/0!	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
-------------------------	------------------------	------------------------------------

	Percentage	Percentage	
	0.800	0.200	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G43 above)	\$ 220.33	\$ 55.08	\$ 275.41
(B) RETAIL KWH	415,932		
(C) NUMBER OF CUSTOMERS		52	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.000530		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		\$0.0883	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G44 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		#DIV/0!	

General Service >50kW ClassTOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G45 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		#DIV/0!	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G46 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		#DIV/0!	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%

(A) ALLOCATED 2002 Transition Costs (Total in Cell G47 above) \$ - \$ - \$ -

(B) RETAIL KW 0

(C) NUMBER OF CUSTOMERS -

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) #DIV/0!
(this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 #DIV/0!
(this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%

(A) ALLOCATED 2002 Transition Costs (Total in Cell G48 above) \$ - \$ - \$ -

(B) RETAIL KW 0

(C) NUMBER OF CUSTOMERS -

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) #DIV/0!
(this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 #DIV/0!
(this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.363	0.637	100%

(A) ALLOCATED 2002 Transition Costs (Total in Cell G49 above) \$ - \$ - \$ -

(B) RETAIL KW 0

(C) NUMBER OF CUSTOMERS (Connections) -

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) #DIV/0!
(this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 #DIV/0!
(this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)

SHEET 14 - 2002 Rate Schedule including 2001/2002 PILs Estimate, Z-Factor & Transition Cost Adders

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED 1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, the 2002 PILs Estimate Adder, the Z-Factor Adder and the Transition Cost Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!
COST OF POWER KWH RATE	\$0.0000

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	#DIV/0!			
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0300
MONTHLY SERVICE CHARGE (Per Customer)	\$5.0039
COST OF POWER KWH RATE	\$0.069900

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0077			
MONTHLY SERVICE CHARGE (Per Customer)	\$1.2754			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!
COST OF POWER KW RATE	\$0.000000
COST OF POWER KWH RATE	\$0.000000

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!
COST OF POWER KW RATE	\$0.0000

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!	
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!
COST OF POWER KW RATE	\$0.0000

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!	
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 15 - Bill Impact Analysis for 2002 Rate Schedule after 2001 & 2002 PILs Adjustments, Z-Factor & Transition Costs

NAME OF UTILITY
NAME OF CONTACT
E- Mail Address
VERSION NUMBER
Date

Erie Thames Powerlines
Jeff Pettit
jeffp@erie-thames power.com
1
25-Jan-02

LICENCE NUMBER
PHONE NUMBER

ED 1999-0287
519-485-1820

This schedule shows the bill impacts using the 2002 Rate Schedule which includes the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd Installment of 1/3 Incremental MARR, the 2001 PILs deferral account estimate, the 2002 PILs estimate and the impact of the addition of Z-Factor and Transition Cost amounts.

BILL IMPACT ANALYSIS: Current Bill vs. 2002 Bill (including IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs, Z-Factor and Transition Costs)

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

ENTER DESIRED CONSUMPTION LEVEL	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
100 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KWH	100	0.0000	\$ -		DISTRIBUTION KWH	100	#DIV/0!	#DIV/0!	
COST OF POWER KWH	100	0.0000	\$ -		COST OF POWER KWH	100	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
250 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KWH	250	0.0000	\$ -		DISTRIBUTION KWH	250	#DIV/0!	#DIV/0!	
COST OF POWER KWH	250	0.0000	\$ -		COST OF POWER KWH	250	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
500 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KWH	500	0.0000	\$ -		DISTRIBUTION KWH	500	#DIV/0!	#DIV/0!	
COST OF POWER KWH	500	0.0000	\$ -		COST OF POWER KWH	500	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
750 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KWH	750	0.0000	\$ -		DISTRIBUTION KWH	750	#DIV/0!	#DIV/0!	
COST OF POWER KWH	750	0.0000	\$ -		COST OF POWER KWH	750	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
1000 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KWH	1000	0.0000	\$ -		DISTRIBUTION KWH	1000	#DIV/0!	#DIV/0!	
COST OF POWER KWH	1000	0.0000	\$ -		COST OF POWER KWH	1000	0.0000	\$ -	
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF	KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
------------------------	-----	------	--------	--	-----	------	--------	--------	--------

1500 kWh	(enter)	\$/KWH	\$				\$/KWH	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KWH	1500	0.0000	\$	-	DISTRIBUTION KWH	1500	#DIV/0!	#DIV/0!		
COST OF POWER KWH	1500	0.0000	\$	-	COST OF POWER KWH	1500	0.0000	\$	-	
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL			#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION OF 2000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KWH	2000	0.0000	\$	-	DISTRIBUTION KWH	2000	#DIV/0!	#DIV/0!	
COST OF POWER KWH	2000	0.0000	\$	-	COST OF POWER KWH	2000	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL			#DIV/0!	#DIV/0!

GENERAL SERVICE < 50 KW

CURRENT 2001 BILL					2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)				
ENTER DESIRED CONSUMPTION LEVEL	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
1000 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE	n/a	n/a	\$	5.00
DISTRIBUTION KWH	1000	0.0226	\$	22.60	DISTRIBUTION KWH	1000	0.03000	\$	30.00
COST OF POWER KWH	1000	0.0699	\$	69.90	COST OF POWER KWH	1000	0.0699	\$	69.90
CURRENT 2001 BILL			\$	96.27	Adjusted 2002 BILL		\$	104.91	\$ 8.64 9.0%

MONTHLY CONSUMPTION 2000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE	n/a	n/a	\$	5.00
DISTRIBUTION KWH	2000	0.0226	\$	45.20	DISTRIBUTION KWH	2000	0.03000	\$	60.01
COST OF POWER KWH	2000	0.0699	\$	139.80	COST OF POWER KWH	2000	0.0699	\$	139.80
CURRENT 2001 BILL			\$	188.77	Adjusted 2002 BILL		\$	204.81	\$ 16.04 8.5%

MONTHLY CONSUMPTION 5000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE	n/a	n/a	\$	5.00
DISTRIBUTION KWH	5000	0.0226	\$	113.00	DISTRIBUTION KWH	5000	0.03000	\$	150.02
COST OF POWER KWH	5000	0.0699	\$	349.50	COST OF POWER KWH	5000	0.0699	\$	349.50
CURRENT 2001 BILL			\$	466.27	Adjusted 2002 BILL		\$	504.53	\$ 38.26 8.2%

MONTHLY CONSUMPTION 10,000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE	n/a	n/a	\$	5.00
DISTRIBUTION KWH	10000	0.0226	\$	226.00	DISTRIBUTION KWH	10000	0.03000	\$	300.05
COST OF POWER KWH	10000	0.0699	\$	699.00	COST OF POWER KWH	10000	0.0699	\$	699.00
CURRENT 2001 BILL			\$	928.77	Adjusted 2002 BILL		\$	1,004.05	\$ 75.28 8.1%

MONTHLY CONSUMPTION 20,000 kWh	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	3.77	MONTHLY SERVICE CHARGE	n/a	n/a	\$	5.00
DISTRIBUTION KWH	20000	0.0226	\$	452.00	DISTRIBUTION KWH	20000	0.03000	\$	600.10

COST OF POWER					COST OF POWER				
KWH	20000	0.0699	\$	1,398.00	KWH	20000	0.0699	\$	1,398.00
CURRENT 2001 BILL				\$ 1,853.77	Adjusted 2002 BILL				\$ 2,003.10 \$ 149.33 8.1%

GENERAL SERVICE > 50 KW NON TIME OF USE

CURRENT 2001 BILL					2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)					
ENTER DESIRED CONSUMPTION LEVEL										
	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	0	0.0000	\$ -		DISTRIBUTION KW	0	#DIV/0!	#DIV/0!		
COST OF POWER KW	0	0.0000	\$ -		COST OF POWER KW	0	0.0000	\$ -		
COST OF POWER KWH	0	0.0000	\$ -		COST OF POWER KWH	0	0.0000	\$ -		
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL			#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 100kW, 30,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	100	0.0000	\$ -		DISTRIBUTION KW	100	#DIV/0!	#DIV/0!		
COST OF POWER KW	100	0.0000	\$ -		COST OF POWER KW	100	0.0000	\$ -		
COST OF POWER KWH	30,000	0.0000	\$ -		COST OF POWER KWH	30,000	0.0000	\$ -		
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL			#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 100kW, 40,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	100	0.0000	\$ -		DISTRIBUTION KW	100	#DIV/0!	#DIV/0!		
COST OF POWER KW	100	0.0000	\$ -		COST OF POWER KW	100	0.0000	\$ -		
COST OF POWER KWH	40,000	0.0000	\$ -		COST OF POWER KWH	40,000	0.0000	\$ -		
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL			#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 500kW, 100,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	500	0.0000	\$ -		DISTRIBUTION KW	500	#DIV/0!	#DIV/0!		
COST OF POWER KW	500	0.0000	\$ -		COST OF POWER KW	500	0.0000	\$ -		
COST OF POWER KWH	100,000	0.0000	\$ -		COST OF POWER KWH	100,000	0.0000	\$ -		
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL			#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 500kW, 250,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		
DISTRIBUTION KW	500	0.0000	\$ -		DISTRIBUTION KW	500	#DIV/0!	#DIV/0!		
COST OF POWER KW	500	0.0000	\$ -		COST OF POWER KW	500	0.0000	\$ -		
COST OF POWER KWH	250,000	0.0000	\$ -		COST OF POWER KWH	250,000	0.0000	\$ -		
CURRENT 2001 BILL			\$ -		Adjusted 2002 BILL			#DIV/0!	#DIV/0!	#DIV/0!
MONTHLY CONSUMPTION 1000kW, 400,000kWh	KW (enter)	RATE \$/KW	CHARGE \$			KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ -		MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!		

DISTRIBUTION KW	1000	0.0000	\$	-	DISTRIBUTION KW	1000	#DIV/0!	#DIV/0!	
COST OF POWER KW	1000	0.0000	\$	-	COST OF POWER KW	1000	0.0000	\$	-
COST OF POWER KWH	400,000	0.0000	\$	-	COST OF POWER KWH	400,000	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 1000kW, 500,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KW	1000	0.0000	\$	-	DISTRIBUTION KW	1000	#DIV/0!	#DIV/0!	
COST OF POWER KW	1000	0.0000	\$	-	COST OF POWER KW	1000	0.0000	\$	-
COST OF POWER KWH	500,000	0.0000	\$	-	COST OF POWER KWH	500,000	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KW	3000	0.0000	\$	-	DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
COST OF POWER KW	3000	0.0000	\$	-	COST OF POWER KW	3000	0.0000	\$	-
COST OF POWER KWH	1,000,000	0.0000	\$	-	COST OF POWER KWH	#####	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 3,000kW, 1,500,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KW	3000	0.0000	\$	-	DISTRIBUTION KW	3000	#DIV/0!	#DIV/0!	
COST OF POWER KW	3000	0.0000	\$	-	COST OF POWER KW	3000	0.0000	\$	-
COST OF POWER KWH	1,500,000	0.0000	\$	-	COST OF POWER KWH	#####	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 4,000kW, 1,200,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KW	4000	0.0000	\$	-	DISTRIBUTION KW	4000	#DIV/0!	#DIV/0!	
COST OF POWER KW	4000	0.0000	\$	-	COST OF POWER KW	4000	0.0000	\$	-
COST OF POWER KWH	1,200,000	0.0000	\$	-	COST OF POWER KWH	#####	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	#DIV/0!	
DISTRIBUTION KW	4000	0.0000	\$	-	DISTRIBUTION KW	4000	#DIV/0!	#DIV/0!	
COST OF POWER KW	4000	0.0000	\$	-	COST OF POWER KW	4000	0.0000	\$	-
COST OF POWER KWH	1,800,000	0.0000	\$	-	COST OF POWER KWH	#####	0.0000	\$	-
CURRENT 2001 BILL			\$	-	Adjusted 2002 BILL		#DIV/0!	#DIV/0!	#DIV/0!

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL	2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)
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ENTER DESIRED CONSUMPTION LEVELS 100kW, 40,000kWh	WINTER	KW	RATE \$/KW	CHARGE \$	WINTER	KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
	DISTRIBUTION KW	100	0.0000	\$	-	DISTRIBUTION KW	100	#DIV/0!	#DIV/0!	

kW COST OF POWER					kW COST OF POWER				
Demand Charge	100	0.0000	\$	-	Demand Charge	100	0.0000	\$	-
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
WINTER PEAK	20,000	0.0000	\$	-	WINTER PEAK	20,000	0.0000	\$	-
WINTER OFF					WINTER OFF				
PEAK	20,000	0.0000	\$	-	PEAK	20,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	-	CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!

SUMMER					SUMMER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT
		\$/kW	\$				\$/kW	\$	DOLLARS
DISTRIBUTION					DISTRIBUTION				IMPACT
kW	100	0.0000	\$	-	kW	100	#DIV/0!	#DIV/0!	%
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	100	0.0000	\$	-	Demand Charge	100	0.0000	\$	-
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
SUMMER PEAK	20,000	0.0000	\$	-	SUMMER PEAK	20,000	0.0000	\$	-
SUMMER OFF					SUMMER OFF				
PEAK	20,000	0.0000	\$	-	PEAK	20,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE			\$	-	SERVICE			#DIV/0!	
CHARGE			\$	-	CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

ENTER DESIRED CONSUMPTION LEVELS
4000kW, 1,200,000kWh

WINTER					WINTER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT
		\$/kW	\$				\$/kW	\$	DOLLARS
DISTRIBUTION					DISTRIBUTION				IMPACT
kW	4000	0.0000	\$	-	kW	4000	#DIV/0!	#DIV/0!	%
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	4000	0.0000	\$	-	Demand Charge	4000	0.0000	\$	-
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
WINTER PEAK	600,000	0.0000	\$	-	WINTER PEAK	600,000	0.0000	\$	-
WINTER OFF					WINTER OFF				
PEAK	600,000	0.0000	\$	-	PEAK	600,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE			\$	-	SERVICE			#DIV/0!	
CHARGE			\$	-	CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!
SUMMER					SUMMER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT
		\$/kW	\$				\$/kW	\$	DOLLARS
DISTRIBUTION					DISTRIBUTION				IMPACT
kW	4000	0.0000	\$	-	kW	4000	#DIV/0!	#DIV/0!	%
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	4000	0.0000	\$	-	Demand Charge	4000	0.0000	\$	-
		RATE					RATE		
COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
SUMMER PEAK	600,000	0.0000	\$	-	SUMMER PEAK	600,000	0.0000	\$	-
SUMMER OFF					SUMMER OFF				
PEAK	600,000	0.0000	\$	-	PEAK	600,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE			\$	-	SERVICE			#DIV/0!	
CHARGE			\$	-	CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!

LARGE USE

CURRENT 2001 BILL

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

ENTER DESIRED CONSUMPTION LEVELS
6000kW, 3,000,000kWh

WINTER					WINTER				
	KW	RATE	CHARGE			KW	RATE	CHARGE	IMPACT
		\$/kW	\$				\$/kW	\$	DOLLARS
DISTRIBUTION					DISTRIBUTION				IMPACT
kW	6000	0.0000	\$	-	kW	6000	#DIV/0!	#DIV/0!	%
kW COST OF					kW COST OF				
POWER					POWER				
Demand Charge	6000	0.0000	\$	-	Demand Charge	6000	0.0000	\$	-
		RATE					RATE		

COST OF POWER	kWh	\$/kWh			COST OF POWER	kWh	\$/kWh		
WINTER PEAK	1,500,000	0.0000	\$	-	WINTER PEAK	#####	0.0000	\$	-
WINTER OFF					WINTER OFF				
PEAK	1,500,000	0.0000	\$	-	PEAK	1,500,000	0.0000	\$	-
MONTHLY					MONTHLY				
SERVICE					SERVICE				
CHARGE			\$	-	CHARGE			#DIV/0!	
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0! #DIV/0!

SUMMER	KW	RATE \$/kW	CHARGE \$		SUMMER	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION					DISTRIBUTION					
kW	6000	0.0000	\$	-	kW	6000	#DIV/0!	#DIV/0!		
kW COST OF					kW COST OF					
POWER					POWER					
Demand Charge	6000	0.0000	\$	-	Demand Charge	6000	0.0000	\$	-	
COST OF POWER	kWh	RATE \$/kWh			COST OF POWER	kWh	RATE \$/kWh			
SUMMER PEAK	1,500,000	0.0000	\$	-	SUMMER PEAK	#####	0.0000	\$	-	
SUMMER OFF					SUMMER OFF					
PEAK	1,500,000	0.0000	\$	-	PEAK	1,500,000	0.0000	\$	-	
MONTHLY					MONTHLY					
SERVICE					SERVICE					
CHARGE			\$	-	CHARGE			#DIV/0!		
TOTAL			\$	-	TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

Schedule of Rates and Charges

Erie Thames Powerlines

Effective March 1, 2002

RP-2002-xxxx

EB-2002-xxxx

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto) Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

RESIDENTIAL

Monthly Service Charge	(per month)	#DIV/0!
Distribution Volumetric Rate	(per kWh)	#DIV/0!
Cost of Power Rate	(per kWh)	\$0.0000

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	#DIV/0!
Distribution Volumetric Rate	(per kWh)	#DIV/0!
Cost of Power - Winter Peak	(per kWh)	\$0.0000
Cost of Power - Winter Off Peak	(per kWh)	\$0.0000
Cost of Power - Summer Peak	(per kWh)	\$0.0000
Cost of Power - Summer Off Peak	(per kWh)	\$0.0000

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$5.00
Distribution Volumetric Rate	(per kWh)	\$0.0300
Cost of Power Rate	(per kWh)	\$0.0699

GENERAL SERVICE < 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kWh)	\$0.0000
Cost of Power - Winter Peak	(per kWh)	\$0.0000
Cost of Power - Winter Off Peak	(per kWh)	\$0.0000
Cost of Power - Summer Peak	(per kWh)	\$0.0000
Cost of Power - Summer Off Peak	(per kWh)	\$0.0000

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	#DIV/0!
Distribution Volumetric Rate	(per kW)	#DIV/0!

Schedule of Rates and Charges

Cost of Power Demand Rate	(per kW)	\$0.0000
Cost of Power Energy Rate	(per kWh)	\$0.0000

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	#DIV/0!
Distribution Volumetric Rate	(per kW)	#DIV/0!
Cost of Power - Winter Peak	(per kW)	\$0.0000
Cost of Power - Summer Peak	(per kW)	\$0.0000
Cost of Power - Winter Peak	(per kWh)	\$0.0000
Cost of Power - Winter Off Peak	(per kWh)	\$0.0000
Cost of Power - Summer Peak	(per kWh)	\$0.0000
Cost of Power - Summer Off Peak	(per kWh)	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

Monthly Service Charge	(per month)	#DIV/0!
Distribution Volumetric Rate	(per kW)	#DIV/0!
Cost of Power - Winter Peak	(per kW)	\$0.0000
Cost of Power - Summer Peak	(per kW)	\$0.0000
Cost of Power - Winter Peak	(per kWh)	\$0.0000
Cost of Power - Winter Off Peak	(per kWh)	\$0.0000
Cost of Power - Summer Peak	(per kWh)	\$0.0000
Cost of Power - Summer Off Peak	(per kWh)	\$0.0000

LARGE USE

Monthly Service Charge	(per month)	#DIV/0!
Distribution Volumetric Rate	(per kW)	#DIV/0!
Cost of Power - Winter Peak	(per kW)	\$0.0000
Cost of Power - Summer Peak	(per kW)	\$0.0000
Cost of Power - Winter Peak	(per kWh)	\$0.0000
Cost of Power - Winter Off Peak	(per kWh)	\$0.0000
Cost of Power - Summer Peak	(per kWh)	\$0.0000
Cost of Power - Summer Off Peak	(per kWh)	\$0.0000

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	#DIV/0!
Distribution Volumetric Rate	(per kW)	#DIV/0!
Cost of Power Demand Rate	(per kW)	\$0.0000

SENTINEL LIGHTS (Time of Use)

Schedule of Rates and Charges

Monthly Service Charge	(per month)	#DIV/0!
Distribution Volumetric Rate	(per kW)	#DIV/0!
Cost of Power - Winter	(per kW)	\$0.0000
Cost of Power - Summer	(per kW)	\$0.0000

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	#DIV/0!
Distribution Volumetric Rate	(per kW)	#DIV/0!
Cost of Power Demand Rate	(per kW)	\$0.0000

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	#DIV/0!
Distribution Volumetric Rate	(per kW)	#DIV/0!
Cost of Power - Winter	(per kW)	\$0.0000
Cost of Power - Summer	(per kW)	\$0.0000

MISCELLANEOUS CHARGES

ADD 2002 OEB APPROVED MISCELLANEOUS CHARGES HERE

New Account Setup	\$	20.00
Change of Occupancy	\$	20.00
Account History		
Administration Fee		
Current Year Data		
Each Additional Year Data		
Arrear's Certificate		
Late Payment		1.50%
Dispute Involvement Charge		
Returned Cheque		\$10.00
Collection of Account Charge		\$10.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours		\$30.00
At Meter - After Hours		\$100.00
Temporary Pole Service	\$	125.00
After Hours High Voltage Station Outage		
Residential Service 2nd Visit to Connect New Service		
Residential Service After Hours Visit to Connect New Service		
Diversity Adjustr Winter		\$1.76
(discontinued at Summer		\$2.04

SHEET 6 - 2001 PILs Deferral Account Estimate Adder Calculation

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED 1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames-power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the calculated value for the 2001 PILs Defferal Account. Use the methodolgy released by the Board on December 21, 2001.

Enter the Estimated Value for the 2001 PILs Defferal Account.

\$ 614.86

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2001 PILs defferal amount and to create the adders in each class. Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

1999 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2001 PILs Deferral Allocations
RESIDENTIAL CLASS	-	0	-	\$0.00	0.00%	\$ -
GENERAL SERVICE <50 KW CLASS	-	415,932	52	\$10,878.61	100.00%	\$ 614.86
GENERAL SERVICE >50 KW NON TIME OF USE	0	-	-	\$0.00	0.00%	\$ -
GENERAL SERVICE >50 KW TIME OF USE	0	-	0	\$0.00	0.00%	\$ -
INTERMEDIATE USE	0	-	0	\$0.00	0.00%	\$ -
LARGE USER CLASS	0	-	0	\$0.00	0.00%	\$ -
SENTINEL LIGHTS	0	-	-	\$0.00	0.00%	\$ -
STREET LIGHTING CLASS	0	-	-	\$0.00	0.00%	\$ -
TOTALS				\$10,878.61	1.00	614.86
						\$ 614.86

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G26 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)		#DIV/0!	
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		#DIV/0!	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.800	0.200	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G27 above)	\$ 491.89	\$ 122.97	\$ 614.86
(B) RETAIL KWH	415,932		
(C) NUMBER OF CUSTOMERS		52	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	\$0.001183		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		\$0.1971	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G28 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		#DIV/0!	

General Service >50kW ClassTOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G29 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		#DIV/0!	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G30 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		#DIV/0!	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G31 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		#DIV/0!	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G32 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) #DIV/0!
(this amount is added to the kW rate shown on Sheet 4 and
the total new rate appears on the Rate Schedule on Sheet 7)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 #DIV/0!
(this amount is added to the Service Charge shown on Sheet 4 and
the total new Service Charge appears on the Rate Schedule on Sheet 7)

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage		SERVICE CHARGE REVENUE Percentage		ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.363		0.637		100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G33 above)	\$	-	\$	-	\$ -
(B) RETAIL KW		0			
(C) NUMBER OF CUSTOMERS (Connections)				-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)				#DIV/0!	
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)				#DIV/0!	

SHEET 7 - 2002 Rate Schedule including 2001PILs Deferral Account Estimate Adder

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED 1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd Installment of 1/3 Incremental MARR and 2001PILs Deferral Account Estimate Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!
COST OF POWER KWH RATE	\$0.00000

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	#DIV/0!			
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.02530
MONTHLY SERVICE CHARGE (Per Customer)	\$4.21982
COST OF POWER KWH RATE	\$0.069900

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00295			
MONTHLY SERVICE CHARGE (Per Customer)	\$0.49129			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!
COST OF POWER KW RATE	\$0.000000
COST OF POWER KWH RATE	\$0.000000

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!
COST OF POWER KW RATE	\$0.0000

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!	
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!
COST OF POWER KW RATE	\$0.0000

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!	
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SHEET 8 - 2002 PILs Proxy Estimate Adder Calculation

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED 1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the calculated value for the 2002 PILs Proxy Estimate. Use the methodology released by the Board on December 21, 2001.

Enter the Estimated Value for the 2002 PILs Proxy \$ 2,170.96

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2002 PILs Proxy Estimate amount and to create the adders in each class. Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

When this data was added on Sheet 6, it will also appear in the table below.

1999 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 PILs Estimate Allocations
RESIDENTIAL CLASS	-	0	-	\$0.00	0.00%	\$ -
GENERAL SERVICE <50 KW CLASS	-	415,932	52	\$10,878.61	100.00%	\$ 2,170.96
GENERAL SERVICE >50 KW NON TIME OF USE	0	-	-	\$0.00	0.00%	\$ -
GENERAL SERVICE >50 KW TIME OF USE	0	-	-	\$0.00	0.00%	\$ -
INTERMEDIATE USE	0	-	-	\$0.00	0.00%	\$ -
LARGE USER CLASS	0	-	-	\$0.00	0.00%	\$ -
SENTINEL LIGHTS	0	-	-	\$0.00	0.00%	\$ -
STREET LIGHTING CLASS	0	-	-	\$0.00	0.00%	\$ -
TOTALS				\$10,878.61	1.00	2,170.96
						\$ 2,170.96

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 PILs (Total in Cell G26 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)		#DIV/0!	
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		#DIV/0!	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.800	0.200	100%
(A) ALLOCATED 2002 PILs (Total in Cell G27 above)	\$ 1,736.77	\$ 434.19	\$ 2,170.96
(B) RETAIL KWH	415,932		
(C) NUMBER OF CUSTOMERS		52	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	\$0.004176		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$0.6958	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 PILs (Total in Cell G28 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		#DIV/0!	

General Service >50kW Class TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 PILs (Total in Cell G29 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		#DIV/0!	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 PILs (Total in Cell G30 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		#DIV/0!	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 PILs (Total in Cell G31 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		#DIV/0!	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 PILs (Total in Cell G32 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS		-	

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) #DIV/0!
(this amount is added to the kW rate shown on Sheet 7 and
the total new rate appears on the Rate Schedule on Sheet 9)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 #DIV/0!
(this amount is added to the Service Charge shown on Sheet 7 and
the total new Service Charge appears on the Rate Schedule on Sheet 9)

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.363	0.637	100%
(A) ALLOCATED 2002 PILs (Total in Cell G33 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS (Connections)		-	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		#DIV/0!	

SHEET 9 - 2002 Rate Schedule including 2001 and 2002 PILs Estimate Adders

NAME OF UTILITY	Erie Thames Powerlines	LICENCE NUMBER	ED 1999-0287
NAME OF CONTACT	Jeff Pettit	PHONE NUMBER	519-485-1820
E- Mail Address	jeffp@erie-thames power.com		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, and the 2002 PILs Estimate Adder. If you are not applying to recover any Z-factors or transistion costs for March 1, 2002, this becomes your final 2002 Rate Schedule and will appear at Sheet 16.

RESIDENTIAL

DISTRIBUTION KWH RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!
COST OF POWER KWH RATE	\$0.00000

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	#DIV/0!			
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.02948
MONTHLY SERVICE CHARGE (Per Customer)	\$4.91564
COST OF POWER KWH RATE	\$0.069900

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00712			
MONTHLY SERVICE CHARGE (Per Customer)	\$1.18711			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!
COST OF POWER KW RATE	\$0.000000
COST OF POWER KWH RATE	\$0.000000

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

LARGE USE

DISTRIBUTION KW RATE	#DIV/0!					
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!
COST OF POWER KW RATE	\$0.0000

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!	
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!
COST OF POWER KW RATE	\$0.0000

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!	
MONTHLY SERVICE CHARGE (Per Connection)	#DIV/0!	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

ERIE THAMES POWERLINES CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2002

ERIE THAMES POWERLINES CORPORATION
INDEX TO AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2002

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Statement of Retained Earnings (Deficit)	3
Statement of Income (Loss)	4
Statement of Cash Flows	5
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AUDITOR'S REPORT

To the Shareholder of:
Erie Thames Powerlines Corporation

We have audited the balance sheet of Erie Thames Powerlines Corporation as at December 31, 2002 and the statements of income (loss), retained earnings (deficit) and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

The opening balance sheet was unaudited. As a result, we were not able to perform sufficient audit procedures on the opening balances to satisfy ourselves regarding the existence, completeness and valuation of opening assets and liabilities. Since the opening balance sheet enters into the determination of results from operations and cash flows, we were unable to determine whether adjustments to the statement of income (loss), opening retained earnings (deficit) and cash flows might be necessary.

In our opinion, except for the effect of adjustments, if any, which we may have determined to be necessary had we been able to satisfy ourselves regarding the existence, completeness and valuation of opening assets and liabilities, as described in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2002 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

London, Ontario
June 12, 2006

Davis Martindale LLP
Chartered Accountants

Accountants *with personality!*

373 Commissioners Road West London ON N6J 1Y4
tel 519.673.3141 fax 519.645.1646
www.davismartindale.com

ERIE THAMES POWERLINES CORPORATION

BALANCE SHEET

AS AT DECEMBER 31, 2002


ASSETS


	2002
Current	
Bank	\$ 1,083,788
Accounts receivable (note 3)	5,750,042
Prepaid expenses	<u>3,450</u>
	6,837,280
Property, Plant and Equipment (note 5)	13,263,547
Regulatory Assets (note 4)	1,216,993
Intangible Asset (note 7)	76,667
Deferred Charges (note 6)	<u>471,756</u>
	<u>\$21,866,243</u>

LIABILITIES AND SHAREHOLDER'S EQUITY

Current	
Accounts payable and accrued liabilities	\$ 4,341,170
Customer deposits (note 9)	479,835
Payment in lieu of income taxes	58,285
Due to related parties (note 8)	<u>900,255</u>
	5,779,545
Long-term Debt (note 10)	8,038,524
Future Payment in Lieu of Income Tax Liability	136,177
Shareholder's Equity	
Share capital (note 11)	8,038,524
Retained earnings (deficit)	<u>(126,527)</u>
	<u>7,911,997</u>
	<u>\$21,866,243</u>

APPROVED ON BEHALF OF THE BOARD:

 Director

 Director

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
STATEMENT OF RETAINED EARNINGS (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002
Balance, Beginning of Year	\$ 107,736
Net Income (Loss)	<u>(234,263)</u>
Balance, End of Year	\$ <u>(126,527)</u>

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
STATEMENT OF INCOME (LOSS)
FOR THE YEAR ENDED DECEMBER 31, 2002

	2002	%
Electricity Revenue (note 12)	\$29,768,686	100.00
Cost of Power	<u>25,271,722</u>	<u>84.89</u>
Gross Margin	4,496,964	15.11
Expenses		
Billing and collecting	171,803	0.58
Community relations	25,175	0.08
Regulatory and professional	459,518	1.54
Office and administration	259,444	0.87
Direct operation	<u>2,520,343</u>	<u>8.47</u>
	<u>3,436,283</u>	<u>11.54</u>
Net Income from Operations Before Taxes, Interest & Amortization	1,060,681	3.57
Amortization	804,129	2.70
Interest	<u>683,275</u>	<u>2.30</u>
Net Income from Operations Before Tax	(426,723)	(1.43)
Other Income (Expenses)		
Investment income	65,552	0.22
Gain on sale of capital assets	4,719	0.02
Miscellaneous	<u>132,434</u>	<u>0.44</u>
	<u>202,705</u>	<u>0.68</u>
Net Income (Loss) Before Income Tax	(224,018)	(0.75)
Provision for Income Taxes (note 14)		
Current	28,060	0.09
Future tax expense (benefit)	<u>(17,815)</u>	<u>(0.06)</u>
	<u>10,245</u>	<u>0.03</u>
Net Income (Loss)	<u>\$ (234,263)</u>	<u>(0.78)</u>

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2002

	2002
Cash Flows from Operating Activities	
Net income (loss)	\$ (234,263)
Items not requiring an outlay of cash:	
Amortization	804,129
Gain on sale of capital assets	(4,719)
Future payment in lieu of income tax expense (benefit)	<u>(17,815)</u>
	547,332
Changes in non-cash working capital balances:	
Accounts receivable	(1,817,718)
Regulatory assets	(852,404)
Prepaid expenses	(3,450)
Income taxes recoverable	65,285
Accounts payable and accrued liabilities	282,012
Customer deposits	145,576
Due to related party	<u>1,089,041</u>
Net Cash Provided by (Used in) Operating Activities	(544,326)
Cash Flows from Investing Activities	
Additions to capital assets	(1,143,395)
Proceeds on disposal of capital assets	31,693
Deferred charges	<u>-</u>
Net Cash Provided by (Used in) Investing Activities	<u>(1,111,702)</u>
Net Increase (Decrease) in Cash	(1,656,028)
Cash, Beginning of Year	<u>2,739,816</u>
Cash, End of Year	\$ <u>1,083,788</u>

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

1. Nature of Operations

The Ontario Government enacted the Energy Competition Act, 1998 to introduce competition to the Ontario electricity market by the year 2000. Under the terms of this legislation, the Ontario Energy Board (the "OEB") will regulate industry participants by issuing licences for the right to generate, transmit, distribute or retail electricity. These licences will require compliance with established market rules and codes. The Ontario Government opened the Ontario electricity market to competition on May 1, 2002.

Pursuant to this legislation, the shareholder municipalities of Erie Thames Power Corporation enacted by-laws, which transferred the assets, liabilities, rights and obligations of the Municipal Hydro Electric Commissions, in respect of the distribution and retailing of electricity, to the Company, which was incorporated, on July 7, 2000, under the Business Corporations Act (Ontario) pursuant to Section 142 of the Electricity Act, 1998 (Ontario) and Sections 71 and 73 of the Ontario Energy Board Act, 1998 (Ontario).

The Company is solely owned by Erie Thames Power Corporation who in turn is owned by the following seven municipalities, each of whom has one voting common share: Aylmer, Central Elgin, East Zorra Tavistock, Ingersoll, Norwich, South West Oxford and Zorra.

Erie Thames Powerlines Corporation carries on the business of distributing electricity to the following communities: Aylmer, Beachville, Belmont, Burgessville, Embro, Ingersoll, Norwich, Otterville, Port Stanley, Tavistock, and Thamesford.

In December 2002, the government of Ontario enacted The Electricity Pricing, Conservation and Supply Act, 2002 ("EPCSA"). The EPCSA was enacted in response to volatile and rising electricity prices during 2002. Under the EPCSA, the electricity distribution rates charged by Local Distribution Companies ("LDCs") are effectively frozen at current rates until 2006. Under the EPCSA, LDCs may apply to the Minister of Energy for rate increases or adjustments prior to 2006. However, it is anticipated that increases or adjustments in rates will only be approved in very limited circumstances and only if they meet one of the following criteria:

- (i) rates proposed are lower than the rates then in effect;
- (ii) currently there is no rate order in effect;
- (iii) the applicant has incurred extraordinary costs; or
- (iv) the Minister is of the opinion that other circumstances justify the approval, considering the interests of the consumers with respect to prices, reliability and quality of service.

Consequently, LDCs will be unable to apply for the recovery of amounts deferred for regulatory purposes, which was previously anticipated to commence March 1, 2003. However, the EPCSA directed LDCs to continue to defer these amounts.

In a letter dated January 23, 2003, the Minister of Energy directed the OEB to complete, prior to December 31, 2003, a review of these deferred charges and to confirm the amount eligible for recovery and that the recovery of these amounts will commence no later than 2006.

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

2. Significant Accounting Policies

The financial statements of the company have been prepared by management in accordance with Canadian generally accepted accounting principles, as modified by regulations and policies set forth in the Ontario Energy Board Accounting Procedures Handbook. Those policies that are considered to be particularly significant are outlined below:

(a) Property, Plant and Equipment and Amortization

Property, plant and equipment are recorded at the fair market value of the assets transferred from the Municipal Hydro Electric Commissions to the Company on August 31, 2000, and subsequent to August 31, 2000, at cost on the date of purchase. Property, plant and equipment are amortized over their useful lives using the straight-line method over the following periods:

Automotive equipment	8 years
Buildings	25 years
Computer equipment	5 years
Transmission and distribution system	25 years
Service, office and other equipment	10 years

(b) Revenue - Electricity Sales

The company follows the practice of cycle billing of customer's accounts and revenue is recognized in the period billed. Estimated customer usage from the last billing date to the year end (unbilled revenue) is included in revenue.

(c) Financial Instruments

The Company's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximate their carry values, unless otherwise noted.

(d) Use of Estimates

The preparation of the financial statements of the Company in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

3. Accounts Receivable

	2002
Energy, water and sewer	\$3,725,645
Unbilled energy	1,987,433
Service revenues	<u>36,964</u>
	<u>\$5,750,042</u>

The amounts shown above are net of allowance for doubtful accounts.

4. Regulatory Assets

	2002
Retail settlement variances	\$ 413,355
Pre-market opening cost of power variances	926,490
Transition costs	<u>533,249</u>
	1,873,094
Less: Allowance for uncollectable amounts	<u>656,101</u>
	<u>\$1,216,993</u>

- (a) Retail settlement variances, represent amounts accumulated since the opening of the electricity market on May 1, 2002. These variances are comprised of:
- (i) variances between amounts charged by the Independent Electricity Market Operator for the operation of the wholesale electricity market and grid, various wholesale market settlement charges and transmission charges and the amounts billed to customers; and
 - (ii) variances between the amounts charged by the Independent Electricity Market Operator to allow for purchases of imported electricity and the amounts billed to customers.
- (b) Pre-market opening cost of power variances, represent the excess cost of electricity to the Company over the amount billed to customers from January 1, 2001 until April 30, 2002.
- (c) An allowance for uncollectable amounts has been recorded for the entire amount of the variances recorded in the current year as it is not yet known whether these amounts will be recoverable through future increases in rates to customers because of the implementation of the EPCSA as mentioned earlier.
- (d) Market readiness represents costs incurred by the company to ready its systems for the opening of the electricity market. These include the updating of the billing computer equipment and software, testing of computer systems and consumer education concerning changes in the electricity market. In accordance with the Ontario Energy Board guidelines, the costs are being amortized over a period of five years, commencing May 1, 2002, when the market opens.

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ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

5. Property, Plant and Equipment

	Cost 2002	Accumulated Amortization	Net 2002
Land	\$ 120,344	\$ -	\$ 120,344
Building	111,797	9,670	102,127
Plant and equipment	196,297	21,810	174,487
Transmission and distribution system	<u>13,968,306</u>	<u>1,101,717</u>	<u>12,866,589</u>
	<u>\$14,396,744</u>	<u>\$ 1,133,197</u>	<u>\$13,263,547</u>

During the year, the Company recorded amortization of \$551,502.

6. Deferred Charges

	Cost 2002	Accumulated Amortization	Net 2002
Organizational	\$ 512,814	\$ 239,313	\$ 273,501
Amalgamation and integration	<u>290,130</u>	<u>91,875</u>	<u>198,255</u>
	<u>\$ 802,944</u>	<u>\$ 331,188</u>	<u>\$ 471,756</u>

Deferred charges represents costs incurred by the Company to facilitate the organization and incorporation of the company and preparation for the opening of the electricity commodity market, in support of the deregulation of the electricity industry in Ontario. These amounts have been accumulated pursuant to regulation underlying the Electricity Act and deferred in anticipation of their recovery by future increases in electricity distribution rates.

(a) Organizational Charges

Expenditures incurred by the former Municipal Hydro Electric Commissions during the organization of the new business prior to the commencement of commercial operations. Commencing September 1, 2000, amortization is calculated on a straight-line basis over a period of five years.

(b) Amalgamation and Integration

Costs incurred by the Company relating to the amalgamation and integration of the systems of the former Municipal Hydro Electric Commissions will be amortized over a period of five years commencing June 1, 2001.

During the year, the Company recorded amortization of \$252,627.

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ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

7. Intangible Asset

	Cost 2002	Accumulated Amortization	Net 2002
Goodwill	\$ <u>100,000</u>	\$ <u>23,333</u>	\$ <u>76,667</u>

8. Related Parties

Erie Thames Power Corporation provides management services and facilities rental based on a contract between the two companies.

The Company has contracted its sister company, Erie Thames Services Corporation, a company under common control, to provide the following services: maintenance and upgrades to the existing capital infrastructure of the Company, billing and collection services of the Company's revenues and administrative services.

The contracts between the Company and Erie Thames Service Corporation and Erie Thames Power Corporation are measured at the exchange amount, which is the amount of consideration paid or received as established and agreed to by the related parties, unless noted otherwise.

The revenue reflected in the financial statements includes the distribution revenue from the sale of electricity to Erie Thames Power Corporation and the municipal facilities located in the communities of Aylmer, Beachville, Belmont, Burgessville, Embro, Ingersoll, Norwich, Otterville, Port Stanley, Tavistock, and Thamesford in the amount of \$814,934. These transactions are in the normal course of operations at rates approved by the Ontario Energy Board.

During the year, the company purchased services from related parties amounting to the following:

Erie Thames Services Corporation	2002
Purchase of capitalized items	\$ 965,231
Purchase of operations, maintenance and administrative services	<u>2,548,911</u>
	<u>\$3,514,142</u>
Erie Thames Power Corporation	
Purchase of management services	\$ 193,100
Rent	<u>177,020</u>
	<u>\$ 370,120</u>
Shareholders of Erie Thames Power Corporation	
Interest on long-term debt as set out in note 10.	

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

8. Related Parties (cont.)

The contracts with Erie Thames Power Corporation for management services and facilities rental and with Erie Thames Services Corporation for maintenance and upgrades to the existing capital infrastructure of the Company, billing and collection services of the Company's revenues and administrative services are automatically renewed every two years unless either party terminates the agreement with notice.

	2002
Due to Erie Thames Services Corporation	\$ 354,178
Due to Erie Thames Power Corporation	<u>546,077</u>
	<u>\$ 900,255</u>

These amounts represent funds owing to related parties. The amounts are non-interest bearing and payable in the normal course of business.

9. Customer Deposits

Customer deposits are held as security for energy consumption. On an annual basis, interest is calculated and credited to the customers' utility accounts.

10. Long-term Debt

Related Party Note Payable

The long-term debt represents amounts owing to the municipal shareholders of Erie Thames Power Corporation for purchase of the respective Municipality's Hydro Electric Commission's net assets. The debt is convertible to Class B shares at the fair market value of the Class B shares of the company divided by the number of Class B shares issued and outstanding. The rate of interest is 8.5% and is set by the Board of Directors, from time to time. The term of the debt is undefined and no principal amounts are anticipated to be paid over the next twelve months. The amounts owing to the municipalities are as follows:

	2002
Aylmer	\$2,263,500
Central Elgin	1,077,000
East Zorra Tavistock	760,000
Ingersoll	1,846,524
Norwich	1,020,000
Southwest Oxford	256,500
Zorra	<u>815,000</u>
	<u>\$8,038,524</u>

During 2002, \$683,275 was charged to interest expense for interest on related party long-term debt.

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

11. Capital Stock

Authorized

Unlimited number of Class "A" voting shares without nominal or par value

Unlimited number of Class "B" non-voting shares without nominal or par value, redeemable, with non-cumulative dividend entitlements.

2002

Issued capital

7 Class "A" shares

10,000 Class "B" shares

\$ 7

8,038,517

\$8,038,524

12. Electricity Revenue

	2002	%
Residential	\$ 7,612,202	25.56
Commercial	7,850,081	26.37
Street lighting	172,453	0.58
General service	6,280,958	21.10
Distribution charges	4,074,866	13.69
Transmission charges	2,386,287	8.02
Rent from electrical property	161,693	0.54
Retailer energy sales	657,803	2.21
Service revenue	1,386,437	4.66
Unbilled revenue	820,580	2.76
Customer rebate	<u>(1,634,674)</u>	<u>(5.49)</u>
	<u>\$29,768,686</u>	<u>100.00</u>

13. Settlement of Lawsuit

When the Ontario Government enacted the Energy Competition Act, 1998, whose purpose was to introduce competition to the Ontario electricity market, the Municipal Electricity Association (MEA), on behalf of its members, filed a class action lawsuit against the former Ontario Hydro. The lawsuit related to the municipal electric utilities having an investment in the equity of Ontario Hydro, which was not distributed on the break-up of Ontario Hydro. This action was successfully settled during 2001 in favour of the MEA for \$29 million. The company's portion of the settlement amounted to \$118,742.

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

14. Payments in Lieu of Income Taxes

The provision for payments in lieu ("PILs") of income taxes differs from amounts which would be calculated by applying the Company's combined statutory income tax rate as follows:

	2002
Income from continuing operations before PILs	\$ (224,018)
Statutory Canadian federal and provincial income tax rate	38.62 %
Basic rate applied to income (loss) before PILs	(86,516)
Large corporation tax net of surtax	28,696
Tax benefit of non-capital losses not recognized (recognized)	24,892
Other	<u>60,988</u>
Provision for payment in lieu of income tax	\$ <u>28,060</u>
Effective tax rate	<u>(12.53)%</u>

Payments in Lieu of Income Taxes Expense made up of the following:

Current	\$ 28,060
Future tax expense (benefit)	<u>(17,815)</u>
	\$ <u>10,245</u>

The Company as of December 31, 2002, has recorded future income tax liabilities of \$136,177, based on substantially enacted income tax rates of 36.12%. Such future income tax liabilities relate to the tax basis of depreciable assets being lower than the amounts recorded for accounting purposes. In addition, the corporation has accumulated non-capital losses for tax purpose of \$884,925, which are available to offset income in the future. These carry forwards expire as follows:

2008	\$ 820,472
2009	\$ 64,453

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2002

15. Contingent Liabilities

A class action claiming \$500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which charged late payment charges on overdue utility bills at any time after April 1, 1981. The claim is that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347 (1)(b) of the Criminal Code. The Municipal Electric Association is undertaking the defence of this class action.

This case had been on hold pending the resolution of a similar case against Consumers Gas Company Limited. The class action against Consumers Gas Company Limited for repayment of late payment charges was dismissed on December 3, 2001 by the Ontario Court of Appeals.

At this time, it is not possible to quantify the effect, if any, on the financial statements of the Company.

16. Prudential Support Requirements

Erie Thames Powerlines Corporation, as a local distribution company under the Energy Competition Act, 1998, R.S.O., posted prudential support obligations on market opening, May 1, 2002 with the Electric Independent Market Operator. The prudential support obligation as at May 1, 2002 was \$2,630,000. The prudential requirement will be honoured through long-term payment history, letter of credit or credit rating from an accredited rating agency.

ERIE THAMES POWERLINES CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2003

ERIE THAMES POWERLINES CORPORATION
INDEX TO AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2003

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Balance Sheet	2
Statement of Retained Earnings (Deficit)	3
Statement of Income (Loss)	4
Statement of Cash Flows	5
Notes to the Financial Statements	6-14

AUDITOR'S REPORT

To the Shareholder of:
Erie Thames Powerlines Corporation

We have audited the balance sheet of Erie Thames Powerlines Corporation as at December 31, 2003 and the statements of income (loss), retained earnings (deficit) and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2003 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

London, Ontario
June 13, 2006

Davis Martindale LLP
Chartered Accountants

Accountants *with personality!*

373 Commissioners Road West London ON N6J 1Y4
tel 519.673.3141 fax 519.645.1646
www.davismartindale.com

ERIE THAMES POWERLINES CORPORATION

BALANCE SHEET

AS AT DECEMBER 31, 2003

ASSETS

	2003	2002
Current		
Bank	\$ 401,114	\$ 1,083,788
Accounts receivable (note 3)	5,322,054	5,750,042
Prepaid expenses	<u>3,177</u>	<u>3,450</u>
	5,726,345	6,837,280
Property, Plant and Equipment (note 5)	14,260,170	13,263,547
Regulatory Assets (note 4)	1,962,224	1,216,993
Intangible Asset (note 7)	76,667	76,667
Deferred Charges (note 6)	<u>311,169</u>	<u>471,756</u>
	<u>\$ 22,336,575</u>	<u>\$ 21,866,243</u>

LIABILITIES AND SHAREHOLDER'S EQUITY

Current		
Accounts payable and accrued liabilities	\$ 3,687,748	\$ 4,341,170
Customer deposits (note 9)	747,161	479,835
Payment in lieu of income taxes	103,192	58,285
Due to related parties (note 8)	<u>828,674</u>	<u>900,255</u>
	5,366,775	5,779,545
Long-term Debt (note 10)	8,038,524	8,038,524
Future Payment in Lieu of Income Tax Liability	46,803	136,177
Shareholder's Equity		
Share capital (note 11)	8,038,524	8,038,524
Retained earnings (deficit)	<u>845,949</u>	<u>(126,527)</u>
	8,884,473	7,911,997
	<u>\$ 22,336,575</u>	<u>\$ 21,866,243</u>

APPROVED ON BEHALF OF THE BOARD:

Susan Hansen Director

[Signature] Director

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
STATEMENT OF RETAINED EARNINGS (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 2003

	2003	2002
Balance, Beginning of Year	\$ (126,527)	\$ 107,736
Net Income (Loss)	<u>972,476</u>	<u>(234,263)</u>
Balance, End of Year	\$ <u>845,949</u>	\$ <u>(126,527)</u>

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ERIE THAMES POWERLINES CORPORATION

STATEMENT OF INCOME (LOSS)

FOR THE YEAR ENDED DECEMBER 31, 2003

	2003	%	2002	%
Electricity Revenue (note 12)	\$30,100,625	100.00	\$29,768,686	100.00
Cost of Power	<u>25,258,871</u>	<u>83.91</u>	<u>25,271,722</u>	<u>84.89</u>
Gross Margin	4,841,754	16.09	4,496,964	15.11
Expenses				
Billing and collecting	339,182	1.13	171,803	0.58
Community relations	15,198	0.05	25,175	0.08
Regulatory and professional	231,888	0.77	459,518	1.54
Office and administration	266,982	0.89	259,444	0.87
Direct operation	<u>2,737,455</u>	<u>9.09</u>	<u>2,520,343</u>	<u>8.47</u>
	<u>3,590,705</u>	<u>11.93</u>	<u>3,436,283</u>	<u>11.54</u>
Net Income from Operations Before Taxes, Interest & Amortization	1,251,049	4.16	1,060,681	3.57
Amortization	846,956	2.81	804,129	2.70
Interest	<u>582,793</u>	<u>1.94</u>	<u>683,275</u>	<u>2.30</u>
Net Income (Loss) from Operations Before Tax	(178,700)	(0.59)	(426,723)	(1.43)
Other Income (Expenses)				
Investment income	315,172	1.05	65,552	0.22
Gain on sale of capital assets	-	-	4,719	0.02
Provision for retail settlement variance account	656,101	2.18	-	-
Miscellaneous	<u>220,706</u>	<u>0.73</u>	<u>132,434</u>	<u>0.44</u>
	<u>1,191,979</u>	<u>3.96</u>	<u>202,705</u>	<u>0.68</u>
Net Income (Loss) Before Income Tax	1,013,279	3.37	(224,018)	(0.75)
Payment in Lieu of Income Taxes (note 15)				
Current	130,177	0.43	28,060	0.09
Future tax expense (benefit)	<u>(89,374)</u>	<u>(0.30)</u>	<u>(17,815)</u>	<u>(0.06)</u>
	<u>40,803</u>	<u>0.13</u>	<u>10,245</u>	<u>0.03</u>
Net Income (Loss)	\$ <u>972,476</u>	<u>3.24</u>	\$ <u>(234,263)</u>	<u>(0.78)</u>

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2003

	2003	2002
Cash Flows from Operating Activities		
Net income (loss)	\$ 972,476	\$ (234,263)
Items not requiring an outlay of cash:		
Amortization	846,956	804,129
Loss (gain) on sale of capital assets	3,000	(4,719)
Future tax expense (benefit)	<u>(89,374)</u>	<u>(17,815)</u>
	1,733,058	547,332
Changes in non-cash working capital balances:		
Accounts receivable	427,988	(1,817,718)
Regulatory assets	(819,484)	(852,404)
Prepaid expenses	273	(3,450)
Payment in lieu of income taxes	44,907	65,285
Accounts payable and accrued liabilities	(653,422)	282,012
Customer deposits	267,326	145,576
Due to related parties	<u>(71,581)</u>	<u>1,089,041</u>
Net Cash Provided by (Used in) Operating Activities	929,065	(544,326)
Cash Flows from Investing Activities		
Additions to capital assets	(1,649,739)	(1,143,395)
Proceeds on disposal of capital assets	<u>38,000</u>	<u>31,693</u>
Net Cash Provided by (Used in) Investing Activities	<u>(1,611,739)</u>	<u>(1,111,702)</u>
Net Increase (Decrease) in Cash	(682,674)	(1,656,028)
Cash, Beginning of Year	<u>1,083,788</u>	<u>2,739,816</u>
Cash, End of Year	\$ <u>401,114</u>	\$ <u>1,083,788</u>

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ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2003

1. Nature of Operations

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ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2003

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(b) Revenue - Electricity Sales

The Company follows the practice of cycle billing of customer's accounts and revenue is recognized in the period billed. Estimated customer usage from the last billing date to the year end (unbilled revenue) is included in revenue.

(c) Financial Instruments

The Company's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of these financial instruments approximate their carry values, unless otherwise noted.

(d) Use of Estimates

The preparation of the financial statements of the Company in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2003

3. Accounts Receivable

	2003	2002
Energy, water and sewer	\$ 3,395,849	\$ 3,725,645
Unbilled energy	1,851,713	1,987,433
Service revenues	<u>74,492</u>	<u>36,964</u>
	<u>\$ 5,322,054</u>	<u>\$ 5,750,042</u>

The amounts shown above are net of allowance for doubtful accounts.

4. Regulatory Assets

	2003	2002
Retail settlement variances	\$ 507,895	\$ 413,355
Pre-market opening cost of power variances	926,490	926,490
Transition costs	<u>527,839</u>	<u>533,249</u>
	1,962,224	1,873,094
Less: Allowance for uncollectable amounts	<u>-</u>	<u>656,101</u>
	<u>\$ 1,962,224</u>	<u>\$ 1,216,993</u>

- (a) Retail settlement variances, represent amounts accumulated since the opening of the electricity market on May 1, 2002. These variances are comprised of:
- (i) variances between amounts charged by the Independent Electricity Market Operator for the operation of the wholesale electricity market and grid, various wholesale market settlement charges and transmission charges and the amounts billed to customers; and
 - (ii) variances between the amounts charged by the Independent Electricity Market Operator to allow for purchases of imported electricity and the amounts billed to customers.
- (b) Pre-market opening cost of power variances, represent the excess cost of electricity to the Company over the amount billed to customers from January 1, 2001 until April 30, 2002.
- (c) In 2002, an allowance for uncollectable amounts was recorded for the entire amount of the variances recorded in the current year as it was not known that these amounts would be recoverable through future increases in rates to customers.
- (d) Market readiness represents costs incurred by the Company to ready its systems for the opening of the electricity market. These include the updating of the billing computer equipment and software, testing of computer systems and consumer education concerning changes in the electricity market. In accordance with the Ontario Energy Board guidelines, the costs are being amortized over a period of five years, commencing May 1, 2002, when the market opens.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2003

5. Property, Plant and Equipment

	Cost 2003	Accumulated Amortization	Net 2003	Net 2002
Land	\$ 135,344	\$ -	\$ 135,344	\$ 120,344
Building	111,797	14,141	97,656	102,127
Plant and equipment	281,935	40,558	241,377	174,487
Transmission and distribution system	<u>15,476,405</u>	<u>1,690,612</u>	<u>13,785,793</u>	<u>12,866,589</u>
	<u>\$16,005,481</u>	<u>\$ 1,745,311</u>	<u>\$14,260,170</u>	<u>\$ 13,263,547</u>

During the year, the company recorded amortization of \$612,115 (\$551,502 - 2002).

6. Deferred Charges

	Cost 2003	Accumulated Amortization	Net 2003	Net 2002
Organizational Amalgamation and integration	\$ 512,814	\$ 341,874	\$ 170,940	\$ 273,501
	<u>290,130</u>	<u>149,901</u>	<u>140,229</u>	<u>198,255</u>
	<u>\$ 802,944</u>	<u>\$ 491,775</u>	<u>\$ 311,169</u>	<u>\$ 471,756</u>

Deferred charges represents costs incurred by the Company to facilitate the organization and incorporation of the Company and preparation for the opening of the electricity commodity market, in support of the deregulation of the electricity industry in Ontario. These amounts have been accumulated pursuant to regulation underlying the Electricity Act and deferred in anticipation of their recovery by future increases in electricity distribution rates.

(a) Organizational Charges

Expenditures incurred by the former Municipal Hydro Electric Commissions during the organization of the new business prior to the commencement of commercial operations. Commencing September 1, 2000, amortization is calculated on a straight-line basis over a period of five years.

(b) Amalgamation and Integration

Costs incurred by the Company relating to the amalgamation and integration of the systems of the former Municipal Hydro Electric Commissions will be amortized over a period of five years commencing June 1, 2001.

During the year, the Company reported amortization of \$234,842 (\$252,627-2002).

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2003

7. Intangible Asset

	Cost 2003	Accumulated Amortization	Net 2003	Net 2002
Goodwill	\$ <u>100,000</u>	\$ <u>23,333</u>	\$ <u>76,667</u>	\$ <u>76,667</u>

On January 1, 2003, the Company adopted the standard in Section 3062 "Goodwill and Other Intangible Assets" of the CICA Handbook to be applied prospectively. Under the new standard, goodwill is no longer amortized but tested for impairment on an annual basis and the excess of the carrying value amount over the fair value of goodwill is charged to earnings. At year end, the Company tested goodwill in each of its reporting units using a discounted cash flow and cost methodology and determined that there was no impairment of goodwill.

8. Related Parties

Erie Thames Power Corporation provides management services and facilities rental based on a contract between the two companies.

The Company has contracted its sister company, Erie Thames Services Corporation, a company under common control, to provide the following services: maintenance and upgrades to the existing capital infrastructure of the Company, billing and collection services of the Company's revenues and administrative services.

The contracts between the Company and Erie Thames Service Corporation and Erie Thames Power Corporation are measured at the exchange amount, which is the amount of consideration paid or received as established and agreed to by the related parties, unless noted otherwise.

The revenue reflected in the financial statements includes the distribution revenue from the sale of electricity to Erie Thames Power Corporation and the municipal facilities located in the communities of Aylmer, Beachville, Belmont, Burgessville, Embro, Ingersoll, Norwich, Otterville, Port Stanley, Tavistock, and Thamesford in the amount of \$776,888 (\$814,934 in 2002). These transactions are in the normal course of operations at rates approved by the Ontario Energy Board.

During the year, the Company purchased services from related parties amounting to the following:

	2003	2002
Erie Thames Services Corporation		
Purchase of capitalized items	\$1,507,455	\$ 965,231
Purchase of operations, maintenance and administrative services	<u>2,462,084</u>	<u>2,548,911</u>
	<u>\$3,969,539</u>	<u>\$3,514,142</u>
Erie Thames Power Corporation		
Purchase of management services	\$ 277,000	\$ 193,100
Rent	<u>196,433</u>	<u>177,020</u>
	<u>\$ 473,433</u>	<u>\$ 370,120</u>

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2003

8. Related Parties (cont.)

Shareholders of Erie Thames Power Corporation
Interest on long-term debt as set out in note 10.

The contracts with Erie Thames Power Corporation for management services and facilities rental and with Erie Thames Services Corporation for maintenance and upgrades to the existing capital infrastructure of the Company, billing and collection services of the Company's revenues and administrative services are renewed every two years unless either party terminates the agreement with notice.

	2003	2002
Due to (from) Erie Thames Services Corporation	\$ 63,505	\$ 354,178
Due to Erie Thames Power Corporation	573,180	546,077
Due to Shareholder of Parent Corporation (interest)	<u>191,989</u>	<u>-</u>
	<u>\$ 828,674</u>	<u>\$ 900,255</u>

These amounts represent funds owing to related parties. These amounts are non-interest bearing and payable in the normal course of business.

9. Customer Deposits

Customer deposits are held as security for energy consumption. On an annual basis, interest is calculated and credited to the customers' utility accounts.

10. Long-term Debt

Related Party Note Payable

The long-term debt represents amounts owing to the municipal shareholders of Erie Thames Power Corporation for purchase of the respective Municipality's Hydro Electric Commission's net assets. The debt is convertible to Class B shares at the fair market value of the Class B shares of the company divided by the number of Class B shares issued and outstanding. The rate of interest is 6.5% and is set by the Board of Directors, from time to time. The term of the debt is undefined and no principal amounts are anticipated to be paid over the next twelve months.

The amounts owing to the municipalities are as follows:

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2003

10. Long-term Debt (cont.)

	2003	2002
Aylmer	\$ 2,263,500	\$ 2,263,500
Central Elgin	1,077,000	1,077,000
East Zorra Tavistock	760,000	760,000
Ingersoll	1,846,524	1,846,524
Norwich	1,020,000	1,020,000
Southwest Oxford	256,500	256,500
Zorra	<u>815,000</u>	<u>815,000</u>
	<u>\$ 8,038,524</u>	<u>\$ 8,038,524</u>

During 2003, \$582,793 was charged to interest expense for interest on related party long-term debt (\$683,275 in 2002).

The Company has guaranteed the loans payable of its parent company Erie Thames Power Corporation. The loan is secured by a General Security Agreement covering all Company assets excluding real property. At December 31, 2003, the loans amounted to \$405,280.

11. Capital Stock

Authorized

Unlimited number of Class "A" voting shares without nominal or par value

Unlimited number of Class "B" non-voting shares without nominal or par value, redeemable, with non-cumulative dividend entitlements.

	2003	2002
Issued capital		
7 Class "A" shares	\$ 7	\$ 7
10,735,493 Class "B" shares	<u>8,038,517</u>	<u>8,038,517</u>
	<u>\$ 8,038,524</u>	<u>\$ 8,038,524</u>

12. Electricity Revenue

	2003	%	2002	%
Residential	\$20,152,546	66.94	\$24,122,711	81.03
Commercial	4,857,412	16.14	4,074,866	13.69
Street lighting	49,929	0.17	161,693	0.54
General service	<u>5,040,738</u>	<u>16.75</u>	<u>1,409,416</u>	<u>4.74</u>
	<u>\$30,100,625</u>	<u>100.00</u>	<u>\$29,768,686</u>	<u>100.00</u>

The attached Auditor's Report and notes form an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2003

13. Settlement of Lawsuit

When the Ontario Government enacted the Energy Competition Act, 1998, whose purpose was to introduce competition to the Ontario electricity market, the Municipal Electricity Association (MEA) on behalf of its members, filed a class action lawsuit against the former Ontario Hydro. The lawsuit related to the municipal electric utilities having an investment in the equity of Ontario Hydro, which was not distributed on the break-up of Ontario Hydro. This action was successfully settled during 2001 in favour of the MEA for \$29 million. The company's portion of the settlement amounted to \$118,742.

14. Contingent Liabilities

A class action claiming \$500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which charged late payment charges on overdue utility bills at any time after April 1, 1981. The claim is that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347 (1)(b) of the Criminal Code. The Municipal Electric Association is undertaking the defence of this class action.

This case had been on hold pending the resolution of a similar case against Consumers Gas Company Limited. The class action against Consumers Gas Company Limited for repayment of late payment charges was dismissed on December 3, 2001 by the Ontario Court of Appeals.

At this time, it is not possible to quantify the effect, if any, on the financial statement of the Company.

15. Prudential Support Requirements

Erie Thames Powerlines Corporation, as a local distribution company under the Energy Competition Act, 1998, R.S.O., posted prudential support obligations on market opening, May 1, 2002 with the Electric Independent Market Operator. The prudential support obligation as at May 1, 2002 was \$2,630,000. The prudential requirement will be honoured through long-term payment history, letter of credit or credit rating from an accredited rating agency.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2003

16. Payments in Lieu of Income Taxes

The provision for payments in lieu ("PILs") of income taxes differs from amounts which would be calculated by applying the Company's combined statutory income tax rate as follows:

	2003	2002
Income from continuing operations before PILs	\$ 1,013,279	\$ (224,018)
Statutory Canadian federal and provincial income tax rate	36.12 %	38.62 %
Basic rate applied to income (loss) before PILs	365,996	(86,516)
Large corporation tax net of surtax	27,794	28,696
Tax benefit of non-capital losses not recognized (recognized)	(319,635)	24,892
Other	<u>56,022</u>	<u>60,988</u>
Provision for payment in lieu of income tax	\$ <u>130,177</u>	\$ <u>28,060</u>
Effective tax rate	<u>12.85 %</u>	<u>(12.53)%</u>

Payments in Lieu of Income Taxes Expense made up of the following:

Current	\$ 130,177	\$ 28,060
Future tax expense (benefit)	<u>(89,374)</u>	<u>(17,815)</u>
	\$ <u>40,803</u>	\$ <u>10,245</u>

The Company as of December 31, 2003, has recorded future income tax liabilities of \$46,803 (2002 - \$136,177), based on substantially enacted income tax rates of 36.12%. Such future income tax liabilities relate to the tax basis of depreciable assets being lower than the amounts recorded for accounting purposes.

17. Comparative Figures

Certain comparative figures have been reclassified to conform with the statement presentation adopted in the current year.

ERIE THAMES POWERLINES CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2004

ERIE THAMES POWERLINES CORPORATION
INDEX TO AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2004

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Bruce Barran CA CFP
Mike Evans CA CFP
William Gohm CFP®
Michael Koenig CGA CFP®
L Ron Martindale CA
Ron L Martindale Jr CA CBV
Ian McIntosh FCA
Paul Panabaker CA CFP RFP
William Simpson CA CBV®
Brenda Walton CMA®
Michael Watson CA

3/25/06/jml

AUDITOR'S REPORT

To the Shareholder of:
Erie Thames Powerlines Corporation

We have audited the balance sheet of Erie Thames Powerlines Corporation as at December 31, 2004 and the statements of income (loss), retained earnings (deficit) and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2004 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

London, Ontario
June 14, 2006

Davis Martindale LLP
Chartered Accountants

Accountants *with personality!*

373 Commissioners Road West London ON N6J 1Y4
tel 519.673.3141 fax 519.645.1646
www.davismartindale.com

ERIE THAMES POWERLINES CORPORATION

BALANCE SHEET

AS AT DECEMBER 31, 2004

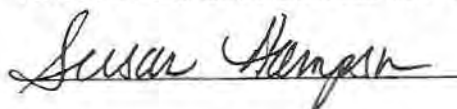
ASSETS

	2004	2003
Current		
Bank	\$ 167,610	\$ 401,114
Accounts receivable (note 3)	5,580,807	5,322,054
Prepaid expenses	9,857	3,177
Current portion of note receivable (note 4)	26,862	-
Payment in lieu of income taxes recoverable	<u>43,137</u>	<u>-</u>
	5,828,273	5,726,345
Note Receivable (note 4)	115,354	-
Property, Plant and Equipment (note 5)	14,877,793	14,260,170
Regulatory Assets (note 8)	1,983,501	1,962,224
Intangible Asset (note 7)	76,667	76,667
Deferred Charges (note 6)	<u>150,487</u>	<u>311,169</u>
	<u>\$23,032,075</u>	<u>\$22,336,575</u>

LIABILITIES AND SHAREHOLDER'S EQUITY

Current		
Accounts payable and accrued liabilities	\$ 3,965,332	\$ 3,687,748
Customer deposits (note 10)	841,294	747,161
Payments in lieu of income taxes	-	103,192
Due to related parties (note 9)	<u>1,299,834</u>	<u>828,674</u>
	6,106,460	5,366,775
Long-term Debt (note 11)	8,038,524	8,038,524
Future Payment in Lieu of Income Tax Liability	95,104	46,803
Shareholder's Equity		
Share capital (note 12)	8,038,524	8,038,524
Retained earnings	<u>753,463</u>	<u>845,949</u>
	<u>8,791,987</u>	<u>8,884,473</u>
	<u>\$23,032,075</u>	<u>\$22,336,575</u>

APPROVED ON BEHALF OF THE BOARD:

 Director

 Director

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
STATEMENT OF RETAINED EARNINGS (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 2004

	2004	2003
Balance, Beginning of Year	\$ 845,949	\$ (126,527)
Net Income (Loss)	<u>(92,486)</u>	<u>972,476</u>
Balance, End of Year	<u>\$ 753,463</u>	<u>\$ 845,949</u>

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

STATEMENT OF INCOME (LOSS)

FOR THE YEAR ENDED DECEMBER 31, 2004

	2004	%	2003	%
Electricity Revenue (note 13)	\$31,529,901	100.00	\$30,100,625	100.00
Cost of Power	<u>26,490,207</u>	<u>84.02</u>	<u>25,258,871</u>	<u>83.91</u>
Distribution Revenue	5,039,694	15.98	4,841,754	16.09
Expenses				
Billing and collecting	546,950	1.73	339,182	1.13
Community relations	33,218	0.11	15,198	0.05
Direct operation	2,920,601	9.26	2,737,455	9.09
Office and administration	354,980	1.13	266,982	0.89
Regulatory and professional	<u>330,546</u>	<u>1.05</u>	<u>231,888</u>	<u>0.77</u>
	<u>4,186,295</u>	<u>13.28</u>	<u>3,590,705</u>	<u>11.93</u>
Net Income from Operations Before Taxes, Interest & Amortization	853,399	2.70	1,251,049	4.16
Amortization	970,610	3.08	846,956	2.81
Interest income on regulatory assets	(401,572)	(1.27)	(280,467)	(0.93)
Interest	<u>582,793</u>	<u>1.85</u>	<u>582,793</u>	<u>1.94</u>
Net Income (Loss) from Operations Before Tax	(298,432)	(0.96)	101,767	0.34
Other Income				
Investment income	12,699	0.04	34,705	0.12
Recovery of Pre-market Opening Energy Variance	-	-	656,101	2.18
Miscellaneous	<u>314,941</u>	<u>1.00</u>	<u>220,706</u>	<u>0.73</u>
	<u>327,640</u>	<u>1.04</u>	<u>911,512</u>	<u>3.03</u>
Net Income Before Income Tax	29,208	0.08	1,013,279	3.37
Payment in Lieu of Income Taxes (note 14)				
Current	73,394	0.23	130,177	0.43
Future tax expense (benefit)	<u>48,300</u>	<u>0.15</u>	<u>(89,374)</u>	<u>(0.30)</u>
	<u>121,694</u>	<u>0.38</u>	<u>40,803</u>	<u>0.13</u>
Net Income (Loss)	<u>\$ (92,486)</u>	<u>(0.30)</u>	<u>\$ 972,476</u>	<u>3.24</u>

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2004

	2004	2003
Cash Flows from Operating Activities		
Net income (loss)	\$ (92,486)	\$ 972,476
Items not requiring an outlay of cash:		
Amortization	970,610	846,956
Gain on sale of capital assets	(14,954)	3,000
Future payment in lieu of income tax expense (benefit)	<u>48,300</u>	<u>(89,374)</u>
	911,470	1,733,058
Changes in non-cash working capital balances:		
Accounts receivable	(258,753)	427,988
Regulatory assets	(146,416)	(819,484)
Prepaid expenses	(6,680)	273
Accounts payable and accrued liabilities	277,584	(653,422)
Note receivable	(142,216)	-
Payment in lieu of income taxes	(146,328)	44,907
Customer deposits	94,133	267,326
Due to related parties	<u>471,160</u>	<u>(71,581)</u>
Net Cash Provided by Operating Activities	1,053,954	929,065
Cash Flows from Investing Activities		
Additions to capital assets	(1,305,458)	(1,649,739)
Proceeds on disposal of capital assets	<u>18,000</u>	<u>38,000</u>
Net Cash Provided by (Used in) Investing Activities	<u>(1,287,458)</u>	<u>(1,611,739)</u>
Net Increase (Decrease) in Cash	(233,504)	(682,674)
Cash, Beginning of Year	<u>401,114</u>	<u>1,083,788</u>
Cash, End of Year	\$ <u>167,610</u>	\$ <u>401,114</u>

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2004

1. Nature of Operations

The Ontario Government enacted the Energy Competition Act, 1998 to introduce competition to the Ontario electricity market by the year 2000. Under the terms of this legislation, the Ontario Energy Board (the "OEB") regulates industry participants by issuing licences for the right to generate, transmit, distribute or retail electricity. These licences require compliance with established market rules and codes. The Ontario Government opened the Ontario electricity market to competition on May 1, 2002.

Pursuant to this legislation, the shareholder municipalities of Erie Thames Power Corporation enacted by-laws, which transferred the assets, liabilities, rights and obligations of the Municipal Hydro Electric Commissions, in respect of the distribution of electricity, to the company, which was incorporated, on July 7, 2000, under the Business Corporations Act (Ontario) pursuant to Section 142 of the Electricity Act, 1998 (Ontario) and Sections 71 and 73 of the Ontario Energy Board Act, 1998 (Ontario).

The Company is solely owned by Erie Thames Power Corporation who in turn is owned by the following seven municipalities, each of whom has one voting common share: Aylmer, Central Elgin, East Zorra Tavistock, Ingersoll, Norwich, South West Oxford and Zorra.

Erie Thames Powerlines Corporation carries on the business of distributing electricity to the following communities: Aylmer, Beachville, Belmont, Burgessville, Embro, Ingersoll, Norwich, Otterville, Port Stanley, Tavistock, and Thamesford.

In December 2003, the government of Ontario enacted Bill 4, the OEB Amendment Act (Electricity pricing). Bill 4 was enacted in response to the Electricity Pricing, Conservation and Supply Act 2002, which froze commodity rates at 4.3 cents per kilowatt hour (kWh). This act did not, in the government's opinion, reflect the true cost of electricity. Future electricity pricing will be billed using a block structure where the initial 750 kWhs billed per month are at a rate of 4.7 cents per kWhs and the remaining consumption is billed at 5.5 cents per kWh. Should this revenue exceed the true cost of the new block structure, all eligible consumers would receive a credit for the difference.

Effective April 1, 2005, the block structure implemented for certain customers in 2004 will be amended to increase the rates for the initial 750 kWhs per month to 5.0 cents per kWh and the rate for the remaining consumption per month to 5.8 cents per kWh. For residential customers, beginning in November 2005, the 750 kWhs per month threshold will be increased to 1,000 kWhs per month from November 1 to April 30 and decreased to 600 kWhs per month from May 1 to October 31.

Further changes implemented by Bill 4 allowed LDC's to apply to the OEB for rate adjustments. Specifically, LDC's began to recover the amounts deferred for regulatory purposes on April 1, 2004. These costs will be recovered over a four year period. The amounts deferred for regulatory purposes will be subject to a prudency review by the OEB, to be completed prior to March 1, 2005.

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2004

1. Nature of Operations (cont.)

In addition through Bill 4, LDC's obtained approval to apply for a rate order which would allow the recovery of their full Market Based Rate of Return beginning March 1, 2005. This rate change will be conditional on the LDC's reinvestment of these monies in conservation and demand management initiatives.

On December 18, 2003, the Ontario Energy Board renewed the LDC's distribution license for a 20 year period.

2. Significant Accounting Policies

The financial statements of the company have been prepared by management in accordance with Canadian generally accepted accounting principles, as modified by regulations and policies set forth in the Ontario Energy Board Accounting Procedures Handbook. Those policies that are considered to be particularly significant are outlined below:

(a) Property, Plant, Equipment and Amortization

Property, plant and equipment are recorded at the fair market value of the assets transferred from the Municipal Hydro Electric Commissions to the Company on August 31, 2000, and subsequent to August 31, 2000, at cost on the date of purchase. Property, plant and equipment are amortized over their useful lives using the straight-line method over the following periods:

Automotive equipment	8 years
Buildings	25 years
Computer equipment	5 years
Transmission and distribution system	25 years
Service, office and other equipment	10 years

(b) Revenue - Electricity Sales

The company follows the practice of cycle billing of customer's accounts and revenue is recognized in the period consumed. Estimated customer usage from the last billing date to the year end (unbilled revenue) is included in revenue.

(c) Financial Instruments

The Company's financial instruments consist of cash, accounts receivable, recoverable transition costs, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from these financial instruments except for the recoverable transition costs ("Regulatory assets"). The credit risk of the regulatory assets is solely dependent upon future applications for rate increases by the Company and approval of such application by the OEB. The fair value of these financial instruments approximate their carry values, unless otherwise noted.

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2004

2. Significant Accounting Policies (cont.)

(d) Payments in Lieu of Corporate Income Taxes

The Company uses the liability method for accounting for income taxes. Under this method, future income tax assets and liabilities are recognized for differences between the carrying value of assets and liabilities for accounting purposes and their respective values for income tax purposes. These differences are measured using substantially enacted tax rates applicable for the period in which those differences are expected to be recovered or settled. To the extent that there is uncertainty regarding the recovery of a future income tax asset, a valuation allowance reducing the future income tax asset is recorded.

(e) Use of Estimates

The preparation of the financial statements of the Company in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

3. Accounts Receivable

	2004	2003
Energy, water and sewer	\$ 4,135,163	\$ 3,395,849
Unbilled energy	1,208,105	1,851,713
Service revenues	<u>237,539</u>	<u>74,492</u>
	<u>\$ 5,580,807</u>	<u>\$ 5,322,054</u>

The amounts shown above are net of allowance for doubtful accounts.

4. Note Receivable

The note is non-interest bearing and repayable in monthly installments of \$2,442 commencing February 2005 for a term of 48 months.

	2004	2003
Note Receivable	\$ 142,216	\$ -
Less: current portion of note receivable	<u>(26,862)</u>	<u>-</u>
	<u>\$ 115,354</u>	<u>\$ -</u>

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2004

5. Property, Plant and Equipment

	Cost 2004	Accumulated Amortization	Net 2004	Net 2003
Land	\$ 145,625	\$ -	\$ 145,625	\$ 135,344
Building	111,797	18,613	93,184	97,656
Plant and equipment	397,344	78,758	318,586	241,377
Transmission and distribution system	<u>16,652,590</u>	<u>2,332,192</u>	<u>14,320,398</u>	<u>13,785,793</u>
	<u>\$17,307,356</u>	<u>\$ 2,429,563</u>	<u>\$14,877,793</u>	<u>\$14,260,170</u>

During the year, the Company recorded amortization of \$684,788 (\$612,115 - 2003).

6. Deferred Charges

	Cost 2004	Accumulated Amortization	Net 2004	Net 2003
Organizational Amalgamation and integration	\$ 512,813	\$ 444,475	\$ 68,338	\$ 170,940
	<u>290,130</u>	<u>207,981</u>	<u>82,149</u>	<u>140,229</u>
	<u>\$ 802,943</u>	<u>\$ 652,456</u>	<u>\$ 150,487</u>	<u>\$ 311,169</u>

Deferred charges represents costs incurred to facilitate the organization and incorporation of the Company and preparation for the opening of the electricity commodity market and in support of the deregulation of the electricity industry in Ontario. These amounts have been accumulated pursuant to regulations in the Electricity Act.

(a) Organizational Charges

Expenditures were incurred by the former Municipal Hydro Electric Commissions during the organization of the new business prior to the commencement of commercial operations. Commencing September 1, 2000, amortization is calculated on a straight-line basis over a period of five years.

(b) Amalgamation and Integration

Costs incurred by the Company relating to the amalgamation and integration of the systems of the former Municipal Hydro Electric Commissions will be amortized over a period of 5 years commencing June 1, 2001.

During the year, the Company recorded amortization of \$285,822 (\$234,842 - 2003).

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2004

7. Intangible Asset

	Cost 2004	Accumulated Amortization	Net 2004	Net 2003
Goodwill	\$ <u>100,000</u>	\$ <u>23,333</u>	\$ <u>76,667</u>	\$ <u>76,667</u>

On January 1, 2003, the Company adopted the standard in Section 3062 "Goodwill and Other Intangible Assets" of the CICA Handbook to be applied prospectively. Under the new standard, goodwill is no longer amortized but tested for impairment on an annual basis and the excess of the carrying value amount over the fair value of goodwill is charged to earnings. At year end, the Company tested goodwill in each of its reporting units using a discounted cash flow and cost methodology and determined that there was no impairment of goodwill.

8. Regulatory Assets

	2004	2003
Transition costs	\$ 432,646	\$ 527,839
Retail settlement variances	435,708	507,895
Pre-market opening cost of power variances	<u>1,115,147</u>	<u>926,490</u>
	\$ <u>1,983,501</u>	\$ <u>1,962,224</u>

(a) Transition Costs

Represent specific and incremental costs incurred by the Company to ready its systems and processes for the opening of the competitive electricity market in Ontario on May 1, 2002. These costs have been deferred pursuant to regulation underlying the Electricity Act and are subject to review and approval by the OEB. Expenditures determined to be ineligible for recovery will be expensed in the period of such determination. The Government of Ontario has announced that these costs will be reviewed for eligibility by the OEB before March 1, 2005.

(b) Retail settlement variances represent amounts accumulated since the opening of the electricity market on May 1, 2002. These variances are comprised of:

- (i) variances between amounts charged by the Independent Electricity Market Operator for the operation of the wholesale electricity market and grid, various wholesale market settlement charges and transmission charges and the amounts billed to customers; and
- (ii) variances between the amounts charged by the Independent Electricity Market Operator to allow for purchases of imported electricity and the amounts billed to customers.

(c) Pre-market opening cost of power variances, represent the excess cost of electricity to the Company over the amount billed to customers from January 1, 2001 until April 30, 2002. The introduction of Bill 4 provided greater certainty as to the process, qualification and collectability of the pre-market opening cost of power variances. As such, management has revised its estimate of the pre-market opening cost of power variances that will be collected.

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2004

8. Regulatory Asset (cont.)

(d) Amortization Policy

These amounts will be amortized at an amount equal to the revenue collected from the approved rates over a period of four years, commencing on April 1, 2004, as set out in Bill 4.

During the year, the Company recorded amortization of \$125,142 (\$Nil - 2003).

9. Related Parties

Erie Thames Power Corporation provides management services and facilities rental based on a contract between the two companies.

The Company has contracted its sister company, Erie Thames Services Corporation, a company under common control, to provide the following services: maintenance and upgrades to the existing capital infrastructure of the Company, billing and collection services of the Company's revenues and administrative services.

The contracts between the Company and Erie Thames Service Corporation and Erie Thames Power Corporation are measured at the exchange amount, which is the amount of consideration paid or received as established and agreed to by the related parties, unless noted otherwise.

The revenue reflected in the financial statements includes the distribution revenue from the sale of electricity to Erie Thames Power Corporation and the municipal facilities located in the communities of Aylmer, Beachville, Belmont, Burgessville, Embro, Ingersoll, Norwich, Otterville, Port Stanley, Tavistock, and Thamesford in the amount of \$927,276 (\$776,888 in 2003). These transactions are in the normal course of operations at rates approved by the Ontario Energy Board.

During the year, the Company purchased services from related parties amounting to the following:

	2004	2003
Erie Thames Services Corporation		
Purchase of capitalized items	\$1,297,667	\$1,507,455
Purchase of operations, maintenance and administrative services	<u>3,072,188</u>	<u>2,462,084</u>
	<u>\$4,369,855</u>	<u>\$3,969,539</u>
Erie Thames Power Corporation		
Purchase of management services	\$ 482,000	\$ 277,000
Rent	<u>217,433</u>	<u>196,433</u>
	<u>\$ 699,433</u>	<u>\$ 473,433</u>

Shareholders of Erie Thames Power Corporation
Interest on long-term debt as set out in note 11.

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2004

9. Related Parties (cont.)

The contracts with Erie Thames Power Corporation for management services and facilities rental and with Erie Thames Services Corporation for maintenance and upgrades to the existing capital infrastructure of the Company, billing and collection services of the Company's revenues and administrative services are automatically renewed every two years unless either party terminates the agreement with notice.

	2004	2003
Due to Erie Thames Services Corporation	\$ 345,217	\$ 63,505
Due to Erie Thames Power Corporation	809,318	573,180
Due to Shareholders of Parent Corporation (interest)	<u>145,299</u>	<u>191,989</u>
	<u>\$ 1,299,834</u>	<u>\$ 828,674</u>

These amounts represent funds owed to related parties. The amounts are non-interest bearing and are payable within the normal course of business.

10. Customer Deposits

Customer deposits are obtained as security for energy consumption. On an annual basis, interest is calculated and credited to the customers' utility accounts.

11. Long-term Debt

Related Party Note Payable

The long-term debt represents amounts owing to the municipal shareholders of Erie Thames Power Corporation for purchase of the respective Municipality's Hydro Electric Commission's net assets. The debt is convertible to Class B shares at the fair market value of the Class B shares of the Company divided by the number of Class B shares issued and outstanding. The rate of interest is 7.25% and is set by the Board of Directors, from time to time. The term of the debt is undefined and no principal amounts are anticipated to be paid over the next twelve months.

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2004

11. Long-term Debt (cont.)

The amounts owing to the municipalities are as follows:

	2004	2003
Aylmer	\$ 2,263,500	\$ 2,263,500
Central Elgin	1,077,000	1,077,000
East Zorra Tavistock	760,000	760,000
Ingersoll	1,846,524	1,846,524
Norwich	1,020,000	1,020,000
Southwest Oxford	256,500	256,500
Zorra	<u>815,000</u>	<u>815,000</u>
	<u>\$ 8,038,524</u>	<u>\$ 8,038,524</u>

During 2004, \$582,793 was charged to interest expense for interest on related party long-term debt (\$582,793 in 2003).

The Company has guaranteed the loans payable of its parent company Erie Thames Power Corporation. The loan is secured by a General Security Agreement covering all Company assets excluding real property. At December 31, 2004, the loans amounted to \$1,218,785 (\$405,280 in 2003).

12. Capital Stock

Authorized

Unlimited number of Class "A" voting shares without nominal or par value

Unlimited number of Class "B" non-voting shares without nominal or par value, redeemable, with non-cumulative dividend entitlements.

	2004	2003
Issued capital		
7 Class "A" shares	\$ 7	\$ 7
10,000 Class "B" shares	<u>8,038,517</u>	<u>8,038,517</u>
	<u>\$ 8,038,524</u>	<u>\$ 8,038,524</u>

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2004

13. Electricity Revenue

	2004	%	2003	%
Sale of electricity	\$20,895,930	66.28	\$20,136,397	66.89
Distribution charges	5,039,694	15.97	4,841,754	16.09
Transmission charges	4,143,382	13.14	3,954,658	13.14
Retailer energy sales	1,439,771	4.57	1,314,026	4.37
Customer rebate	<u>11,124</u>	<u>0.04</u>	<u>(146,210)</u>	<u>(0.49)</u>
	<u>\$31,529,901</u>	<u>100.00</u>	<u>\$30,100,625</u>	<u>100.00</u>

14. Payments in Lieu of Income Taxes

The provision for payments in lieu ("PILs") of income taxes differs from amounts which would be calculated by applying the Company's combined statutory income tax rate as follows:

	2004	2003
Income from continuing operations before PILs	\$ 29,208	\$ 1,013,279
Statutory Canadian federal and provincial income tax rate	36.12 %	36.12 %
Basic rate applied to income (loss) before PILs	10,550	365,996
Large corporation tax net of surtax	-	27,794
Tax benefit of non-capital losses not recognized (recognized)	-	(319,635)
Other	<u>62,844</u>	<u>56,022</u>
Provision for payment in lieu of income tax	<u>\$ 73,394</u>	<u>\$ 130,177</u>
Effective tax rate	<u>251.28 %</u>	<u>12.85 %</u>

Payments in Lieu of Income Taxes Expense made up of the following:

Current	\$ 73,394	\$ 130,177
Future tax expense (benefit)	<u>48,300</u>	<u>(89,374)</u>
	<u>\$ 121,694</u>	<u>\$ 40,803</u>

The Company as of December 31, 2004, has recorded future income tax liabilities of \$95,104 (2003 - \$46,803), based on substantially enacted income tax rates of 36.12%. Such future income tax liabilities relate to the tax basis of depreciable assets being lower than the amounts recorded for accounting purposes.

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2004

15. Prudential Support Requirements

Erie Thames Powerlines Corporation, as a local distribution company under the Energy Competition Act, 1998, R.S.O., posted prudential support obligations on market opening, May 1, 2002 with the Electric Independent Market Operator. The prudential support obligation as at April 21, 2003 was \$2,371,089 and had not changed as at December 31, 2004. The prudential support requirement will be honoured through long-term payment history, letter of credit or credit rating from an accredited rating agency.

16. Contingent Liabilities

A class action claiming \$500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which charged late payment charges on overdue utility bills at any time after April 1, 1981. The claim is that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347 (1)(b) of the Criminal Code. The Municipal Electric Association is undertaking the defence of this class action.

This case had been on hold pending the resolution of a similar case against Consumers Gas Company Limited. The class action against Consumers Gas Company Limited for repayment of late payment charges was dismissed on December 3, 2001 by the Ontario Court of Appeals.

At this time, it is not possible to quantify the effect, if any, on the financial statement of the Company.

17. Comparative Figures

Certain comparative figures have been reclassified to conform with the statement presentation adopted in the current year.

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2005

ERIE THAMES POWERLINES CORPORATION
INDEX TO AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2005

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Bruce Barran CA CFP®
Mike Evans CA CFP®
William Gohm CFP®
Michael Koenig CGA CFP®
L Ron Martindale CA
Ron L Martindale Jr CA CMA
Ian McIntosh FCA
Paul Panabaker CA CFP RFP
William Simpson CA CMA
Brenda Walton CMA
Michael Watson CA

Principal

AUDITOR'S REPORT

To the Shareholder of:
Erie Thames Powerlines Corporation

We have audited the balance sheet of Erie Thames Powerlines Corporation as at December 31, 2005 and the statements of income (loss), retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2005 and the results of its operations and the changes in its financial position for the year then ended in accordance with Canadian generally accepted accounting principles.

London, Ontario
June 15, 2006

Davis Martindale LLP
Chartered Accountants

Accountants *with personality!*

373 Commissioners Road West London ON N6J 1Y4
tel 519.673.3141 fax 519.645.1646

www.davismartindale.com

ERIE THAMES POWERLINES CORPORATION

BALANCE SHEET

AS AT DECEMBER 31, 2005

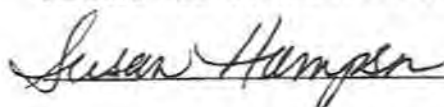
ASSETS

	2005	2004
Current Assets		
Bank	\$ 457,704	\$ 167,610
Accounts receivable (note 3)	6,249,082	5,580,807
Prepaid expenses	78,254	9,857
Current portion of note receivable (note 4)	29,304	26,862
Payment in lieu of income taxes recoverable	<u>5,966</u>	<u>43,137</u>
	6,820,310	5,828,273
Note Receivable (note 4)	58,608	115,354
Property, Plant and Equipment (note 5)	15,438,469	14,877,793
Future Payment in Lieu of Income Tax Asset	93,896	-
Regulatory Assets (note 6)	2,482,517	1,983,501
Intangible Asset (note 7)	76,667	76,667
Deferred Charges (note 8)	<u>60,554</u>	<u>150,487</u>
	<u>\$25,031,021</u>	<u>\$23,032,075</u>

LIABILITIES AND SHAREHOLDER'S EQUITY

Current Liabilities		
Accounts payable and accrued liabilities	\$ 4,798,978	\$ 3,965,332
Customer deposits (note 9)	655,407	841,294
Due to related parties (note 10)	<u>3,013,671</u>	<u>1,299,834</u>
	8,468,056	6,106,460
Long-term Debt (note 11)	8,038,524	8,038,524
Future Payment in Lieu of Income Tax Liability	-	95,104
Shareholder's Equity		
Share capital (note 12)	8,038,524	8,038,524
Retained earnings	<u>485,917</u>	<u>753,463</u>
	<u>8,524,441</u>	<u>8,791,987</u>
	<u>\$25,031,021</u>	<u>\$23,032,075</u>

APPROVED ON BEHALF OF THE BOARD:

 Director

 Director

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
STATEMENT OF RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2005

	2005	2004
Balance, Beginning of Year	\$ 753,463	\$ 845,949
Net Income (Loss)	<u>218,369</u> 971,832	<u>(92,486)</u> 753,463
Dividends	<u>485,915</u>	<u>-</u>
Balance, End of Year	\$ <u>485,917</u>	\$ <u>753,463</u>

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

STATEMENT OF INCOME (LOSS)

FOR THE YEAR ENDED DECEMBER 31, 2005

	2005	%	2004	%
Electricity Revenue (note 13)	\$39,380,916	100.00	\$31,529,901	100.00
Cost of Power	<u>33,932,978</u>	<u>86.17</u>	<u>26,490,207</u>	<u>84.02</u>
Distribution Revenue	5,447,938	13.83	5,039,694	15.98
Expenses				
Billing and collecting	617,738	1.57	546,950	1.73
Community relations	24,210	0.06	33,218	0.11
Direct operation	2,982,088	7.57	2,920,601	9.26
Office and administration	310,821	0.79	354,980	1.13
Regulatory and professional	<u>475,164</u>	<u>1.21</u>	<u>330,546</u>	<u>1.05</u>
	<u>4,410,021</u>	<u>11.20</u>	<u>4,186,295</u>	<u>13.28</u>
Net Income from Operations Before Taxes, Interest & Amortization	1,037,917	2.63	853,399	2.70
Amortization	1,037,906	2.64	970,610	3.08
Interest income on regulatory assets	(349,154)	(0.89)	(401,572)	(1.27)
Interest	<u>582,793</u>	<u>1.48</u>	<u>582,793</u>	<u>1.85</u>
Net Income (Loss) from Operations Before Tax	(233,628)	(0.60)	(298,432)	(0.96)
Other Income				
Investment income	23,759	0.06	12,699	0.04
Miscellaneous	<u>307,238</u>	<u>0.78</u>	<u>314,941</u>	<u>1.00</u>
	<u>330,997</u>	<u>0.84</u>	<u>327,640</u>	<u>1.04</u>
Net Income Before Income Tax	97,369	0.24	29,208	0.08
Payment in Lieu of Income Taxes (note 14)				
Current	68,000	0.17	73,394	0.23
Future tax expense (benefit)	<u>(189,000)</u>	<u>(0.48)</u>	<u>48,300</u>	<u>0.15</u>
	<u>(121,000)</u>	<u>(0.31)</u>	<u>121,694</u>	<u>0.38</u>
Net Income (Loss)	\$ <u>218,369</u>	<u>0.55</u>	\$ <u>(92,486)</u>	<u>(0.30)</u>

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2005

	2005	2004
Cash Flows from Operating Activities		
Net income (loss)	\$ 218,369	\$ (92,486)
Items not requiring an outlay of cash:		
Amortization	1,037,906	970,610
Gain on sale of capital assets	-	(14,954)
Future payment in lieu of income tax expense (benefit)	<u>(189,000)</u>	<u>48,300</u>
	1,067,275	911,470
Changes in non-cash working capital balances:		
Accounts receivable	(613,971)	(258,753)
Regulatory assets	(691,564)	(146,416)
Prepaid expenses and deferred charges	(68,397)	(6,680)
Accounts payable and accrued liabilities	833,646	277,584
Note receivable	-	(142,216)
Payment in lieu of income taxes	37,170	(146,328)
Customer deposits	(185,887)	94,133
Due to related parties	<u>1,713,837</u>	<u>471,160</u>
Net Cash Provided by Operating Activities	2,092,109	1,053,954
Cash Flows from Financing Activities		
Dividends	(485,915)	-
Cash Flows from Investing Activities		
Additions to capital assets	(1,316,100)	(1,305,458)
Proceeds on disposal of capital assets	<u>-</u>	<u>18,000</u>
Net Cash Provided by (Used in) Investing Activities	<u>(1,316,100)</u>	<u>(1,287,458)</u>
 Net Increase (Decrease) in Cash	 290,094	 (233,504)
Cash, Beginning of Year	<u>167,610</u>	<u>401,114</u>
Cash, End of Year	\$ <u>457,704</u>	\$ <u>167,610</u>

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2005

1. Nature of Operations

The Ontario Government enacted the Energy Competition Act, 1998 to introduce competition to the Ontario electricity market by the year 2000. Under the terms of this legislation, the Ontario Energy Board (the "OEB") regulates industry participants by issuing licences for the right to generate, transmit, distribute or retail electricity. These licences require compliance with established market rules and codes. The Ontario Government opened the Ontario electricity market to competition on May 1, 2002.

Pursuant to this legislation, the shareholder municipalities of Erie Thames Power Corporation enacted by-laws, which transferred the assets, liabilities, rights and obligations of the Municipal Hydro Electric Commissions, in respect of the distribution of electricity, to the Company, which was incorporated, on July 7, 2000, under the Business Corporations Act (Ontario) pursuant to Section 142 of the Electricity Act, 1998 (Ontario) and Sections 71 and 73 of the Ontario Energy Board Act, 1998 (Ontario).

The Company is solely owned by Erie Thames Power Corporation who in turn is owned by the following seven municipalities, each of whom has one voting common share: Aylmer, Central Elgin, East Zorra Tavistock, Ingersoll, Norwich, South West Oxford and Zorra.

Erie Thames Powerlines Corporation carries on the business of distributing electricity to the following communities: Aylmer, Beachville, Belmont, Burgessville, Embro, Ingersoll, Norwich, Otterville, Port Stanley, Tavistock, and Thamesford.

In December 2003, the government of Ontario enacted Bill 4, the OEB Amendment Act (Electricity pricing). Bill 4 was enacted in response to the Electricity Pricing, Conservation and Supply Act 2002, which froze commodity rates at 4.3 cents per kilowatt hour (kWh). This act did not, in the government's opinion, reflect the true cost of electricity. Future electricity pricing will be billed using a block structure where the initial 750 kWhs billed per month are at a rate of 4.7 cents per kWhs and the remaining consumption is billed at 5.5 cents per kWh. Should this revenue exceed the true cost of the new block structure, all eligible consumers would receive a credit for the difference.

Effective April 1, 2005, the block structure implemented for certain customers in 2004 was amended to increase the rates for the initial 750 kWhs per month to 5.0 cents per kWh and the rate for the remaining consumption per month to 5.8 cents per kWh. For residential customers, beginning in November 2005, the 750 kWhs per month threshold was increased to 1,000 kWhs per month from November 1 to April 30 and decreases to 600 kWhs per month from May 1 to October 31.

Residential and small businesses, schools, hospitals and others covered by the Regulated Price Plan received a one-time credit known as the "Ontario Price Credit". Under the regulated price plan, consumers were paying 4.7 cents for the first 750 kWhs of electricity and 5.5 cents for consumption over 750 kWhs. The credit results from lower-than-expected wholesale electricity

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2005

1. Nature of Operations (cont.)

prices because of the moderate weather during the summer of 2004. The amount of the credit was based on the amount that consumers paid for their electricity at regulated prices during the period April 1, 2004 to March 31, 2005.

Further changes implemented by Bill 4 allowed local distribution companies (LDCs) to apply to the OEB for rate adjustments. Specifically, LDCs began to recover the amounts deferred for regulatory purposes on April 1, 2004, and continued to recover these amounts through its April 1, 2005 rate approval. The 2006 rate process will further review the LDCs' deferral account balances and is anticipated to continue to permit LDCs to recover these amounts through their rate structure. In 2005, the deferral account balances were subject to a prudency review and the Company is still awaiting the results of this review.

Through Bill 4, LDCs obtained approval to apply for a rate order that would allow the recovery of their full Market Based Rate of Return beginning March 1, 2005. This rate change is conditional on the LDC's reinvestment of one year's worth of the incremental rate of return in conservation and demand management initiatives over a three year period.

On December 18, 2003, the Ontario Energy Board renewed the LDC's distribution license for a 20 year period.

2. Significant Accounting Policies

The financial statements of the Company have been prepared by management in accordance with Canadian generally accepted accounting principles, as modified by regulations and policies set forth in the Ontario Energy Board Accounting Procedures Handbook. Those policies that are considered to be particularly significant are outlined below:

(a) Property, Plant, Equipment and Amortization

Property, plant and equipment are recorded at the fair market value of the assets transferred from the Municipal Hydro Electric Commissions to the Company on August 31, 2000, and subsequent to August 31, 2000, at cost on the date of purchase. Property, plant and equipment are amortized over their useful lives using the straight-line method over the following periods:

Automotive equipment	8 years
Buildings	25 years
Computer equipment	5 years
Transmission and distribution system	25 years
Service, office and other equipment	10 years

(b) Revenue - Electricity Sales

The Company follows the practice of cycle billing of customer's accounts and revenue is recognized in the period consumed. Estimated customer usage from the last billing date to the year end (unbilled revenue) is included in revenue.

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2005

2. Significant Accounting Policies (cont.)

(c) Financial Instruments

The Company's financial instruments consist of cash, accounts receivable, recoverable transition costs, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risk arising from these financial instruments except for the recoverable transition costs ("Regulatory assets"). The credit risk of the Regulatory assets is solely dependent upon future applications for rate increases by the Company and approval of such application by the OEB. The fair value of these financial instruments approximate their carry values, unless otherwise noted.

(d) Payments in Lieu of Corporate Income Taxes

The Company uses the liability method for accounting for income taxes. Under this method, future income tax assets and liabilities are recognized for differences between the carrying value of assets and liabilities for accounting purposes and their respective values for income tax purposes. These differences are measured using substantially enacted tax rates applicable for the period in which those differences are expected to be recovered or settled. To the extent that there is uncertainty regarding the recovery of a future income tax asset, a valuation allowance reducing the future income tax asset is recorded.

(e) Use of Estimates

The preparation of the financial statements of the Company in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

3. Accounts Receivable

	2005	2004
Energy, water and sewer	\$ 3,718,527	\$ 4,135,163
Unbilled energy	2,227,239	1,208,105
Service revenues	<u>303,316</u>	<u>237,539</u>
	<u>\$ 6,249,082</u>	<u>\$ 5,580,807</u>

The amounts shown above are net of allowance for doubtful accounts.

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ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2005

4. Note Receivable

The note is non-interest bearing and repayable in monthly installments of \$2,442 commencing February 2005 for a term of 48 months.

	2005	2004
Note Receivable	\$ 87,912	\$ 142,216
Less: current portion of note receivable	<u>(29,304)</u>	<u>(26,862)</u>
	<u>\$ 58,608</u>	<u>\$ 115,354</u>

5. Property, Plant and Equipment

	Cost 2005	Accumulated Amortization	Net 2005	Net 2004
Land	\$ 146,684	\$ -	\$ 146,684	\$ 145,625
Building	114,317	23,136	91,181	93,184
Plant and equipment	482,914	137,557	345,357	318,586
Transmission and distribution system	<u>17,879,543</u>	<u>3,024,296</u>	<u>14,855,247</u>	<u>14,320,398</u>
	<u>\$18,623,458</u>	<u>\$ 3,184,989</u>	<u>\$15,438,469</u>	<u>\$14,877,793</u>

During the year, the Company recorded amortization of \$755,425 (\$684,788 - 2004).

6. Regulatory Assets

	2005	2004
Transition costs	\$ 296,854	\$ 432,646
Retail settlement variances	953,290	435,708
Pre-market opening cost of power variances	1,178,524	1,115,147
Demand side management expenses	<u>53,849</u>	<u>-</u>
	<u>\$ 2,482,517</u>	<u>\$ 1,983,501</u>

- (a) Transition costs represent specific and incremental costs incurred by the Company to ready its systems and processes for the opening of the competitive electricity market in Ontario on May 1, 2002. These costs have been deferred pursuant to regulation underlying the Electricity Act and are subject to review and approval by the OEB. Expenditures determined to be ineligible for recovery will be expensed in the period of such determination. During 2005, the Company submitted its transition costs to the OEB and is awaiting a response.

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ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2005

6. Regulatory Assets (cont.)

- (b) Retail settlement variances represent amounts accumulated since the opening of the electricity market on May 1, 2002. These variances are comprised of:
- (i) variances between amounts charged by the Independent Electricity Market Operator for the operation of the wholesale electricity market and grid, various wholesale market settlement charges and transmission charges and the amounts billed to customers; and
 - (ii) variances between the amounts charged by the Independent Electricity Market Operator to allow for purchases of imported electricity and the amounts billed to customers.
- (c) Pre-market opening cost of power variances, represent the excess cost of electricity to the Company over the amount billed to customers from January 1, 2001 until April 30, 2002. The introduction of Bill 4 provided greater certainty as to the process, qualification and collectability of the pre-market opening cost of power variances. As such, management has revised its estimate of the pre-market opening cost of power variances that will be collected.
- (d) Demand side management expenses represent costs to the Company of literature provided to its customers and capital expenditures to provide energy conservation. The Company is required by the OEB to spend a year's allocation of the final one-third Market Base Rate of Return on Demand Side Management by December 31, 2007.
- (e) Amortization Policy

These amounts will be amortized at an amount equal to the revenue collected from the approved rates over a period of four years, commencing on April 1, 2004, as set out in Bill 4.

During the year, the Company recorded amortization of \$156,063 (\$125,142 - 2004).

7. Intangible Asset

	Cost 2005	Accumulated Amortization	Net 2005	Net 2004
Goodwill	\$ <u>100,000</u>	\$ <u>23,333</u>	\$ <u>76,667</u>	\$ <u>76,667</u>

On January 1, 2003, the Company adopted the standard in Section 3062 "Goodwill and Other Intangible Assets" of the CICA Handbook to be applied prospectively. Under the new standard, goodwill is no longer amortized but tested for impairment on an annual basis and the excess of the carrying value amount over the fair value of goodwill is charged to earnings. At year end, the Company tested goodwill in each of its reporting units using a discounted cash flow and cost methodology and determined that there was no impairment of goodwill.

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ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2005

8. Deferred Charges

	Cost 2005	Accumulated Amortization	Net 2005	Net 2004
Organizational	\$ 549,298	\$ 512,813	\$ 36,485	\$ 68,338
Amalgamation and integration	<u>290,130</u>	<u>266,061</u>	<u>24,069</u>	<u>82,149</u>
	<u>\$ 839,428</u>	<u>\$ 778,874</u>	<u>\$ 60,554</u>	<u>\$ 150,487</u>

Deferred charges represents costs incurred to facilitate the organization and incorporation of the Company and preparation for the opening of the electricity commodity market and in support of the deregulation of the electricity industry in Ontario. These amounts have been accumulated pursuant to regulations in the Electricity Act.

(a) Organizational Charges

Expenditures were incurred by the former Municipal Hydro Electric Commissions during the organization of the new business prior to the commencement of commercial operations. Commencing September 1, 2000, amortization is calculated on a straight-line basis over a period of five years.

(b) Amalgamation and Integration

Costs incurred by the Company relating to the amalgamation and integration of the systems of the former Municipal Hydro Electric Commissions will be amortized over a period of five years commencing June 1, 2001.

During the year, the Company recorded amortization of \$126,418 (\$285,822 - 2004).

9. Customer Deposits

Customer deposits are obtained as security for energy consumption. On an annual basis, interest is calculated and credited to the customers' utility accounts.

10. Related Parties

Erie Thames Power Corporation provides management services and facilities rental based on a contract between the two companies.

The Company has contracted its sister company, Erie Thames Services Corporation, a company under common control, to provide the following services: maintenance and upgrades to the existing capital infrastructure of the Company, billing and collection services of the Company's revenues and administrative services.

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2005

10. Related Parties (cont.)

The contracts between the Company and Erie Thames Service Corporation and Erie Thames Power Corporation are measured at the exchange amount, which is the amount of consideration paid or received as established and agreed to by the related parties, unless noted otherwise.

The revenue reflected in the financial statements includes the distribution revenue from the sale of electricity to Erie Thames Power Corporation and the municipal facilities located in the communities of Aylmer, Beachville, Belmont, Burgessville, Embro, Ingersoll, Norwich, Otterville, Port Stanley, Tavistock, and Thamesford in the amount of \$922,029 (\$927,276 in 2004). These transactions are in the normal course of operations at rates approved by the Ontario Energy Board.

During the year, the Company purchased services from related parties amounting to the following:

	2005	2004
Erie Thames Services Corporation		
Purchase of capitalized items	\$1,189,206	\$1,297,667
Purchase of operations, maintenance and administrative services	<u>3,150,939</u>	<u>3,072,188</u>
	<u>\$4,340,145</u>	<u>\$4,369,855</u>
Erie Thames Power Corporation		
Purchase of management services	\$ 495,000	\$ 482,000
Rent	<u>220,011</u>	<u>217,433</u>
	<u>\$ 715,011</u>	<u>\$ 699,433</u>

Shareholders of Erie Thames Power Corporation
Interest on long-term debt as set out in note 11.

The contracts with Erie Thames Power Corporation for management services and facilities rental and with Erie Thames Services Corporation for maintenance and upgrades to the existing capital infrastructure of the Company, billing and collection services of the Company's revenues and administrative services are automatically renewed every two years unless either party terminates the agreement with notice.

	2005	2004
Due to Erie Thames Services Corporation	\$ 542,341	\$ 345,217
Due to Erie Thames Power Corporation	2,324,434	809,318
Due to Shareholders of Parent Corporation (interest)	<u>146,896</u>	<u>145,299</u>
	<u>\$ 3,013,671</u>	<u>\$ 1,299,834</u>

These amounts represent funds owing to related parties. The amounts are non-interest bearing and payable in the normal course of business.

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2005

11. Long-term Debt

Related Party Note Payable

The long-term debt represents amounts owing to the municipal shareholders of Erie Thames Power Corporation for purchase of the respective Municipality's Hydro Electric Commission's net assets. The debt is convertible to Class B shares at the fair market value of the Class B shares of the Company divided by the number of Class B shares issued and outstanding. The rate of interest is 7.25% and is set by the Board of Directors, from time to time. The term of the debt is undefined and no principal amounts are anticipated to be paid over the next twelve months. The loan is secured by a General Security Agreement covering inventory, equipment including motor vehicles and accounts receivable.

The amounts owing to the municipalities are as follows:

	2005	2004
Aylmer	\$ 1,694,863	\$ 1,694,863
Central Elgin	806,436	806,436
East Zorra Tavistock	569,073	569,073
Ingersoll	3,402,080	3,402,080
Norwich	763,755	763,755
Southwest Oxford	192,062	192,062
Zorra	<u>610,255</u>	<u>610,255</u>
	<u>\$ 8,038,524</u>	<u>\$ 8,038,524</u>

During 2005, \$582,793 was charged to interest expense for interest on related party long-term debt (\$582,793 in 2004).

The Company has guaranteed the loans payable of its parent company Erie Thames Power Corporation. The loan is secured by a General Security Agreement covering all Company assets excluding real property. At December 31, 2005, the loans amounted to \$3,215,785 (\$1,218,785 in 2004).

12. Capital Stock

Authorized

Unlimited number of Class "A" voting shares without nominal or par value

Unlimited number of Class "B" non-voting shares without nominal or par value, redeemable, with non-cumulative dividend entitlements.

	2005	2004
Issued capital		
7 Class "A" shares	\$ 7	\$ 7
10,000 Class "B" shares	<u>8,038,517</u>	<u>8,038,517</u>
	<u>\$ 8,038,524</u>	<u>\$ 8,038,524</u>

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2005

13. Electricity Revenue

	2005	%	2004	%
Sale of electricity	\$27,802,882	70.60	\$20,972,981	66.52
Distribution charges	5,447,938	13.83	5,039,694	15.98
Transmission charges	4,098,969	10.41	4,143,382	13.14
Retailer energy sales	2,031,127	5.16	1,362,720	4.32
Customer rebate	-	-	11,124	0.04
	<u>\$39,380,916</u>	<u>100.00</u>	<u>\$31,529,901</u>	<u>100.00</u>

14. Payments in Lieu of Income Taxes

The provision for payments in lieu ("PILs") of income taxes differs from amounts which would be calculated by applying the Company's combined statutory income tax rate as follows:

	2005	2004
Income from continuing operations before PILs	\$ 97,369	\$ 29,208
Statutory Canadian federal and provincial income tax rate	36.12 %	36.12 %
Basic rate applied to income before PILs	35,170	10,550
Other	<u>32,830</u>	<u>62,844</u>
Provision for payment in lieu of income tax	<u>\$ 68,000</u>	<u>\$ 73,394</u>
Effective tax rate	<u>69.84 %</u>	<u>251.28 %</u>

Provision for payments (recovery) in lieu of income taxes are made up of the following:

Current	\$ 68,000	\$ 73,394
Future tax expense (benefit)	<u>(189,000)</u>	<u>48,300</u>
	<u>\$ (121,000)</u>	<u>\$ 121,694</u>

The Company as of December 31, 2005, has recorded future income tax assets (liabilities) of \$93,896 (2004 - \$(95,104)), based on substantially enacted income tax rates of 36.12%. Such future income tax liabilities relate to the tax basis of depreciable assets being lower than the amounts recorded for accounting purposes.

The attached Auditor's Report forms an integral part of these audited financial statements.

ERIE THAMES POWERLINES CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2005

15. Prudential Support Requirements

Erie Thames Powerlines Corporation, as a local distribution company under the Energy Competition Act, 1998, R.S.O., posted prudential support obligations on market opening, May 1, 2002 with the Electric Independent Market Operator. The prudential support obligation as at April 21, 2003 was \$2,371,089 and had not changed as at December 31, 2005. The prudential support requirement will be honoured through long-term payment history, letter of credit or credit rating from an accredited rating agency.

16. Contingent Liabilities

A class action claiming \$500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which charged late payment charges on overdue utility bills at any time after April 1, 1981. The claim is that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347 (1)(b) of the Criminal Code. The Municipal Electric Association is undertaking the defence of this class action.

This case had been on hold pending the resolution of a similar case against Consumers Gas Company Limited. The class action against Consumers Gas Company Limited for repayment of late payment charges was dismissed on December 3, 2001 by the Ontario Court of Appeals.

At this time, it is not possible to quantify the effect, if any, on the financial statement of the Company.

17. Comparative Figures

Certain comparative figures have been reclassified to conform with the statement presentation adopted in the current year.

18. Subsequent Event

Subsequent to the year end, management was informed that a former transformer substation property is contaminated with arsenic. As at the audit report date, the Company does not have sufficient information to quantify the remediation cost. Based on the Company's experience in such matters, it does not believe that the remediation cost will have a material affect on the financial position of the Company.

The attached Auditor's Report forms an integral part of these audited financial statements.

**Ontario**

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2007/11/30

	Account No.	Statement Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2007/11/30	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2007/11/03		OPENING BALANCE FOR: 2002/12/31	31.18	
2007/11/26	184	PIL payment	31.18CR	
2007/11/30	188	interest *	0.19	
2007/11/30	189	small balance adjustment	0.19CR	0.00
2007/11/03		OPENING BALANCE FOR: 2003/12/31	59.48	
2007/11/26	185	PIL payment	59.48CR	
2007/11/30	186	interest *	0.35	
2007/11/30	187	small balance adjustment	0.35CR	0.00
		BALANCE		<u>0.00</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2007/11/03		OPENING BALANCE FOR: 2007/12/31	74,620.00CR
2007/11/26	181	PIL payment	7,552.66CR
2007/11/26	182	PIL payment reversal	7,552.66
2007/11/26	183	PIL payment	<u>7,462.00CR</u>
		BALANCE	82,082.00CR

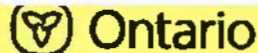
The 2001 Ontario Budget simplified instalment requirements for corporations with total tax payable in the current or preceding year of \$2,000 or more and less than \$10,000. For tax years commencing after 2001, these corporations may now pay quarterly instalments.

Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

- Oshawa and Local (905) 433-8708
- Toll-Free 1-800-262-0784 ext. 3036
- Toronto (416) 920-9048 ext. 3036
- FAX (905) 433-5197



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Corporations Tax Branch - Hydro PIL
PO Box 820
33 King Street West
Oshawa ON L1H 8E9

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Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2006/07/04

	Account No.	Statement Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2006/07/04	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2006/06/02		OPENING BALANCE FOR: 2005/12/31	7,748.49CR	
2006/06/12	123	PIL refund	7,755.50	
2006/07/04	127	interest *	7.01CR	<u>0.00</u>
		BALANCE		<u>0.00</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2006/06/02		OPENING BALANCE FOR: 2006/12/31	43,990.00CR
2006/06/28	126	PIL payment	<u>8,798.00CR</u>
		BALANCE	52,788.00CR

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- Make your cheque or money order in Canadian Funds, payable to the **Ontario Electricity Financial Corporation**, and mail to the Ministry of Finance.
PO Box 620, Corporation Tax Branch - Hydro PII.
- Print your account # on the back of cheque or money order.
Payment cannot be made at financial institutions.
- Check all transactions for accuracy. If you have any questions, please contact the Ministry within 30 days of the Statement of Account/Notice of (Re)Assessment date.
- Recently mailed payments may not appear on the Statement of Account.

Notice of Objection:

If you do not agree with a Notice of (Re)Assessment or any items marked by an asterisk (*) on the Statement of Account, you have the right to file a Notice of Objection with the Tax Appeals Branch **within 180 days from the issue date on the front of the form.**

Notice of Objection forms can be obtained by contacting the Ministry of Finance at:

Telephone

- English 1-800-263-7965
- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2006/06/01

ERIE THAMES POWERLINES CORPORATION

Account No.

1800076

Statement Date
(year, month, day)

2006/06/01

Page

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TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/08/03		OPENING BALANCE FOR: 2004/12/31	0.00	
2005/07/05	110	assessment reversal	113,763.00CR	
2005/07/05	112	interest reversal - assessment	977.18	
2005/08/02	113	interest reversal	39.94	
2006/05/24	111	reassessment	125,340.00	
2006/05/24	114	interest - assessment *	29.19	
2006/05/29	119	transfer of credit balance	12,623.31CR	
2006/05/29	121	transfer of credit balance	13.84CR	
2006/05/31	122	interest *	13.84	0.00
2006/04/04		OPENING BALANCE FOR: 2005/12/31	125,356.00CR	
2006/05/29	115	return assessment	105,571.00	
2006/05/29	116	interest - assessment *	598.73CR	
2006/05/29	118	transfer of credit balance	12,623.31	
2006/05/29	120	transfer of credit balance	13.84	
2006/05/29	124	interest reversal - assessment	598.73	
2006/06/01	125	interest *	600.64CR	7,748.49CR
CREDIT BALANCE AVAILABLE				<u>7,748.49CR</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2006/04/04		OPENING BALANCE FOR: 2006/12/31	31,338.00CR
2006/05/08	109	PIL payment	3,854.00CR
2006/05/29	117	PIL payment	8,798.00CR
BALANCE			<u>43,990.00CR</u>

2.99 int.
7745.50
deposited by
EFT Jun 12/06

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PO Box 820
33 King Street West
Oshawa ON L1H 8E9

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2006/02/01

	Account No.	Statement Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2006/02/01	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2006/01/04		OPENING BALANCE FOR: 2005/12/31	<u>125,356.00CR</u>	
		BALANCE	125,356.00CR	
2006/01/04		OPENING BALANCE FOR: 2006/12/31	0.00	
2006/01/20	106	PIL payment	<u>10,446.00CR</u>	
		BALANCE	10,446.00CR	

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2006/04/03

ERIE THAMES POWERLINES CORPORATION

Account No.

1800076

Statement Date
(year, month, day)

2006/04/03

Page

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TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2006/02/02		OPENING BALANCE FOR: 2005/12/31	<u>125,356.00CR</u>	
		BALANCE	125,356.00CR	
2006/02/02		OPENING BALANCE FOR: 2006/12/31	10,446.00CR	
2006/03/07	107	PIL payment	10,446.00CR	
2006/03/28	108	PIL payment	<u>10,446.00CR</u>	
		BALANCE	31,338.00CR	

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2005/11/01

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TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/10/04		OPENING BALANCE FOR: 2005/12/31	95,752.00CR	
2005/10/21	103	PIL payment	9,868.00CR	
		BALANCE	105,620.00CR	

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for transactions up to and including 2005/10/03

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ERIE THAMES POWERLINES CORPORATION	1800076	2005/10/03	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/09/03		OPENING BALANCE FOR: 2005/12/31	85,884.00CR	
2005/09/21	102	PIL payment	9,868.00CR	
		BALANCE	95,752.00CR	

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Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2005/08/02

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ERIE THAMES POWERLINES CORPORATION	1800076	2005/08/02	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/07/05		OPENING BALANCE FOR: 2004/12/31	168,840.00CR	
2005/07/05	96	return assessment	113,763.00	
2005/07/05	97	interest - assessment *	977.18CR	
2005/07/18	98	PIL refund	56,094.12	
2005/08/02	100	interest *	39.94CR	<u>0.00</u>
		BALANCE		<u>0.00</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2005/07/05		OPENING BALANCE FOR: 2005/12/31	66,148.00CR
2005/07/21	99	PIL payment	<u>9,868.00CR</u>
		BALANCE	76,016.00CR

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ERIE THAMES POWERLINES CORPORATION	1800076	2005/07/04	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/06/08		OPENING BALANCE FOR: 2003/12/31	10.30	
2005/06/27	93	PIL payment	10.30CR	
2005/07/04	94	interest *	0.04	
2005/07/04	95	small balance adjustment	0.04CR	0.00
		BALANCE		<u>0.00</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2005/06/08		OPENING BALANCE FOR: 2004/12/31	168,840.00CR	
		BALANCE	168,840.00CR	
2005/06/08		OPENING BALANCE FOR: 2005/12/31	56,280.00CR	
2005/06/27	90	PIL payment	9,878.30CR	
2005/06/27	91	PIL payment reversal	9,878.30	
2005/06/27	92	PIL payment	9,868.00CR	
		BALANCE	66,148.00CR	

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TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/03/05		OPENING BALANCE FOR: 2003/12/31	1,392.42	
2005/03/14	85	PIL payment	1,384.96CR	
2005/04/01	86	interest *	2.71	<u>10.17</u>
BALANCE DUE **				<u>10.17</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2005/03/05		OPENING BALANCE FOR: 2004/12/31	168,840.00CR
BALANCE			168,840.00CR
2005/03/05		OPENING BALANCE FOR: 2005/12/31	28,140.00CR
2005/03/14	84	PIL payment	14,070.00CR
BALANCE			42,210.00CR

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ERIE THAMES POWERLINES CORPORATION	1800076	2005/05/06	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/04/02		OPENING BALANCE FOR: 2003/12/31	10.17	
2005/05/06	88	interest *	0.07	<u>10.24</u>
		BALANCE DUE **		<u>10.24</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2005/04/02		OPENING BALANCE FOR: 2004/12/31	<u>168,840.00CR</u>
		BALANCE	168,840.00CR
2005/04/02		OPENING BALANCE FOR: 2005/12/31	42,210.00CR
2005/04/22	87	PIL payment	<u>14,070.00CR</u>
		BALANCE	56,280.00CR

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ERIE THAMES POWERLINES CORPORATION	18000076	2005/03/04	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/02/05		OPENING BALANCE FOR: 2003/12/31	1,384.96	
2005/03/04	83	interest *	7.46	<u>1,392.42</u>
		BALANCE DUE **		<u>1,392.42</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2005/02/05		OPENING BALANCE FOR: 2004/12/31	<u>168,840.00</u> CR
		BALANCE	168,840.00CR
2005/02/05		OPENING BALANCE FOR: 2005/12/31	14,070.00CR
2005/02/16	82	PIL payment	<u>14,070.00</u> CR
		BALANCE	28,140.00CR

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ERIE THAMES POWERLINES CORPORATION	1800076	2005/02/04	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/01/08		OPENING BALANCE FOR: 2003/12/31	1,377.54	
2005/02/04	81	interest *	7.42	<u>1,384.96</u>
		BALANCE DUE **		<u>1,384.96</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2005/01/08		OPENING BALANCE FOR: 2004/12/31	<u>168,840.00CR</u>
		BALANCE	168,840.00CR
2005/01/08		OPENING BALANCE FOR: 2005/12/31	0.00
2005/01/28	80	PIL payment	<u>14,070.00CR</u>
		BALANCE	14,070.00CR

*PA 12/2/05
12 2003*

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EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/01/08		OPENING BALANCE FOR: 2003/12/31	1,377.54	
2005/02/04	81	Interest *	7.42	<u>1,384.96</u>
		BALANCE DUE **		<u>1,384.96</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2005/01/08	OPENING BALANCE FOR: 2004/12/31	<u>168,840.00CR</u>
	BALANCE	168,840.00CR
2005/01/08	OPENING BALANCE FOR: 2005/12/31	0.00
2005/01/28	80 PIL payment	<u>14,070.00CR</u>
	BALANCE	14,070.00CR

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2005/01/07

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TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2004/12/04		OPENING BALANCE FOR: 2003/12/31	1,368.33	
2005/01/07	79	interest *	9.21	<u>1,377.54</u>
		BALANCE DUE **		<u>1,377.54</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2004/12/04		OPENING BALANCE FOR: 2004/12/31	154,770.00CR	
2004/12/16	78	PIL payment	<u>14,070.00CR</u>	
		BALANCE	168,840.00CR	
		OPENING BALANCE FOR: 2005/12/31	<u>0.00</u>	
		BALANCE	0.00	

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A balance of tax payment is required 2 or 3 months after the taxation period end. The return is due 6 months after the taxation period.

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Account No.	Statement Date (year, month, day)	Page
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TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/11/02		OPENING BALANCE FOR: 2005/12/31	105,620.00CR	
2005/11/10	104	PIL payment	9,868.00CR	
		BALANCE	115,488.00CR	

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- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

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- www.trd.fin.gov.on.ca



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Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2006/01/03

ERIE THAMES POWERLINES CORPORATION

Account No.	Statement Date (year, month, day)	Page
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TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/12/02		OPENING BALANCE FOR: 2005/12/31	115,488.00CR	
2005/12/14	105	PIL payment	9,868.00CR	
		BALANCE	125,356.00CR	
		OPENING BALANCE FOR: 2006/12/31	0.00	
		BALANCE	0.00	

A balance of tax payment is required 2 or 3 months after the taxation period end. The return is due 6 months after the taxation period.

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ERIE THAMES POWERLINES CORPORATION	1800076	2005/09/02	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/08/03		OPENING BALANCE FOR: 2005/12/31	76,016.00CR	
2005/08/16	101	PIL payment	<u>9,868.00CR</u>	
BALANCE			85,884.00CR	

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ERIE THAMES POWERLINES CORPORATION

Account No.

1800076

Statement Date
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2005/06/07

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TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2005/05/07		OPENING BALANCE FOR: 2003/12/31	10.24	
2005/06/07	89	Interest *	0.06	<u>10.30</u>
		BALANCE DUE **		<u>10.30</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2005/05/07	OPENING BALANCE FOR: 2004/12/31	<u>168,840.00</u> CR
	BALANCE	168,840.00CR
2005/05/07	OPENING BALANCE FOR: 2005/12/31	<u>56,280.00</u> CR
	BALANCE	56,280.00CR

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paid 10.30
2005 instalment 9865.00

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TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2004/11/06		OPENING BALANCE FOR: 2003/12/31	1,361.00	
2004/12/03	77	interest *	7.33	<u>1,368.33</u>
		BALANCE DUE **		<u>1,368.33</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2004/11/06		OPENING BALANCE FOR: 2004/12/31	140,700.00CR
2004/11/12	76	PIL payment	<u>14,070.00CR</u>
		BALANCE	154,770.00CR

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ERIE THAMES POWERLINES CORPORATION	1800076	2004/11/05	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2004/10/09		OPENING BALANCE FOR: 2003/12/31	1,353.71	
2004/11/05	75	interest *	7.29	<u>1,361.00</u>
		BALANCE DUE **		<u>1,361.00</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2004/10/09		OPENING BALANCE FOR: 2004/12/31	126,630.00CR
2004/10/22	74	PIL payment	<u>14,070.00CR</u>
		BALANCE	140,700.00CR

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for transactions up to and including 2004/10/08

ERIE THAMES POWERLINES CORPORATION

Account No.	Statement Date (year, month, day)	Page
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TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2004/09/08		OPENING BALANCE FOR: 2003/12/31	1,345.69	
2004/10/08	73	interest *	8.02	<u>1,353.71</u>
		BALANCE DUE **		<u>1,353.71</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2004/09/08		OPENING BALANCE FOR: 2004/12/31	112,560.00CR
2004/09/22	72	PIL payment	<u>14,070.00CR</u>
		BALANCE	126,630.00CR

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ERIE THAMES POWERLINES CORPORATION	1800076	2004/09/07	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2004/08/07		OPENING BALANCE FOR: 2003/12/31	1,337.46	
2004/09/07	71	Interest *	8.23	<u>1,345.69</u>
		BALANCE DUE **		<u>1,345.69</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2004/08/07		OPENING BALANCE FOR: 2004/12/31	98,490.00CR
2004/08/23	70	PIL payment	<u>14,070.00CR</u>
		BALANCE	112,560.00CR

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ERIE THAMES POWERLINES CORPORATION	1800076	2004/08/06	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2004/07/10		OPENING BALANCE FOR: 2003/12/31	168,829.15CR	
2004/07/27	67	return assessment	168,829.00	
2004/07/27	68	interest - assessment *	1,335.05	
2004/08/06	69	interest *	2.56	<u>1,337.46</u>
BALANCE DUE **				<u>1,337.46</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2004/07/10		OPENING BALANCE FOR: 2004/12/31	84,420.00CR
2004/07/23	66	PIL payment	<u>14,070.00CR</u>
BALANCE			98,490.00CR

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ERIE THAMES POWERLINES CORPORATION	1800076	2004/07/09	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2004/06/05		OPENING BALANCE FOR: 2003/12/31	<u>168,829.15CR</u>	
		BALANCE	168,829.15CR	
2004/06/05		OPENING BALANCE FOR: 2004/12/31	<u>70,350.00CR</u>	
2004/06/23	65	PIL payment	<u>14,070.00CR</u>	
		BALANCE	84,420.00CR	

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TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2004/05/08		OPENING BALANCE FOR: 2003/12/31	65,708.15CR	
2004/04/30	63	PIL payment	<u>103,121.00CR</u>	
		BALANCE	168,829.15CR	
2004/05/08		OPENING BALANCE FOR: 2004/12/31	56,280.00CR	
2004/05/25	64	PIL payment	<u>14,070.00CR</u>	
		BALANCE	70,350.00CR	

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TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2004/04/03		OPENING BALANCE FOR: 2003/12/31	65,708.15CR	
		BALANCE	65,708.15CR	
2004/04/03		OPENING BALANCE FOR: 2004/12/31	16,128.00CR	
2004/04/30	62	PIL payment	40,152.00CR	
		BALANCE	56,280.00CR	

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Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca

**Ontario**

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2004/04/02

	Account No.	Statement Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2004/04/02	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR**TRANSACTIONS BY UNASSESSED TAXATION YEAR**

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2004/03/06		OPENING BALANCE FOR: 2003/12/31	65,708.15CR	
		BALANCE	65,708.15CR	
2004/03/06		OPENING BALANCE FOR: 2004/12/31	10,752.00CR	
2004/04/02	61	PIL payment	5,376.00CR	
		BALANCE	16,128.00CR	

The 2001 Ontario Budget simplified instalment requirements for corporations with total tax payable in the current or preceding year of \$2,000 or more and less than \$10,000. For tax years commencing after 2001, these corporations may now pay quarterly instalments.

- Make your cheque or money order in Canadian Funds, payable to the **Ontario Electricity Financial Corporation**, and mail to the Ministry of Finance.
PO Box 620, Corporation Tax Branch - Hydro Pil.
- Print your account # on the back of cheque or money order.
Payment cannot be made at financial institutions.
- Check all transactions for accuracy. If you have any questions, please contact the Ministry within 30 days of the Statement of Account/Notice of (Re)Assessment date.
- Recently mailed payments may not appear on the Statement of Account.

Notice of Objection:

If you do not agree with a Notice of (Re)Assessment or any items marked by an asterisk (*) on the Statement of Account, you have the right to file a Notice of Objection with the Tax Appeals Branch **within 180 days from the issue date on the front of the form.**

Notice of Objection forms can be obtained by contacting the Ministry of Finance at:

Telephone

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- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

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Statement of AccountElectricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2004/03/05

	Account No.	Statement Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2004/03/05	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2004/02/07		OPENING BALANCE FOR: 2003/12/31	<u>65,708.15CR</u>	
		BALANCE	65,708.15CR	
2004/02/07		OPENING BALANCE FOR: 2004/12/31	5,376.00CR	
2004/02/24	60	PIL payment	<u>5,376.00CR</u>	
		BALANCE	10,752.00CR	

The 2001 Ontario Budget simplified instalment requirements for corporations with total tax payable in the current or preceding year of \$2,000 or more and less than \$10,000. For tax years commencing after 2001, these corporations may now pay quarterly instalments.

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Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

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Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2004/02/06

ERIE THAMES POWERLINES CORPORATION

Account No.

1800076

Statement Date
(year, month, day)

2004/02/06

Page

1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2004/01/24		OPENING BALANCE FOR: 2002/12/31	0.00	
2004/01/31	55	PIL refund	53.36	
2004/01/31	58	PIL refund reversal	53.36CR	<u>0.00</u>
		BALANCE		<u>0.00</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2004/01/24		OPENING BALANCE FOR: 2003/12/31	<u>65,708.15CR</u>
		BALANCE	65,708.15CR
2004/01/24		OPENING BALANCE FOR: 2004/12/31	0.00
2004/01/26	59	PIL payment	<u>5,376.00CR</u>
		BALANCE	5,376.00CR

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Ministry Information Centre
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33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 820
33 King Street West
Oshawa ON L1H 8E9

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Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2004/01/09

ERIE THAMES POWERLINES CORPORATION

Account No.	Statement Date (year, month, day)	Page
18000076	2004/01/09	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2003/12/06		OPENING BALANCE FOR: 2002/12/31	15.57	
2004/01/09	40	interest *	0.12	<u>15.69</u>
		BALANCE DUE **		<u>15.69</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2003/12/06		OPENING BALANCE FOR: 2003/12/31	59,136.00CR
2003/12/19	39	PIL payment	<u>5,376.00CR</u>
		BALANCE	64,512.00CR
2003/12/06		OPENING BALANCE FOR: 2004/12/31	<u>0.00</u>
		BALANCE	0.00

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC). The current interest rate is 0.0219178%.

A balance of tax payment is required 2 or 3 months after the taxation period end. The return is due 8 months after the taxation period.

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- TTY (Teletypewriter) 1-800-263-7776

Mail

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Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800076

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PK5000

ERIE THAMES POWERLINES CORPORATION
JEFFREY PETTIT
143 BELL ST
PO BOX 157
INGERSOLL
N5C 3K5

ON

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998

Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

2	0	0	4	1	2	3	1
---	---	---	---	---	---	---	---

Payment Amount: \$

						5	3	7	6	0	0
--	--	--	--	--	--	---	---	---	---	---	---

Total Payment
Enclosed: \$

						5	3	7	6	0	0
--	--	--	--	--	--	---	---	---	---	---	---

Rec'd 9/10/4.
To be mailed



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2004/01/23

ERIE THAMES POWERLINES CORPORATION

Account No.

1800076

Statement Date
(year, month, day)

2004/01/23

Page

1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2002/10/09		OPENING BALANCE FOR: 2001/12/31	0.00	
2002/09/23	41	assessment reversal	17,045.00CR	
2002/09/23	43	interest reversal - assessment	34.00	
2004/01/19	42	reassessment	15,949.00	
2004/01/19	44	interest - assessment *	80.85CR	
2004/01/19	53	transfer of credit balance	1,142.85	
2004/01/19	56	interest reversal - assessment	80.85	
2004/01/23	57	interest *	80.85CR	0.00
2004/01/10		OPENING BALANCE FOR: 2002/12/31	15.69	
2003/09/15	45	interest reversal - assessment	4,658.67CR	
2003/10/08	46	interest reversal	23.54CR	
2003/11/07	47	interest reversal	15.47CR	
2003/12/05	48	interest reversal	0.10CR	
2004/01/09	49	interest reversal	0.12CR	
2004/01/19	50	cascade interest	4,628.91	
2004/01/19	51	transfer of credit balance	53.30	0.00
		BALANCE		<u>0.00</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2004/01/10		OPENING BALANCE FOR: 2003/12/31	64,512.00CR
2004/01/19	52	transfer of credit balance	53.30CR
2004/01/19	54	transfer of credit balance	1,142.85CR
		BALANCE	<u>65,708.15CR</u>
2004/01/10		OPENING BALANCE FOR: 2004/12/31	0.00
		BALANCE	<u>0.00</u>

Cascade interest is due to re-calculation of instalment base resulting from revised "Total Tax Payable" in prior years

The 2001 Ontario Budget simplified instalment requirements for corporations with total tax payable in the current or preceding year of \$2,000 or more and less than \$10,000. For tax years commencing after 2001, these corporations may now pay quarterly instalments.

Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

- Oshawa and Local (905) 433-6708
- Toronto (416) 920-9048 ext. 3036
- Toll-Free 1-800-262-0784 ext. 3036
- FAX (905) 433-5197

**Ontario**

Ministry of Finance
Corporations Tax Branch - Hydro P/L
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

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Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2004/01/23

	Account No.	Statement Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2004/01/23	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2002/10/09		OPENING BALANCE FOR: 2001/12/31	0.00	
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2003/11/07	47	interest reversal	15.47CR	
2003/12/05	48	interest reversal	0.10CR	
2004/01/09	49	interest reversal	0.12CR	
2004/01/19	50	cascade interest	4,628.91	
2004/01/19	51	transfer of credit balance	53.30	0.00
		BALANCE		0.00

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2004/01/10		OPENING BALANCE FOR: 2003/12/31	64,512.00CR
2004/01/19	52	transfer of credit balance	53.30CR
2004/01/19	54	transfer of credit balance	1,142.85CR
		BALANCE	65,708.15CR
2004/01/10		OPENING BALANCE FOR: 2004/12/31	0.00
		BALANCE	0.00

Cascade interest is due to re-calculation of instalment base resulting from revised "Total Tax Payable" in prior years

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Tax (Re)Assessment Enquiries:

• Toronto (416) 730-5585
• FAX (416) 730-5583

Account Billing Enquiries & Change of Address Information:

• Oshawa and Local (905) 433-6708 • Toll-Free 1-800-262-0784 ext. 3036
• Toronto (416) 920-8048 ext. 3036 • FAX (905) 433-5107

PIL Payment Information

- Make your cheque or money order in Canadian Funds, payable to the **Ontario Electricity Financial Corporation**, and mail to the Ministry of Finance.
PO Box 620, Corporation Tax Branch - Hydro Pil.
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- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
PO Box 620 (CT)
33 King Street West
Oshawa ON L1H 8E9

X X X X X X X X X X X

Account No.
7140517

Taxation Year End: (YYYYMMDD)

Payment Amount: \$

35\$

CT PX4003

ERIE THAMES POWERLINES CORPORATION
JEFFREY PETTIT
143 BELL STREET
PO BOX 157
INGERSOLL
ON
N5C 3K5

Taxation Year End: (YYYYMMDD)

2 0 0 4 1 2 3 1

Payment Amount: \$

Total Payment
Enclosed: \$

11 CT 20041231

1170186477 001

7

11112 239 0009571 96



Ministry of Finance
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Statement of Account

for transactions up to and including **2004/05/03**

	Account No.	Statement Date	Page
ERIE THAMES POWERLINES CORPORATION	7140517	2004/05/03	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2001/07/05		OPENING BALANCE FOR: 2000/12/31	0.00	
BALANCE			0.00	
2001/07/05		OPENING BALANCE FOR: 2001/12/31	0.00	
BALANCE			0.00	
		OPENING BALANCE FOR: 2002/12/31	0.00	
BALANCE			0.00	
		OPENING BALANCE FOR: 2003/12/31	0.00	
2004/04/30	1	payment	103,121.00CR	
BALANCE			103,121.00CR	
		OPENING BALANCE FOR: 2004/12/31	0.00	
BALANCE			0.00	

A balance of tax payment is required 2 or 3 months after the taxation period end. The return is due 6 months after the taxation period.

The 2001 Ontario Budget simplified instalment requirements for corporations with total tax payable in the current or preceding year of \$2,000 or more and less than \$10,000. For tax years commencing after 2001, these corporations may now pay quarterly instalments.

- Payment may be made at any financial institution in Ontario where you have an account (except caisses populaires or credit unions), by mail or delivery to any Ministry of Finance tax office and electronically, using a financial institution's Internet Banking Services.
- Please send your cheque or money order in Canadian funds, drawn from a Canadian banking institution and payable to the **Minister of Finance**.
- If your address has changed, please notify the Ministry by the enclosed **Change of Address** form or one of the options listed under **Enquiries**.

- *Les paiements peuvent être remis à toute institution financière de l'Ontario où vous possédez un compte (à l'exception des caisses populaires ou credit unions), envoyés par la poste ou livrés à tout bureau fiscal du ministère des Finances, ou soumis par voie électronique au moyen du service bancaire par Internet de toute institution financière.*
- *Votre chèque ou mandat-poste doit être émis en devises canadiennes, tiré sur une institution bancaire canadienne, et libellé à l'ordre du **Ministre des Finances**.*
- *Si vous avez changé d'adresse, veuillez en informer le ministère en remplissant le formulaire de changement d'adresse ci-joint ou en communiquant à l'un des numéros indiqués ci-dessous, sous **Renseignements**.*



Please check all transactions for accuracy. If you have any questions, contact the Ministry within **30 days** of the mailing date.

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A credit balance may be applied to debit balances that the taxpayer has under any tax statutes administered by the Ministry, before a refund is issued.

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Notice of Objection forms may be obtained by:

- visiting the Ministry of Finance Internet site at **www.trd.fin.gov.on.ca** and directing yourself as follows:
Objections
Notice of Objections
- visiting your local Ontario tax office listed in the telephone directory in the **Blue Pages** under Taxes (Province of Ontario); or
- writing to the:

Ministry of Finance
Ministry Information Centre
PO Box 627
33 King St West
Oshawa ON L1H 8H5

- **TAX FAX 1-877-482-9392 or 1-877-4-TAX-FAX;** or
- calling the Ministry of Finance Information Centre at the phone numbers listed below.

Enquiries

English 1-800-263-7965 (Canada/U.S.)
TTY (Teletypewriter) 1-800-263-7776 (Ontario Only)
Ministry's website **www.trd.fin.gov.on.ca**

*Veuillez vérifier toutes les transactions. Si vous avez des questions, communiquez avec le ministère dans les **30 jours** suivant la date d'envoi.*

Il se peut que les paiements effectués récemment ne figurent pas sur le Relevé de compte.

Tout solde créditeur pourrait être appliqué aux soldes débiteurs du contribuable en vertu de toute taxe ou tout autre impôt administré par le ministère avant qu'un remboursement ne soit accordé.

Avis d'opposition :

Si vous avez des objections concernant un Avis de (nouvelle) cotisation, ou toute transaction marquée d'un astérisque () sur le Relevé de compte, vous avez le droit de déposer un Avis d'opposition auprès de la Direction des appels en matière fiscale **dans les 180 jours suivant la date d'émission qui figure au recto du présent formulaire**.*

Vous pouvez vous procurer un formulaire d'Avis d'opposition en :

- visitant le site Internet du ministère des Finances : **www.trd.fin.gov.on.ca** et en cliquant sur les liens suivants :

*Oppositions
Avis d'opposition*

- visitant votre bureau fiscal local de l'Ontario dont l'adresse figure dans les **pages bleues** de l'annuaire téléphonique, sous la rubrique Taxes/impôts (province de l'Ontario) ou en
- écrivant au :

Ministère des Finances
Centre de renseignements du ministère
CP 627
33 rue King Ouest
Oshawa ON L1H 8H5

- par le biais du service **TAXE FAX 1 877 482-9329 ou 1 877 4-TAX-FAX ;** ou en
- appelant le Centre de renseignements du ministère des Finances à l'un des numéros ci-dessous.

Renseignements

Français 1 800 668-5821 (Canada/É.-U.)
ATS (Téléimprimeur) 1 800 263-7776 (Ontario seulement)
Site Web du ministère **www.trd.fin.gov.on.ca**



Ministry of Finance
Corporations Tax Branch - Hydro PIL
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33 King Street West
Oshawa ON L1H 8E9

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Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2003/10/08

ERIE THAMES POWERLINES CORPORATION

Account No.

1800076

Statement Date
(year, month, day)

2003/10/08

Page

1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2003/09/10		OPENING BALANCE FOR: 2002/12/31	64,495.00CR	
2003/09/15	26	return assessment	64,495.00	
2003/09/15	27	interest - assessment *	4,658.67	
2003/10/08	30	interest *	23.54	4,682.21
BALANCE DUE **				<u>4,682.21</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2003/09/10		OPENING BALANCE FOR: 2003/12/31	43,008.00CR
2003/09/25	28	PIL payment	2,984.00CR
2003/09/25	29	PIL payment	<u>2,392.00CR</u>
BALANCE			48,384.00CR

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PO Box 620
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Oshawa ON L1H 8E9

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Statement of Account

Electricity Act, 1998 - Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2003/09/09

	Account No.	Statement Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2003/09/09	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2003/08/09	OPENING	BALANCE FOR: 2002/12/31	64,495.00CR	
2003/08/25	23	PIL payment	2,984.00CR	
2003/08/25	24	PIL payment reversal	2,984.00	
		BALANCE	64,495.00CR	
2003/08/09	OPENING	BALANCE FOR: 2003/12/31	37,632.00CR	
2003/08/25	20	PIL payment	2,392.00CR	
2003/08/25	21	PIL payment	2,984.00CR	
2003/08/25	22	PIL payment reversal	2,984.00	
2003/08/25	25	PIL payment	2,984.00CR	
		BALANCE	43,008.00CR	

The 2001 Ontario Budget simplified instalment requirements for corporations with total tax payable in the current or preceding year of \$2,000 or more and less than \$10,000. For tax years commencing after 2001, these corporations may now pay quarterly instalments.

- Make your cheque or money order in Canadian Funds, payable to the **Ontario Electricity Financial Corporation**, and mail to the Ministry of Finance.
PO Box 620, Corporation Tax Branch - Hydro Pil.
- Print your account # on the back of cheque or money order.
Payment cannot be made at financial institutions.
- Check all transactions for accuracy. If you have any questions, please contact the Ministry within 30 days of the Statement of Account/Notice of (Re)Assessment date.
- Recently mailed payments may not appear on the Statement of Account.

Notice of Objection:

If you do not agree with a Notice of (Re)Assessment or any items marked by an asterisk (*) on the Statement of Account, you have the right to file a Notice of Objection with the Tax Appeals Branch **within 180 days from the issue date on the front of the form.**

Notice of Objection forms can be obtained by contacting the Ministry of Finance at:

Telephone

- English 1-800-263-7965
- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2003/08/08

ERIE THAMES POWERLINES CORPORATION

Account No.

1800076

Statement Date
(year, month, day)

2003/08/08

Page

1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

OK

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2003/01/14	OPENING	BALANCE FOR: 2002/12/31	6,989.00CR	
2003/07/14	17	PIL payment	-28,696.00CR	
2003/07/14	19	PIL payment	-28,810.00CR	
2003/07/15	8	PIL payment	28,696.00CR	
2003/07/15	10	PIL payment	28,810.00CR	
2003/07/15	16	PIL payment reversal	28,696.00	
2003/07/15	18	PIL payment reversal	28,810.00	
	BALANCE		64,495.00CR	
2003/01/14	OPENING	BALANCE FOR: 2003/12/31	0.00	
2003/07/14	13	PIL payment	16,744.00CR	
2003/07/14	15	PIL payment	20,888.00CR	
2003/07/15	9	PIL payment	16,744.00CR	
2003/07/15	11	PIL payment	20,888.00CR	
2003/07/15	12	PIL payment reversal	16,744.00	
2003/07/15	14	PIL payment reversal	20,888.00	
	BALANCE		37,632.00CR	

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The 2001 Ontario Budget simplified instalment requirements for corporations with total tax payable in the current or preceding year of \$2,000 or more and less than \$10,000. For tax years commencing after 2001, these corporations may now pay quarterly instalments.

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- English 1-800-263-7965
- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2003/12/05

	Account No.	Statement Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2003/12/05	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2003/11/08		OPENING BALANCE FOR: 2002/12/31	15.47	
2003/12/05	38	interest *	0.10	15.57
		BALANCE DUE **		<u>15.57</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2003/11/08		OPENING BALANCE FOR: 2003/12/31	53,760.00CR
2003/11/28	37	PIL payment	5,376.00CR
		BALANCE	<u>59,136.00CR</u>
		OPENING BALANCE FOR: 2004/12/31	0.00
		BALANCE	<u>0.00</u>

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC). The current interest rate is 0.0219178%.

The 2001 Ontario Budget simplified instalment requirements for corporations with total tax payable in the current or preceding year of \$2,000 or more and less than \$10,000. For tax years commencing after 2001, these corporations may now pay quarterly instalments.

- Make your cheque or money order in Canadian Funds, payable to the **Ontario Electricity Financial Corporation**, and mail to the Ministry of Finance.
PO Box 620, Corporation Tax Branch - Hydro Pil.
- Print your account # on the back of cheque or money order.
Payment cannot be made at financial institutions.
- Check **all** transactions for accuracy. If you have any questions, please contact the Ministry within 30 days of the Statement of Account/Notice of (Re)Assessment date.
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Ministry of Finance
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33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800076

35 A
PX5000

ERIE THAMES POWERLINES CORPORATION

143 BELL ST

**INGERSOLL
N5C 3K5**

ON

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998

Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Total Payment
Enclosed: \$

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2002/07/10

	Account No.	Statement Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2002/07/10	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2002/01/11		OPENING BALANCE FOR: 2001/12/31	0.00	
2002/06/26	1	transfer of credit balance	24,000.00CR	
		BALANCE	24,000.00CR	
2002/01/11		OPENING BALANCE FOR: 2002/12/31	0.00	
		BALANCE	0.00	

The 2001 Ontario Budget simplified instalment requirements for corporations with total tax payable in the current or preceding year of \$2,000 or more and less than \$10,000. For tax years commencing after 2001, these corporations may now pay quarterly instalments.

Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

- Oshawa and Local (905) 433-6708
- Toll-Free 1-800-262-0784 ext. 3036
- Toronto (416) 920-9048 ext. 3036
- FAX (905) 433-5197

TAX BANKING IS NOT AVAILABLE.

PIL Payment Information

- Payment may be made by cheque or money order only and mailed in the enclosed envelope.
- Your cheque or money order must be in Canadian Funds, drawn from a Canadian banking institution and payable to the **Ontario Electricity Financial Corporation**.
- Check all transactions for accuracy. If you have any questions, please contact the Ministry within 30 days of the Statement of Account/Notice of (Re)Assessment date.
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Notice of Objection:

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Notice of Objection forms can be obtained by contacting the Ministry of Finance at:

Telephone

- English 1-800-263-7965
- French 1-800-668-5821
- TTY (Deaf) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- <http://www.rev.gov.on.ca>

PIL Payment Information

- Make your cheque or money order in Canadian Funds, payable to the **Ontario Electricity Financial Corporation**, and mail to the Ministry of Finance.
PO Box 620, Corporation Tax Branch - Hydro Pil.
- Print your account # on the back of cheque or money order.
Payment cannot be made at financial institutions.
- Check all transactions for accuracy. If you have any questions, please contact the Ministry within 30 days of the Statement of Account/Notice of (Re)Assessment date.
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Telephone

- English 1-800-263-7965
- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-283-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800076

35 A
PX5000

ERIE THAMES POWERLINES CORPORATION

**143 BELL ST
INGERSOLL
N5C 3K5**

ON

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998

Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Total Payment
Enclosed:

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2001/10/10

ERIE THAMES POWERLINES CORPORATION

Account No.

1800076

Statement Date

(year, month, day)

2001/10/10

Page

1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
		OPENING BALANCE FOR: 2001/12/31	<u>0.00</u>	
		BALANCE	0.00	

Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

- Oshawa and Local (905) 433-6708
- Toronto (416) 920-9048 ext. 3036
- Toll-Free 1-800-262-0784 ext. 3036
- FAX (905) 433-5197

Ministry of Finance
33 King Street West
Oshawa ON L1H 8H5

Ministère des Finances
33 rue King ouest
Oshawa ON L1H 8H5



Corporations Tax
Branch

Direction de l'imposition
des compagnies

Oshawa (905) 436-4518
Toronto (416) 920-9048, Ext 4518
Ontario & Quebec:
1-800-262-0784, Ext 4518
Fax (905) 433-5197

October 11, 2001

Erie Thames Powerlines Corporation
143 Bell St
Ingersoll ON N5C 3K5

Dear Sir/Madame:

**RE: Erie Thames Powerlines Corporation
Payments in Lieu of Federal and Provincial Corporate Taxes,
*Electricity Act, 1998***

According to our records, the above corporation may be subject to Payments in Lieu of Federal and Provincial Corporate Taxes (PIL's) effective October 1, 2001

The following account number has been assigned to your corporation and **must** be used for all correspondence and enquires relating to the PIL's.

Electricity PIL Account Number: 1800076

Corporation Legal Name: Erie Thames Powerlines Corporation

If you have other entities that are defined as municipal electricity utilities (MEU) pursuant to section 88 of the *Electricity Act, 1998* and you have not notified the Corporations Tax Branch of the Ministry of Finance (MOF), please advise us as soon as possible.

If a corporation has been setup in error, or is to be dissolved, please notify the Ministry of Consumer and Business Services (MCBS), formerly the Ministry of Consumer and Commercial Relations (MCCR). All MEU's in existence on October 1, 2001 are subject to PIL's and hence the compliance requirements under the *Electricity Act, 1998* unless the MEU is dissolved or no longer exempt under subsection 149(1) of the *Income Tax Act (ITA)* (Canada).

Ontario Regulation 162/01 of the *Electricity Act, 1998* and the *Corporations Tax Act, R.S.O. 1990*, provides the compliance requirements for MEU's. The following summarizes some of the general rules.

Taxation Year End:

A MEU's first taxation year commences on October 1, 2001. Your taxation year is deemed to end on your first fiscal period ending after October 1, 2001. Currently your taxation year end has been captured as December 31. If this is incorrect, please advise us as soon as possible to ensure the proper allocation of the instalment payments.

Taxable Income:

For the first taxation year, taxable income is to be calculated for the period commencing from October 1, 2001 and ending on last day of the taxation year end. Any expense or loss incurred before October 1, 2001 is not deductible. In addition, income incurred prior to this date is not included in taxable income.

Instalments:**1. First taxation year:**

If the PIL liability for the taxation year is less than \$2000, the total amount is due on or before the end of the third month after the end of the taxation year end.

If the PIL liability for the taxation year is greater than or equal to \$2000, instalments are required on or before the end of each month in the taxation year. Instalments are equal to 1/12th of the estimated PIL liability for the taxation year. The balance of PIL liability is due on or before the end of the third month after the end of the taxation year end.

2. Second taxation year:

If the current or the 1st year's prior PIL liability is less than \$2,000, no instalments are required but the balance of any PIL liability is due 2 or 3 months following the end of the taxation year.

If the current or the 1st year's prior PIL liability is greater than or equal to \$2,000, instalments are due on or before the last day of each month and are equal to the lessor of 1/12th of the current estimated PIL liability or 1/12th of the prior year's PIL liability. If the 1st prior is a short taxation period, the PIL liability for that taxation period must be grossed up to a full year. The balance of PIL liability is payable at the end of the 2nd or 3rd month following the end of the taxation period.

3. Third taxation year:

All options as indicated under section 78 of the *Corporations Tax Act*, R.S.O. are applicable.

Note: If the 1st, or 1st and/or 2nd prior taxation periods are short fiscal year ends, then the PIL liability amounts used in each of the taxation periods must be grossed up to reflect the amount that would have been payable for a full year.

Payments:

When paying instalments or the balance due of the MEU's PIL liability please make your cheque or money order payable to the **Ontario Electricity Financial Corporation (OEFC)**. The payment must be in Canadian Funds and drawn from a Canadian banking institution.

Please mail the cheque or money order with the remittance advice form (enclosed) in the envelope provided. If no remittance form is available with the correct account number and corporation name, attach a letter stating the Electricity PIL account number, the corporation name and the taxation period(s) that the payment applies to.

Returns:

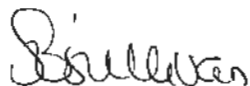
The Ontario Corporations Tax and Annual Return (CT23) along with the Federal Corporation Income Tax Return (T2) are due within 6 months after the end of the taxation year. The returns are to be delivered to the MOF. Returns are considered delivered when received by the MOF.

The MOF will be sending you a preprinted paper CT23 approximately one month after the end of your taxation year. T2's may be obtained from any Tax Services Office of the Canada Customs and Revenue Agency. Alternatively, you may use a plain paper return produced with certified computer software.

The *Corporations Information Act* requires corporations incorporated pursuant to the *Business Corporations Act* to file an Annual Return. A MEU may have been required to file an Annual Return for 2000. Please contact MCBS for further information. A MEU with a 2001 taxation year end may file the Annual Return for 2001 by using the combined CT23 and Annual Return. Alternatively, a MEU may use the electronic filing version found on the MCBS web site, www.cbs.gov.on.ca/mcbs..

If you require further information please contact the undersigned.

Yours truly,



Sharon O'Sullivan
Corporations Tax Branch, Accounts Section.



Ministry of Finance
PO Box 620 (CT)
33 King Street West
Oshawa ON L1H 8E9

XXXXXX XXXX

Account No.
7140517

Taxation Year End: (YYYYMMDD)

Payment Amount: \$

35S
PX2003

ERIE THAMES POWERLINES CORPORATION

Taxation Year End: (YYYYMMDD)

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143 BELL STREET

Payment Amount: \$

INGERSOLL
N5C 3K5

ON

Total Payment
Enclosed: \$

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Ministry of Finance
Corporations Tax Branch

Keep this portion for your records.

Statement of Account

for transactions up to and including 2001/07/04

Account No.

Statement Date

ERIE THAMES POWERLINES CORPORATION

7140517

2001/07/04

Page 1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
		OPENING BALANCE FOR: 2000/12/31	<u>0.00</u>	
BALANCE			0.00	
		OPENING BALANCE FOR: 2001/12/31	<u>0.00</u>	
BALANCE			0.00	

A balance of tax payment is required 2 or 3 months after the taxation period end. The return is due 6 months after the taxation period.

ENQUIRIES: CTB 33 KING ST. W.; PO BOX 622, OSHAWA, ON. L1H 8H6
TAX (RE)ASSESSMENT ENQUIRIES: ACCOUNT BILLING ENQUIRIES:
OSHAWA AND LOCAL (905)433-6559 OSHAWA AND LOCAL (905)433-6708
TORONTO (416)920-9048 EXT.6559 TORONTO (416)920-9048 EXT.3036
FAX (905)433-6998 FAX (905)433-5197
TOLL FREE:1-800-262-0784 EXT.6559 TOLL FREE:1-800-262-0784 EXT.3036

- Payment may be made at your banking institution in Ontario free of charge or directly by mail in the return envelope to the Ministry of Finance
- Please send your cheque or money order in Canadian funds, drawn from a Canadian banking institution and payable to the 'Minister of Finance'.
- If your address has changed, please notify the Ministry.

- *Le paiement peut être effectué sans frais en Ontario à votre institution bancaire ou envoyé directement par la poste, dans l'enveloppe-reponse, au ministère des Finances.*
- *Votre chèque ou mandat-poste doit être émis en devises canadiennes tiré sur une institution bancaire canadienne, et libellé à l'ordre du «Ministre des Finances».*
- *Si vous avez changé d'adresse, veuillez en informer le ministère*

Teller Stamp

Timbre du caissier

(R) 0626D (00-05)

Please check all transactions for accuracy. If you have any questions, contact the Ministry within 30 days of the mailing date.

Recently mailed payments may not appear on the Statement of Account.

A credit balance may be applied to debit balances that the taxpayer has under any tax statutes administered by the Ministry, before a refund is issued.

Notice of Objection:

If you do not agree with a Notice of (Re) Assessment or any items marked by an asterisk (*) on the Statement of Account, you have the right to file a Notice of Objection with the Tax Appeals Branch within **180 days from the issue date on the front of the form.**

Notice of Objection forms may be obtained by writing to:

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King St West
Oshawa ON L1H 8H6

Or telephone:

General Enquiry 1-800-263-7965
French Language Service 1-800-668-5821
Teletypewriter (TTY) 1-800-263-7776

Veuillez vérifier toutes les transactions. Si vous avez des questions, communiquez avec le ministère dans les 30 jours suivant la date d'envoi.

Il se peut que les paiements effectués récemment ne figurent pas sur le Relevé de compte.

Tout solde créditeur pourrait être appliqué aux soldes débiteurs du contribuable en vertu de toute taxe ou tout autre impôt administré par le ministère avant qu'un remboursement ne soit accordé

Avis d'opposition:

Si vous avez des objections concernant un Avis de (nouvelle) cotisation ou toute transaction marquée d'un astérisque () sur le Relevé de compte, vous avez le droit de déposer un Avis d'opposition auprès de la Direction des appels en matière fiscale **dans les 180 jours suivant la date d'émission qui figure au recto du présent formulaire.***

Vous pouvez vous procurer un formulaire d'Avis d'opposition en écrivant au:

Ministère des Finances
Centre de renseignements du ministère
CP 622
33 rue King Ouest
Oshawa ON L1H 8H6

Ou par téléphone:

Renseignements généraux 1-800-263-7965
Services en français 1-800-668-5821
Téléscripneur 1-800-263-7776

Instalments

Tax must be paid by monthly instalments if your tax payable for the current taxation year and for the previous taxation year are each \$2,000 or more.

Each instalment, usually due on the last day of the month, should equal the least of:

- 1/12 of the tax payable for the current taxation year;
- or ▪ 1/12 of the tax payable in the previous taxation year;
- or ▪ for the first two months, 1/12th of the tax payable two years ago; and for the next ten months, 1/10th of the difference between last year's tax payable and the amount paid for the first two months.

Where instalment calculations are based on a prior short taxation year, the tax payable figure used for

Balance of Tax

- The balance of tax due must be paid within three months after the end of your taxation year, if your corporation was a Canadian-controlled private corporation throughout the taxation year and had taxable income of not more than \$200,000 for the previous taxation year.
- In all other cases, the balance of tax is due within two months after the end of your taxation year.
- If the previous taxation year was less than 51 weeks, the \$200,000 limit must be prorated (i.e., $\$200,000 \times \frac{\text{number of days in taxation year}}{365}$). The taxable income must not be more than this prorated limit.

Si le montant de l'impôt pour l'année d'imposition en cours et le montant réel de l'impôt de l'année d'imposition précédente sont tous deux de 2 000 \$ ou plus, l'impôt doit être payé par acomptes mensuels.

Chaque acompte, habituellement exigible le dernier jour du mois, doit équivaloir au moindre de ces montants :

- 1/12 du montant d'impôt exigible pour l'année d'imposition en cours;
- ou • 1/12 du montant d'impôt exigible pour l'année d'imposition précédente;
- ou • les deux premiers mois, 1/12 de l'impôt exigible deux ans auparavant et les dix autres mois, 1/10 de la différence entre l'impôt exigible pour l'année précédente et le montant payé pour les deux premiers mois.

Lorsque pour le calcul des acomptes, on utilise le montant d'impôt qui était exigible pour une année d'imposition précédente abrégée, ce montant doit être majoré pour refléter le montant qui aurait été exigible si l'année compte 365 jours.

- Le solde d'impôt exigible doit être payé dans les trois mois suivant la fin de l'année d'imposition, si la corporation a été une corporation privée dont le contrôle est canadien pendant toute l'année d'imposition et que, pour l'année d'imposition précédente, elle a eu un revenu imposable ne dépassant pas 200 000 \$.
- Dans tous les autres cas, le solde d'impôt exigible doit être payé dans les deux mois suivant la fin de l'année d'imposition.
- Si l'année d'imposition précédente comportait moins de 51 semaines, la limite, qui n'est donc plus de 200 000 \$, doit être calculée au prorata du nombre de jours ($200\,000 \$ \times \text{nbre de jours dans l'année d'imposition} \div 365$). Le revenu imposable ne doit pas dépasser cette limite.



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 820
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.
Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2007/11/02

	Account No.	Statement Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2007/11/02	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2007/10/03		OPENING BALANCE FOR: 2002/12/31	2,686.25	
2007/10/22	177	PIL payment	2,668.43CR	
2007/11/02	180	interest *	13.36	31.18
2007/10/03		OPENING BALANCE FOR: 2003/12/31	5,123.70	
2007/10/22	178	PIL payment	5,089.71CR	
2007/11/02	179	interest *	25.49	59.48
		BALANCE DUE **		<u>90.66</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2007/10/03		OPENING BALANCE FOR: 2007/12/31	63,704.00CR
2007/10/22	174	PIL payment	18,674.14CR
2007/10/22	175	PIL payment reversal	18,674.14
2007/10/22	176	PIL payment	<u>10,916.00CR</u>
		BALANCE	74,620.00CR

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC). The current interest rate is 0.0248575%.

The 2001 Ontario Budget simplified instalment requirements for corporations with total tax payable in the current or preceding year of \$2,000 or more and less than \$10,000. For tax years commencing after 2001, these corporations may now pay quarterly instalments.

Tax (Re)Assessment Enquiries:

• Toronto (416) 730-5585
• FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

• Oshawa and Local (905) 433-6708 • Toll-Free 1-800-262-0784 ext 3036
• Toronto (416) 830-8048 ext 3036 • FAX (905) 433-5187

PIL Payment Information

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Telephone

- English 1-800-263-7965
- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800076

35 A
PX5000

ERIE THAMES POWERLINES CORPORATION
C/O JEFFREY PETTIT PRES CEO
143 BELL ST
PO BOX 157
INGERSOLL
N5C 3K5

DN

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998

Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Total Payment
Enclosed: \$

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

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Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2007/10/02

	Account No.	Statement Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2007/10/02	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2007/09/06		OPENING BALANCE FOR: 2002/12/31	2,668.43	
2007/10/02	173	interest *	17.82	2,686.25
2007/09/06		OPENING BALANCE FOR: 2003/12/31	5,089.71	
2007/10/02	172	interest *	33.99	5,123.70
		BALANCE DUE **		<u>7,809.95</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2007/09/06	OPENING BALANCE FOR: 2007/12/31	63,704.00CR
	BALANCE	63,704.00CR

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- Toronto (416) 920-9048 ext. 3036
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- FAX (905) 433-5197

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- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fln.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

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Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2007/09/05

	Account No.	Statement Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2007/09/05	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2007/08/18		OPENING BALANCE FOR: 2002/12/31	2,655.96	
2007/09/05	171	interest *	12.47	2,668.43
2007/08/18		OPENING BALANCE FOR: 2003/12/31	5,065.92	
2007/09/05	170	interest *	23.79	<u>5,089.71</u>
		BALANCE DUE **		<u>7,758.14</u>

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2007/08/18	OPENING BALANCE FOR: 2007/12/31	<u>63,704.00CR</u>
	BALANCE	63,704.00CR

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- FAX (905) 433-6107

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- TTY (Teletypewriter) 1-800-263-7776

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Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800076

35 A
PX5000

ERIE THAMES POWERLINES CORPORATION
C/O JEFFREY PETTIT PRES CEO
143 BELL ST
PO BOX 157
INGERSOLL
N5C 3K5

ON

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998

Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Total Payment Enclosed: \$

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

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Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2007/08/17

	Account No.	Statement Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2007/08/17	1 of 2

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2004/02/07	OPENING	BALANCE FOR: 2002/12/31	0.00	
2003/09/15	142	assessment reversal	64,495.00CR	
2004/01/19	144	cascade interest - reversal	4,628.91CR	
2007/08/15	143	reassessment	66,373.00	
2007/08/15	145	interest - assessment *	5,405.56	
2007/08/17	169	interest *	1.31	2,655.96
2005/07/05	OPENING	BALANCE FOR: 2003/12/31	0.00	
2004/07/27	146	assessment reversal	168,829.00CR	
2004/07/27	148	interest reversal - assessment	1,335.05CR	
2004/08/06	149	interest reversal	2.56CR	
2004/09/07	150	interest reversal	8.23CR	
2004/10/08	151	interest reversal	8.02CR	
2004/11/05	152	interest reversal	7.29CR	
2004/12/03	153	interest reversal	7.33CR	
2005/01/07	154	interest reversal	9.21CR	
2005/02/04	155	interest reversal	7.42CR	
2005/03/04	156	interest reversal	7.46CR	
2005/04/01	157	interest reversal	2.71CR	
2005/05/06	158	interest reversal	0.07CR	
2005/06/07	159	interest reversal	0.06CR	
2005/07/04	160	interest reversal	0.04CR	
2007/08/15	147	reassessment	172,627.00	
2007/08/15	161	interest - assessment *	2,660.87	
2007/08/17	168	interest *	2.50	5,065.92
2006/06/02	OPENING	BALANCE FOR: 2004/12/31	0.00	
2006/05/24	165	interest reversal - assessment	29.19CR	
2006/05/31	166	interest reversal	13.84CR	
2007/08/17	167	cascade interest	43.03	0.00
2006/07/05	OPENING	BALANCE FOR: 2005/12/31	0.00	
2006/06/01	162	interest reversal	600.64	
2006/07/04	163	interest reversal	7.01	
2007/08/17	164	cascade interest	607.65CR	0.00
BALANCE DUE **				<u>7,721.88</u>

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- FAX (416) 730-5593

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- Toronto (416) 920-9048 ext. 3036
- Toll-Free 1-800-262-0784 ext. 3036
- FAX (905) 433-5197

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- French 1-800-668-5821
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Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No
1800076

35
PX5003

ERIE THAMES POWERLINES CORPORATION
C/O JEFFREY PETTIT PRES CEO
143 BELL ST
PO BOX 157
INGERSOLL ON
N5C 3K5

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Total Payment
Enclosed: \$

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Assessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2006/01/01 to 2006/12/31

ERIE THAMES POWERLINES CORPORATION

ASSESSMENT NO. 138

Account No.	Assessment Date (year, month, day)	Page
1800076	2007/06/11	1 of 1

Tax: Federal and Provincial PIL
Assessment Interest

89,537.00
479.31CR
89,057.69

Total Assessment Liability

SUMMARY OF 2006/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers

105,576.00CR

Sub-Total

105,576.00CR

CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR

16,518.31CR

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Total tax assessed as per company estimate

Received with 106 July 6/07
PILS refund 2006 16,039
Credit 478.33
wire trf charge 10.00 488.33
16,527.33

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Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800076

35
PX5005

ERIE THAMES POWERLINES CORPORATION
C/O JEFFREY PETTIT PRES CEO
143 BELL ST
PO BOX 157
INGERSOLL ON
N5C 3K5

Remittance Advice - Payment-in-Lieu (PIL)*Electricity Act, 1998**Corporations Tax Act, R.S.O. 1990*

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Total Payment Enclosed: \$

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Reassessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2002/01/01 to 2002/12/31

	Account No.	Reassessment Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2007/08/15	1 of 2
REASSESSMENT NO. 143 REPLACING ASSESSMENT DATED: 2003/09/15			

Tax: Federal and Provincial PIL	66,373.00
Assessment Interest	<u>5,405.56</u>
Total Reassessment Liability	71,778.56

SUMMARY OF 2002/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	69,123.91CR	
Sub-Total		<u>69,123.91CR</u>
TAXATION YEAR BALANCE DUE **		<u>2,654.65</u>

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Adjustment to the computation of Total Tax payable.

Mathematical error in computation of Net Paid-up Capital.

Mathematical error in computation of Taxable Paid-up Capital.

Adjustment to the computation of Capital Tax.

Adjustment to prior years' non-capital losses applied in the current year.

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC). The current interest rate is 0.0246575%.

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
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Account No.
1800076

35
PX5005

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C/O JEFFREY PETTIT PRES CEO
143 BELL ST
PO BOX 157
INGERSOLL
N5C 3K5

ON

Remittance Advice - Payment-in-Lieu (PIL)*Electricity Act, 1998**Corporations Tax Act, R.S.O. 1990*

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

2	0	0	3	1	2	3	1
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Payment Amount: \$

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Total Payment Enclosed: \$

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
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33 King Street West
Oshawa ON L1H 8E9

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Notice of Reassessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2003/01/01 to 2003/12/31

	Account No.	Reassessment Date (year, month, day)	Page
ERIE THAMES POWERLINES CORPORATION	1800076	2007/08/15	2 of 2
REASSESSMENT NO. 147 REPLACING ASSESSMENT DATED: 2004/07/27			

Tax: Federal and Provincial PIL	172,627.00
Assessment Interest	<u>2,660.87</u>
Total Reassessment Liability	175,287.87

SUMMARY OF 2003/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	170,224.41CR	
Small Balance Adjustment	0.04CR	
Sub-Total		<u>170,224.45CR</u>
TAXATION YEAR BALANCE DUE **		<u>5,063.42</u>

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Adjustment to the computation of Total Tax payable.

Mathematical error in computation of Net Paid-up Capital.

Mathematical error in computation of Taxable Paid-up Capital.

Adjustment to the computation of Capital Tax.

Adjustment to prior years' non-capital losses applied in the current year.

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC). The current interest rate is 0.0246575%.

Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

- Oshawa and Local (905) 433-6708
- Toronto (416) 920-9048 ext. 3036
- Toll-Free 1-800-262-0784 ext. 3036
- FAX (905) 433-5197

TAX BANKING IS NOT AVAILABLE.

PIL Payment Information

- Make your cheque or money order in Canadian Funds, payable to the **Ontario Electricity Financial Corporation**, and mail to the Ministry of Finance.
PO Box 620, Corporation Tax Branch - Hydro Pil.
- Print your account # on the back of cheque or money order.
Payment cannot be made at financial institutions.
- Check all transactions for accuracy. If you have any questions, please contact the Ministry within 30 days of the Statement of Account/Notice of (Re)Assessment date.
- Recently mailed payments may not appear on the Statement of Account.

Notice of Objection:

If you do not agree with a Notice of (Re)Assessment or any items marked by an asterisk (*) on the Statement of Account, you have the right to file a Notice of Objection with the Tax Appeals Branch **within 180 days from the issue date on the front of the form.**

Notice of Objection forms can be obtained by contacting the Ministry of Finance at:

Telephone

- English 1-800-263-7965
- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca

Any reference to the term "reporting period" on this notice has the same meaning as the term "taxation year." Both terms describe the period assessed. The term "taxation year" is defined in the *Income Tax Act*.

We calculate interest at rates prescribed by regulations.

HELP FOR PEOPLE WHO ARE DEAF

If you are deaf and have access to a Telephone Device for the Deaf (TDD), you can call toll-free for explanations and information about the corporation's tax return. This bilingual service is available year-round from Monday to Friday (except for statutory holidays). You can phone 1-800-665-0354 between 8:15 a.m. and 5:00 p.m. Eastern Time. When calling, please take into account any time zone differences.

FILING AN OBJECTION

If you do not agree with this assessment, you can file an objection. You can do this by sending either a letter or Form T400A, *Objection*, to the Chief of Appeals at your tax services office or tax centre.

You have to file an objection within 90 days of the day we mailed the *Notice of Assessment*.

For a large corporation (as defined in subsection 225.1(8) of the *Income Tax Act*), the notice of objection shall:

- reasonably describe each issue;
- specify the relief you are seeking, expressed as an amount of a change in balance (as defined in subsection 152(4.4) of the *Income Tax Act*) or a balance of undeducted outlays, expenses, or other amounts of the corporation; and
- provide facts and reasons the corporation relied on for each issue.

DETERMINING THE CORPORATION'S LOSSES

If you do not agree with the amount of loss ascertained, you can write to your tax services office requesting a determination of the loss. However, we will only issue a *Notice of Determination/Redetermination of a Loss* if the loss reported is revised at the initial assessing stage or as a result of a reassessment arising from an audit or other investigative action by the Department.

NORMAL REASSESSMENT PERIOD

This may be the only notice the corporation will receive for this taxation year. However, we may reassess a T2 return if an error is brought to our attention or if we find an error during our post-assessing reviews. Generally, we will only reassess a T2 return within the "normal reassessment period." The normal reassessment period begins on the date of mailing the original *Notice of Assessment* or notification that no tax is payable. The period ends:

- three years from this date if the corporation is a Canadian-controlled private corporation; and
- four years from this date for all other corporations.

EXTENSIONS TO THE NORMAL REASSESSMENT PERIOD

We may also reassess a T2 return for a particular taxation year:

1. within one year after all rights of objection and appeal have expired for a preceding taxation year if:
 - the result of an assessment or a decision on an appeal will change the balance (as defined in subsection 152(4.4) of the *Income Tax Act*) of the preceding taxation year, and
 - the reassessment to the particular year is related to the balance adjusted in the preceding year.
2. within three years after the end of the normal reassessment period if:
 - you are carrying back a loss or credit from a later taxation year;
 - a non-arm's length transaction between the corporation and a non-resident affects the corporation's tax;
 - the corporation paid an amount or received a refund of foreign income or profits tax;
 - another taxpayer's reassessment for any of the above reasons affects the corporation's tax; or
 - another taxation year's reassessment (has to be a prior taxation year if the reassessment relates to a loss or credit carry-back) for any of the above reasons affects the corporation's tax.

However, we may reassess a T2 return for a taxation year at **any time** if:

- the person filing the return has made any misrepresentation that is attributable to neglect, carelessness, or wilful default, or has committed any fraud in filing the return or in supplying any information; or
- the person filing the return has filed Form T2029, *Waiver in Respect of the Normal Reassessment Period*, within that taxation year's normal reassessment period that has not been revoked.

Winnipeg MB R3C 3M2

Page 1 of 6

ERIE THAMES POWERLINES
CORPORATION
143 BELL STREET
INGERSOLL ON N5C 3K5

Date of mailing June 6, 2006
Business Number 86371 9498 RC0001
Taxation year-end December 31, 2005

0000444

CORPORATION NOTICE OF ASSESSMENT

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	\$	0.00
Prior balance:	\$	0.00
	=====	
Total balance:	\$	0.00

Please refer to the Summary and Explanation for additional information.

ERIE THAMES POWERLINES CORPORATION

Page 2 of 6

Date of mailing June 6, 2006
Business Number 86371 9498 RC0001
Taxation year-end December 31, 2005

CORPORATION NOTICE OF ASSESSMENT

SUMMARY OF ASSESSMENT

	\$ Reported	\$ Assessed
Federal Tax:		
Part I	0.00	0.00
Part I.3	0.00	0.00
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIII.1	0.00	0.00
Part XIV	0.00	0.00
Total Federal Tax:		\$ 0.00
		=====
	Net balance:	\$ 0.00
		=====
	Result of this assessment:	\$ 0.00
	Prior balance:	\$ 0.00
		=====
	Total balance:	\$ 0.00

Michel Dorais
Commissioner of Revenue

EXPLANATION

We have revised the cumulative eligible capital balance at the beginning of the year to \$1,616,299.00, to agree with our records.

We have revised the taxable income for the purpose of the small business deduction to \$346,024.00, to correct a mathematical error.

You are required to keep adequate records, including those produced electronically, either in French or in English within Canada. These records must provide sufficient details to determine tax obligations and entitlements and must be maintained at your place of business for a period of six years unless you obtain permission to dispose of them. If you have any questions concerning record keeping practices, please contact the nearest CRA tax services office.

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

Did you know you may be eligible to file your return using our Corporation Internet Filing service. For information on eligibility criteria and the service in general, please visit www.cra.gc.ca/corporation-internet.



ERIE THAMES POWERLINES CORPORATION

Page 3 of 6

Date of mailing	June 6, 2006
Business Number	86371 9498 RC0001
Taxation year-end	December 31, 2005

0000445

CORPORATION NOTICE OF ASSESSMENT

If you require additional information or wish to request an adjustment, contact:

Winnipeg Tax Centre
66 Stapon Road
Winnipeg MB R3C 3M2
Phone 1-800-959-5525
Fax (204) 984-0418
Toll free number 1-800-959-5525
We accept collect calls.

London Tax Services
P.O. Box 5548
London ON N6A 4R3
Toll free number 1-800-959-5525





ERIE THAMES POWERLINES CORPORATION

Page 4 of 6

Date of mailing	June 6, 2006
Business Number	86371 9498 RC0001
Taxation year-end	December 31, 2005

CORPORATION NOTICE OF ASSESSMENT

Any reference to the term "reporting period" on this notice has the same meaning as the term "taxation year." Both terms describe the period assessed. The term "taxation year" is defined in the *Income Tax Act*.

We calculate interest at rates prescribed by regulations.

HELP FOR PEOPLE WHO ARE DEAF

If you are deaf and have access to a Telephone Device for the Deaf (TDD), you can call toll-free for explanations and information about the corporation's tax return. This bilingual service is available year-round from Monday to Friday (except for statutory holidays). You can phone 1-800-665-0354 between 8:15 a.m. and 5:00 p.m. Eastern Time. When calling, please take into account any time zone differences.

FILING AN OBJECTION

If you do not agree with this assessment, you can file an objection. You can do this by sending either a letter or Form T400A, *Objection*, to the Chief of Appeals at your tax services office or tax centre.

You have to file an objection within 90 days of the day we mailed the *Notice of Assessment*.

For a large corporation (as defined in subsection 225.1(8) of the *Income Tax Act*), the notice of objection shall:

- reasonably describe each issue;
- specify the relief you are seeking, expressed as an amount of a change in balance (as defined in subsection 152(4.4) of the *Income Tax Act*) or a balance of undeducted outlays, expenses, or other amounts of the corporation; and
- provide facts and reasons the corporation relied on for each issue.

DETERMINING THE CORPORATION'S LOSSES

If you do not agree with the amount of loss ascertained, you can write to your tax services office requesting a determination of the loss. However, we will only issue a *Notice of Determination/Redetermination of a Loss* if the loss reported is revised at the initial assessing stage or as a result of a reassessment arising from an audit or other investigative action by the Department.

NORMAL REASSESSMENT PERIOD

This may be the only notice the corporation will receive for this taxation year. However, we may reassess a T2 return if an error is brought to our attention or if we find an error during our post-assessing reviews. Generally, we will only reassess a T2 return within the "normal reassessment period." The normal reassessment period begins on the date of mailing the original *Notice of Assessment* or notification that no tax is payable. The period ends:

- three years from this date if the corporation is a Canadian-controlled private corporation; and
- four years from this date for all other corporations.

EXTENSIONS TO THE NORMAL REASSESSMENT PERIOD

We may also reassess a T2 return for a particular taxation year:

1. within one year after all rights of objection and appeal have expired for a preceding taxation year if:
 - the result of an assessment or a decision on an appeal will change the balance (as defined in subsection 152(4.4) of the *Income Tax Act*) of the preceding taxation year, and
 - the reassessment to the particular year is related to the balance adjusted in the preceding year.
2. within three years after the end of the normal reassessment period if:
 - you are carrying back a loss or credit from a later taxation year;
 - a non-arm's length transaction between the corporation and a non-resident affects the corporation's tax;
 - the corporation paid an amount or received a refund of foreign income or profits tax;
 - another taxpayer's reassessment for any of the above reasons affects the corporation's tax; or
 - another taxation year's reassessment (has to be a prior taxation year if the reassessment relates to a loss or credit carry-back) for any of the above reasons affects the corporation's tax.

However, we may reassess a T2 return for a taxation year at **any time** if:

- the person filing the return has made any misrepresentation that is attributable to neglect, carelessness, or wilful default, or has committed any fraud in filing the return or in supplying any information; or
- the person filing the return has filed Form T2029, *Waiver in Respect of the Normal Reassessment Period*, within that taxation year's normal reassessment period that has not been revoked.



CORPORATION NOTICE OF ASSESSMENT

Winnipeg MB R3C 3M2

0002613

Page 1 of 6

ERIE THAMES POWERLINES
CORPORATION
143 BELL STREET
INGERSOLL ON N5C 3K5

Date of mailing
June 8, 2005
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2004

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	\$	0.00
Prior balance:	\$	0.00
		=====
Total balance:	\$	0.00

Please refer to the Summary and Explanation for additional information.



CORPORATION NOTICE OF ASSESSMENT

Page 2 of 6

ERIE THAMES POWERLINES CORPORATION

Date of mailing
June 8, 2005
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2004



CORPORATION NOTICE OF ASSESSMENT

0002614

Page 3 of 6

ERIE THAMES POWERLINES CORPORATION

Date of mailing
June 8, 2005
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2004

SUMMARY OF ASSESSMENT

	\$ Reported	\$ Assessed
Federal Tax:		
Part I	0.00	0.00
Part I.3	0.00	0.00
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIII.1	0.00	0.00
Part XIV	0.00	0.00
Total Federal Tax:		\$ 0.00
		=====
Net balance:	\$	0.00
		=====
Result of this assessment:	\$	0.00
Prior balance:	\$	0.00
		=====
Total balance:	\$	0.00

Michel Dorais
Commissioner of Customs and Revenue

EXPLANATION

We have revised the cumulative eligible capital balance at the beginning of the year on Schedule 7, "Calculation of Aggregate Investment Income and Active Business Income," to \$1,651,844.00, to agree with our records.

We have revised the taxable income for the purpose of the small business deduction to \$260,459.00, to correct a mathematical error.

We have revised the business limit for the purpose of the small business deduction to \$0.00, to agree with the amount allocated to the corporation on Schedule 23, "Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit."

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

Did you know that Corporation Internet Filing is available? Please visit our Web site at www.cra.gc.ca/corporation-internet for further information.



CORPORATION NOTICE OF ASSESSMENT

Page 4 of 6

ERIE THAMES POWERLINES CORPORATION

Date of mailing
June 8, 2005
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2004

If you require additional information or wish to request an adjustment, contact:

Winnipeg Tax Centre

66 Stapon Road

Winnipeg

Phone

Fax

Toll free number

We accept collect calls.

MB R3C 3M2

1-800-724-1128

(204) 984-0418

1-800-724-1128

London Tax Services

P.O. Box 5548

London

Toll free number

ON N6A 4R3

1-800-959-5525

Any reference to the term "reporting period" on this notice has the same meaning as the term "taxation year." Both terms describe the period assessed. The term "taxation year" is defined in the *Income Tax Act*.

We calculate interest at rates prescribed by regulations.

HELP FOR PEOPLE WHO ARE DEAF

If you are deaf and have access to a Telephone Device for the Deaf (TDD), you can call toll-free for explanations and information about the corporation's tax return. This bilingual service is available year-round from Monday to Friday (except for statutory holidays). You can phone 1-800-665-0354 between 8:15 a.m. and 5:00 p.m. Eastern Time. When calling, please take into account any time zone differences.

FILING AN OBJECTION

If you do not agree with this assessment, you can file an objection. You can do this by sending either a letter or Form T400A, *Objection*, to the Chief of Appeals at your tax services office or tax centre.

You have to file an objection within 90 days of the day we mailed the *Notice of Assessment*.

For a large corporation (as defined in subsection 225.1(8) of the *Income Tax Act*), the notice of objection shall:

- reasonably describe each issue;
- specify the relief you are seeking, expressed as an amount of a change in balance (as defined in subsection 152(4.4) of the *Income Tax Act*) or a balance of undeducted outlays, expenses, or other amounts of the corporation; and
- provide facts and reasons the corporation relied on for each issue.

DETERMINING THE CORPORATION'S LOSSES

If you do not agree with the amount of loss ascertained, you can write to your tax services office requesting a determination of the loss. However, we will only issue a *Notice of Determination/Redetermination of a Loss* if the loss reported is revised at the initial assessing stage or as a result of a reassessment arising from an audit or other investigative action by the Department.

NORMAL REASSESSMENT PERIOD

This may be the only notice the corporation will receive for this taxation year. However, we may reassess a T2 return if an error is brought to our attention or if we find an error during our post-assessing reviews. Generally, we will only reassess a T2 return within the "normal reassessment period." The normal reassessment period begins on the date of mailing the original *Notice of Assessment* or notification that no tax is payable. The period ends:

- three years from this date if the corporation is a Canadian-controlled private corporation; and
- four years from this date for all other corporations.

EXTENSIONS TO THE NORMAL REASSESSMENT PERIOD

We may also reassess a T2 return for a particular taxation year:

1. within one year after all rights of objection and appeal have expired for a preceding taxation year if:
 - the result of an assessment or a decision on an appeal will change the balance (as defined in subsection 152(4.4) of the *Income Tax Act*) of the preceding taxation year, and
 - the reassessment to the particular year is related to the balance adjusted in the preceding year.
2. within three years after the end of the normal reassessment period if:
 - you are carrying back a loss or credit from a later taxation year;
 - a non-arm's length transaction between the corporation and a non-resident affects the corporation's tax;
 - the corporation paid an amount or received a refund of foreign income or profits tax;
 - another taxpayer's reassessment for any of the above reasons affects the corporation's tax; or
 - another taxation year's reassessment (has to be a prior taxation year if the reassessment relates to a loss or credit carry-back) for any of the above reasons affects the corporation's tax.

However, we may reassess a T2 return for a taxation year at **any time** if:

- the person filing the return has made any misrepresentation that is attributable to neglect, carelessness, or wilful default, or has committed any fraud in filing the return or in supplying any information; or
- the person filing the return has filed Form T2029, *Waiver in Respect of the Normal Reassessment Period*, within that taxation year's normal reassessment period that has not been revoked.



CORPORATION NOTICE OF ASSESSMENT

Winnipeg MB R3C 3M2

0000962

Page 1 of 6

ERIE THAMES POWERLINES
CORPORATION
143 BELL STREET
INGERSOLL ON N5C 3K5

Date of mailing
June 8, 2004
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2003

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	\$	0.00
Prior balance:	\$	0.00
		=====
Total balance:	\$	0.00

Please refer to the Summary and Explanation for additional information.

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—
—



CORPORATION NOTICE OF ASSESSMENT

Page 2 of 6

ERIE THAMES POWERLINES CORPORATION

Date of mailing
June 8, 2004
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2003



CORPORATION NOTICE OF ASSESSMENT

0000963

Page 3 of 6

ERIE THAMES POWERLINES CORPORATION

Date of mailing
June 8, 2004
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2003

SUMMARY OF ASSESSMENT

	\$ Reported	\$ Assessed
Federal Tax:		
Part I	0.00	0.00
Part I.3	0.00	0.00
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIII.1	0.00	0.00
Part XIV	0.00	0.00
Total Federal Tax:		\$ 0.00
		=====
Net balance:	\$	0.00
		=====
Result of this assessment:	\$	0.00
Prior balance:	\$	0.00
		=====
Total balance:	\$	0.00

Alan Nymark
Commissioner of Customs and Revenue

EXPLANATION

We have revised the cumulative eligible capital balance at the beginning of the year to \$1,690,065.00, to agree with our records.

We have revised the non-capital loss closing balance on Schedule 4, "Corporation Loss Continuity and Application," to \$451,516.00, to agree with our records.

If necessary, we have adjusted subsequent taxation years for carry-forward balances, interest, and balance due date.

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

Did you know that Corporation Internet Filing is available? Please visit our Web site at www.cra.gc.ca/corporation-internet for further information.



CORPORATION NOTICE OF ASSESSMENT

Page 4 of 6

ERIE THAMES POWERLINES CORPORATION

Date of mailing
June 8, 2004
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2003

If you require additional information or wish to request an adjustment, contact:

Winnipeg Tax Centre
66 Stapon Road
Winnipeg MB R3C 3M2
Phone (204) 984-3208
Fax (204) 984-0418
Toll-Free Long Distance Number 1-800-724-1128
We accept collect calls.

London Tax Services Office
P.O. Box 5548
London ON N6A 4R3
Toll-Free Long Distance Number 1-800-959-5525



CORPORATION NOTICE OF ASSESSMENT

Winnipeg MB R3C 3M2

0000965

Page 1 of 6

ERIE THAMES POWERLINES
CORPORATION
143 BELL STREET
INGERSOLL ON N5C 3K5

Date of mailing
August 21, 2003
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2002

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	\$	0.00
Prior balance:	\$	0.00
		=====
Total balance:	\$	0.00

Please refer to the Summary and Explanation for additional information.



CORPORATION NOTICE OF ASSESSMENT

Page 2 of 6

ERIE THAMES POWERLINES CORPORATION

Date of mailing
August 21, 2003
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2002

CORPORATION NOTICE OF ASSESSMENT

0000966

Page 3 of 6

ERIE THAMES POWERLINES CORPORATION

Date of mailing
August 21, 2003
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2002

SUMMARY OF ASSESSMENT

	\$ Reported	\$ Assessed
Federal Tax:		
Part I	0.00	0.00
Part I.3	0.00	0.00
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIV	0.00	0.00
		=====
Total Federal Tax:		\$ 0.00
		=====
	Net balance:	\$ 0.00
		=====
	Result of this assessment:	\$ 0.00
	Prior balance:	\$ 0.00
		=====
	Total balance:	\$ 0.00

Alan Nymark
Commissioner of Customs and Revenue

EXPLANATION

We have revised the cumulative eligible capital balance at the beginning of the year to \$1,731,163.00, to agree with our records.

We have revised the non-capital loss closing balance on Schedule 4, "Corporation Loss Continuity and Application," to \$1,135,341.00, to agree with our records.

We have revised the business limit to \$50,000.00, to agree with the amount allocated to the corporation on Schedule 23, "Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit."

If necessary, we have adjusted subsequent taxation years for carry-forward balances, interest, and balance due date.

Please visit our Web site at www.ccra-adrc.gc.ca.

Did you know that electronic filing for corporation income tax returns is available? Please visit our Web site at <http://www.ccra-adrc.gc.ca/t2return/> or call us for more information.

=====



ERIE THAMES POWERLINES CORPORATION

Date of mailing
August 21, 2003

Business Number
86371 9498 RC0001

Taxation year-end
December 31, 2002

If you require further information, contact:

Winnipeg Tax Centre
66 Stapon Road
Winnipeg MB R3C 3M2
Phone (204) 984-3208
Fax (204) 984-0418
Toll-Free Long Distance Number 1-800-724-1128
We accept collect calls.

London Tax Services Office
P.O. Box 5548
London ON N6A 4R3
Toll-Free Long Distance Number 1-800-959-5525



CORPORATION NOTICE OF ASSESSMENT

Winnipeg MB R3C 3M2

0001979

Page 1 of 6

ERIE THAMES POWERLINES
CORPORATION
143 BELL STREET
INGERSOLL ON N5C 3K5

Date of mailing
September 10, 2002
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2001

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	\$	0.00
Prior balance:	\$	0.00
		=====
Total balance:	\$	0.00

Please refer to the Summary and Explanation for additional information.



CORPORATION NOTICE OF ASSESSMENT

Page 2 of 6

ERIE THAMES POWERLINES CORPORATION

Date of mailing
September 10, 2002
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2001



CORPORATION NOTICE OF ASSESSMENT

0001980

Page 3 of 6

ERIE THAMES POWERLINES CORPORATION

Date of mailing
September 10, 2002
Business Number
86371 9498 RC0001
Taxation year-end
December 31, 2001

SUMMARY OF ASSESSMENT

	\$ Reported	\$ Assessed
Federal Tax:		
Part I	0.00	0.00
Part I.3	0.00	0.00
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIV	0.00	0.00
		=====
Total Federal Tax:		\$ 0.00
		=====
	Net balance:	\$ 0.00
		=====
	Result of this assessment:	\$ 0.00
	Prior balance:	\$ 0.00
		=====
	Total balance:	\$ 0.00

Rob Wright
Commissioner of Customs and Revenue

EXPLANATION

If necessary, we have adjusted subsequent taxation years for carry-forward balances, interest, and balance due date.

Please visit our Web site at www.ccra-adrc.gc.ca.

If you require further information, contact:

Winnipeg Tax Centre
66 Stapon Road
Winnipeg MB R3C 3M2
Phone (204) 984-3208
Fax (204) 984-0418
Toll-Free Long Distance Number 1-800-724-1128
We accept collect calls.

London Tax Services Office
P.O. Box 5548
London ON N6A 4R3
Toll-Free Long Distance Number 1-800-959-5525



CORPORATION NOTICE OF ASSESSMENT

Page 4 of 6

ERIE THAMES POWERLINES CORPORATION

Date of mailing
September 10, 2002

Business Number
86371 9498 RC0001

Taxation year-end
December 31, 2001



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800076

35
PX5005

ERIE THAMES POWERLINES CORPORATION
JEFFREY PETTIT
143 BELL ST
PO BOX 157
INGERSOLL
N5C 3K5

ON

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998

Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

2	0	0	1	1	2	3	1
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Payment Amount: \$

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Total Payment
Enclosed:

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Reassessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2001/10/01 to 2001/12/31

ERIE THAMES POWERLINES CORPORATION

Account No.

1800076

Reassessment Date

(year, month, day)
2004/01/19

Page

1 of 1

REASSESSMENT NO. 42 REPLACING ASSESSMENT DATED: 2002/09/23

Tax: Federal and Provincial PIL
Assessment Interest

15,949.00
80.85CR
15,868.15

Total Reassessment Liability

SUMMARY OF 2001/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers

17,011.00CR

Sub-Total

17,011.00CR

CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR

1,142.85CR

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

As per amended return.

Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

- Oshawa and Local (905) 433-6708
- Toronto (416) 920-9048 ext. 3036
- Toll-Free 1-800-262-0784 ext. 3036
- FAX (905) 433-5197

TAX BANKING IS NOT AVAILABLE.

PIL Payment Information

- Make your cheque or money order in Canadian Funds, payable to the **Ontario Electricity Financial Corporation**, and mail to the Ministry of Finance.
PO Box 620, Corporation Tax Branch - Hydro Pil.
- Print your account # on the back of cheque or money order.
Payment cannot be made at financial institutions.
- Check all transactions for accuracy. If you have any questions, please contact the Ministry within 30 days of the Statement of Account/Notice of (Re)Assessment date.
- Recently mailed payments may not appear on the Statement of Account.

Notice of Objection:

If you do not agree with a Notice of (Re)Assessment or any items marked by an asterisk (*) on the Statement of Account, you have the right to file a Notice of Objection with the Tax Appeals Branch **within 180 days from the issue date on the front of the form.**

Notice of Objection forms can be obtained by contacting the Ministry of Finance at:

Telephone

- English 1-800-263-7965
- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800076

35
PX5003

ERIE THAMES POWERLINES CORPORATION
C/O JEFFREY PETTIT PRES CEO
143 BELL ST
PO BOX 157
INGERSOLL
N5C 3K5

ON

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998

Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

2	0	0	5	1	2	3	1
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Payment Amount: \$

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Total Payment
Enclosed:

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Assessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2005/01/01 to 2005/12/31

ERIE THAMES POWERLINES CORPORATION

ASSESSMENT NO. 115

Account No.	Assessment Date (year, month, day)	Page
1800076	2006/05/29	1 of 1

Tax: Federal and Provincial PIL
Assessment Interest

105,571.00
598.73CR
104,972.27

Total Assessment Liability

SUMMARY OF 2005/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers

125,356.00CR

Sub-Total

125,356.00CR

CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR

20,383.73CR

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable
by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of
tax, penalty and interest for which you are assessed.

Total tax assessed as per company estimate

Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

- Oshawa and Local (905) 433-6708
- Toll-Free 1-800-262-0784 ext. 3036
- Toronto (416) 920-9048 ext. 3036
- FAX (905) 433-5197

TAX BANKING IS NOT AVAILABLE.

PIL Payment Information

- Make your cheque or money order in Canadian Funds, payable to the **Ontario Electricity Financial Corporation**, and mail to the Ministry of Finance.
PO Box 620, Corporation Tax Branch - Hydro Pil.
- Print your account # on the back of cheque or money order.
Payment cannot be made at financial institutions.
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- Recently mailed payments may not appear on the Statement of Account.

Notice of Objection:

If you do not agree with a Notice of (Re)Assessment or any items marked by an asterisk (*) on the Statement of Account, you have the right to file a Notice of Objection with the Tax Appeals Branch **within 180 days from the issue date on the front of the form.**

Notice of Objection forms can be obtained by contacting the Ministry of Finance at:

Telephone

- English 1-800-263-7965
- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800076

35
PX5005

ERIE THAMES POWERLINES CORPORATION
C/O JEFFREY PETTIT PRES CEO
143 BELL ST
PO BOX 157
INGERSOLL ON
N5C 3K5

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998

Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

2	0	0	4	1	2	3	1
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Payment Amount: \$

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Total Payment
Enclosed: \$

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Reassessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2004/01/01 to 2004/12/31

ERIE THAMES POWERLINES CORPORATION

Account No.

1800076

Reassessment Date
(year, month, day)

2006/05/24

Page

1 of 1

REASSESSMENT NO. 111 REPLACING ASSESSMENT DATED: 2005/07/05

Tax: Federal and Provincial PIL

125,340.00

Assessment Interest

29.19

Total Reassessment Liability

125,369.19

SUMMARY OF 2004/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers

168,840.00CR

Refunds

56,094.12

Sub-Total

112,745.88CR

TAXATION YEAR BALANCE DUE **

12,623.31

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Adjustment to the computation of Total Tax payable.

Adjustment to the computation of Capital Tax.

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC). The current interest rate is 0.0219178%.

Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

- Oshawa and Local (905) 433-8708
- Toronto (416) 920-9048 ext. 3036
- Toll-Free 1-800-262-0784 ext. 3036
- FAX (905) 433-5197

TAX BANKING IS NOT AVAILABLE.

PIL Payment Information

- Make your cheque or money order in Canadian Funds, payable to the **Ontario Electricity Financial Corporation**, and mail to the Ministry of Finance.
PO Box 620, Corporation Tax Branch - Hydro Pil.
- Print your account # on the back of cheque or money order.
Payment cannot be made at financial institutions.
- Check all transactions for accuracy. If you have any questions, please contact the Ministry within 30 days of the Statement of Account/Notice of (Re)Assessment date.
- Recently mailed payments may not appear on the Statement of Account.

Notice of Objection:

If you do not agree with a Notice of (Re)Assessment or any items marked by an asterisk (*) on the Statement of Account, you have the right to file a Notice of Objection with the Tax Appeals Branch **within 180 days from the issue date on the front of the form.**

Notice of Objection forms can be obtained by contacting the Ministry of Finance at:

Telephone

- English 1-800-263-7965
- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800076

35
PX5003

ERIE THAMES POWERLINES CORPORATION
C/O JEFFREY PETTIT PRES CEO
143 BELL ST
PO BOX 157
INGERSOLL
N5C 3K5

ON

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Total Payment
Enclosed: \$

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Assessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2004/01/01 to 2004/12/31

ERIE THAMES POWERLINES CORPORATION
ASSESSMENT NO. 96

Account No.	Assessment Date (year, month, day)	Page
1800076	2005/07/05	1 of 1

Tax: Federal and Provincial PIL
Assessment Interest

113,763.00
977.18CR
112,785.82

Total Assessment Liability

SUMMARY OF 2004/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers

168,840.00CR

Sub-Total

168,840.00CR

CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR

56,054.18CR

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable
by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of
tax, penalty and interest for which you are assessed.

Adjustment to the computation of Total Tax payable.

Adjustment to the computation of Capital Tax.

Mathematical error in the computation of Net CMT payable.

168840
113763

55077
7 1017.12

56,094.12
10.00

56084.12

Int inc

bk s.c.
w. net of - mid July 18

Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

- Oshawa and Local (905) 433-6708
- Toronto (416) 920-8048 ext. 3036
- Toll-Free 1-800-262-0784 ext. 3036
- FAX (905) 433-5197

TAX BANKING IS NOT AVAILABLE.

PIL Payment Information

- Make your cheque or money order in Canadian Funds, payable to the **Ontario Electricity Financial Corporation**, and mail to the Ministry of Finance.
PO Box 620, Corporation Tax Branch - Hydro Pil.
- Print your account # on the back of cheque or money order.
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- Check all transactions for accuracy. If you have any questions, please contact the Ministry within 30 days of the Statement of Account/Notice of (Re)Assessment date.
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Telephone

- English 1-800-263-7965
- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No
1800076

35
PX5003

ERIE THAMES POWERLINES CORPORATION
JEFFREY PETTIT PRES CEO
143 BELL ST
PO BOX 157
INGERSOLL
N5C 3K5

ON

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998

Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Total Payment
Enclosed: \$

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Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Assessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2003/01/01 to 2003/12/31

ERIE THAMES POWERLINES CORPORATION

Account No.

1800076

Assessment Date
(year, month, day)

2004/07/27

Page

1 of 1

ASSESSMENT NO. 67

Tax: Federal and Provincial PIL
Assessment Interest

168,829.00

1,335.05

Total Assessment Liability

170,164.05

SUMMARY OF 2003/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers

168,829.15CR

Sub-Total

168,829.15CR

TAXATION YEAR BALANCE DUE **

1,334.90

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable
by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of
tax, penalty and interest for which you are assessed.

Total tax assessed as per company estimate

**Remember to include additional interest due with your payment. Interest on
the balance is compounded daily from the date of this Notice/Statement until
payment is received by the Ontario Electricity Financial Corporation (OEFEC)
The current interest rate is 0.0191780%.

Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

- Oshawa and Local (905) 433-6708
- Toronto (416) 920-9048 ext 3036
- Toll-Free 1-800-262-0784 ext 3036
- FAX (905) 433-5197

TAX BANKING IS NOT AVAILABLE.

PIL Payment Information

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PO Box 620, Corporation Tax Branch - Hydro Pil.
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Telephone

- English 1-800-263-7965
- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca

Notice of AssessmentElectricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2002/01/01 to 2002/12/31

ERIE THAMES POWERLINES CORPORATION

Account No.

1800076

Assessment Date
(year, month, day)

2003/09/15

Page

1 of 1

ASSESSMENT NO. 26

Tax: Federal and Provincial PIL

64,495.00

Assessment Interest

4,658.67

Total Assessment Liability

69,153.67

SUMMARY OF 2002/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers

64,495.00CR

Sub-Total

64,495.00CR

TAXATION YEAR BALANCE DUE **

4,658.67

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Tax Assessment as per Company Estimate.

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC)
The current interest rate is 0.0219178%.

- Make your cheque or money order in Canadian Funds, payable to the **Ontario Electricity Financial Corporation**, and mail to the Ministry of Finance.
PO Box 620, Corporation Tax Branch - Hydro Pil.
- Print your account # on the back of cheque or money order.
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Notice of Objection:

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Telephone

- English 1-800-263-7965
- French 1-800-668-5821
- TTY (Teletypewriter) 1-800-263-7776

Mail

Ministry of Finance
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.trd.fin.gov.on.ca



Ministry of Revenue
Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800076

35
PX5005

ERIE THAMES POWERLINES CORPORATION
C/O JOHN SKEOCH
143 BELL ST
PO BOX 157
INGERSOLL
N5C 3K5

ON

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998

Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

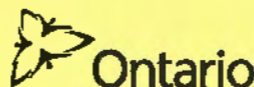
2	0	0	5	1	2	3	1
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Payment Amount: \$

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Total Payment
Enclosed: \$

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Ministry of Revenue
Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Reassessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2005/01/01 to 2005/12/31

ERIE THAMES POWERLINES CORPORATION

Account No.

1800076

Reassessment Date
(year, month, day)

2008/08/14

Page

1 of 3

REASSESSMENT NO. 195 REPLACING ASSESSMENT DATED: 2006/05/29

Tax: Federal and Provincial PIL
Assessment Interest

98,753.00

1,224.43CR

Total Reassessment Liability

97,528.57

SUMMARY OF 2005/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers
Refunds

112,718.85CR

7,755.50

Sub-Total

104,963.35CR

CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR

7,434.78CR

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable
by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of
tax, penalty and interest for which you are assessed.

As per amended return.

Tax (Re)Assessment Enquiries:

• Toronto 416 218-3283 • FAX 416 730-5593

Account Billing Enquiries & Change of Address Information:

• Toll-Free 1 800 262-0784 ext. 3036 • FAX 905 433-5197

TAX BANKING IS NOT AVAILABLE.

PIL Payment Information

- Make your cheque or money order in Canadian Funds, payable to the **Ontario Electricity Financial Corporation**, and mail to the Ministry of Revenue, PO Box 620, Hydro PIL.
- Print your account # on the back of cheque or money order.
Payment cannot be made at financial institutions.
- Check all transactions for accuracy. If you have any questions, please contact the Ministry within 30 days of the Statement of Account/Notice of (Re)Assessment date.
- Recently mailed payments may not appear on the Statement of Account.

Notice of Objection

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Notice of Objection forms can be obtained by contacting the Ministry of Revenue at:

Telephone

- English 1 800 263-7965
- French/*Français* 1 800 668-5821
- TTY (Teletypewriter) 1 800 263-7776

Mail

Ministry of Revenue
Ministry Information Centre
PO Box 622
33 King Street West
Oshawa ON L1H 8H6

Internet

- www.rev.gov.on.ca

ERIE THAMES POWERLINES
CURRENT PILS INCOME TAXES a/c 2294.0000.00
CONTINUITY SCHEDULE - credit = ()

	Ontario income and capital tax	Ontario interest	Ontario Total	cushion	Total
Balance Dec 31, 2005	5,966.10		5,966.10		5,966.10
2006 refund re 2005 tax year - received June 12 see "2004 assessment.xls" worksheet	(19,785.00)		(19,785.00)		(19,785.00)
2006 payment re 2004 reassessment - June 12, 2006 see "2004 assessment.xls" worksheet	11,577.00		11,577.00		11,577.00
Transfer to cushion	2,241.90		2,241.90	(2,241.90)	-
	-	-	-	(2,241.90)	(2,241.90)
2006 Payments re 2006					
Jan	10,446.00		10,446.00		10,446.00
Feb	10,446.00		10,446.00		10,446.00
Mar	10,446.00		10,446.00		10,446.00
Apr	3,854.00		3,854.00		3,854.00
May	8,798.00		8,798.00		8,798.00
June	8,798.00		8,798.00		8,798.00
July	8,798.00		8,798.00		8,798.00
Aug	8,798.00		8,798.00		8,798.00
Sept	8,798.00		8,798.00		8,798.00
Oct	8,798.00		8,798.00		8,798.00
Nov	8,798.00		8,798.00		8,798.00
Dec	8,798.00		8,798.00		8,798.00
			-		-
	-	105,576.00	-	105,576.00	(2,241.90) 103,334.10
2006 Provision			-	-	-
			-	-	-
			-	-	-
Balance	-	105,576.00	-	105,576.00	(2,241.90) 103,334.10

Powerlines Journal entry - Dec 2006

DR	Accrued income tax	105,576.00	2294.0000.00
CR	Income taxes	105,576.00	6110.0000.00

To transfer 2006 instalments to liability account

Powerlines Journal entry - Dec 2006

DR	Taxes other than income taxes	256.86	6105.0000.00
CR	Income taxes	256.86	6110.0000.00

To transfer PILS in respect of property tax to correct account

ERIE THAMES POWER
ANALYSIS OF 2004 and 2005 PILS Income Tax Assessments

POWERLINES

2004 tax year

	PILS	interest	total	2004 instalments	net payable (refundable)	
2004 tax as filed	125,340.00		125,340.00	168,840.00	(43,500.00)	
2004 as assessed July 5, 2005	113,763.00	(1,017.12)	112,745.88	168,840.00	(56,094.12)	refund received July 18, 2005
2004 as re-assessed May 24, 2006	125,340.00	29.19	125,369.19	168,840.00	(43,470.81)	
change in assessment	11,577.00	1,046.31	12,623.31	-	12,623.31	payment due
Interest charged to June 1, 2006		13.84	13.84		13.84	
Interest charged to refund date June 12		2.99	2.99		2.99	
Transfer payment due from 2004 to 2005	(11,577.00)	(1,063.14)	(12,640.14)		(12,640.14)	
Balance re 2004 tax year	-	-	-	-	-	
2005 tax year						
2005 tax as filed	105,571.00		105,571.00	125,356.00	(19,785.00)	
2005 as assessed May 29, 2006	105,571.00	(598.73)	104,972.27	125,356.00	(20,383.73)	refund due
Interest credited to June 1, 2006		(1.91)	(1.91)		(1.91)	
Transfer payment due from 2004 to 2005	11,577.00	1,063.14	12,640.14		12,640.14	
	117,148.00	462.50	117,610.50	125,356.00	(7,745.50)	refund received June 12, 2006 by EFT

consisting of

2004 reassessed tax
2005 tax refund
interest expense

GL a/c

11,577.00 2294.0000.00
(19,785.00) 2294.0000.00
462.50 5620.0234.00

(7,745.50)

T2 CORPORATION INCOME TAX RETURN

200

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec, Ontario, or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporate return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the Income Tax Act. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, see the T2 Corporation - Income Tax Guide (T4012).

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, refer to the Guide under the heading "Before you start."

Identification

Business Number (BN) 001 86371 9498 RC0001

Corporation's name

002 Erie Thames Powerlines Corporation

Has the corporation changed its name since the last time we were notified? 003 1 Yes 2 No X

If Yes, do you have a copy of the articles of amendment? 004 1 Yes 2 No

Address of head office

Has the address changed since the last time we were notified? 010 1 Yes 2 No X

011 143 BELL STREET, P.O. BOX 157

City Province, territory, or state

015 INGERSOLL 016 ON

Country (other than Canada) Postal code/ZIP code

017 018 NSC 3K5

Mailing address (if different from head office address)

Has the address changed since the last time we were notified? 020 1 Yes 2 No X

City Province, territory, or state

025 026

Country (other than Canada) Postal code/ZIP code

027 028

Location of books and records

Has the location of books and records changed since the last time we were notified? 030 1 Yes 2 No X

031 143 BELL STREET, P.O. BOX 157

City Province, territory, or state

035 036 ON

Country (other than Canada) Postal code/ZIP code

037 038 NSC 3K5

040 Type of corporation at the end of the taxation year

1 X Canadian-controlled private corporation (CCPC) 4 Corporation controlled by a public corporation

2 Other private corporation 5 Other corporation (specify, below)

3 Public corporation

If the type of corporation changed during the taxation year, provide the effective date of the change 043

YYYY MM DD

Do not use this area.

081 082 083 084 085 086

055 Do not use this area

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141

Schedules -- Answer the following questions. For each Yes response, attach to the T2 return the schedule that applies.

	Yes	Schedule
Is the corporation related to any other corporations?	150 X	9
Does the corporation have any non-resident shareholders?	151	19
Is the corporation an associated Canadian-controlled private corporation?	160 X	23
Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161	49
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	11
If you answered Yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165 X	15
Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166	T5004
Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168	22
Did the corporation have any foreign affiliates during the year?	169	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal Income Tax Regulations?	170	29
Has the corporation had any non-arm's length transactions with a non-resident?	171	T106
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172	
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173 X	50
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201 X	1
Has the corporation made any charitable donations: gifts to Canada, a province, or a territory; or gifts of cultural or ecological property?	202	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203 X	3
Is the corporation claiming any type of losses?	204	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205	5
Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206	6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax?	207	7
Does the corporation have any property that is eligible for capital cost allowances?	208 X	8
Does the corporation have any property that is eligible capital property?	210 X	10
Does the corporation have any resource-related deductions?	212	12
Is the corporation claiming reserves of any kind?	213	13
Is the corporation claiming a patronage dividend deduction?	216	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217	17
Is the corporation an investment corporation or a mutual fund corporation?	218	18
Was the corporation carrying on business in Canada as a non-resident corporation?	220	20
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221	21
Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226	26 *
Does the corporation have any Canadian manufacturing and processing profits?	227	27
Is the corporation claiming an investment tax credit?	231	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232	T801
Is the corporation subject to gross Part I.3 tax?	233	33/34/35
Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236	36
Is the corporation claiming a surtax credit?	237	37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238	38
Is the corporation claiming a Part I tax credit?	242	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250	39
Is the corporation claiming a Canadian film or video production tax credit refund?	253	T1131
Is the corporation claiming a film or video production services tax credit refund?	254	T1177
Is the corporation subject to Part XIII.1 tax?	255	52 *

* We do not print this schedule.

Attachments – continued from page 2

	Yes	Schedule
Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256	T1134-A
Did the corporation have any controlled foreign affiliates?	258	T1134-B
Did the corporation own specified foreign property in the year with a cost amount over \$100,000?	259	T1135
Did the corporation transfer or loan property to a non-resident trust?	260	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262	T1148
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263	T1148
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264	T1174

Additional information

Is the corporation inactive?	280	1 Yes	2 No	<input checked="" type="checkbox"/>
Has the major business activity changed since the last return was filed? (enter Yes for first-time filers)	281	1 Yes	2 No	<input checked="" type="checkbox"/>
What is the corporation's major business activity? (Only complete if Yes was entered at line 281.)	282			
If the major business activity involves the resale of goods, show whether it is wholesale or retail	283	1 Wholesale	2 Retail	<input type="checkbox"/>
Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.	284	DISTRIBUTION OF ELEC		
	285	100.000 %		
	286			
	287	%		
	288			
Did the corporation immigrate to Canada during the taxation year?	291	1 Yes	2 No	<input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the taxation year?	292	1 Yes	2 No	<input checked="" type="checkbox"/>

Taxable Income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIF.	300	346,024	A
Deduct:			
Charitable donations from Schedule 2	311		
Gifts to Canada, a province, or a territory from Schedule 2	312		
Cultural gifts from Schedule 2	313		
Ecological gifts from Schedule 2	314		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320		
Part VI.1 tax deduction from Schedule 43 *	325		
Non-capital losses of preceding taxation years from Schedule 4	331		
Net capital losses of preceding taxation years from Schedule 4	332		
Restricted farm losses of preceding taxation years from Schedule 4	333		
Farm losses of preceding taxation years from Schedule 4	334		
Limited partnership losses of preceding taxation years from Schedule 4	335		
Taxable capital gains or taxable dividends allocated from a central credit union	340		
Prospector's and grubstaker's shares	350		
Subtotal			B
Subtotal (amount A minus amount B) (if negative, enter "0")		346,024	C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions	355		D
Taxable income (amount C plus amount D)	360	346,024	
Income exempt under paragraph 149(1)(l)	370		
Taxable income for a corporation with exempt income under paragraph 149(1)(l) (line 360 minus line 370)		346,024	Z

* This amount is equal to 3 times the Part VI.1 tax payable at line 724 on page 8.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year			
Income from active business carried on in Canada from Schedule 7	300	346,024	A
Taxable income from line 360 on page 3, minus 10/3 of the amount on line 632* on page 7, minus 3 times the amount on line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax	406	346,024	B
Calculation of the business limit:			
For all CCPCs, calculate the amount at line 4 below.			
225,000 x Number of days in the taxation year in 2003	365	=	1
250,000 x Number of days in the taxation year in 2004	365	=	2
300,000 x Number of days in the taxation year after 2004	365	=	300,000 3
Add amounts at lines 1, 2, and 3	300,000	4	
Business limit (see notes 1 and 2 below)	410	300,000	C
Notes: 1. For CCPCs that are not associated, enter the amount from line 4 at line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of days in the taxation year divided by 365, and enter the result on line 410.			
2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered at line 410.			
Business limit reduction:			
Amount C x 11,250	415	D	E
Reduced business limit (amount C minus amount E) (if negative, enter "0")	425	300,000	F
Small business deduction – 16.00 % of whichever amount is the least: A, B, C, or F	430	48,000	G
(enter amount G on line 9 of page 7)			
* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.			
** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.			
*** Large corporation tax			
• The large corporation tax to be entered at line 415 is the gross Part I.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part I.3 tax is equal to 0.225% x (taxable capital employed in Canada minus \$10,000,000).			
• If the corporation is not associated with any corporations in both the current and the preceding taxation years, enter the corporation's gross Part I.3 tax for its preceding taxation year.			
• If the corporation is not associated with any corporations in the current taxation year, but was associated in the preceding taxation year, enter the corporation's gross Part I.3 tax for its current taxation year.			
• For corporations associated in the current taxation year, see Schedule 23 for the special rules that apply.			

Accelerated tax reduction

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction			
Reduced business limit (amount from line 425)	300,000	x	300,000 / line 4 above = 300,000 A
Net active business income (amount from line 400) *			346,024 B
Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I Tax			346,024 C
Deduct:			
Aggregate investment income (amount from line 440 of page 6)		D	
Amount C minus amount D (if negative, enter "0")	346,024	E	346,024
Amount A, B, or E above, whichever is less		F	300,000
Amount Z from Part 9 of Schedule 27		G	
Amount QQ from Part 13 of Schedule 27		H	
Taxable resource income from line 435 above		I	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		J	
Amount on line 400, 405, 410, or 425 of the small business deduction, whichever is less	300,000	K	
Total of amounts G, H, I, J, and K	300,000	L	300,000
Amount F minus amount L (if negative, enter "0")		M	
Accelerated tax reduction – 7.00 % of amount M (enter amount N on line 637 of page 7)		N	
* If the amount at line 450 of Schedule 7 is positive, members of partnerships need to use Schedule 70 to calculate net active business income.			
** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.			

Resource deduction

Taxable resource income [as defined in subsection 125.11(1)]				<u>435</u>	A
Amount A	x	Number of days in the taxation year in 2004	x 2 % =		B
		Number of days in the taxation year		365	
Amount A	x	Number of days in the taxation year in 2005	x 3 % =		C
		Number of days in the taxation year		365	
Amount A	x	Number of days in the taxation year in 2006	x 5 % =		D
		Number of days in the taxation year		365	
Amount A	x	Number of days in the taxation year after 2006	x 7 % =		E
		Number of days in the taxation year		365	
Resource deduction – total of amounts B, C, D, and E (enter amount F on line 10 of page 7)				<u>438</u>	F

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 380 on page 3				<u>346,024</u>	A
Amount Z from Part 9 of Schedule 27	x	100 / 7 =			B
Amount QQ from Part 13 of Schedule 27					C
Taxable resource income from line 435 above					D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)					E
Amount on line 400, 405, 410, or 425 on page 4, whichever is the least				<u>300,000</u>	F
Aggregate investment income from line 440 of page 8					G
Amount used to calculate the accelerated tax reduction (amount M of page 4)					H
Total of amounts B, C, D, E, F, G, and H				<u>300,000</u>	I
Amount A minus amount I (if negative, enter "0")				<u>46,024</u>	J
Amount J	x	Number of days in the taxation year after 2003	x 7 % =		K
		Number of days in the taxation year		365	
General tax reduction for Canadian-controlled private corporations – amount K (enter amount L on line 638 of page 7)				<u>3,222</u>	L

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, or a mutual fund corporation

Taxable income from line 380 on page 3					M
Amount Z from Part 9 of Schedule 27	x	100 / 7 =			N
Amount QQ from Part 13 of Schedule 27					O
Taxable resource income from line 435 above					P
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)					Q
Total of amounts N, O, P, and Q					R
Amount M minus amount R (if negative, enter "0")					S
Amount S	x	Number of days in the taxation year after 2003	x 7 % =		T
		Number of days in the taxation year		365	
General tax reduction – amount T (enter amount U on line 639 of page 7)					U

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income				<u>440</u>	A
(amount P from Part 1 of Schedule 7)					
Foreign non-business income tax credit from line 632 on page 7					
Deduct:					
Foreign investment income	x	9 1 / 3 % =			B
(amount O from Part 1 of Schedule 7)					
(if negative, enter "0")					
Amount A minus amount B (if negative, enter "0")					C
Taxable income from line 380 on page 3				<u>346,024</u>	
Deduct:					
Amount on line 400, 405, 410, or 425 on page 4, whichever is the least				<u>300,000</u>	
Foreign non-business income tax credit from line 632 of page 7				x 25 / 9 =	
Foreign business income tax credit from line 636 of page 7				x 3 =	
				<u>300,000</u>	
				<u>300,000</u>	
				<u>46,024</u>	
				x 26 2 / 3 % =	<u>12,273</u> D
Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8)				<u>49,540</u>	
Deduct: Corporate surtax from line 600 of page 7				<u>3,875</u>	
Net amount				<u>45,665</u>	E
Refundable portion of Part I tax – Amount C, D, or E, whichever is the least				<u>450</u>	F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year				<u>460</u>	
Deduct: Dividend refund for the previous taxation year				<u>465</u>	G
Add the total of:					
Refundable portion of Part I tax from line 450 above					
Total Part IV tax payable from line 380 of Schedule 3					
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation				<u>408</u>	H
Refundable dividend tax on hand at the end of the taxation year – Amount G plus amount H				<u>485</u>	

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the taxation year

Taxable dividends paid in the taxation year from line 480 of Schedule 3				<u>485,915</u>	x 1 / 3	<u>161,972</u> I
Refundable dividend tax on hand at the end of the taxation year from line 485 above						J
Dividend refund – Amount I or J, whichever is less (enter this amount on line 784 of page 8)						

Part I tax

Base amount of Part I tax — 38.00 % of taxable income (line 360 or amount Z, whichever applies) from page 3 550 131,489 A

Corporate surtax calculation

Base amount from line A above 131,489 1
 Deduct:
 10 % of taxable income (line 360 or amount Z, whichever applies) from page 3 34,602 2
 Investment corporation deduction from line 620 below 3
 Federal logging tax credit from line 840 below 4
 Federal qualifying environmental trust tax credit from line 848 below 5

For a mutual fund corporation or an investment corporation throughout the taxation year, enter amount a, b, or c below on line 6, whichever is the least:

28.00 % of taxable income from line 360 of page 3 a
 28.00 % of taxable capital gains b
 Part I tax otherwise payable (line A plus lines C and D minus line F) c
 Total of lines 2 to 6 34,602 7

Net amount (line 1 minus line 7) 96,887 B

Corporate surtax — 4.00 % of the amount on line B 600 3,875 B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 602 C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6 i
 Taxable income from line 360 on page 3 346,024
 Deduct:
 Amount on line 400, 405, 410, or 425 of page 4, whichever is the least 300,000
 Net amount 46,024 ii

Refundable tax on CCPC's investment income — 6 2 / 3 % of whichever is less: amount i or ii 604 D

Subtotal (add lines A, B, C, and D) 135,364 E

Deduct:

Small business deduction from line 430 of page 4 48,000 9
 Federal tax abatement 608 34,602
 Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27 616
 Investment corporation deduction 620
 (taxed capital gains 624)
 Additional deduction — credit unions from Schedule 17 628
 Federal foreign non-business income tax credit from Schedule 21 632
 Federal foreign business income tax credit from Schedule 21 636
 Accelerated tax reduction from amount N on page 4 637
 Resource deduction from line 438 on page 5 10
 General tax reduction for CCPCs from amount R on page 5 638 3,222
 General tax reduction from amount U on page 5 630
 Federal logging tax credit from Schedule 21 640
 Federal political contribution tax credit 644
 Federal political contributions 646
 Federal qualifying environmental trust tax credit 648
 Investment tax credit from Schedule 31 652

Subtotal 85,824 F

Part I tax payable — Line E minus line F (enter amount G on line 700 of page 6) 49,540 G

Summary of tax and credits

Federal tax

Part I tax payable from page 7 700 49,540
 Part I.3 tax payable from Schedule 33, 34, or 35 704
 Part II surtax payable from Schedule 46 708
 Part IV tax payable from Schedule 3 712
 Part IV.1 tax payable from Schedule 43 716
 Part VI tax payable from Schedule 38 720
 Part VI.1 tax payable from Schedule 43 724
 Part XII.1 tax payable from Schedule 92 727
 Part XIV tax payable from Schedule 20 728
 Total federal tax 49,540

Add provincial or territorial tax:

Provincial or territorial jurisdiction 750 Ontario
 (If more than one jurisdiction, enter "multiple" and complete Schedule 5)
 Net provincial or territorial tax payable (except Quebec, Ontario, and Alberta) 750
 Provincial tax on large corporations (New Brunswick and Nova Scotia) 755
 Total tax payable 770 49,540 A

Deduct other credits:

Investment tax credit refund from Schedule 31 780
 Dividend refund from page 6 794
 Federal capital gains refund from Schedule 18 798
 Federal qualifying environmental trust tax credit refund 792
 Canadian film or video production tax credit refund (Form T1131) 796
 Film or video production services tax credit refund (Form T1177) 797
 Tax withheld at source 800
 Total payments on which tax has been withheld 801
 Abatement refund for non-resident-owned investment corporations from Schedule 26 804
 Provincial and territorial capital gains refund from Schedule 18 808
 Provincial and territorial refundable tax credits from Schedule 5 812
 Royalties deductible under Synchro Remission Order 815
 Tax remitted under Synchro Remission Order 816
 Tax instalments paid 840 49,540
 Total credits 890 49,540 B

Refund code 894 Overpayment Balance (line A minus line B) 49,540

Direct deposit request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

☐ Start ☐ Change Information 910 Branch number
 914 Institution number 918 Account number

If the result is negative, you have an overpayment.
 If the result is positive, you have a balance unpaid.
 Enter the amount on whichever line applies.
 Generally, we do not charge or refund a difference of \$2 or less.

Balance unpaid
 Enclosed payment 698

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due? 996 1 Yes ☐ 2 No ☒

Certification

I, 950 PETITT Last name 951 JEFFREY First name 954 PRESIDENT Position, office, or rank
 am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.
 955 Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation 956 (519) 485-1820 Telephone number
 Is the contact person the same as the authorized signing officer? If No, complete the information below 957 1 Yes ☒ 2 No ☐
 959 Name Telephone number

Language of correspondence — Langue de correspondance

990 Indicate the language in which you would like to receive correspondence. 1 English / Anglais ☒ 2 Français / French ☐
 Indiquer la langue de correspondance de votre choix.

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

SCHEDULE 1

Corporation's name	Business Number	Taxation year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0001	2005-12-31

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.
- Please provide us with the applicable details in the Identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.
- For more information, see the *T2 Corporation Income Tax Guide*.

Net income (loss) after taxes and extraordinary items per financial statements			218,370	A
Add:				
Provision for income taxes – current	101	68,000		
Provision for income taxes – deferred	102	-189,000		
Amortization of tangible assets	104	755,425		
Amortization of intangible assets	106	282,481		
Non-deductible meals and entertainment expenses	121	1,439		
Subtotal of additions		918,345	918,345	
Other additions:				
Miscellaneous other additions:				
Subtotal of other additions	189	0	0	
Total additions	500	918,345	918,345	
Deduct:				
Capital cost allowance from Schedule B	403	714,118		
Cumulative eligible capital deduction from Schedule 10	405	33,057		
Subtotal of deductions		747,175	747,175	
Other deductions:				
Miscellaneous other deductions:				
700 C&DM - Non-cap portion - current period exp for tax purposes	390	43,516		
Subtotal of other deductions	499	43,516	43,516	
Total deductions	510	790,691	790,691	
Net income (loss) for income tax purposes – enter on line 300 of the T2 return			346,024	

T2 SCH 1 E (01)

Canada

DIVIDENDS RECEIVED, TAXABLE DIVIDENDS PAID, AND
PART IV TAX CALCULATION

SCHEDULE 3

Name of corporation	Business Number	Taxation year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0001	2005-12-31

- This schedule is for the use of any corporation to report:
 - non-taxable dividends under section 83;
 - deductible dividends under subsection 138(6);
 - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (b) or (d); or
 - taxable dividends paid for purposes of a dividend refund.
- The calculations in this schedule apply only to private or subject corporations.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- A recipient corporation is connected with a payer corporation at any time in a taxation year, if at that time the recipient corporation:
 - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
 - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.
- For more information, see the sections about Schedule 3 in the *T2 Corporation Income Tax Guide*.
- "X" under column A if dividend received from a foreign source (connected corporation only).
- "X" under column B if the payer corporation is connected.

Part 1 – Dividends received during the taxation year

Do not include dividends received from foreign non-affiliates.		Complete if payer corporation is connected		
Name of payer corporation (Use only one line per corporation, abbreviating its name if necessary)		A	B	C Business Number
				D Taxation year end of the payer corporation in which the dividends were paid YYYY/MM/DD
200			205	210
1				220

Note: If your corporation's taxation year end is different than that of the connected payer corporation, your corporation could have received dividends from more than one taxation year of the payer corporation. If so, use a separate line to provide the information for each taxation year of the payer corporation.

If payer corporation is not connected, leave these columns blank.				
E Non-taxable dividend under section 83	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (b), or (d)	G Total taxable dividends paid by connected payer corporation	H Dividend refund of the connected payer corporation	I Part IV tax before deductions F x 1 / 3 *
230	240	250	260	270
1				
Total (enter amount of column F on line 320 of the T2 return)				

For dividends received from connected corporations: Part IV tax equals: Column F x Column H
Column G

- Life insurers are not subject to Part IV tax on subsection 138(6) dividends.
- Public corporations (other than subject corporations) do not need to calculate Part IV tax.

Part 2 – Calculation of Part IV tax payable

Part IV tax before deductions (amount J in Part 1)

Deduct:

Part IV tax payable on dividends subject to Part IV tax **320**

Subtotal

Deduct:

Current-year non-capital loss claimed to reduce Part IV tax **330**

Non-capital losses from previous years claimed to reduce Part IV tax **335**

Current-year farm loss claimed to reduce Part IV tax **340**

Farm losses from previous years claimed to reduce Part IV tax **345**

Total losses applied against Part IV tax $\times 1 / 3 =$

Part IV tax payable (enter amount on line 712 of the T2 return) **360**

Part 3 – Taxable dividends paid in the taxation year for purposes of a dividend refund

A	B	C	D
Name of connected recipient corporation	Business Number	Taxation year end of connected recipient corporation in which the dividends in column D were received YYYY/MM/DD	Taxable dividends paid to connected corporations
400	410	420	430
1 ERIE THAMES POWER CORPORATION	86356 4324 RC0001	2005-12-31	485,915
2			

Note

If your corporation's taxation year end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one taxation year of the recipient corporation. If so, use a separate line to provide the information for each taxation year of the recipient corporation.

Total **485,915**

Total taxable dividends paid in the taxation year to other than connected corporations **450**

Total taxable dividends paid in the taxation year for the purposes of a dividend refund (total of column D above plus line 450) **460** **485,915**

Part 4 – Total dividends paid in the taxation year

Complete this part if the total taxable dividends paid in the taxation year for purposes of a dividend refund (line 460 above) is different from the total dividends paid in the taxation year.

Total taxable dividends paid in the taxation year for the purposes of a dividend refund (from above) **460** **485,915**

Other dividends paid in the taxation year (total of 510 to 540)

Total dividends paid in the taxation year **500** **485,915**

Deduct:

Dividends paid out of capital dividend account **510**

Capital gains dividends **520**

Dividends paid on shares described in subsection 129(1.2) **530**

Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year **540**

Subtotal **540**

Total taxable dividends paid in the taxation year for purposes of a dividend refund **485,915**

T2 SCH 3 (E) (05)

Canada

2005-12-31

Erie Thames Powerlines Corporation
86371 9498 RC0001Canada Customs and Revenue Agency
Agence des douanes et du revenu du Canada

SCHEDULE 8

CAPITAL COST ALLOWANCE (CCA)

Name of corporation **Erie Thames Powerlines Corporation**

Business Number **86371 9498 RC0001**

Taxation year and Year Month Day **2005-12-31**

Is the corporation electing under regulation 1101(54)? **101** 1 Yes ☐ 2 No ☒

1	2	3	4	5	6	7	8	9	10	11	12	13
Class number	Undepreciated capital cost at the beginning of the year	Cost of acquisitions during the year	Net adjustments	Proceeds of dispositions during the year (amount not to exceed the capital cost)	Undepreciated capital cost (column 2 plus column 3 minus column 4 minus column 5)	50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)**	Reduced undepreciated capital cost (column 6 minus column 7)	CCA rate %	Recapture of capital cost allowance (amount on line 107 of Schedule 1)	Terminal loss (amount on line 404 of Schedule 1)	Capital cost allowance multiplied by column 9; or a loss or a credit amount (amount on line 403 of Schedule 1)***	Undepreciated capital cost at the end of the year (column 6 minus column 12)
1	94,074	2,520			0	46,534	46,534	4	0	0	3,813	92,761
2	124,424				0	124,424	124,424	4	0	0	4,972	119,447
3	1,074,746	137,305			0	1,208,051	1,140,398	4	0	0	49,616	1,158,435
4	13,393,057	1,105,979			0	14,499,036	13,942,046	4	0	0	557,682	13,937,354
5	3,531	6,464			0	9,995	6,753	20	0	0	1,353	8,642
6	4,592				0	4,592	4,592	30	0	0	1,378	3,218
7	3,415				0	3,415	3,415	30	0	0	1,025	2,390
8	55,496	76,295			0	133,791	57,638	100	0	0	97,633	36,143
9		2,822			0	2,822	1,411	45	0	0	635	2,187
Total	14,753,340	1,325,275			0	16,078,615	15,416,026				714,118	13,364,597

* Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see Regulation 1100(2) and (2.2).

** The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

*** If the taxation year is shorter than 365 days, prorate the CCA claim. See the T2 Corporation Income Tax Guide for more information.

T2 SCH 8 (06)

Canada

2005-12-31

Erie Thames Powerlines Corporation
86371 9498 RC0001Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada

SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Taxation year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0001	2005-12-31

This schedule is to be completed by a corporation having one or more of the following:

- related corporation(s)
- associated corporation(s)

Name	Country of residence (if other than Canada)	Business Number (Canadian corporation only) (see note 1)	Relationship code (see note 2)	Number of common shares owned	% of common shares owned	Number of preferred shares owned	% of preferred shares owned	Book value of capital stock
100	200	300	400	500	550	600	650	700
1. ERIE THAMES SERVICES CORPORA		86371 9498 RC0001	3					
2. ERIE THAMES POWER CORPORATK		86356 4324 RC0001	1	7	100.000	8,038,517	100.000	8,038,524

Note 1: Enter "NR" if a corporation is not registered.

Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated.

T2 SCH 9(99)

Canada

2005-12-31

Erie Thames Powerlines Corporation
86371 9498 RC0001Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada

SCHEDULE 10

CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

Name of corporation	Business Number	Taxation year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0001	2005-12-31

- For use by a corporation that has eligible capital property. For more information, see the T2 Corporation Income Tax Guide.
- A separate cumulative eligible capital account must be kept for each business.

Part 1 - Calculation of current year deduction and carry-forward

Cumulative eligible capital - Balance at the end of the preceding taxation year (if negative, enter "0") **200** 472,247 A

Add: Cost of eligible capital property acquired during the taxation year **222** _____

Other adjustments **226** _____

Subtotal (line 222 plus line 226) _____ x 3 / 4 = _____ B

Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an eligible capital property to the corporation after December 20, 2002 **228** _____ x 1 / 2 = _____ C

amount B minus amount C (if negative, enter "0") _____ D

Amount transferred on amalgamation or wind-up of subsidiary **224** _____ E

Subtotal (add amounts A, D, and E) **230** 472,247 F

Deduct: Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year **242** _____ G

The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) **244** _____ H

Other adjustments **246** _____ I

(add amounts G, H, and I) _____ x 3 / 4 = **248** _____ J

Cumulative eligible capital balance (amount F minus amount J) _____ 472,247 K

(If amount K is negative, enter "0" at line M and proceed to Part 2)

Cumulative eligible capital for a property no longer owned after ceasing to carry on that business **249** _____

amount K **472,247**

less amount from line 249 _____

Current year deduction **472,247** x 7.00 % = **250** 33,057 *

(line 249 plus line 250) (enter this amount at line 405 of Schedule 1) **33,057** L

Cumulative eligible capital - Closing balance (amount K minus amount L) (if negative, enter "0") **300** 439,190 M

* You can claim any amount up to the maximum deduction of 7%. The deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

T2 SCH 10 (04)

Canada

Part 2 -- Amount to be included in income arising from disposition
(complete this part only if the amount at line K is negative)

Amount from line K (show as positive amount)			N
Total of cumulative eligible capital (CEC) deductions from income for taxation years beginning after June 30, 1988	400	1	
Total of all amounts which reduced CEC in the current or prior years under subsection 80(7)	401	2	
Total of CEC deductions claimed for taxation years beginning before July 1, 1988	402	3	
Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988	403	4	
Line 3 minus line 4 (if negative, enter "0")		5	
Total of lines 1, 2 and 5		6	
Amounts included in income under paragraph 14(1)(b), as that paragraph applied to taxation years ending after June 30, 1988 and before February 28, 2000, to the extent that it is for an amount described at line 400		7	
Amounts at line T from Schedule 10 of previous taxation years ending after February 27, 2000		8	
Subtotal (line 7 plus line 8)	409	9	
Line 6 minus line 9 (if negative, enter "0")			O
Line N minus line O (if negative, enter "0")			P
Line 5		x 1 / 2 =	Q
Amount R		x 2 / 3 =	S
Amount N or amount O, whichever is less			T
Amount to be included in income (amount S plus amount T) (enter this amount on line 108 of Schedule 1)	410		

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada

SCHEDULE 15

DEFERRED INCOME PLANS

Name of corporation	Business Number	Taxation year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0001	2005-12-31

- Complete the information below, if the corporation deducted from its income, payments made to; a registered pension plan (RPP); a registered supplementary unemployment benefit plan (RSUBP); a deferred profit sharing plan (DPSP); or an employee profit sharing plan (EPSP).
- If the trust that governs an employee profit sharing plan is not resident in Canada, please indicate if the T4PS, *Statement of Employees Profit Sharing Plan Allocations and Payments*, Supplementary slip(s) were filed for the last calendar year, and whether they were filed by the trustee or the employer.

Type of plan (see note 1)	Amount of contribution (see note 2) \$	Registration number (RPP, RSUBP, and DPSP only)	Name of EPSP trust	Address of EPSP trust	T4PS slip(s) filed by: (see note 3) (EPSP only)
100	200	300	400	500	600
1 1	9,374	0345983			1

Note 1: Enter the applicable code number:

- 1 - RPP
2 - RSUBP
3 - DPSP
4 - EPSP

Note 2: Enter on line 417 of Schedule 1, the total of the amounts in column 200 for DPSP.

Note 3: T4PS slip(s) filed by: 1 - Trustee
2 - Employer

SCHEDULE 23

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO
ALLOCATE THE BUSINESS LIMIT

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) of the *Income Tax Act*, not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the code that applies to each corporation:

- 1 - associated for purposes of allocating the business limit (unless association code 5 applies)
- 2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
- 3 - non-CCPC that is a "third corporation" as defined in subsection 256(2)
- 4 - associated non-CCPC
- 5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation"

Column 4: Enter the business limit for the year of each corporation in the associated group that is computed at line 4 on page 4 of each respective corporation's T2 return.

Column 5: Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 times the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A is equal to an amount in one of the following ranges, whichever applies:

- from \$200,001 to \$225,000, if the calendar year to which this agreement applies is 2003;
- from \$225,001 to \$250,000, if the calendar year to which this agreement applies is 2004; or
- from \$250,001 to \$300,000, if the calendar year to which this agreement applies is 2005.

If the calendar year to which this agreement applies is after 2005, ensure that the total at line A does not exceed \$300,000.

Business limit reduction under subsection 125(5.1)

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the amounts used in this calculation is the "Large corporation tax" at line 415 of the T2 return. If the corporation is a member of an associated group*** of corporations in the current taxation year, and that taxation year:

- starts before December 21, 2002, the amount at line 415 of the T2 return is equal to the gross Part 1.3 tax of each corporation in the associated group*** for its last taxation year ending in the preceding calendar year. The gross Part 1.3 tax is the amount before deducting the surtax credits, which is increased to reflect a full-year tax liability if the taxation year is less than 51 weeks; or
- starts after December 20, 2002, the amount at line 415 of the T2 return is equal to $0.225\% \times (A - \$10,000,000)$ where, "A" is the total of taxable capital employed in Canada** of each corporation in the associated group*** for its last taxation year ending in the preceding calendar year.

**Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's taxation year is less than 51 weeks, prorate the amount in column 6 by the number of days in the taxation year divided by 365, and enter the result on line 410 of the T2 return.

If a CCPC has more than one taxation year ending in a calendar year and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year, the business limit for the second (and subsequent) taxation year(s) will be equal to the business limit allocated for the first taxation year ending in the calendar year.

***Taxable capital employed in Canada** has the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4 of the *Income Tax Act*.

***The associated group includes the corporation filing this schedule and each corporation that has an "association code" of 1 or 4 in column 3.

T2 SCH 23 (04)

Canada

Allocation of the business limit

Date filed (do not use this area) 025 Year Month Day

Enter the calendar year to which the agreement applies 050 Year 2005

Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? 075 1 Yes ☐ 2 No ☒

1 Name of associated corporation	2 Business Number of associated corporations	3 Assoc- iation code	4 Business limit for the year (before the allocation) \$	5 Percentage of the business limit %	6 Business limit allocated* \$
100	200	300		350	400
Erie Thames Powerlines Corporation	86371 9498 RCD001	1	300,000	100.0000	300,000
1 ERIE THAMES SERVICES CORPORATION	86371 9696 RCD001	1	300,000		
2 ERIE THAMES POWER CORPORATION	86356 4324 RCD001	1	300,000		
Total				100.0000	300,000 A

2005-12-31

Erie Thames Powerlines Corporation
86371 9498 RC0001Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada

SCHEDULE 60

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Taxation year end Year Month Day
Erie Thames Powerlines Corporation	86371 9498 RC0001	2005-12-31

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder		Business Number (Notes 1 & 3)	Social Insurance Number (Note 2 & 3)	Percentage common shares	Percentage preferred shares
100		200	300	400	500
1	ERIE THAMES POWER CORPORATION	86356 4324 RC0001		100.000	100.000
2					
3					
4					
5					
6					
7					
8					
9					
10					

Note 1: If a corporate shareholder does not have a business number, "NR" must be entered to indicate the corporation is not registered.

Note 2: If an individual shareholder does not have a social insurance number, "NA" must be entered to indicate the SIN is not available.

Note 3: If a trust holds 10% or more of the corporation's common or preferred shares, enter "NR" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

T2 SCH 60 (05)

Canada



Ministry of Finance
Corporations Tax Branch
100 King Street West
Toronto, ON M5X 1C6

2004/
2005

CT23 Corporations Tax and Annual Return

For taxation years commencing
after December 31, 2002

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)

This form is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both Returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the Exempt from Filing (EFF) declaration on page 2 or file the CT23 Return on pages 3-17. Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the CT23 Short-Form Return (see page 2).

The Annual Return (common page 1 and MCBS Schedule A on pages 10 and 19, and Schedule K on page 20) contains non-tax information collected under the authority of the Corporations Information Act for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MCBS Annual Return Required? (Not required if already filed or Annual Return exempt. Refer to Guide) ☒ Yes ☐ No

Page 1 of 20

Corporation's Legal Name (including punctuation) Erie Thames Powerlines Corporation		Ontario Corporations Tax Account No. (MOF) 1800076	
Mailing Address 143 BELL STREET, P.O. BOX 157 INGERSOLL ON CA N5C 3K5		This Return covers the Taxation Year Start: year month day 2005-01-01 End: year month day 2005-12-31	
Has the mailing address changed since last filed CT23 Return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Date of Change: year month day		Date of Incorporation or Amalgamation year month day 2000-07-07	
Registered/Head Office Address 143 BELL STREET, P.O. BOX 157 INGERSOLL ON CA N5C 3K5		Ontario Corporation No. (MCBS) 1428821	
Location of Books and Records 143 BELL STREET, P.O. BOX 157 INGERSOLL ON CA N5C 3K5		Canada Customs and Revenue Agency Business No. (if applicable, enter) 96371 9498 RCD001	
Name of person to contact regarding this CT23 Return JEFFREY PETTIT		Jurisdiction incorporated Ontario	
Telephone No. (519) 485-1820		Fax No.	
Address of Principal Office in Ontario (Extra-Provincial Corporations only) Ontario Canada		If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased: Commenced: year month day Ceased: year month day <input checked="" type="checkbox"/> Not Applicable	
Foreign Corporation Name (Extra-Provincial Corporations only) <input checked="" type="checkbox"/> Not Applicable (MCBS)		Preferred Language / Langue de préférence <input checked="" type="checkbox"/> English / anglais <input type="checkbox"/> French / français	
Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number in brackets (MCBS):		No. of Schedule(s) 1	
If there is no change to the Directors/Officers/Administrators' information previously submitted to MCBS, please check (X) this box. Schedule(s) A and K are not required (MCBS): <input checked="" type="checkbox"/> No Change		Ministry Use	
Certification (MCBS) I certify that all information set out in the Annual Return is true, correct and complete. Name of Authorized Person (Print clearly or type in full) JEFFREY PETTIT Title: <input type="checkbox"/> Director <input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other individual having knowledge of the Corporation's business activities			

CORPORATE TAXREP - 2004/2005 CT23 - 2005 V.2 - 0601

Corporation's Legal Name

Ontario Corporations Tax Account No. (MOF)

Taxation Year End

Erie Thames Powerlines Corporation

1800076

2005-12-31

CT23 Page 3 of 20

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation - Please check (X) box(es) if applicable in sections 1 & 2

- 1 ☒ Canadian-controlled Private (CCPC) all year
(Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))
- 2 ☐ Other Private
- 3 ☐ Public
- 4 ☐ Non-share Capital
- 5 ☐ Other (specify) ▾

Share Capital with full voting rights owned by Canadian Residents

(percent paid)
100 %

- 2 1 ☐ Family Farm Corporation s.1 (2) 14 ☐ Bare Trustee Corporation
- 2 ☐ Family Fishing Corporation s.1 (2) 15 ☐ Branch of Non-resident s.63(1)
- 3 ☐ Mortgage Investment Corporation s.47 16 ☐ Financial institution prescribed by Regulation only
- 4 ☐ Credit Union s.51 17 ☐ Investment Dealer
- 5 ☐ Bank Mortgage Subsidiary s.61 (4) 18 ☐ Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
- 6 ☐ Bank s.1 (2) 19 ☒ Hydro successor, Municipal Electrical Utility or subsidiary of either
- 7 ☐ Loan and Trust Corporation s.61 (4) 20 ☐ Producer and seller of steam for uses other than for the generation of electricity
- 8 ☐ Non-resident Corporation s.2(2)(a) or (b) 21 ☐ Insurance Exchange s.74.4
- 9 ☐ Non-resident Corporation s.2(2)(c) 22 ☐ Farm Feeder Finance Co-operative Corporation
- 10 ☐ Mutual Fund Corporation s.48 23 ☐ Professional Corporation (incorporated professionals only)
- 11 ☐ Non-resident owned investment s.49
- 12 ☐ Non-resident ship or aircraft under reciprocal agreement with Canada s.25(b)

Please check (X) box(es) if applicable

- ☐ First Year of Filing ☐ Final Taxation Year up to Obsolescence (wind-up)
(Note: For discontinued businesses, see Guide.)
- ☐ Amended Return ☐ Final Taxation Year before Amalgamation
- ☐ Taxation Year End has changed - Canada Customs and Revenue Agency approval required ☐ Filing Fiscal Year End

☐ Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario

☐ Acquisition of Control (fed.s. 248(4))

Date Control was acquired

year month day

Was the corporation inactive throughout the taxation year? ☐ Yes ☒ No

Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)? ☒ Yes ☐ No

Are you requesting a refund due to: the Carry-back of a Loss? ☐ Yes ☒ No

an Overpayment? ☒ Yes ☐ No

a Specified Refundable Tax Credit? ☐ Yes ☒ No

Are you a Member of a Partnership or Joint Venture? ☐ Yes ☒ No

CORPORATE TAXREP - 2004/2005 CT23 - 2005 V.2 - 0601

Income Tax

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Allocation — If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction to that jurisdiction (s.39) (Int.B. 3000).

DOLLARS ONLY

Net Income (loss) for Ontario purposes (per reconciliation schedule, page 15) From **580** 346,024

Subtract: Charitable donations From **1**

Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule 2) From **2**

Subtract: Taxable dividends deductible, per Federal Schedule 3 From **3**

Subtract: Ontario political contributions (Attach Schedule 2A) (Int.B. 3002R) From **4**

Subtract: Federal Part VI, 1 tax From **5**

Subtract: Prior years' losses applied — Non-capital losses From **704**

From **715**

Net capital losses (page 16) Inclusion rate 50.000000% = From **714**

Farm losses From **724**

Restricted farm losses From **734**

Limited partnership losses From **754**

Taxable Income (Non-capital loss) = **10** 346,024

Addition to taxable income for unused foreign tax deduction for federal purposes + **11**

Adjusted Taxable Income **10** + **11** (if **10** is negative, enter **11**) = **20** 346,024

Taxable Income

From **10** (or **20** if applicable) 346,024 x **30** 100.0000% x 12.5% x **33** + **73** 365 = + **26**

From **10** (or **20** if applicable) 346,024 x **30** 100.0000% x 14% x **34** 365 + **73** 365 = + **32** 48,443

Income Tax Payable (before deduction of tax credits) **26** + **32** = **40** 48,443

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

If this section is not completed, the IDSBC will be denied.

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(6.1) not been applicable in the taxation year? (X) Yes ☒ No ☐

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a)) **50** 346,024

Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b)) + **51** 346,024

Add: Losses of other years deducted for federal purposes (fed.s.111) + **52**

Subtract: Losses of other years deducted for Ontario purposes (s.34) - **53**

= **54** 346,024

Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1) **55** 300,000

Ontario Business Limit Calculation

320,000 x **31** + **365** = + **46**

400,000 x **34** 365 + **365** = + **47** 400,000

Business Limit for Ontario purposes **46** + **47** = **48** 400,000

Income eligible for the IDSBC From **30** 100.0000% x **55** 346,024 = **56** 346,024

***Ontario Allocation Least of **50**, **54** or **45**

* Note: Modified by s.41(4) and (7) for corporations that are members of a partnership. (Refer to Guide.)

** Note: Adjust accordingly for a floating taxation year and use 366 for a leap year.

*** Note: Ontario Allocation for IDSBC purposes may differ from **30** if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).

continued on Page 5

Corporation's Legal Name Ontario Corporations Tax Account No. (MOF) Taxation Year End
Erie Thames Powerlines Corporation 1800076 2005-12-31

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DOLLARS ONLY

Income Tax continued from Page 4

Calculation of IDSBC Rate 7% x **31** + **73** 365 = + **89**

8.5% x **34** 365 + **73** 365 = + **80** 8,5000

IDSBC Rate for Taxation Year **60** + **80**

Claim From **80** 346,024 x From **75** 8,5000% = **70** 29,412

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount 400,000 in **114** below.

Surtax on Canadian-controlled Private Corporations (s.41.1)

Applies if you have claimed the incentive Deduction for Small Business Corporations.

Associated Corporation — The Taxable Income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

* Taxable Income of the corporation From **10** (or **20** if applicable) + **80** 346,024

If you are a member of an associated group (X) **81** (Yes) ☐ (No)

Name of associated corporation (Canadian & foreign) (if insufficient space, attach schedule) Ontario Corporations Tax Account No. (MOF) (if applicable) Taxation Year End * Taxable Income (if loss, enter nil)

ERIE THAMES SERVICES CORPORATION 1800077 2005-12-31 + **82**

ERIE THAMES POWER CORPORATION 1800075 2005-12-31 + **83**

Aggregate Taxable Income **80** + **82** + **83** + **84**, etc. = **85** 346,024

320,000 x **31** + **73** 365 = + **119**

400,000 x **34** 365 + **73** 365 = + **118** 400,000

119 + **118** = **114** 400,000

(If negative, enter nil) = **86**

Calculation of Specified Rate for Surtax 4.6670% x **30** 365 + **73** 365 = + **87** 4,6670

From **86** x From **97** 4.6670% = **87**

From **87** x From **80** 346,024 + From **114** 400,000 = **88**

Surtax Lesser of **70** or **88** = **100**

* Note: Short Taxation Years — Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

continued on Page 6

DOLLARS ONLY

Additional Deduction for Credit Unions (s.51(4)) (Attach schedule 17)

110

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: a) your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and b) the total active business income is \$250,000 or less.

Eligible Canadian Profits	120	
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDBSC)	56	346,024
Add: Adjustment for Surplus on Canadian-controlled private corporations		
From 100 + From 30 100,000% + From 78 8.5000%	121	
Lesser of 56 or 121	122	
120 - 56 + 122	130	
Taxable Income	10	346,024
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDBSC)	56	346,024
Add: Adjustments for Surplus on Canadian-controlled private corporations	122	
Subtract: Taxable Income 10 X Allocation % to jurisdictions outside Canada	140	
Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses	141	
10 - 56 + 122 - 140 - 141	142	

Claim

143	X From 30 100,000%	1.5%	X 33 365	= 154
Lesser of 130 or 142				
143	X From 30 100,000%	2%	X 34 365 + 73 365	= 158
Lesser of 130 or 142				
M&P claim for taxation year	154 + 158			= 160

* Note: Ontario Allocation for M&P Credit purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1)).

Manufacturing and Processing Profits Credit for Electrical Generating Corporations

161

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity

162

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001R). (Attach schedule).

170

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175

Credit Claimed 180

Subtotal of Income Tax

40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180 = 190 19,031

continued on Page 7

Corporation's Legal Name

Ontario Corporations Tax Account No. (MOF)

Taxation Year End

Erie Thames Powerlines Corporation

1800076

2005-12-31

DOLLARS ONLY

Income Tax continued from Page 6

Specified Tax Credits (Refer to Guide)

Ontario Innovation Tax Credit (OITC) (s.43.3) Applies to scientific research and experimental development in Ontario.

Eligible Credit From 820 OITC Claim Form (Attach original Claim Form)

181

Co-operative Education Tax Credit (CETC) (s.43.4) Applies to employment of eligible students.

Eligible Credit From 5784 CT23 Schedule 113 (Attach Schedule 113)

182

Ontario Film & Television Tax Credit (OFTTC) (s.43.6)

Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.

Eligible Credit From 5850 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC) (Attach the original Certificate of Eligibility)

183

Graduate Transitions Tax Credit (GTTC) (s.43.8)

Applies to employment of eligible unemployed post-secondary graduates, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005.

Eligible Credit From 5888 CT23 Schedule 115 (Attach Schedule 115)

185

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)

Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.

Eligible Credit From 6005 OBPTC Claim Form (Attach both the original Claim Form and the Certificate of Eligibility)

186

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)

Applies to labour relating to computer animation and special effects on an eligible production.

Eligible Credit From 6788 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC) (Attach the original Certificate of Eligibility)

187

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)

Applies to qualifying R&D expenditures under an eligible research institute contract.

Eligible Credit From 7108 OBRITC Claim Form (Attach original Claim Form)

188

Ontario Production Services Tax Credit (OPSTC) (s.43.10)

Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.

Eligible Credit From 7360 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC) (Attach the original Certificate of Eligibility)

189

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)

Applies to qualifying labour expenditures of eligible products for the taxation year.

Eligible Credit From 7485 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC) (Attach the original Certificate of Eligibility)

190

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)

Applies to qualifying expenditures in respect of eligible Canadian sound recordings.

Eligible Credit From 7800 OSRTC Claim Form (Attach both the original Claim Form and the Certificate of Eligibility)

191

Apprenticeship Training Tax Credit (ATTC) (s.43.13)

Applies to employment of eligible apprentices

Eligible Credit From 3488 CT23 Schedule 114 (Attach Schedule 114)

193

Other (specify)

193.1

Total Specified Tax Credits 181 + 182 + 183 + 185 + 186 + 187 + 188 + 189 + 190 + 193 + 193.1 = 220

Specified Tax Credits Applied to reduce Income Tax

225

Income Tax 190 - 225 OR Enter NIL if reporting Non-Capital Loss (amount cannot be negative)

230

19,031

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see Determination of Applicability section for the CMT on Page 8. If CMT is not applicable, transfer amount in 230 to Income Tax in Summary section on Page 17.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the Application of CMT Credit Carryovers section part B, on Page 8.

Corporate Minimum Tax (CMT)

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DOLLARS ONLY

Total Assets of the corporation + 240 25,031,021
 Total Revenue of the corporation + 241 40,173,370

The above amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue.

If you are a member of an associated group (X) 242 X (Yes)

Name of associated corporation (Canadian & foreign) (If insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (If applicable)	Taxation Year End	Total Assets	Total Revenue
ERIE THAMES SERVICES CORPORATION	1800077	2005-12-31	+ 243 7,492,891	+ 244 9,651,030
ERIE THAMES POWER CORPORATION	1800075	2005-12-31	+ 245 15,774,990	+ 246 852,744
			+ 247	+ 248
Aggregate Total Assets	240 + 243 + 245 + 247, etc.		= 249 48,298,904	
Aggregate Total Revenue	241 + 244 + 246 + 248, etc.			= 250 50,677,144

Determination of Applicability

Applies if either Total Assets 248 exceeds \$5,000,000 or Total Revenue 250 exceeds \$10,000,000.

Short Taxation Years – Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s) / joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation – The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

If CMT is applicable to current taxation year, complete section Calculation: CMT below and Corporate Minimum Tax Schedule 101.

Calculation: CMT (Attach Schedule 101)

Gross CMT Payable - CMT Base From Schedule 101 238 97,370 X From 30 100,000 % X 4 % = 276 3,895
 If negative, enter zero Ontario Allocation

Subtract: Foreign Tax Credit for CMT purposes (Attach Schedule) - 277

Subtract: Income Tax - From 196 19,031

Net CMT Payable (If negative, enter Nil on Page 17) = 280 -15,136

If 280 is less than zero and you do not have a CMT credit carryover, transfer 230 from Page 7 to Income Tax Summary, on Page 17.

If 280 is less than zero and you have a CMT credit carryover A & B below.

If 290 is greater than or equal to zero, transfer 230 to Page 17 and transfer 280 to Page 17, and to Part 4 of Schedule 101: Continuity of CMT Credit Carryovers.

CMT Credit Carryover available From Schedule 101 From 233

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) + From 190 19,031
 Gross CMT Payable + From 276 3,895
 Subtract: Foreign Tax Credit for CMT purposes - From 277
 If 276 - 277 is negative, enter Nil in 290 = 3,895
 Income Tax eligible for CMT Credit = 300 15,136

B. Income Tax (after deduction of specified credits) + From 230 19,031
 Subtract: CMT credit used to reduce income taxes - 310
 Income Tax = 320 19,011
 Transfer to page 17

If A & B apply, 310 cannot exceed the lesser of 230, 300 and your CMT credit carryover available 233.

If only B applies, 310 cannot exceed the lesser of 230 and your CMT credit carryover available 233.

Corporation's Legal Name Ontario Corporations Tax Account No. (MOF) Taxation Year End
 Erie Thames Powerlines Corporation 1800075 2005-12-31

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DOLLARS ONLY

Capital Tax (Refer to Guide and Int.B. 301FR)

If your corporation is a Financial Institution (s.58(2)), complete lines 480 and 490 on page 10 then proceed to page 13.

If your corporation is not a member of an associated group and/or partnership and the Gross Revenue and Total Assets as calculated on page 10 in 290 and 430 are both \$3,000,000 or less, your corporation is exempt from Capital Tax for the taxation year, except for a branch of a non-resident corporation. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter Nil in 590 on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in prior to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be

adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.51(5)). Special rules apply to limited partnerships (Int.B. 301FR).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.68(3)).

Paid-up Capital of Non-Resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of a.2(a) or (b), and whose business is not carried on solely in Canada is deemed to be the greater of (1) taxable income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B. 3010).

Paid-up Capital

Paid-up capital stock (Int.B. 3012R and 3015R) + 350 8,030,524
 Retained earnings (if deficit, deduct) (Int.B. 3012R) + 351 485,917
 Capital and other surpluses, excluding appraisal surplus (Int.B. 3012R) + 352
 Loans and advances (Attach schedule) (Int.B. 3013R) + 353 9,119,128
 Bank loans (Int.B. 3013R) + 354
 Bankers' acceptances (Int.B. 3013R) + 355
 Bonds and debentures payable (Int.B. 3013R) + 356
 Mortgages payable (Int.B. 3013R) + 357
 Loan notes payable (Int.B. 3013R) + 358

Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013R) + 359 -93,896
 Contingent investment, inventory and similar reserves (Int.B. 3012R) + 360
 Other reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012R) + 361 215,768
 Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s)) (Int.B. 3017R) + 362
 Subtotal = 270 17,765,441

Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Refile calculations. Do not submit.) (Int.B. 3012R) - 271

Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015R) - 372

Total Paid-up Capital = 380 17,765,441
 Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015R) - 381

Electrical Generating Corporations Only – All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation

Net Paid-up Capital = 380 17,765,441

Eligible Investment (Refer to Guide and Int.B. 3015R)

Attach computations and list of corporation names and investment amounts. Short-term investments (bankers' acceptances, commercial paper, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Bonds, loan notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998) + 402
 Mortgages due from other corporations + 403
 Shares in other corporations (certain restrictions apply) (Refer to Guide) + 404
 Loans and advances to unrelated corporations + 405
 Eligible loans and advances to related corporations (certain restrictions apply) (Refer to Guide) + 406 87,912
 Share of partnership(s) or joint venture(s) eligible investments (Attach schedule) + 407
 Total Eligible Investments = 410 87,912

continued on Page 10

Capital Tax continued from Page 9

Total Assets (ex.B. 3016R)

Total Assets per balance sheet = 480 25,031,023

Mortgages or other liabilities deducted from assets = 421

Shares of partnership(s)/joint venture(s) total assets (Attach schedule) = 422

Subtract: Investment in partnership(s)/joint venture(s) = 423

Total Assets as adjusted = 430 25,031,023

Amounts in 380 and 381 (if deducted from assets) = 440

Subtract: Amounts in 371, 372 and 381 = 441

Subtract: Appraisal surplus if booked = 442

Add or Subtract: Other adjustments (specify on an attached schedule) = 443

Total Assets = 450 25,031,023

Investment Allowance $(410 + 450) \times 390$ Not to exceed 410 = 460 62,394

Taxable Capital $380 - 460$ = 470 17,703,047

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) = 480 40,173,370

Total Assets (as adjusted) = 430 25,031,023

Calculation of Capital Tax for all Corporations except Financial Institutions

Note: This version (2004/2005) of the CT23 may only be used for a taxation year that commenced after December 31, 2002.

Financial institutions use calculations on page 13.

- Important:**
- If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.
 - If the corporation is not a member of an associated group and/or partnership, complete Section B below, then review only the Capital Tax calculations in Section C below, selecting and completing the one specific subsection (e.g. C3) that applies to the corporation.
 - If the corporation is a member of an associated group and/or partnership, complete Section B below and Section D on page 11, and if applicable, complete Section E or Section F on page 12. Note: If the corporation is a member of a connected partnership, please refer to the 2004/2005 CT23 Guide for additional instructions before completing the Capital Tax section.

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (ex.B. 3016).

Enter NIL in 500 on page 12 and complete the return from that point.

SECTION B

Calculation of Taxable Capital Deduction (TCD)

Number of Days in Taxation Year		
Days before Jan. 1, 2006	Total Days	
5,000,000 x 75	365	= + 500
7,500,000 x 36	365	= + 501
10,000,000 x 37	365	= + 502
Taxable Capital Deduction (TCD) $500 + 501 + 502$		= 503 7,500,000

SECTION C

This section applies if the corporation is not a member of an associated group and/or partnership.

- C1 If 420 and 480 on page 10 are both \$3,000,000 or less, enter NIL in 500 on page 12 and complete the return from that point.
- C2 If Taxable Capital in 470 is equal to or less than the TCD in 503, enter NIL in 500 on page 12 and complete the return from that point.
- C3 If Taxable Capital in 470 exceeds the TCD in 503, complete the following calculation and transfer the amount from 523 to 543 on page 12, and complete the return from that point.

+ From 470 =

- From 503 =

= 471

From 30 x 100,000% x 0.3% x 365 (900 if less year) = 323

Ontario Allocation

If filing taxation year, refer to Guide.

Transfer to 543 on page 12 and complete the return from that point

continued on Page 11

Corporation's Legal Name Ontario Corporations Tax Account No. (MOF) Taxation Year End

Erie Thames Powerlines Corporation 1800076 2005-12-31

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Capital Tax Calculation continued from Page 10

SECTION D

This section applies ONLY to a corporation that is a member of an associated group (excluding Financial Institutions and corporations exempt from Capital Tax) and/or partnership. You must check either 509 or 524 and complete this section before you can calculate your Capital Tax Calculation under either Section E or Section F.

- D1 ☐ 509 (X if applicable) All corporations that you are associated with do not have a permanent establishment in Canada.
- If Taxable Capital 470 on page 10 is equal to or less than the TCD 503 on page 10, enter NIL in 500 on page 12 and complete the return from that point.
- If Taxable Capital 470 on page 10 exceeds the TCD 503 on page 10, proceed in Section E, enter the TCD amount in 543 in Section E, and complete Section E and the return from that point.

- D2 ☒ 524 (X if applicable) One or more of the corporations that you are associated with maintains a permanent establishment in Canada.

You and your associated group may continue to allocate the TCD by completing the Calculation below. Or, the associated group may file an election under subsection 89(2.1) of the Corporations Tax Act, whereby total assets are used to allocate the TCD among the associated group. Once a ss.89(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as Net Deduction) of the capital tax effect relating to the TCD to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may request its Net Deduction amount be apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on whatever basis the corporate group wishes, as long as the total of this reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

Calculation Do not complete this calculation if ss.89(2.1) election is filed

Taxable Capital From 470 on page 10 + From 470 17,703,047

Decrease aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Names of associated corporations (excluding Financial Institutions and corporations exempt from Capital Tax) having a permanent establishment in Canada (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
ERIE THAMES SERVICES CORPORATION	1800077	2005-12-31	+ 531 3,485,893
ERIE THAMES POWER CORPORATION	1800075	2005-12-31	+ 532 3,533,962
			+ 533
Aggregate Taxable Capital 470 + 531 + 532 + 533, etc.			= 540 24,725,862

If 540 above is equal to or less than the TCD 503 on page 10, the corporation's Capital Tax for the taxation year is NIL.

Enter NIL in 523 in section E on page 12, as applicable.

If 540 above is greater than the TCD 503 on page 10, the corporation must compute its share of the TCD below in order to calculate its Capital Tax for the taxation year under Section E on page 12.

$$\text{From } 470 \quad 17,703,047 + \text{From } 540 \quad 24,725,862 \times \text{From } 503 \quad 7,500,000 = 541 \quad 5,369,797$$

Transfer to 542 in Section E on page 12

Ss.89(2.1) Election Filed

- ☐ 501 (X if applicable) Election filed. Attach a copy of Schedule 991 with this CT23 Return
- Proceed to Section F on page 12.

continued on Page 12

DOLLARS ONLY

Capital Tax Calculation continued from Page 11

SECTION E

This section applies if the corporation is a member of an associated group and/or partnership whose total aggregate Taxable Capital [540] on page 11 exceeds the TCD [503] on page 10.

Complete the following calculation and transfer the amount from [531] to [542], and complete the return from that point.

$$\begin{array}{rcl}
 + \text{ From [470] } & 17,203,047 & \\
 - & [542] & 5,369,797 \\
 = & [471] & 12,333,250
 \end{array}
 \times \text{ From [30] } 100.0000\% \times 0.1\% \times \frac{\text{Days in taxation year [555] 365}}{365 \text{ (366 if leap year)}} = + [523] 37,000$$

Total Capital Tax for the taxation year

Ontario Allocation

Transfer to [542] and complete the return from that point

SECTION F

This section applies if a corporation is a member of an associated group and the associated group has filed a s.89(2.1) election.

$$+ \text{ From [470] } \times \text{ From [30] } 100.0000\% \times 0.1\% = + [581]$$

Ontario Allocation

$$- \text{ Capital tax deduction from [905] relating to your corporation's Capital Tax deduction, on Schedule 501} = - [582]$$

$$\text{Capital Tax} = [581] \times \frac{\text{Days in taxation year [555] 365}}{365 \text{ (366 if leap year)}} = [583]$$

Total Capital Tax for the taxation year

Transfer to [542] and complete the return from that point

* If floating taxation year, refer to Guide.

$$\begin{array}{rcl}
 \text{Capital Tax before application of specified credits} & = & [543] 37,000 \\
 \text{Subtract: Specified Tax Credits applied to reduce capital tax payable (Refer to Guide)} & = & [548] \\
 \text{Capital Tax [543] - [548] (amount cannot be negative)} & = & [550] 37,000
 \end{array}$$

Transfer to page 17

continued on Page 13

DOLLARS ONLY

Capital Tax continued from Page 12

Calculation of Capital Tax for Financial Institutions

1.1 Credit Unions only

For taxation years commencing after May 4, 1998 enter NIL in [550] on page 12, and complete the return from that point.

1.2 Other than Credit Unions

(Retain details of calculations for amounts in boxes [565] and [570]. Do not submit with this tax return.)

$$[565] \times 0.6\% \times \text{ From [30] } 100.0000\% \times \frac{\text{Days in taxation year [555] 365}}{365 \text{ (366 if leap year)}} = + [569]$$

Ontario Allocation

Lesser of adjusted Taxable Paid Up Capital and Basic Capital Amount in accordance with Division B.1

$$[570] \times [571] \times \text{ From [30] } 100.0000\% \times \frac{\text{Days in taxation year [555] 365}}{365 \text{ (366 if leap year)}} = + [574]$$

Capital Tax Rate (Refer to Guide)

Ontario Allocation

Adjusted Taxable Paid Up Capital in accordance with Division B.1 in excess of Basic Capital Amount

$$\text{Capital Tax for Financial Institutions - other than Credit Unions (before Section 2)} [569] + [574] = [578]$$

* If floating taxation year, refer to Guide.

2. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

$$\text{Allowable Credit for Eligible Investments} = [585]$$

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (X) ☐ Yes

$$\text{Capital Tax - Financial Institutions [578] - [585]} = [588]$$

Transfer to [543] on page 12

Premium Tax (s.74.2 & 74.3) (Refer to Guide)

$$(1) \text{ Uninsured Benefits Arrangements [587] } \times 2\% = [586]$$

Applies to Ontario-related uninsured benefits arrangements.

$$(2) \text{ Unlicensed Insurance (enter premium tax payable in [589] and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in [589].)}$$

Applies to insurance brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

$$\text{Deduct: Specified Tax Credits applied to reduce premium tax (Refer to Guide)} = - [589]$$

$$\text{Premium Tax [586] - [589]} = [590]$$

Transfer to page 17

DOLLARS ONLY

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net income (loss) for federal income tax purposes, per federal T2 Schedule 1 - - - - - + [800] 746,024
Transfer to page 14

Add:

Federal capital cost allowance	+ [901]	714,118	\$
Federal cumulative eligible capital deduction	+ [902]	33,057	\$
Ontario taxable capital gain	+ [903]		\$
Federal non-allowable reserves, Balance beginning of year	+ [904]		\$
Federal allowable reserves, Balance end of year	+ [905]		\$
Ontario non-allowable reserves, Balance end of year	+ [906]		\$
Ontario allowable reserves, Balance beginning of year	+ [907]		\$
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ [908]		\$
Federal resource allowance (Refer to Guide)	+ [909]		\$
Federal depletion allowance	+ [910]		\$
Federal foreign exploration and development expenses	+ [911]		\$
Crown charges, royalties, rentals, etc. deducted for Federal purposes (Refer to Guide)	+ [917]		\$
Management fees, rents, royalties and similar payments to non-arm's length non-residents			\$

Number of Days in Taxation Year	
Days after Dec. 31, 2003 and before Jan. 1, 2004	Total Days
[612] x 5 / 12.5 x [33] + [73] 365	= + [833]
Days after Dec. 31, 2003	Total Days
[612] x 5 / 14 x [34] 365 + [73] 365	= + [834]

Total add-back amount for Management fees, etc. [833] + [834] = + [813]

Federal Scientific Research Expenses claimed in year from line [460] of fed. form T681 excluding any negative amount in [473] from Ont. CT23 Schedule 161 + [815]

Add any negative amount in [473] from Ont. CT23 Schedule 161 + [816]

Federal allowable business investment loss + [820]

Total of other items not allowed by Ontario but allowed federally (Attach schedule) + [814]

Total of Additions [801] to [911] + [813] + [815] + [816] + [820] + [814] = 747,175 + [840] 747,175
Transfer to page 14

Deduct:

Ontario capital cost allowance (excludes amounts deducted under [675])	+ [850]	714,118	\$
Ontario cumulative eligible capital deduction	+ [851]	33,057	\$
Federal taxable capital gain	+ [852]		\$
Ontario non-allowable reserves, Balance beginning of year	+ [853]		\$
Ontario allowable reserves, Balance end of year	+ [854]		\$
Federal non-allowable reserves, Balance end of year	+ [855]		\$
Federal allowable reserves, Balance beginning of year	+ [856]		\$
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.)	+ [857]		\$
Ontario depletion allowance	+ [858]		\$
Ontario resource allowance (Refer to Guide)	+ [859]		\$
Ontario current cost adjustment (Attach schedule)	+ [861]		\$
CCA on assets used to generate electricity from natural gas, alternative or renewable resources.	+ [875]		\$

Subtotal of deductions for this page [850] to [859] + [861] + [875] [861] 747,175
Transfer to page 14

continued on Page 15

DOLLARS ONLY

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ
continued from Page 14

Net income (loss) for federal income tax purposes, per federal Schedule 1 - - - - - From + [800] 746,024

Total of Additions on page 14 - - - - - From + [840] 747,175

Sub Total of deductions on page 14 - - - - - From = [861] 747,175

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up
(Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year)

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year + [902]

ONTTI Gross-up deduction calculation:

$$\text{Gross-up of CCA} \\ \text{From [902]} \times \frac{100}{\text{From [30]} \frac{100,000}{\text{Ontario Allocation}}} - \text{From [902]} = [903]$$

Workplace Child Care Tax Incentive (WCCIT)

(Applies to eligible expenditures incurred prior to January 1, 2005.)

$$\text{Qualifying expenditures: [905]} \times 30\% \times \frac{100}{\text{From [30]} \frac{100,000}{\text{Ontario Allocation}}} = [906]$$

Workplace Accessibility Tax Incentive (WATI)

(Applies to eligible expenditures incurred prior to January 1, 2005.)

$$\text{Qualifying expenditures: [907]} \times 100\% \times \frac{100}{\text{From [30]} \frac{100,000}{\text{Ontario Allocation}}} = [908]$$

Number of Employees accommodated [909]

Ontario School Bus Safety Tax Incentive (OSBSTI)

(Applies to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2008.) (Refer to Guide)

$$\text{Qualifying expenditures: [910]} \times 30\% \times \frac{100}{\text{From [30]} \frac{100,000}{\text{Ontario Allocation}}} = [911]$$

Educational Technology Tax Incentive (ETTI)

(Applies to eligible expenditures incurred prior to January 1, 2005.)

$$\text{Qualifying expenditures: [912]} \times 15\% \times \frac{100}{\text{From [30]} \frac{100,000}{\text{Ontario Allocation}}} = [913]$$

Ontario allowable business investment loss + [878]

Ontario Scientific Research Expenses claimed in year in [477] from Ont. CT23 Schedule 161 + [879]

Amount added to income federally for an amount that was negative on federal form T681, line 454 or 455 (if filed after June 30, 2003) + [877]

Total of other deductions allowed by Ontario (Attach schedule) + [884]

Total of Deductions [861] + [903] + [906] + [908] + [911] + [913] + [878] + [879] + [877] + [884] = 747,175 + [880] 747,175

Net Income (loss) for Ontario Purposes [800] + [840] - [880] = [890] 746,024
Transfer to page 14

DOLLARS ONLY

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses	Farm Losses	Restricted Farm Losses	Limited Partnership Losses (8)
Balance at Beginning of Year	700 (2)	710 (2)	720 (2)	730	740
Add:					
Current year's losses (7)	701	711	721	731	741
Losses from predecessor corporations (3)	702	712	722	732	742
Subtotal	703	713	723	733	743
Subtract:					
Utilized during the year to reduce taxable income	704 (2)	715 (2) (4)	724 (2)	734 (2) (4)	744 (4)
Expired during the year	705		725	735	745
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 17	716 (2) to Page 17	726 (2) to Page 17	736 (2) to Page 17	746
Subtotal	707	717	727	737	747
Balance at End of Year	700 (8)	710	720	730	740

Analysis of Balance at End of Year by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only	Farm Losses	Restricted Farm Losses
800 99 preceding taxation year 1997-05-30	817 (8)	890 (8)		850	870
801 98 preceding taxation year 1996-05-30	818 (8)	891 (8)		851	871
802 7th preceding taxation year 1999-02-30	819 (8)	892 (8)		852	872
803 9th preceding taxation year 2000-09-30	820	893	840	853	873
804 9th preceding taxation year 2001-09-30	821	894	841	854	874
805 4th preceding taxation year 2001-12-31	822	895	842	855	875
806 3rd preceding taxation year 2002-12-31	823	896	843	856	876
807 2nd preceding taxation year 2003-12-31	824	897	844	857	877
808 1st preceding taxation year 2004-12-31	825	898	845	858	878
809 Current taxation year 2005-12-31	826	899	846	859	879
Total	828	899	849	860	880

Notes:

- (1) Non-capital losses include allowable business investment losses, fed.s.11(8)(b), as made applicable by s.34.
 (2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.11(4) through 11(5.5), as made applicable by s.34.
 (3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.
 (4) To the extent of applicable gains/income/at-risk amount only.

- (5) Generally a three year carry-back applies. See fed.s.11(1) and fed.s.41(2)(b), as made applicable by s.34.
 (6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.
 (7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.
 (8) Amount in 709 must equal total of 822 + 830.
 (9) Include non-capital losses incurred in taxation years ending after March 22, 2004.

Corporation's Legal Name

Ontario Corporation Tax Account No. (MOF)

Taxation Year End

Erie Thames Powerlines Corporation

1800076

2005-12-31

DOLLARS ONLY

Request for Loss Carry-Back (s.60(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.60(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under any Act administered by the Ministry of Finance.

- Any late filing penalty applicable in the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
 - the first day of the taxation year after the loss year,
 - the day on which the corporation's return for the loss year is delivered to the Minister, or
 - the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a predecessor corporation, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporation's Tax Account No. (MOF)	901	902	903	
Taxation Year Ending year month day	2002-12-31	2003-12-31	2004-12-31	
i) 3 rd preceding	911	921	931	941
ii) 2 nd preceding	912	922	932	942
iii) 1 st preceding	913	923	933	943
Total loss to be carried back	From 706	From 716	From 726	From 736
Balance of loss available for carry-forward	919	929	939	949

Summary

Income Tax	- - - - -	+ From 230 or 320	19,031 s
Corporate Minimum Tax	- - - - -	+ From 280	s
Capital Tax	- - - - -	+ From 550	37,000 s
Premium Tax	- - - - -	+ From 590	s
Total Tax Payable	- - - - -	= 650	56,031 s
Subtract: Payments	- - - - -	- 980	75,816 s
Capital Gains Refund (s.48)	- - - - -	- 985	s
Qualifying Environmental Trust Tax Credit (Refer to Guide)	- - - - -	- 985	s
Specialized Tax Credits (Refer to Guide)	- - - - -	- 865	s
Other, specify	- - - - -	-	s
Balance	- - - - -	= 970	-19,785 s
If payment due	- - - - -	Enclosed * 980	s
If overpayment: Refund (Refer to Guide)	- - - - -	= 975	19,785 s
Apply to	- - - - -	980	(Includes credit forward)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, payable to the Minister of Finance and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order. (Refer to Guide for other payment methods.)

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the Corporations Tax Act. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

JEFFREY PETTIT

Title

PRESIDENT

Full Residence Address

143 BELL STREET

ON CA NSC 3K5

Signature

Date

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Attached Schedule with Total

Other reserves not allowed as reductions for income tax purposes (Attach schedule) (Int.B. 301.28)

Title		Line 361	
Description		Amount	
Per Future Tax schedule - diff between tax value and book value of assets		215,769.00	
Total		215,769.00	

**Corporate Minimum Tax (CMT)
CT23 Schedule 101**

Page 1 of 3

Corporation's Legal Name Erie Thames Powerlines Corporation	Ontario Corporations Tax Account No. (MOP) 1800076	Taxation Year End 2005-12-31
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Part 1: Calculation of CMT Base

Banks - Net Income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Life Insurance corporations - Net Income/loss before Special Additional Tax as determined under s.57.1(2)(c) or (d)

Net Income/loss (unconsolidated, determined in accordance with GAAP) \pm [2100] **218,370**

Subtract (to the extent reflected in net Income/loss):

Provision for recovery of income taxes / benefit of current income taxes	+ [2101]	
Provision for deferred income taxes (credits) / benefit of future income taxes	+ [2102]	189,000
Equity income from corporations	+ [2103]	
Share of partnership(s)/joint venture(s) income	+ [2104]	
Dividends received/receivable deductible under fed.s.112	+ [2105]	
Dividends received/receivable deductible under fed.s.113	+ [2106]	
Dividends received/receivable deductible under fed.s.83(2)	+ [2107]	
Dividends received/receivable deductible under fed.s.138(6)	+ [2108]	
Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1)	+ [2109]	$\times 3$
Subtotal		189,000
	- [2110]	189,000

Add (to extent reflected in net Income/loss):

Provision for current taxes / cost of current income taxes	+ [2111]	68,000
Provision for deferred income taxes (debits) / cost of future income taxes	+ [2112]	
Equity losses from corporations	+ [2113]	
Share of partnership(s)/joint venture(s) losses	+ [2114]	
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ [2115]	
Subtotal		68,000
	+ [2116]	68,000

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years			
** Fed.s.85	+ [2117]	or - [2118]	
** Fed.s.85.1	+ [2119]	or - [2120]	
** Fed.s.97	+ [2121]	or - [2122]	
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ [2123]	or - [2124]	
** Amounts relating to wind-ups (fed.s.89) as prescribed in regulations for current/prior years	+ [2125]	or - [2126]	
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	+ [2127]	or - [2128]	
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income	- [2150]		
Subtotal (Additions)			+ [2129]
Subtotal (Subtractions)			- [2130]
** Other adjustments			+ [2131]
Subtotal \pm [2100] - [2110] + [2116] + [2129] - [2130] \pm [2131]			+ [2132] 97,370
** Share of partnership(s)/joint venture(s) adjusted net income/loss	+ [2133]		
- net income (loss) (if loss, transfer to [2202] in Part 2: Continuity of CMT Losses Carried Forward.)	- [2134]		97,370
- pre-1994 Loss	+ From [2210]		
- no losses	- [2211]		
- or increase to loss	- [2135]		
Subtotal			[2136] 97,370

Deduct: * CMT losses
* CMT losses: other eligible

* CMT losses applied cannot exceed adjusted net income
* Retain calculations. Do not submit with this schedule.
CMT Base

Transfer to Note on Page 2

* the CT23 or Page 6 of the CT2

WASTE TAXPREF - 2005 V.

**Corporate Minimum Tax (CMT)
CT23 Schedule 101**

Corporation's Legal Name Erie Thames Powerlines Corporation	Ontario Corporations Tax Account No. (MOP) 1800076	Taxation Year End 2005
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Part 2: Continuity of CMT Losses Carried Forward

Balances at Beginning of year NOTE (1), (2)		+ [2201]	
Add: Current year's losses	+ [2202]		
Losses from predecessor corporations on amalgamation NOTE (3)	+ [2203]		
Losses from predecessor corporations on wind-up NOTE (3)	+ [2204]		
Amalgamation (X) [2205] <input type="checkbox"/> Yes Wind-up (X) [2206] <input type="checkbox"/> Yes			
Subtotal			+ [2207]
Adjustments (attach schedule)			+ [2208]
CMT losses available [2201] + [2207] \pm [2208]			= [2209]
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income	+ [2210]		
Other eligible losses utilized during the year to reduce adjusted net income NOTE (4)	+ [2211]		
Losses expired during the year	+ [2212]		
Subtotal			- [2213]
Balances at End of Year NOTE (5) [2209] - [2213]			= [2214]

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and a 57.9(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income [2134] and CMT losses available [2209]

(5) Amount in [2214] must equal sum of [2270] + [2290]

Part 3: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year and before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
[2240]	6th preceding taxation year 1997-09-30	[2260]	[2280]
[2241]	5th preceding taxation year 1998-09-30	[2261]	[2281]
[2242]	4th preceding taxation year 1999-09-30	[2262]	[2282]
[2243]	3rd preceding taxation year 2000-09-30	[2263]	[2283]
[2244]	2nd preceding taxation year 2001-09-30	[2264]	[2284]
[2245]	1st preceding taxation year 2001-12-31	[2265]	[2285]
[2246]	2nd preceding taxation year 2002-12-31	[2266]	[2286]
[2247]	3rd preceding taxation year 2003-12-31	[2267]	[2287]
[2248]	4th preceding taxation year 2004-12-31	[2268]	[2288]
[2249]	Current taxation year 2005-12-31	[2269]	[2289]
Totals		[2270]	[2290]

The sum of amounts [2270] + [2290] must equal amount in [2214]

CCP/PT

**Corporate Minimum Tax (CMT)
CT23 Schedule 101**

Page 3 of 3

Corporation's Legal Name Erie Thames Powerlines Corporation	Ontario Corporations Tax Account No. (MOF) 1800076	Taxation Year End 2005-12-31
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Part 4: Continuity of CMT Credit Carryovers

Balance at Beginning of year NOTE (1) + **2301**

Add: Current year's CMT Credit (**280**) on page 8 of the CT23
or **347** on page 8 of the CTB, if negative, enter NIL.) + From **280** or **347**)

Gross Special Additional Tax Note (2) **312** on page 5 of CTB.

(Life Insurance corporations only.)

Others enter NIL.) + From **312**)

Subtract Income Tax

(**180**) on page 6 of the CT23 or
page 4 of the CTB) - From **190**)

Subtotal (if negative, enter NIL) = **2305**

Current year's CMT credit (if negative, enter NIL) **280** or **347** - **2305** = **2310**

CMT Credit Carryovers from predecessor corporations NOTE (3) + **2325**

Amalgamation (X) **2315** ☐ Yes Wind-up (X) **2320** ☐ Yes

Subtotal **2301** + **2310** + **2325** = **2330**

Adjustments (Attach schedule) ± **2332**

CMT Credit Carryover available **2330** ± **2332** = **2333**

Transfer to Page 8 of the CT23 or Page 6 of the CTB

Subtract: CMT Credit utilized during the year to reduce income tax

(**310**) on page 8 of the CT23 or **351** on page 6 of the CTB.) + From **310** or **351**)

CMT Credit expired during the year + **2334**

Subtotal = **2335**

Balances at End of Year NOTE (4) **2333** - **2335** = **2338**

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b)).

(3) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s 87 applies and/or a wind-up to which fed.s 88(1) applies. (see s.43.1(4))

(4) Amount in **2338** must equal sum of **2370** + **2390**

Part 5: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	9th preceding taxation year 1997-09-30	2360	2380
2341	8th preceding taxation year 1998-09-30	2361	2381
2342	7th preceding taxation year 1999-09-30	2362	2382
2343	6th preceding taxation year 2000-09-30	2363	2383
2344	5th preceding taxation year 2001-09-30	2364	2384
2345	4th preceding taxation year 2001-12-31	2365	2385
2346	3rd preceding taxation year 2002-12-31	2366	2386
2347	2nd preceding taxation year 2003-12-31	2367	2387
2348	1st preceding taxation year 2004-12-31	2368	2388
2349	Current taxation year 2005-12-31	2369	2389
Totals		2370	2390

The sum of amounts **2370** + **2390**
must equal amount in **2338**.

**Corporate Minimum Tax (CMT)
CT23 Schedule 101 – Supporting Schedule**

Corporation's Legal Name Erie Thames Powerlines Corporation	Ontario Corporations Tax Account No. (MOF) 1800076	Taxation Year End 2005-12-31
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CMT Losses Carried Forward Worksheet

(I) Continuity of Pre-1994 CMT Losses

	Corporation's Pre-1994 Loss	Predecessors' Pre-1994 Loss Amalgamation	Predecessors' Pre-1994 Loss Wind-Up
Date of the last tax year end before the corp's 1st tax year commencing after 1993			
Pre-1994 Loss (per schedule)			
Less: Claimed in prior taxation years commencing after 1993			
Pre-1994 Loss available for the current year			
Less: Deducted in the current year			
(max. = ad. net income for the year)			
Expired after 10 years			
Pre-1994 Loss Carryforward			

**(II) Continuity of Other Eligible CMT Losses – Filing Corporation
(for losses occurring in tax years commencing after 1993)**

	Year of Origin Opening Balance	Adjustment	Deduction	Expired	Closing Balance
YYYY/MM/DD					
10th Prior Year	1996-09-30				
9th Prior Year	1997-09-30				
8th Prior Year	1998-09-30				
7th Prior Year	1999-09-30				
6th Prior Year	2000-09-30				
5th Prior Year	2001-09-30				
4th Prior Year	2001-12-31				
3rd Prior Year	2002-12-31				
2nd Prior Year	2003-12-31				
1st Prior Year	2004-12-31				
Total					

Predecessor Corporations Only – Amalgamation

(Indicate the amounts of eligible CMT losses from predecessor corporations. Do not include these amounts in the 'opening balance' of the Filing Corporation.)

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-09-30						
1997-09-30						
1998-09-30						
1999-09-30						
2000-09-30						
2001-09-30						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

**Corporate Minimum Tax (CMT)
CT23 Schedule 101 – Supporting Schedule**

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Erie Thames Powerlines Corporation	1800076	2005-12-31

CMT Losses Carried Forward Workchart (continued)

Predecessor Corporations Only – Wind-Up						
Indicate the amounts of eligible CMT losses from predecessor corporations. Do not include these amounts in the 'opening balance' of the Filing Corporation.						
Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-09-30						
1997-09-30						
1998-09-30						
1999-09-30						
2000-09-30						
2001-09-30						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

**Corporate Minimum Tax (CMT)
CT23 Schedule 101 – Supporting Schedule**

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Erie Thames Powerlines Corporation	1800076	2005-12-31

CMT Credit Carryovers Workchart

Filing Corporation						
Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance	
10th Prior Year	1996-09-30					
9th Prior Year	1997-09-30					
8th Prior Year	1998-09-30					
7th Prior Year	1999-09-30					
6th Prior Year	2000-09-30					
5th Prior Year	2001-09-30					
4th Prior Year	2001-12-31					
3rd Prior Year	2002-12-31					
2nd Prior Year	2003-12-31					
1st Prior Year	2004-12-31					
Total						

Predecessor Corporations Only – Amalgamation						
Indicate the amounts of CMT credit carryovers from predecessor corporations. Do not include these amounts in the 'opening balance' of the Filing Corporation.						
Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-09-30						
1997-09-30						
1998-09-30						
1999-09-30						
2000-09-30						
2001-09-30						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

Predecessor Corporations Only – Wind-Up						
Indicate the amounts of CMT credit carryovers from predecessor corporations. Do not include these amounts in the 'opening balance' of the Filing Corporation.						
Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-09-30						
1997-09-30						
1998-09-30						
1999-09-30						
2000-09-30						
2001-09-30						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

Paid-Up Capital: Loans and Advances

[illegible]

Ontario Capital Cost Allowance
Schedule 8

Corporation's Legal Name		Ontario Corporations Tax Account No. (MOF)						Taxation Year End					
Erie Thames Powerlines Corporation		1803076						2005-12-31					
Is the corporation electing under regulation 1101(5q)?										1 <input type="checkbox"/> Yes		2 <input checked="" type="checkbox"/> No	
1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9, or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)	
1	94,074	2,520		0	96,594	1,260	95,334	4	0	0	3,813	92,78	
1	124,424			0	124,424		124,424	4	0	0	4,977	119,44	
1	1,074,746	131,306		0	1,206,051	66,653	1,140,398	4	0	0	45,616	1,190,43	
1	13,389,057	1,105,979		0	14,495,036	557,990	13,942,046	4	0	0	557,982	13,937,35	
8	3,531	6,464		0	9,995	3,732	6,763	20	0	0	1,353	8,64	
10	4,597			0	4,597		4,597	30	0	0	1,379	3,21	
10	3,415			0	3,415		3,415	30	0	0	1,025	2,39	
12	58,486	76,285		0	135,781	38,143	97,638	100	0	0	97,638	38,14	
45		2,822		0	2,822	1,411	1,411	45	0	0	635	2,18	
Totals	14,753,340	1,325,375			16,078,715	662,585	15,416,036				714,116	15,364,59	
Enter in boxes										650	650	650	on the CT23.

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 110002 and 02.2) of the Income Tax Act (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3 If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4: Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.



Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Ottawa ON K1H 8E9

Ontario Cumulative Eligible Capital Deduction Schedule 10

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Erie Thames Powerlines Corporation	1800076	2005-12-31

- For use by a corporation that has eligible capital property.
- A separate cumulative eligible capital account must be kept for each business.

Part 1 - Calculation of current year deduction and carry-forward

Ontario Cumulative eligible capital - balance at end of preceding taxation year (if negative, enter zero) 472,247 A

Add: Cost of eligible capital property acquired during the taxation year B

Amount transferred on amalgamation or wind-up of subsidiary C

Other adjustments D

Total of B + C + D E

Subtotal A + E 472,247 F

Deduct: Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year G

The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the Income Tax Act (Canada) H

Other adjustments I

Total of G + H + I J

Ontario cumulative eligible capital balance F - J 472,247 K

If K is negative, enter zero at line M and proceed to Part 2

Current year deduction 472,247 K x 7% = 33,057 L

* The maximum current year deduction is 7%. However, you can claim any amount up to the maximum.

Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero) 439,190 M

Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

Part 2 - Amount to be included in Income arising from disposition

Only complete this part only if the amount at line K is negative

Amount from line K above show as a positive amount N

Total cumulative eligible capital deductions from Income for taxation years beginning after June 30, 1988 1

Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7) of the ITA 2

Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988 3

Negative balances in the cumulative eligible capital account that were included in Income for taxation years beginning before July 1, 1988 4

Line 3 deduct line 4 5

Total lines 1 + 2 + 5 6

Line 7 from previous Ontario Schedule 10 for taxation years ending after February 27, 2000 7

Deduct line 7 from line 6

N - 0 (cannot be negative)

Amount on line 5 1 / 2

P - Q

Amount on line R 2 / 3

Lesser of line N or line O

Amount to be included in Income S + T

Note: For taxation years ending after February 27, 2000 and before October 18, 2000 use 8/9 to calculate S

Cumulative Eligible Capital Deduction Workchart

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Erie Thames Powerlines Corporation	1800076	2005-12-31

- For use by a corporation that has eligible capital property.
- A separate cumulative eligible capital account must be kept for each business.

Complete one workchart for each type of eligible capital. The total amounts for each line will be posted on Ontario Schedule 10.

Calculation of current year deduction and carry-forward

Description:

Ontario Cumulative eligible capital - balance at end of preceding taxation year (if negative, enter zero) 472,247 A

Add: Cost of eligible capital property acquired during the taxation year B

Amount transferred on amalgamation or wind-up of subsidiary C

Other adjustments D

Total of B + C + D E

Subtotal A + E 472,247 F

Deduct: Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year G

The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the Income Tax Act (Canada) H

Other adjustments I

Total of G + H + I J

Ontario cumulative eligible capital balance F - J 472,247 K

If K is negative, enter zero at line M

Current year deduction 472,247 K x 7% = 33,057 L

* The maximum current year deduction is 7%. However, you can claim any amount up to the maximum.

Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero) 439,190 M

Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

Five Year Comparative Summary

	Current year	1st prior year	2nd prior year	3rd prior year	4th prior year
Federal Information					
Taxation year end	2005-12-31	2004-12-31	2003-12-31	2002-12-31	2001-12-31
Balance due/refund			43,592	28,696	
Net income	346,024	260,459	1,021,743	136,647	-700,736
Taxable income	346,024	260,459	337,918		
Active business income	346,024	260,459	1,021,743	136,647	
Dividends paid	485,915				
Federal taxes					
Part I	45,665	54,696	77,721		
Surtax	3,875	2,917	3,785		
Part I.3			27,794	28,696	7,113
Part IV					
Other federal taxes (Parts II, IV.1, VI, VI.1, XII.1, XIV)					
Credits against part I tax					
Small business deduction	48,000				
M&P deduction					
Foreign tax credit					
Political contribution					
Investment tax credit					
Abatement/other	34,602	26,046	33,792		
Refunds/credits					
ITC refund					
Dividend refund					
Installments	49,540	57,613	65,708		7,113
Other					
Ontario					
Taxable income	346,024	260,459	337,918		
Income tax payable before deduction	48,443	36,464	42,240		
Income tax deductions & credits	29,412	22,139	21,564		
Net income tax payable	19,031	14,325	20,676		
Taxable capital	17,703,047	17,800,726	16,670,957	15,659,047	16,698,830
Capital tax payable	37,000	53,402	38,853	35,799	9,932
Total tax payable	56,031	67,727	59,529	35,799	9,932
Balance due/refund	-19,785	-43,500	59,529	28,810	-6,955

 Ontario Energy Board Deferral/ Variance Account Work Form	
Choose Your Utility: <input type="text" value="Chatham-Kent Hydro Inc."/> <input type="text" value="Clinton Power Corporation"/> <input type="text" value="COLLUS Power Corporation"/>	File Number: <input type="text" value="EB-2011-XXXX"/>
Rate Year: <input type="text" value="2012"/>	

Application Contact Information

Name:

Title:

Phone Number:

Email Address:

General Notes

1. Please ensure that your macros have been enabled. (Tools -> Macro -> Security)
2. Due to the time lag of deferral/variance account dispositions, this model assumes that all opening balances include previously disposed of amounts. Accordingly, all "Board Approved Dispositions" are deducted from the opening balance.
3. Please provide information in this model since the last time your balances were disposed.
4. For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: debit balances are to have a positive figure and credit balance are to have a negative figure) as per the related Board decision.

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

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Ontario Energy Board

Deferral/ Variance Account Work Form

Continuity Schedule

Clinton Power Corporation

		2005										2006					
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-05	Transactions Debit/ (Credit) during 2005 excluding interest and adjustments ⁶	Board-Approved Disposition during 2005	Adjustments during 2005 - other ³	Closing Principal Balance as of Dec-31-05	Opening Interest Amounts as of Jan-1-05	Interest Jan-1 to Dec-31-05	Board-Approved Disposition during 2005	Adjustments during 2005 - other ³	Closing Interest Amounts as of Dec-31-05	Opening Principal Amounts as of Jan-1-06	Transactions Debit/ (Credit) during 2006 excluding interest and adjustments ⁴	Board-Approved Disposition during 2006 ^{2,2A}	Adjustments during 2006 - other ³	Closing Principal Balance as of Dec-31-06	Opening Interest Amounts as of Jan-1-06
Group 1 Accounts																	
LV Variance Account	1550					\$ -					\$ -	\$ -	\$ 81,290			\$ 81,290	\$ -
RSVA - Wholesale Market Service Charge	1580	-\$ 14,167	\$ 3,741			-\$ 10,426	\$ 3,804	-\$ 1,664			\$ 2,140	-\$ 10,426	-\$ 27,917	-\$ 14,167		-\$ 24,176	\$ 2,140
RSVA - Retail Transmission Network Charge	1584	\$ 33,933	\$ 13,782			\$ 47,715	\$ 3,551	\$ 3,163			\$ 6,714	\$ 47,715	\$ 3,971	\$ 33,933		\$ 17,753	\$ 6,714
RSVA - Retail Transmission Connection Charge	1586	-\$ 102,602	-\$ 96,271			-\$ 198,873	-\$ 8,982	-\$ 10,673			-\$ 19,655	-\$ 198,873	-\$ 90,723	-\$ 102,603		-\$ 186,993	-\$ 19,655
RSVA - Power (excluding Global Adjustment)	1588	\$ 145,965	\$ 120,834			\$ 266,799	\$ 22,143	\$ 14,903			\$ 37,046	\$ 266,799	\$ 225,416	\$ 145,965		\$ 346,249	\$ 37,046
RSVA - Power - Sub-Account - Global Adjustment	1588		-\$ 7,463			-\$ 7,463		-\$ 126			-\$ 126	\$ 7,463	-\$ 2,723			-\$ 10,186	-\$ 126
Recovery of Regulatory Asset Balances	1590	-\$ 31,545	-\$ 95,295			-\$ 126,840	-\$ 635	-\$ 4,819			-\$ 5,454	-\$ 126,840	-\$ 191,328	-\$ 723,020		\$ 404,852	-\$ 5,454
Disposition and Recovery of Regulatory Balances (2008) ¹⁰	1595					\$ -					\$ -	\$ -				\$ -	\$ -
Disposition and Recovery of Regulatory Balances (2009) ¹⁰	1595					\$ -					\$ -	\$ -				\$ -	\$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ 31,584	-\$ 60,672	\$ -	\$ -	-\$ 29,088	\$ 19,881	\$ 785	\$ -	\$ -	\$ 20,666	-\$ 29,088	-\$ 2,014	-\$ 659,892	\$ -	\$ 628,790	\$ 20,666
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ 31,584	-\$ 53,209	\$ -	\$ -	-\$ 21,625	\$ 19,881	\$ 911	\$ -	\$ -	\$ 20,792	-\$ 21,625	-\$ 708	-\$ 659,892	\$ -	\$ 638,975	\$ 20,792
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	-\$ 7,463	\$ -	\$ -	-\$ 7,463	\$ -	-\$ 126	\$ -	\$ -	-\$ 126	-\$ 7,463	-\$ 2,723	\$ -	\$ -	-\$ 10,186	-\$ 126
Group 2 Accounts																	
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508					\$ -					\$ -	\$ -				\$ -	\$ -
Other Regulatory Assets - Sub-Account - Pension Contributions	1508					\$ -					\$ -	\$ -				\$ -	\$ -
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508					\$ -					\$ -	\$ -				\$ -	\$ -
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508																
Other Regulatory Assets - Sub-Account - Other ⁷	1508					\$ -					\$ -	\$ -				\$ -	\$ -
Retail Cost Variance Account - Retail	1518					\$ -					\$ -	\$ -				\$ -	\$ -
Misc. Deferred Debits	1525					\$ -					\$ -	\$ -				\$ -	\$ -
Renewable Generation Connection Capital Deferral Account	1531					\$ -					\$ -					\$ -	\$ -
Renewable Generation Connection OM&A Deferral Account	1532					\$ -					\$ -					\$ -	\$ -
Renewable Generation Connection Funding Adder Deferral Account	1533					\$ -					\$ -					\$ -	\$ -
Smart Grid Capital Deferral Account	1534					\$ -					\$ -					\$ -	\$ -
Smart Grid OM&A Deferral Account	1535					\$ -					\$ -					\$ -	\$ -
Smart Grid Funding Adder Deferral Account	1536					\$ -					\$ -					\$ -	\$ -
Retail Cost Variance Account - STR	1548					\$ -					\$ -	\$ -				\$ -	\$ -
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital	1555					\$ -					\$ -	\$ -				\$ -	\$ -
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries	1555					\$ -					\$ -	\$ -				\$ -	\$ -
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555					\$ -					\$ -	\$ -				\$ -	\$ -
Smart Meter OM&A Variance	1556					\$ -					\$ -	\$ -				\$ -	\$ -
Conservation and Demand Management (CDM) Expenditures and Recoveries	1565					\$ -					\$ -	\$ -				\$ -	\$ -
CDM Contra	1566					\$ -					\$ -	\$ -				\$ -	\$ -
Qualifying Transition Costs ⁵	1570					\$ -					\$ -	\$ -				\$ -	\$ -
Pre-market Opening Energy Variance ⁵	1571					\$ -					\$ -	\$ -				\$ -	\$ -
Extra-Ordinary Event Costs	1572					\$ -					\$ -	\$ -				\$ -	\$ -
Deferred Rate Impact Amounts	1574					\$ -					\$ -	\$ -				\$ -	\$ -
RSVA - One-time	1582	\$ 4,644	\$ 378			\$ 5,022	\$ 378	\$ 337			\$ 715	\$ 5,022	\$ 4,644	\$ 960		\$ 1,338	\$ 715
Other Deferred Credits	2425					\$ -					\$ -	\$ -				\$ -	\$ -
Group 2 Sub-Total		\$ 4,644	\$ 378	\$ -	\$ -	\$ 5,022	\$ 378	\$ 337	\$ -	\$ -	\$ 715	\$ 5,022	\$ -	\$ 4,644	\$ 960	\$ 1,338	\$ 715
Deferred Payments in Lieu of Taxes	1562					\$ -					\$ -	\$ -				\$ -	\$ -
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592					\$ -					\$ -	\$ -				\$ -	\$ -

		2005										2006					
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-05	Transactions Debit / (Credit) during 2005 excluding interest and adjustments ⁶	Board-Approved Disposition during 2005	Adjustments during 2005 - other ²	Closing Principal Balance as of Dec-31-05	Opening Interest Amounts as of Jan-1-05	Interest Jan-1 to Dec-31-05	Board-Approved Disposition during 2005	Adjustments during 2005 - other ³	Closing Interest Amounts as of Dec-31-05	Opening Principal Amounts as of Jan-1-06	Transactions Debit / (Credit) during 2006 excluding interest and adjustments ⁶	Board-Approved Disposition during 2006 ^{2,2A}	Adjustments during 2006 - other ³	Closing Principal Balance as of Dec-31-06	Opening Interest Amounts as of Jan-1-06
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592					\$ -					\$ -	\$ -				\$ -	\$ -
Total of Group 1 and Group 2 Accounts (including 1562 and 1592)		\$ 36,228	-\$ 60,294	\$ -	\$ -	-\$ 24,066	\$ 20,259	\$ 1,122	\$ -	\$ -	\$ 21,381	-\$ 24,066	-\$ 2,014	-\$ 655,248	\$ 960	\$ 630,128	\$ 21,381
Special Purpose Charge Assessment Variance Account	1521																
Total including Account 1521 ¹		\$ 36,228	-\$ 60,294	\$ -	\$ -	-\$ 24,066	\$ 20,259	\$ 1,122	\$ -	\$ -	\$ 21,381	-\$ 24,066	-\$ 2,014	-\$ 655,248	\$ 960	\$ 630,128	\$ 21,381
The following is not included in the total claim but are included on a memo basis:																	
Deferred PILs Contra Account ⁸	1563					\$ -					\$ -	\$ -				\$ -	\$ -
Board-Approved CDM Variance Account	1567																
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592					\$ -					\$ -	\$ -				\$ -	\$ -
Disposition and Recovery of Regulatory Balances ¹⁰	1595					\$ -					\$ -	\$ -				\$ -	\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: debit balances are to have a positive figure and credit balance are to have a negative figure) as per the related Board decision.

¹ Applicants may wish to propose kWh as the allocator for account 1521 appending a final decision of the Board

² Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write-off, etc.

^{2A} Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the 2006 EDR and account 1595 during the 2008 EDR and subsequent years as ordered by the Board.

³ Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved disposed balances, please provide amounts for adjustments and include supporting documentations.

⁴ Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 and 29.

⁵ Closed April 30, 2002

⁶ For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transactions during the year.

⁷ Please describe "other" components of 1508 and add more component lines if necessary.

⁸ 1563 is a contra-account and is not included in the total but is shown on a memo basis. Account 1562 establishes the obligation to the ratepayer.

⁹ If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by the Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 11 on the December 31, 2010 balance. The projected interested is recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by the Board in the 2011 rate decision.

¹⁰ Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has been completed, and the audited financial statements support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include the balances in Account 1595 on a memo basis only (line 82).



Clinton Power Corporation

					2007												
Account Descriptions	Account Number	Interest Jan-1 to Dec-31-06	Board-Approved Disposition during 2006 ^{2, 2A}	Adjustments during 2006 - other ³	Closing Interest Amounts as of Dec-31-06	Opening Principal Amounts as of Jan-1-07	Transactions Debit/ (Credit) during 2007 excluding interest and adjustments ⁶	Board-Approved Disposition during 2007	Adjustments during 2007 - other ³	Closing Principal Balance as of Dec-31-07	Opening Interest Amounts as of Jan-1-07	Interest Jan-1 to Dec-31-07	Board-Approved Disposition during 2007	Adjustments during 2007 - other ³	Closing Interest Amounts as of Dec-31-07	Opening Principal Amounts as of Jan-1-08	Transactions Debit/ (Credit) during 2008 excluding interest and adjustments ⁶
Group 1 Accounts																	
LV Variance Account	1550	\$ 1,011			\$ 1,011	\$ 81,290	\$ 118,716			\$ 200,006	\$ 1,011	\$ 6,397			\$ 7,408	\$ 200,006	\$ 132,496
RSVA - Wholesale Market Service Charge	1580	-\$ 845	\$ 2,435		-\$ 1,140	-\$ 24,176	-\$ 54,884			-\$ 79,060	-\$ 1,140	-\$ 2,595			-\$ 3,735	-\$ 79,060	-\$ 6,983
RSVA - Retail Transmission Network Charge	1584	\$ 1,348	\$ 6,832		\$ 1,230	\$ 17,753	-\$ 34,399			-\$ 16,646	\$ 1,230	-\$ 230			\$ 999	-\$ 16,646	-\$ 13,496
RSVA - Retail Transmission Connection Charge	1586	-\$ 9,252	-\$ 18,901		-\$ 10,006	-\$ 186,993	-\$ 121,919			-\$ 308,912	-\$ 10,006	-\$ 11,842			-\$ 21,848	-\$ 308,912	-\$ 113,272
RSVA - Power (excluding Global Adjustment)	1588	\$ 12,465	\$ 36,253		\$ 13,258	\$ 346,249	-\$ 136,535			\$ 209,714	\$ 13,258	\$ 11,184			\$ 24,442	\$ 209,714	\$ 135,187
RSVA - Power - Sub-Account - Global Adjustment	1588	-\$ 720			-\$ 846	\$ 10,186	-\$ 6,560			-\$ 16,745	-\$ 846	-\$ 823			-\$ 1,668	-\$ 16,745	\$ 11,542
Recovery of Regulatory Asset Balances	1590	\$ 2,927			-\$ 2,527	\$ 404,852	273,293			\$ 131,559	-\$ 2,527	\$ 10,270			\$ 7,743	\$ 131,559	-\$ 95,361
Disposition and Recovery of Regulatory Balances (2008) ¹⁰	1595				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Disposition and Recovery of Regulatory Balances (2009) ¹⁰	1595				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ 6,933	\$ 26,619	\$ -	\$ 980	\$ 628,790	-\$ 508,873	\$ -	\$ -	\$ 119,917	\$ 980	\$ 12,360	\$ -	\$ -	\$ 13,340	\$ 119,917	\$ 50,113
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ 7,653	\$ 26,619	\$ -	\$ 1,826	\$ 638,975	-\$ 502,313	\$ -	\$ -	\$ 136,662	\$ 1,826	\$ 13,183	\$ -	\$ -	\$ 15,009	\$ 136,662	\$ 38,571
RSVA - Power - Sub-Account - Global Adjustment	1588	-\$ 720	\$ -	\$ -	-\$ 846	-\$ 10,186	-\$ 6,560	\$ -	\$ -	-\$ 16,745	-\$ 846	-\$ 823	\$ -	\$ -	-\$ 1,668	-\$ 16,745	\$ 11,542
Group 2 Accounts																	
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508				\$ -	\$ -	\$ 9,846			\$ 9,846	\$ -				\$ -	\$ 9,846	
Other Regulatory Assets - Sub-Account - Pension Contributions	1508				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508																
Other Regulatory Assets - Sub-Account - Other ⁷	1508				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Retail Cost Variance Account - Retail	1518				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Misc. Deferred Debits	1525				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Renewable Generation Connection Capital Deferral Account	1531				\$ -					\$ -					\$ -		
Renewable Generation Connection OM&A Deferral Account	1532				\$ -					\$ -					\$ -		
Renewable Generation Connection Funding Adder Deferral Account	1533				\$ -					\$ -					\$ -		
Smart Grid Capital Deferral Account	1534				\$ -					\$ -					\$ -		
Smart Grid OM&A Deferral Account	1535				\$ -					\$ -					\$ -		
Smart Grid Funding Adder Deferral Account	1536				\$ -					\$ -					\$ -		
Retail Cost Variance Account - STR	1548				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital	1555				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries	1555				\$ -	\$ -	-\$ 5,398			-\$ 5,398	\$ -	-\$ 128			128	-\$ 5,398	-\$ 4,977
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Smart Meter OM&A Variance	1556				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	\$ 32
Conservation and Demand Management (CDM) Expenditures and Recoveries	1565				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
CDM Contra	1566				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Qualifying Transition Costs ⁵	1570				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Pre-market Opening Energy Variance ⁵	1571				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Extra-Ordinary Event Costs	1572				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Deferred Rate Impact Amounts	1574				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
RSVA - One-time	1582	\$ 163	\$ 827		\$ 51	\$ 1,338				\$ 1,338	\$ 51	\$ 63			\$ 114	\$ 1,338	
Other Deferred Credits	2425				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
Group 2 Sub-Total		\$ 163	\$ 827	\$ -	\$ 51	\$ 1,338	\$ 4,448	\$ -	\$ -	\$ 5,786	\$ 51	-\$ 65	\$ -	\$ -	-\$ 13	\$ 5,786	-\$ 4,027
Deferred Payments in Lieu of Taxes	1562				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	
PiLs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -	

					2007													
Account Descriptions	Account Number	Interest Jan-1 to Dec-31-06	Board-Approved Disposition during 2006 ^{2, 2A}	Adjustments during 2006 - other ³	Closing Interest Amounts as of Dec-31-06	Opening Principal Amounts as of Jan-1-07	Transactions Debit/ (Credit) during 2007 excluding interest and adjustments ⁶	Board-Approved Disposition during 2007	Adjustments during 2007 - other ³	Closing Principal Balance as of Dec-31-07	Opening Interest Amounts as of Jan-1-07	Interest Jan-1 to Dec-31-07	Board-Approved Disposition during 2007	Adjustments during 2007 - other ³	Closing Interest Amounts as of Dec-31-07	Opening Principal Amounts as of Jan-1-08	Transactions Debit/ (Credit) during 2008 excluding interest and adjustments ⁶	
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -		
Total of Group 1 and Group 2 Accounts (including 1562 and 1592)		\$ 7,096	\$ 27,446	\$ -	\$ 1,032	\$ 630,128	-\$ 504,425	\$ -	\$ -	\$ 125,703	\$ 1,032	\$ 12,296	\$ -	\$ -	\$ 13,327	\$ 125,703	\$ 46,086	
Special Purpose Charge Assessment Variance Account	1521																	
Total including Account 1521 ¹		\$ 7,096	\$ 27,446	\$ -	\$ 1,032	\$ 630,128	-\$ 504,425	\$ -	\$ -	\$ 125,703	\$ 1,032	\$ 12,296	\$ -	\$ -	\$ 13,327	\$ 125,703	\$ 46,086	
The following is not included in the total claim but are included on a memo basis:																		
Deferred PILs Contra Account ⁸	1563				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -		
Board-Approved CDM Variance Account	1567																	
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -		
Disposition and Recovery of Regulatory Balances ¹⁰	1595				\$ -	\$ -				\$ -	\$ -				\$ -	\$ -		

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (a negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 appending a final decision of the Board
Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs
Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of
Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved
Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28
Closed April 30, 2002
For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the tran
Please describe "other" components of 1508 and add more component lines if necessary.
1563 is a contra-account and is not included in the total but is shown on a memo basis. Account 1562 establishes the
If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to April 30, 2012
in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1,
from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by
Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period
support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, inc



2008										2009									
Account Descriptions	Account Number	Board-Approved Disposition during 2008	Adjustments during 2008 - other ³	Closing Principal Balance as of Dec-31-08	Opening Interest Amounts as of Jan-1-08	Interest Jan-1 to Dec-31-08	Board-Approved Disposition during 2008	Adjustments during 2008 - other ³	Closing Interest Amounts as of Dec-31-08	Opening Principal Amounts as of Jan-1-09	Transactions Debit / (Credit) during 2009 excluding interest and adjustments ⁶	Board-Approved Disposition during 2009	Adjustments during 2009 - other ³	Closing Principal Balance as of Dec-31-09	Opening Interest Amounts as of Jan-1-09	Interest Jan-1 to Dec-31-09	Board-Approved Disposition during 2009	Adjustments during 2009 - other ³	
Group 1 Accounts																			
LV Variance Account	1550			\$ 332,502	\$ 7,408	\$ 9,968			\$ 17,376	\$ 332,502	\$ 53,186			\$ 385,688	\$ 17,376	\$ 4,005			
RSVA - Wholesale Market Service Charge	1580			-\$ 86,043	-\$ 3,735	-\$ 3,237			-\$ 6,972	-\$ 86,043	-\$ 89,280			-\$ 3,237	-\$ 6,972	-\$ 467			
RSVA - Retail Transmission Network Charge	1584			-\$ 30,142	\$ 999	-\$ 928			\$ 71	-\$ 30,142	-\$ 12,812			-\$ 42,954	\$ 71	-\$ 276			
RSVA - Retail Transmission Connection Charge	1586			-\$ 422,184	-\$ 21,848	-\$ 13,961			-\$ 35,809	-\$ 422,184	-\$ 101,899			-\$ 524,083	-\$ 35,809	-\$ 5,041			
RSVA - Power (excluding Global Adjustment)	1588			\$ 344,901	\$ 24,442	\$ 10,664			\$ 35,105	\$ 344,901	\$ 283,020			\$ 627,921	\$ 35,105	\$ 5,692			
RSVA - Power - Sub-Account - Global Adjustment	1588			-\$ 5,203	-\$ 1,668	-\$ 655			-\$ 2,323	-\$ 5,203	-\$ 153,058			-\$ 158,261	-\$ 2,323	\$ 12			
Recovery of Regulatory Asset Balances	1590			\$ 36,199	\$ 7,743	\$ 874			\$ 8,617	\$ 36,199	\$ -			\$ 36,199	\$ 8,617	\$ -			
Disposition and Recovery of Regulatory Balances (2008) ¹⁰	1595			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Disposition and Recovery of Regulatory Balances (2009) ¹⁰	1595			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ -	\$ -	\$ 170,030	\$ 13,340	\$ 2,726	\$ -	\$ -	\$ 16,066	\$ 170,030	\$ 157,716	\$ -	\$ -	\$ 327,746	\$ 16,066	\$ 3,925	\$ -	\$ -	
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ -	\$ -	\$ 175,233	\$ 15,009	\$ 3,380	\$ -	\$ -	\$ 18,389	\$ 175,233	\$ 310,774	\$ -	\$ -	\$ 486,007	\$ 18,389	\$ 3,912	\$ -	\$ -	
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	\$ -	-\$ 5,203	-\$ 1,668	-\$ 655	\$ -	\$ -	-\$ 2,323	-\$ 5,203	-\$ 153,058	\$ -	\$ -	-\$ 158,261	-\$ 2,323	\$ 12	\$ -	\$ -	
Group 2 Accounts																			
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508			\$ 9,846	\$ -	\$ 392			\$ 392	\$ 9,846				\$ 9,846	\$ 392	\$ 112			
Other Regulatory Assets - Sub-Account - Pension Contributions	1508			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508					-								\$ -	\$ -	-			
Other Regulatory Assets - Sub-Account - Other ⁷	1508			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Retail Cost Variance Account - Retail	1518			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Misc. Deferred Debits	1525			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Renewable Generation Connection Capital Deferral Account	1531			\$ -		-			\$ -		-			\$ -	\$ -	-			
Renewable Generation Connection OM&A Deferral Account	1532			\$ -		-			\$ -		-			\$ -	\$ -	-			
Renewable Generation Connection Funding Adder Deferral Account	1533			\$ -		-			\$ -		-			\$ -	\$ -	-			
Smart Grid Capital Deferral Account	1534			\$ -		-			\$ -		-			\$ -	\$ -	-			
Smart Grid OM&A Deferral Account	1535			\$ -		-			\$ -		-			\$ -	\$ -	-			
Smart Grid Funding Adder Deferral Account	1536			\$ -		-			\$ -		-			\$ -	\$ -	-			
Retail Cost Variance Account - STR	1548			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital	1555			\$ 918	\$ -	-			\$ -	\$ 918	-\$ 63			\$ 855	\$ -	-			
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries	1555			-\$ 10,375	-\$ 128	-\$ 297			-\$ 425	-\$ 10,375	-\$ 13,803			-\$ 24,178	-\$ 425	-\$ 137			
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Smart Meter OM&A Variance	1556			\$ 32	\$ -	\$ 1			\$ 1	\$ 32	\$ 63			\$ 95	\$ 1	\$ 1			
Conservation and Demand Management (CDM) Expenditures and Recoveries	1565			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
CDM Contra	1566			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Qualifying Transition Costs ⁵	1570			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Pre-market Opening Energy Variance ⁵	1571			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Extra-Ordinary Event Costs	1572			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Deferred Rate Impact Amounts	1574			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
RSVA - One-time	1582			\$ 1,338	\$ 114	\$ 53			\$ 168	\$ 1,338				\$ 1,338	\$ 168	\$ 15			
Other Deferred Credits	2425			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
Group 2 Sub-Total		\$ -	\$ -	\$ 1,759	-\$ 13	\$ 148	\$ -	\$ -	\$ 135	\$ 1,759	-\$ 13,803	\$ -	\$ -	-\$ 12,044	\$ 135	-\$ 9	\$ -	\$ -	
Deferred Payments in Lieu of Taxes	1562			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592			\$ -	\$ -	-			\$ -	\$ -	-			\$ -	\$ -	-			

		2008								2009								
Account Descriptions	Account Number	Board-Approved Disposition during 2008	Adjustments during 2008 - other ³	Closing Principal Balance as of Dec-31-08	Opening Interest Amounts as of Jan-1-08	Interest Jan-1 to Dec-31-08	Board-Approved Disposition during 2008	Adjustments during 2008 - other ³	Closing Interest Amounts as of Dec-31-08	Opening Principal Amounts as of Jan-1-09	Transactions Debit / (Credit) during 2009 excluding interest and adjustments ⁴	Board-Approved Disposition during 2009	Adjustments during 2009 - other ³	Closing Principal Balance as of Dec-31-09	Opening Interest Amounts as of Jan-1-09	Interest Jan-1 to Dec-31-09	Board-Approved Disposition during 2009	Adjustments during 2009 - other ³
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592			\$ -	\$ -				\$ -	\$ -				\$ -	\$ -			
Total of Group 1 and Group 2 Accounts (including 1562 and 1592)		\$ -	\$ -	\$ 171,789	\$ 13,327	\$ 2,874	\$ -	\$ -	\$ 16,201	\$ 171,789	\$ 143,914	\$ -	\$ -	\$ 315,703	\$ 16,201	\$ 3,915	\$ -	\$ -
Special Purpose Charge Assessment Variance Account	1521																	
Total including Account 1521 ¹		\$ -	\$ -	\$ 171,789	\$ 13,327	\$ 2,874	\$ -	\$ -	\$ 16,201	\$ 171,789	\$ 143,914	\$ -	\$ -	\$ 315,703	\$ 16,201	\$ 3,915	\$ -	\$ -
The following is not included in the total claim but are included on a memo basis:																		
Deferred PILs Contra Account ⁸	1563			\$ -	\$ -				\$ -	\$ -				\$ -	\$ -			
Board-Approved CDM Variance Account	1567																	
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592			\$ -	\$ -				\$ -	\$ -				\$ -	\$ -			
Disposition and Recovery of Regulatory Balances ¹⁰	1595			\$ -	\$ -				\$ -	\$ -				\$ -	\$ -			

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (a negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 appending a final decision of the Board

Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs

Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of I

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved c

Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28

Closed April 30, 2002

For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the tran

Please describe "other" components of 1508 and add more component lines if necessary.

1563 is a contra-account and is not included in the total but is shown on a memo basis. Account 1562 establishes the

If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to April 30, 2012

in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1,

from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by

Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period

support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, inc



			2010														2011		
Account Descriptions	Account Number	Closing Interest Amounts as of Dec-31-09	Opening Principal Amounts as of Jan-1-10	Transactions Debit / (Credit) during 2010 excluding interest and adjustments ⁶	Board-Approved Disposition during 2010	Other ³ Adjustments during Q1 2010	Other ³ Adjustments during Q2 2010	Other ³ Adjustments during Q3 2010	Other ³ Adjustments during Q4 2010	Closing Principal Balance as of Dec-31-10	Opening Interest Amounts as of Jan-1-10	Interest Jan-1 to Dec-31-10	Board-Approved Disposition during 2010	Adjustments during 2010 - other ³	Closing Interest Amounts as of Dec-31-10	Principal Disposition during 2011 - instructed by Board	Interest Disposition during 2011 - instructed by Board	Closing Principal Balances as of Dec 31-10 Adjusted for Dispositions during 2011	
Group 1 Accounts																			
LV Variance Account	1550	\$ 21,381	\$ 385,688	\$ 58,997						\$ 444,684	\$ 21,381	\$ 3,299			\$ 24,680			\$ 444,684	
RSVA - Wholesale Market Service Charge	1580	-\$ 7,439	\$ 3,237	\$ 1,079						\$ 2,157	-\$ 7,439	\$ 194			-\$ 7,245			\$ 2,157	
RSVA - Retail Transmission Network Charge	1584	-\$ 205	-\$ 42,954	\$ 1,192						-\$ 41,763	-\$ 205	-\$ 266			-\$ 471			-\$ 41,763	
RSVA - Retail Transmission Connection Charge	1586	-\$ 40,850	-\$ 524,083	-\$ 114,605						-\$ 638,688	-\$ 40,850	-\$ 4,586			-\$ 45,436			-\$ 638,688	
RSVA - Power (excluding Global Adjustment)	1588	\$ 40,797	\$ 627,921	\$ 296,926						\$ 924,847	\$ 40,797	\$ 7,122			\$ 47,919			\$ 924,847	
RSVA - Power - Sub-Account - Global Adjustment	1588	-\$ 2,311	-\$ 158,261	-\$ 206,572						-\$ 364,833	-\$ 2,311	-\$ 1,956			-\$ 4,267			-\$ 364,833	
Recovery of Regulatory Asset Balances	1590	\$ 8,617	\$ 36,199	\$ -						\$ 36,199	\$ 8,617	\$ -			\$ 8,617			\$ 36,199	
Disposition and Recovery of Regulatory Balances (2008) ¹⁰	1595	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Disposition and Recovery of Regulatory Balances (2009) ¹⁰	1595	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ 19,991	\$ 327,746	\$ 34,857	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 362,603	\$ 19,991	\$ 3,807	\$ -	\$ -	\$ 23,797	\$ -	\$ -	\$ 362,603	
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ 22,301	\$ 486,007	\$ 241,429	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 727,437	\$ 22,301	\$ 5,763	\$ -	\$ -	\$ 28,065	\$ -	\$ -	\$ 727,437	
RSVA - Power - Sub-Account - Global Adjustment	1588	-\$ 2,311	-\$ 158,261	-\$ 206,572	\$ -	\$ -	\$ -	\$ -	\$ -	-\$ 364,833	-\$ 2,311	-\$ 1,956	\$ -	\$ -	-\$ 4,267	\$ -	\$ -	-\$ 364,833	
Group 2 Accounts																			
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	\$ 504	\$ 9,846	\$ 65,000						\$ 74,846	\$ 504	\$ 79			\$ 582			\$ 74,846	
Other Regulatory Assets - Sub-Account - Pension Contributions	1508	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Other Regulatory Assets - Sub-Account - Other ⁷	1508	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Retail Cost Variance Account - Retail	1518	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Misc. Deferred Debits	1525	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Renewable Generation Connection Capital Deferral Account	1531	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Renewable Generation Connection OM&A Deferral Account	1532	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Renewable Generation Connection Funding Adder Deferral Account	1533	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Smart Grid Capital Deferral Account	1534	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Smart Grid OM&A Deferral Account	1535	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Smart Grid Funding Adder Deferral Account	1536	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Retail Cost Variance Account - STR	1548	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital	1555	\$ -	\$ 855	\$ 138,562						\$ 139,417	\$ -				\$ -			\$ 139,417	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries	1555	-\$ 562	-\$ 24,178	-\$ 21,243						-\$ 45,421	-\$ 562	-\$ 17			-\$ 579			-\$ 45,421	
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Smart Meter OM&A Variance	1556	\$ 1	\$ 95	\$ 4,844						\$ 4,939	\$ 1	\$ 22			\$ 23			\$ 4,939	
Conservation and Demand Management (CDM) Expenditures and Recoveries	1565	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
CDM Contra	1566	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Qualifying Transition Costs ⁵	1570	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Pre-market Opening Energy Variance ⁵	1571	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Extra-Ordinary Event Costs	1572	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Deferred Rate Impact Amounts	1574	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
RSVA - One-time	1582	\$ 183	\$ 1,338							\$ 1,338	\$ 183	\$ 11			\$ 194			\$ 1,338	
Other Deferred Credits	2425	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
Group 2 Sub-Total		\$ 125	-\$ 12,044	\$ 187,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 175,118	\$ 125	\$ 94	\$ -	\$ -	\$ 220	\$ -	\$ -	\$ 175,118	
Deferred Payments in Lieu of Taxes	1562	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -	

		2010														2011		
Account Descriptions	Account Number	Closing Interest Amounts as of Dec-31-09	Opening Principal Amounts as of Jan-1-10	Transactions Debit / (Credit) during 2010 excluding interest and adjustments ⁸	Board-Approved Disposition during 2010	Other ³ Adjustments during Q1 2010	Other ³ Adjustments during Q2 2010	Other ³ Adjustments during Q3 2010	Other ³ Adjustments during Q4 2010	Closing Principal Balance as of Dec-31-10	Opening Interest Amounts as of Jan-1-10	Interest Jan-1 to Dec-31-10	Board-Approved Disposition during 2010	Adjustments during 2010 - other ³	Closing Interest Amounts as of Dec-31-10	Principal Disposition during 2011 - instructed by Board	Interest Disposition during 2011 - instructed by Board	Closing Principal Balances as of Dec 31-10 Adjusted for Dispositions during 2011
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$ -	\$ -							\$ -	\$ -				\$ -			\$ -
Total of Group 1 and Group 2 Accounts (including 1562 and 1592)		\$ 20,116	\$ 315,703	\$ 222,019	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 537,722	\$ 20,116	\$ 3,901	\$ -	\$ -	\$ 24,017	\$ -	\$ -	\$ 537,722
Special Purpose Charge Assessment Variance Account	1521			\$ 4,631						\$ 4,631	\$ -	\$ 36			\$ 36			
Total including Account 1521 ¹		\$ 20,116	\$ 315,703	\$ 226,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 542,352	\$ 20,116	\$ 3,937	\$ -	\$ -	\$ 24,053	\$ -	\$ -	\$ 537,722
The following is not included in the total claim but are included on a memo basis:																		
Deferred PILs Contra Account ⁸	1563	\$ -	\$ -							\$ -	\$ -				\$ -			
Board-Approved CDM Variance Account	1567									\$ -	\$ -				\$ -			
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -	\$ -							\$ -	\$ -				\$ -			
Disposition and Recovery of Regulatory Balances ¹⁰	1595	\$ -	\$ -							\$ -	\$ -				\$ -			

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (a negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 appending a final decision of the Board

Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of I

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved c

Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28

Closed April 30, 2002

For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the tran

Please describe "other" components of 1508 and add more component lines if necessary.

1563 is a contra-account and is not included in the total but is shown on a memo basis. Account 1562 establishes the

If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to April 30, 2012

in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1,

from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by

Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period

support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, inc



		Projected Interest on Dec-31-10 Balances				2.1.7 RRR		
Account Descriptions	Account Number	Closing Interest Balances as of Dec 31-10 Adjusted during 2011 Disposition	Projected Interest from Jan 1, 2011 to December 31, 2011 on Dec 31 -10 balance adjusted for disposition during 2011 ⁹	Projected Interest from January 1, 2012 to April 30, 2012 on Dec 31 -10 balance adjusted for disposition during 2011 ^{9, 10}	Total Claim	As of Dec 31-10 ⁴	Variance RRR vs. 2010 Balance (Principal + Interest)	
Group 1 Accounts								
LV Variance Account	1550	\$ 24,680	\$ 6,537	\$ 2,179	\$ 478,080	\$ 469,365	\$	0
RSVA - Wholesale Market Service Charge	1580	-\$ 7,245	\$ 32	\$ 11	5,045	-\$ 5,087	\$	0
RSVA - Retail Transmission Network Charge	1584	-\$ 471	-\$ 614	-\$ 205	43,052	-\$ 42,234	-\$	0
RSVA - Retail Transmission Connection Charge	1586	-\$ 45,436	-\$ 9,389	-\$ 3,130	696,642	-\$ 684,124	-\$	0
RSVA - Power (excluding Global Adjustment)	1588	\$ 47,919	\$ 13,994	\$ 4,665	991,424	\$ 972,766	\$	0
RSVA - Power - Sub-Account - Global Adjustment	1588	-\$ 4,267	-\$ 5,363	-\$ 1,788	376,251	-\$ 369,101	-\$	0
Recovery of Regulatory Asset Balances	1590	\$ 8,617	\$ -	\$ -	44,816	\$ 44,816	\$	0
Disposition and Recovery of Regulatory Balances (2008) ¹⁰	1595	\$ -			-		\$	-
Disposition and Recovery of Regulatory Balances (2009) ¹⁰	1595	\$ -			-		\$	-
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ 23,797	\$ 5,197	\$ 1,732	393,329	\$ 386,401	\$	0
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ 28,065	\$ 10,560	\$ 3,520	769,581	\$ 755,502	\$	0
RSVA - Power - Sub-Account - Global Adjustment	1588	-\$ 4,267	-\$ 5,363	-\$ 1,788	376,251	-\$ 369,101	-\$	0
Group 2 Accounts								
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	\$ 582	\$ 1,192	\$ 367	\$ 76,987	\$ 75,428	\$	-
Other Regulatory Assets - Sub-Account - Pension Contributions	1508	\$ -			-		\$	-
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$ -			-		\$	-
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	\$ -			-		\$	-
Other Regulatory Assets - Sub-Account - Other ⁷	1508	\$ -			-		\$	-
Retail Cost Variance Account - Retail	1518	\$ -			-		\$	-
Misc. Deferred Debits	1525	\$ -			-		\$	-
Renewable Generation Connection Capital Deferral Account	1531				-		\$	-
Renewable Generation Connection OM&A Deferral Account	1532				-		\$	-
Renewable Generation Connection Funding Adder Deferral Account	1533				-		\$	-
Smart Grid Capital Deferral Account	1534				-		\$	-
Smart Grid OM&A Deferral Account	1535				-		\$	-
Smart Grid Funding Adder Deferral Account	1536				-		\$	-
Retail Cost Variance Account - STR	1548	\$ -			-		\$	-
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital	1555	\$ -			139,417	\$ 139,417	\$	-
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries	1555	-\$ 579	\$ 1,382	\$ 461	44,158	-\$ 46,000	\$	-
Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs	1555	\$ -			-		\$	-
Smart Meter OM&A Variance	1556	\$ 23	\$ 73	\$ 24	5,058	\$ 4,962	-\$	0
Conservation and Demand Management (CDM) Expenditures and Recoveries	1565	\$ -			-		\$	-
CDM Contra	1566	\$ -			-		\$	-
Qualifying Transition Costs ⁵	1570	\$ -			-		\$	-
Pre-market Opening Energy Variance ⁵	1571	\$ -			-	\$ -	\$	-
Extra-Ordinary Event Costs	1572	\$ -			-		\$	-
Deferred Rate Impact Amounts	1574	\$ -			-		\$	-
RSVA - One-time	1582	\$ 194	\$ 20	\$ 7	1,558	\$ 1,532	\$	0
Other Deferred Credits	2425	\$ -			-		\$	-
Group 2 Sub-Total		\$ 220	\$ 2,666	\$ 858	178,862	\$ 175,338	\$	-
Deferred Payments in Lieu of Taxes	1562	\$ -			-	-\$ 10,810	-\$	10,810
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	\$ -			-		\$	-

		Projected Interest on Dec-31-10 Balances				2.1.7 RRR	
Account Descriptions	Account Number	Closing Interest Balances as of Dec 31-10 Adjusted during 2011 Disposition	Projected Interest from Jan 1, 2011 to December 31, 2011 on Dec 31 -10 balance adjusted for disposition during 2011 ⁹	Projected Interest from January 1, 2012 to April 30, 2012 on Dec 31 -10 balance adjusted for disposition during 2011 ^{9, 10}	Total Claim	As of Dec 31-10 ⁴	Variance RRR vs. 2010 Balance (Principal + Interest)
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$ -			\$ -		\$ -
Total of Group 1 and Group 2 Accounts (including 1562 and 1592)		\$ 24,017	\$ 7,862	\$ 2,590	\$ 572,192	\$ 561,739	
Special Purpose Charge Assessment Variance Account	1521		\$ 68	\$ 23	\$ 4,757	\$ 4,666	\$ -
Total including Account 1521 ¹		\$ 24,017	\$ 7,931	\$ 2,613	\$ 576,949	\$ 566,406	\$ -
The following is not included in the total claim but are included on a memo basis:							
Deferred PILs Contra Account ⁸	1563				\$ -	\$ 9,614	\$ 9,614
Board-Approved CDM Variance Account	1567				\$ -		\$ -
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592				\$ -		\$ -
Disposition and Recovery of Regulatory Balances ¹⁰	1595				\$ -		\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (a negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 appending a final decision of the Board
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Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of
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Closed April 30, 2002
For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the tran
Please describe "other" components of 1508 and add more component lines if necessary.
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If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to April 30, 2012
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Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period
support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, inc



Ontario Energy Board

**Deferral/ Variance Account Work
Form**

Variance Explanations

Clinton Power Corporation

Accounts that produced a variance on the 2012 continuity schedule are listed below.
Please provide a detailed explanation for each variance below.

Account Descriptions	Account Number	Variance RRR vs. 2010 Balance (Principal + Interest)	Explanation
Group 1 Accounts			
Low Voltage Account	1550	\$ 0.17	
RSVA - Wholesale Market Service Charge	1580	\$ 0.26	
RSVA - Retail Transmission Network Charge	1584	\$ (0.01)	
RSVA - Retail Transmission Connection Charge	1586	\$ (0.01)	
RSVA - Power (excluding Global Adjustment)	1588	\$ 0.07	
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ (0.27)	
Recovery of Regulatory Asset Balances	1590	\$ 0.01	
Group 2 Accounts			
Smart Meter OM&A Variance	1556	\$ (0.01)	
RSVA - One-time Wholesale Market Service	1582	\$ 0.01	



PRP International, Inc.

Fairness Advisory Services

April 29, 2009

Erie Thames Powerlines Corporation

280 Elm Street
Aylmer, Ontario N5H 3G3

Attention: Chris White, Chief Operating Officer

Dear Mr. White:

Subject: Attestation Letter (Negotiations) of the Fairness Commissioner
Erie Thames Powerlines – Elster Metering Contract Award
Advanced Metering Infrastructure RFP, August 2007
London Hydro & Consortium of LDCs Smartmetering Project

PRP International, Inc. is pleased to submit its Attestation Letter (Negotiations) of the Fairness Commissioner for the noted negotiations and contracting phase of the London Hydro AMI Request for Proposal (RFP) procurement. This judgment is being provided for the information and use of Erie Thames Powerlines Corporation, in its administration of the contract awarded to its #2 ranked Proponent, Elster Metering following unsuccessful negotiations with its #1 ranked Proponent, Silver Spring Networks.

“It is the judgment of PRP International, Inc.(as the Fairness Commissioner engaged by Erie Thames Powerlines Corporation for the phase of negotiations and contract award) that the successful conclusion of negotiations and contract award to Elster Metering, was undertaken in accordance with the principles for such negotiations and contract award set out in the RFP, issued August 14, 2007 and the Fairness Protocol, issued August 2008.”

A backgrounder and summary of the Fairness Protocol is attached and forms part of this Attestation Letter (Negotiations).

Yours truly,

Peter Sorensen
President

Attachment: Negotiations and Contract Phase Backgrounder

203 - 8 Queen Street, Summerside, PEI C1N 0A6
Direct telephone: 902.436.3930 Fax: 604-677-5409
Email: fairness@telus.net

BACKGROUNDER TO FAIRNESS CONFIRMATION / ATTESTATION

Advanced Metering Infrastructure Procurement

TO WHOM IT MAY CONCERN:

Background:

- A Request for Proposal procurement transaction was conducted by London Hydro Inc., as the lead sponsoring Local Distribution Company (LDC) and with a consortia of another 63 LDCs, during the period August 2007 to July, 2008;
- The evaluation and selection phase of the RFP provided for the determination of the #1 and #2 ranked Proponents for each LDC;
- RFP Provision 7.5.14¹ provides the framework (principle) for negotiations and contracting based on the principle of “first right to negotiation and execution of a contract” being accorded to the ranked order of Proponents commencing with the highest ranked Proponent and proceeding in a consecutive order thereafter; and
- Each LDC was provided the evaluation results for their #1 and #2 ranked Proponents supported by the Attestation Letter of the Fairness Commissioner as to those rankings.

Fairness Coverage Objective:

Normally, fairness coverage terminates with the determination of the ranked Proponents following the evaluation and selection phase of the RFP; however, certain LDCs expressed a wish to secure additional fairness coverage during the subsequent phase of negotiations and contract award. The objective for this second phase fairness coverage is to assure that LDCs undertook a phase of negotiations and contracting that meets the RFP provisions of consecutive negotiations where required, e.g. with their top two ranked Proponents and in the event of unsuccessful negotiations with the #1 ranked Proponent, a subsequent contract award to the next ranked Proponent would be on an equitable basis as was the requirements in the negotiations with the #1 ranked Proponent.

7.5.14 Final Contract Negotiations

Any conditions and provisions that a bidder seeks shall be a part of this proposal. Notwithstanding, nothing herein shall be interpreted to prohibit London Hydro from introducing or modifying contract terms and conditions during negotiation of the final contract.

London Hydro has scheduled no more than two weeks for contract negotiations (if necessary), and expects the successful bidder to maintain a prompt and responsive negotiation to accomplish and complete final contract agreement within that time period. If contract negotiations exceed an interval acceptable to London Hydro, London Hydro retains the option to terminate negotiations and continue to the next apparent successful bidder, at the sole discretion of London Hydro. Said interval shall in no event be less than three weeks.

¹

BACKGROUNDER TO FAIRNESS CONFIRMATION / ATTESTATION

Advanced Metering Infrastructure Procurement

Fairness Protocols:

- A Fairness Protocol was developed and issued to all LDCs, in August 2008 that set forth the best practices for fair consecutive-based negotiations and contract award.
 - The fundamental principle of the Protocol was the requirement for the LDC to establish the negotiations agenda for their top ranked Proponents and submit a copy to the Fairness Commissioner prior to engagement of their #1 ranked Proponent, i.e. the agenda would demonstrate a common statement of work, a LDC standard for pass/fail in their negotiations and the negotiation issues would only differ to the extent of the respective Proponent's technical solution being offered.

Form of Fairness Confirmation / Attestation²:

1. A confirmation of fair negotiations and contract award would be issued if the LDC's #1 ranked Proponent was awarded a contract; the original Attestation Letter remains in effect.
2. An Attestation of fair negotiations and contract award would be issued if the LDC determined that their #1 Proponent was to be set aside and the LDC successfully contracted with their next ranked Proponent, e.g. their #2; the original Attestation Letter is thus superseded by the Negotiations and Contract Award Attestation Letter.

Local Distribution Company:

Erie Thames Powerlines Corporation

280 Elm Street
Aylmer, Ontario N5H 3G3

Attention: Chris White, Chief Operating Officer

² Conditions on the rendering of this Confirmation/Attestation.

- The two Negotiations Agenda were provided by ETPC via their agent e360 Inc;
- Fairness Commissioner undertook no direct participation or oversight in the negotiations between ETPC and either of their #1 or #2 ranked Proponents;
- The successful contract award was based on the ETPC criteria and no independent analysis nor any comparison with the evaluation results of the RFP process was carried out by the Fairness Commissioner; and
- The confirmation of the Fairness Commissioner was based on the progress report(s) provided by ETPC via their agent e360 Inc.



Proposal for MDM/R Integration and TOU Billing to Erie Thames Power

June 30, 2010



Confidentiality Statement

The material contained in this document is proprietary to The ERTH Group of Companies. This material may not be disclosed, duplicated, or otherwise revealed, in whole or in part, to any party other than Goderich Hydro, without prior written consent. In no event shall The ERTH Group of Companies be liable to anyone for special, incidental, collateral, or consequential damages arising from the use of this information.

This information has been provided in confidence to Goderich Hydro for the purpose of evaluating a proposed services offering.



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Executive Summary

The ERTH Group of Companies (ERTH) submits the following proposal for all MDM/R integration activities and rollout of TOU Billing for Goderich Hydro. The ERTH Group of Companies are in a unique position to deliver a complete turn key solution for MDM/R Integration. Each of the companies brings their core expertise and experience in Harris customer information system (CIS), meter data Management and repository (MDM/R) implementation, business process re-engineering and test planning and execution. This detailed document will provide an in-depth description of the services being proposed.

Project Management activities will continue to be provided as per the E360 proposal dated May 7, 2009, however such services will be delivered by Jay Lee of the SPi Group Inc. Jay is currently the Project Manager for West Perth Power and Erie Thames Powerlines therefore I'm confident that you will be pleased with his qualifications and experience in this area.

The following document will provide a detailed overview of the services being proposed. ECALIBER will be responsible for execution of all system and patch upgrades, setups and test execution. The SPi Group Inc. (SPi) will provide system modification assessments, test plans, as well as resources that will assist with all facets of testing, including unit testing, system integration testing and qualification testing. E360 will assist Goderich Hydro with customer communication and staff training. Springboard Management Inc. (Springboard) will take the lead on business process reengineering that will be a requirement as Goderich Hydro demonstrates readiness to the IESO. Additionally, ERTH will be utilizing the Springboard software products to ensure visibility of the project activities and rollout of training to staff. By using ERTH services, Goderich Hydro will ensure the full integration to the IESO's provincial MDMR, thereby ensuring that Goderich Hydro is compliant with the provincial regulations related to the smart metering initiative.

ERTH has developed a methodology to allow for cost sharing amongst Goderich Hydro, Erie Thames Powerlines, Clinton Power, and West Perth Power. We feel that leveraging a shared services model will allow Goderich Hydro to benefit from the expertise being learned from the West Perth pilot program and a reduced cost by utilizing similar business processes and implementations. By working together, we can develop the best method of handling the forthcoming changes in a time and cost effective manner.

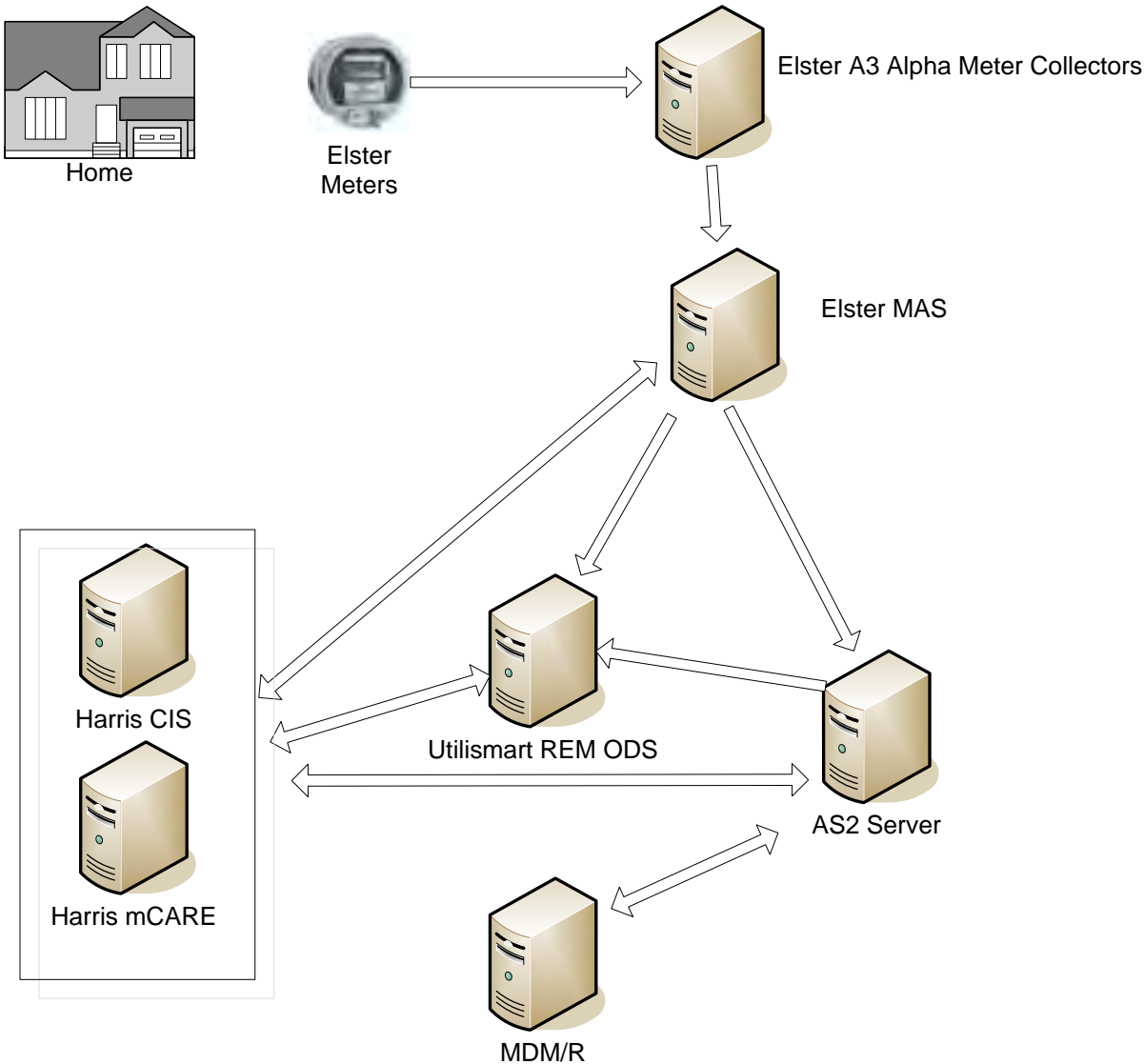
This proposal reflects system upgrade costs as well as resources to deliver a turn key solution. The total cost of the proposed solution is \$25,500 Canadian plus applicable taxes.

The following proposal outlines our understanding of Goderich Hydro's needs and our project deliverables.

Understanding of Goderich Hydro's Requirements

The Ontario government has mandated MDM/R integration and TOU billing by June, 2011. In order to accomplish this, the following objectives must be achieved:

- Develop and document revised business processes encompassing all daily activities involving meter to cash with the existing systems and metering infrastructure
- Identify any further systems, programs, processes or resources required
- Execute CIS system upgrades required for MDM/R integration
- Successfully complete all testing required for MDM/R integration, including unit testing, SIT, QT and Cutover
- Install and configure AS/2 for MDM/R connectivity
- Select technologies and vendors for bill and data presentment customer portal
- Implementation of all new business processes
- Billing from MDM/R
- Billing using TOU rates



Deliverables included in Proposal

Test Planning – Test Matrices and Test Data

SPi has experienced Business and Quality Assurance Analysts that are currently leading the effort in developing test plans for Oshawa PUC and the ERTD LDCs for the MDM/R enrollment process. The test plans include test matrices, automated processes and test data. The test plans also cover many aspects of both the System Integration Testing and the Qualification Testing such that, when a utility goes through these tests with the IESO, the problems encountered are minimal to none. As part of this proposal, Goderich Hydro will have access to these test plans.

Requirements Documentation

SPi has performed an evaluation of MDM/R integration requirements and compiled an assessment of the system requirements for MDM/R connectivity. As part of this proposal, the Requirements Document will be available to Goderich Hydro.

System Readiness

ECALIBER has done a thorough review of the system requirements associated with MDM/R connectivity and identified various system upgrades associated with MDM/R integration. ECALIBER will be performing a system upgrade to ensure Goderich Hydro's readiness for MDM/R connectivity. ECALIBER will also be responsible for all new system setups and key value configurations associated with the new tables and programs within the Harris Customer Information System. Additional data directories will also be created to allow for interfaces between the CIS, AMI and MDM/R. Thorough testing will be conducted as these new system upgrades are deployed, thereby ensuring that existing business processes are not negatively impacted.

At time of TOU Rollout, ECALIBER will complete all system setups and meter configuration changes. This will include implementation of TOU buckets on the electric meter positions, rate setups, appropriate flagging on customer meters for TOU billing and bill print modifications for TOU billing.

Test Execution

Once connectivity testing is completed, SPi will coordinate the internal unit testing which will be conducted by ECALIBER and SPi resources. The purpose of the internal unit testing is to simulate production environment by sending and receiving a small subset of the various MDM/R interface files, including USDP ID requests, meter data, synchronization files, and billing quantity data.

The test execution will involve participation by staff of Goderich Hydro. SPi will facilitate meetings to review the test plan that will identify which parties involved in the various test scenarios and identify critical timing of execution of each party's role in the testing (i.e. the next step in the test scenario depends on the completion of the previous step).

As the timelines to complete the system integration testing and the qualification testing are tight, SPi will work with all internal stakeholders and the IESO to prepare for the execution of the testing. These tests are very regimented by the IESO, and therefore it is important for SPi to ensure all parties are prepared to participate as needed.

MDM/R Cutover

Once Goderich Hydro passes qualification testing, ECALIBER will work with Goderich Hydro to develop a Cutover strategy. This strategy includes identifying the initial set of smart meters that will be enrolled with the production MDM/R (we recommend between 50 – 200 meters and ideally all meters should be on the same billing cycle). ERTH will review the Cutover strategy with the IESO, and make any adjustments as required. SPi will then coordinate all of the parties to ensure their participation in the Cutover execution.

Following Cutover, SPi will ensure that all of the vendors are available to provide support and assist Goderich Hydro in developing a plan to enroll the remaining smart meters with the MDM/R.

Customer and Customer Service Representatives Portal Implementation

The project manager will provide options currently available within the market for Goderich Hydro to select from. The costs of the software and any required development or set up work to integrate with the CIS are not included in this proposal.

Software used for Project Management

SPi will leverage Springboard's proprietary software for our project management services. This software provides the following benefits to the project:

1. Live access to the timeline and the ability to comment and ask questions online.
2. Ability to capture the approval of your multi-departmental process flows and prove key stakeholders has approved the content.
3. Documentation of the procedures and evidence that they have been approved and kept current throughout the entire project lifecycle.
4. Communication of the requirements of the new process to staff as they need to know.
5. Visibility of the level of compliance your entire staff has on the overall project.
6. Live access to the issues list and ability to comment and ask questions online.

The screenshot displays the Springboard software interface with two tables. The top table shows training statistics for specific users, and the bottom table shows training statistics by regulation. Both tables include columns for Initial, Changed, Renewal, Up-to-Date, Outstanding, Total Training Elements, % Compliance, and Action.

	# Initial	# Changed	# Renewal	# Up-to-Date	# Outstanding	Total Training Elements	% Compliance	Action
Training for Heraldo, Joseph only	1	1	2	194	4	198	98%	list
Training for all direct and indirect reports	86	19	5	1117	110	1227	91%	list

Name	# Initial	# Changed	# Renewal	# Up-to-Date	# Outstanding	Total Training Elements	% Compliance	Action
Bill 21, the Electricity Conservation Responsibility Act	1	0	0	19	1	20	95%	list
Stage 1 - Preparation	0	0	0	0	0	0	100%	list
Stage 2 - Planning and Development	0	0	0	0	0	0	100%	list
Stage 3 - Internal Testing	0	0	0	0	0	0	100%	list
Stage 4 - Enrolment and Cutover	0	0	0	0	0	0	100%	list

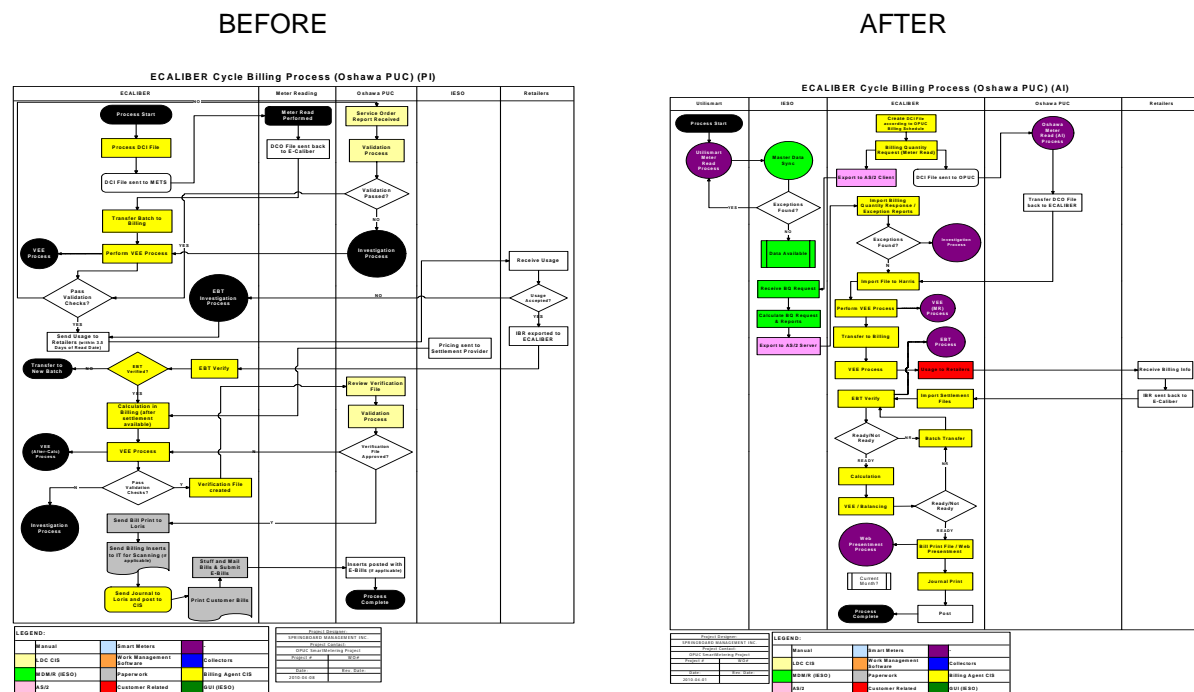
This product has been used in a number of projects including Smart Meter MDM/R integration for Oshawa PUC, Erie Thames Powerlines, and West Perth Power.

Bringing overall governance to Goderich Hydro's MDM/R Initiative provides assurances that Goderich Hydro's project is being completed on time and within scope. This approach allows the organization to prove diligence and be completely transparent throughout the execution of the plan and beyond.

The IESO has used this tool to view relevant information related to the MDM/R integration with previous projects and appreciates its transparency. From the acceptance of the project plan to viewing process changes, everything is tracked and auditable within the Springboard Product Suite.

Business Process Re-engineering

The business processes review is a critical component of the MDM/R integration. Springboard will leverage the business processes from previous MDM/R projects as a foundation for the pre and post improvement business process reviews and gap assessment. The EARTH Group analysis team has significant experience in this area that offers a distinct advantage on this project. The pre-improvement and post-improvement methodology to create, review and manage changes related to business processes will demonstrate to staff and the design team the before and after state of the organization's implementation for the MDM/R integration and will serve as the tool for identifying system, program, process and resource constraints. The real value in the exercise is ensuring that all stakeholders sign off and endorse the design of new processes.



ERTH has an established change management methodology that ensures this level of diligence. This infrastructure will form the basis of work instructions and procedures that speak with the appropriate level of detail to the organization's staff. Springboard's approach to workflow meets the intent of the IESO, and has been successfully used in other projects.

AS2 Software Configuration

ECALIBER will purchase an AS2 server and licensing and share the cost of such server and configuration across the shared services model. Ongoing hosting and maintenance fees for this server will be included in your ECALIBER billing fee. Additionally, SPi will coordinate with the IESO to execute the AS2 connectivity testing between Goderich Hydro and the various MDM/R environments (sandbox, enrollment, production, etc.) and AMI AS2 system. SPi will ensure that the appropriate configuration and test data information (various URLs, digital certificates, test files to be used during connectivity testing, etc.) are sent to the IESO prior to connectivity testing. SPi will coordinate the testing with the IESO and their vendor, IBM.

Staff Training and Customer Communication

Prior to beginning to issue bills, Goderich Hydro will need to ensure that communication takes place with its customers. Jeff Quint will work with Goderich Hydro to create a full communications plan for your customers. Jeff is currently working on this initiative and communications for Erie Thames Powerlines.

Goderich Hydro's customer service employees will need to be well versed in TOU rates and the impact of smart meters on the average customer. Jeff will provide staff training for Goderich Hydro's customer service specialists to facilitate response to such customer concerns.

Project Team Profile

Jay Lee –Project Manager

Jay is currently the Director of Solution Development for The SPi Group Inc. and is well known in the industry though his involvement in leading the OEB - EBT Working Group. Jay is currently the Project Manager for the MDM/R implementation work with Erie Thames Powerlines, West Perth Power Inc., Goderich Hydro Inc., and Clinton Power Inc. Jay is well versed in the MDM/R implementation processes and will provide ongoing project management to the team. In addition to project managing these projects, Jay is also a key member of a team that is working on documenting and improving West Perth Power's business processes. Jay has attended all the important IESO workshops, including MDM/R and TOU Preparation, MDM/R Technical Series, and Business Process Development.

Laurie Palmer – Consultant

Laurie is the VP-Solutions Development for EARTH Corporation and oversees the ECALIBER division. Laurie brings expertise in business process automation, industry regulations, and utility software solutions to EARTH Corporation. Laurie earned her Bachelor of Commerce Degree in Management Economics from the University of Guelph and has devoted more than 10 years to the utility industry. During that time she served on the Market Readiness Task Force with the Ontario Energy Board, where she led retail market testing for Harris Customer Information Systems (CIS). Laurie has also led the integration efforts between the Harris CIS and Utilismart's ODS to produce a Time of Use bill. She has attended several training sessions on Smart Meter Implementation

Kim Ellis – Customer Solutions Manager

Kim is the Customer Solutions Manager for ECALIBER and oversees the day to day billing, customer service, collections and payment processing functions for those utilities covered under this shared services model. Kim has over 18 years of experience in the utility industry, utilizing the Harris product. Kim is actively involved in the business process re-engineering activities and will be an active participant in MDM/R testing activities. Kim has attended IESO workshops, including MDM/R and TOU Preparation and Business Process Development

Dana Schneider – Support Manager

Dana oversees all system testing associated with upgrades and patches and will be actively involved in all facets of MDM/R testing including Unit Testing, SIT and QT. Dana is also responsible for all system setups and Harris integration efforts. Dana has 10 years of utility experience and is an expert user of the Harris Customer Information System. Dana has attended various IESO workshops, including MDM/R and TOU Preparation, Graphical User Interface, and Business Process Development.

Cathy Lee – Analyst

Cathy is a Senior Analyst with The SPi Group Inc. and has over 10 years experience in business analysis and quality assurance. Cathy is currently involved in MDM/R integration projects, leading the efforts in creating test plans. Cathy is also a key member of the team working on the Oshawa PUC and West Perth Power business process improvements. Cathy has attended IESO workshops, including MDM/R and TOU Preparation, Graphical User Interface, and Business Process Development.

Stephen Yen – Analyst

Stephen is a Senior Analyst with The SPi Group Inc. and has considerable utility market experience. Stephen is currently involved in MDM/R integration projects as the lead technical resource for AS2 software implementation. Stephen is also a key testing resource on these projects.

Randy Fotheringham – Business Process Consultant

Randy is responsible for checking that each process reviewed is within the scope of the project and meets the standards of ERTH and Goderich Hydro. Randy is responsible to perform interviews, fact checks and document process flows as required to fulfill the needs of the project, all the while checking these unique inputs against the known requirements of the IESO and past implementations. Randy has already reviewed most business processes with the ERTH project team and will review such processes with Goderich Hydro staff.

Pricing

Service	Price
Test Planning & Scripts	\$12,000
Requirements Document	\$4,000
System Readiness (inclusive of setups & upgrades)	\$7,500
Test Execution	\$12,000
Business Process Re-engineering & Training	\$16,000
AS2 Software purchase & configuration	\$3,000
Total	\$58,500

* Prices quoted are in Canadian funds.

* Travel expenses for on-site meetings are not included. These costs can be reduced through WebEx and other technologies for collaboration.

* Applicable taxes are not included.

Appendix A - Corporate Overviews

ECALIBER Inc.

ERTH Corporation (formerly Erie Thames Power) was formed in 2000 from an amalgamation of seven local electric public utilities. Upon amalgamation, Erie Thames Services (rebranded in late 2008 as ECALIBER (Canada) Inc.) began providing billing and other services to its affiliate Erie Thames Powerlines which has a customer base of 14,000 customers. Since that time, ECALIBER has continued to bring on new staff and clients. ECALIBER is the largest application service provider (ASP) in the Ontario electricity market, representing more than ten percent of the LDCs and approximately 180,000 customers. ECALIBER is a progressive services company, and will continue to be dedicated to the marketplace. Our growth and ability to bring cost-effective, client-requested solutions to the market has been, and will continue to be, a key factor in our success.

In Ontario's electricity market, ECALIBER is a leading provider of ASP and billing services to local distribution companies (LDCs). Through its partnership with Harris Computers, we have developed our services into best of class expertise. With a client base of approximately ten percent of the LDCs in Ontario and approximately 180,000 customers, we have continued to develop our knowledge of the applications and of the business aspects of a utility's back-office. ECALIBER has grown to be the largest Harris partner with approximately 40 years of combined experience with Harris on the Management team. In addition to the above benefits, it is important for ECALIBER clients and potential clients to consider the following:

- The ECALIBER team is comprised of individuals with extensive utility backgrounds, all of whom were directly involved in market readiness in 2002, and have in-depth knowledge of all billing and customer service aspects of the electricity distribution company.
- ECALIBER is an ISO 9001:2000 registered company that embraces the concept of continuous improvement for all of its services.
- The strong partnerships that ECALIBER maintains with its systems vendors results in regular improvements to the systems based on suggestions made by ECALIBER and its clients.
- With ECALIBER's in-house technical expertise, custom queries and reports can be developed at a fraction of the cost of software development.

The SPi Group Inc.

The SPi Group Inc. (SPi) is a provider of innovative solutions that enable evolving energy markets. SPi was created in early 2002 to facilitate the deregulation of the Ontario electricity market. SPi's role in the deregulation process was to provide transaction clearinghouse services to over 70 local distribution companies and retailers (over 80% of the market by volume). On March 4, 2002, the Ontario electricity market's IT systems went live simultaneously using SPi's Electronic Business Transaction (EBT) Hub services and spoke integration products to enable market connectivity from end-to-end. SPi's clearinghouse services in Ontario process approximately 40 million transactions per year, supporting one of the largest deregulated electricity markets in North America.

Products and Services

SPi's offerings have grown since market opening to include project management, custom development, and quality assurance and testing services, retailer managed billing and settlement services for energy market participants, and products and services supporting gas and electricity markets in multiple North American jurisdictions.

SPi's wide range of service offerings include:

- Project Management Services and Support
- Preparation and Implementation Services for the Ontario MDM/R
- Consulting and Software Development

- Ontario Electricity Market Services (EBT Hub)
- Retailer Managed Billing and Settlement Services
 - Ontario
 - US Markets
- Gas Market Services
- Technology Licensing
- OPA Demand Response Program

SPi offers a diverse set of products including:

- EBT Hub Connector (EHC)
- Gas Market Connector (GMC)
- EBT Viewer
- Account Viewer
- EBT Exception Viewer
- Customer Billing and Settlement System
- XML Generator
- EBTx Hub Client

Headquartered in Toronto, Ontario, Canada, SPi is staffed by a team of professionals with expertise in project management and custom software development, energy market development and operations, billing and settlement and transaction management.

Springboard Management Inc.

Springboard Management Inc. (Springboard) was formed and incorporated in the province of Ontario in 2004. With locations in Windsor and London, Springboard has experienced dynamic growth in its short history.

We offer the service of integrating processes and to align them with strategic needs of your business to give you a tailored process for your unique business requirements. We provide a service which integrates best practice methodologies and our expertise in academic theory combined with years of practical experience in your utility industry which enables us to deliver the very best business process for your business.

Effective business processes are essential to the success of the smart metering initiative. We give you the choice of selecting which business processes you require and develop a combined business process which suits your business.

We provide quality consulting services specializing in Management system implementation as well as regulation and risk Management solutions and process improvement. Working with our customers, Springboard develops operationally efficient solutions that allow organizations to function optimally and demonstrate compliance to regulatory requirements such as OHSAS 18001, Z1000, WSIB, ISO 9001, DWQMS, OEB Regulations, and ISO / IEC 17025.

Products and Services

In today's competitive business environment, safety, productivity, and operational efficiency are essential to all corporate activities. In an effort to help organizations achieve these goals, Springboard has developed standardized approaches to Management system implementation and project Management. Using proven methodologies, our team offers real-world consulting services including:

- Process Improvement, baseline data collection and business process analysis
- Management system improvement and implementation

- Policy and procedure development and life-cycle Management
- Training in Management system and audit performance
- Risk assessment training and coordination
- Guidance on efficient allocation and use of corporate resources
- Coordination of corporate integration and change Management
- Process improvement and implementation of best practices
- Examples of combined business processes
- Risk and Value Management
- System Analysis and Functionality
- Asset Functionality and Risk Management
- Lean thinking and Value Engineering
- Lean thinking and Risk Management
- Asset Management & SPRINGBOARD MANAGEMENT INC. (Smart Metering Initiative implementation)

Springboard's customer service approach recognizes that solutions must be developed in cooperation with key personnel within an organization. This methodology facilitates the design of a customized solution that meets the specific requirements of the project and corresponds with the organization's culture and climate. As consultants, our goal is to combine our knowledge, skills, and expertise with the experience of our customers' employees, and to provide leadership and project-specific training that meets their needs and supports long-term success.

ERTH Corporation

ERTH Corporation is a dynamic family of energy companies with a strategic vision to grow and invest in parallel businesses that all serve North America's energy and utility industries. The group's electricity distribution, services, consulting and software companies, service over 180,000 customers in Canada and the United States.

Appendix B - Proof of Ability (Qualifications and Client References)

Company Name	Contact Information For Reference (Name, Phone, E-mail)
West Perth Power Inc.	Wally Curry President & CEO Tel: 519-348-8458 wcurry@westperth.com
Oshawa PUC	Atul Mahajan CEO Tel: 905-743-5210 amahajan@opuc.on.ca

CONTRACT

BETWEEN

ERIE THAMES POWERLINES

AND

**ELSTER METERING
A DIVISION OF ELSTER CANADIAN METER INC.**

DATED November 4, 2009

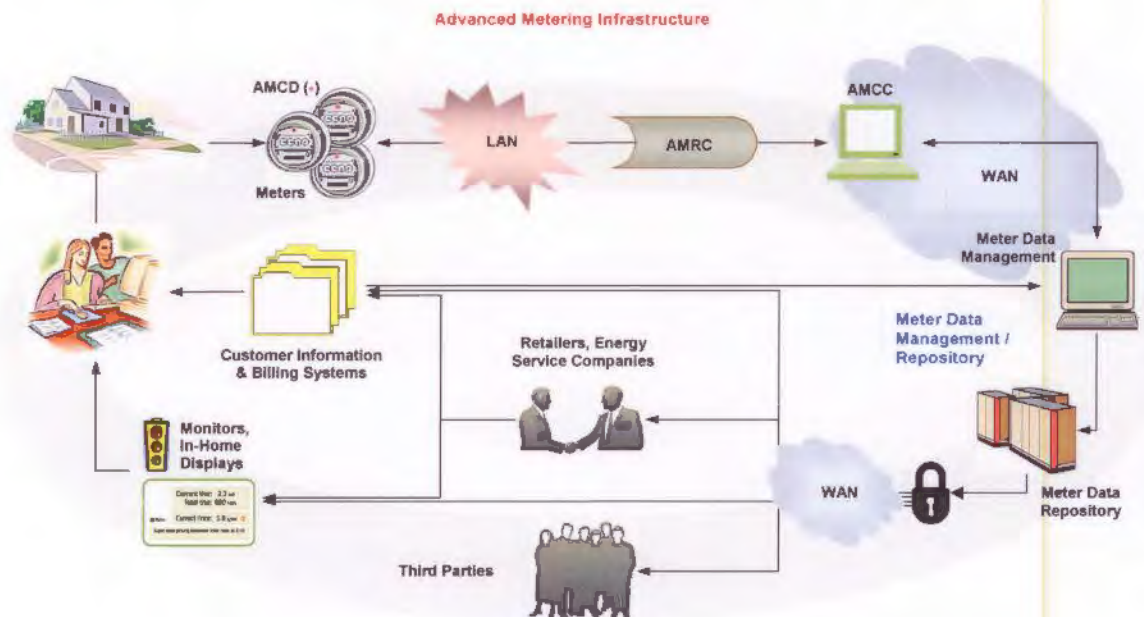
GENERAL AGREEMENT

THIS GENERAL AGREEMENT (this "Agreement") is entered into between Elster Metering, a Division of Elster Canadian Meter, Inc., ("Elster" or "Seller"), and Erie Thames Powerlines, a company organized under the laws of the province of Ontario, Canada, (hereinafter referred to as " or "Licensee" or "Purchaser"). Together Elster and Erie Thames Powerlines shall be known as "the parties".

1. Background:

- a) The Government of Ontario has introduced a Smart Metering Initiative as part of its conservation culture, including the introduction of flexible time of use pricing for electricity and a commitment to install a smart electricity meter in 800,000 homes by 2007 and every home in Ontario by 2010;
- b) The Ministry of Energy (the "MOE") in implementing its Smart Metering Initiative, has assigned to Ontario's local distribution companies ("LDC") responsibility for purchasing, owning, installing, operating and maintaining smart electricity meters as they are rolled out across the Province and continued responsibility for the customer interface, including billing and access to smart meter information and data;
- c) Erie Thames Powerlines requires a complete Advance Metering Infrastructure ("AMI") solution consisting of an AMCD, LAN, AMRC, AMCC connections between the WAN and AMCC, (as such terms are defined in the RFP referred to below and as illustrated in the figure below) which AMI must meet the criteria and specifications outlined in Elster's submission to the RFP (as defined below and dated August 14, 2007);

Smart Metering System



- d) Elster recognizes that London Hydro led a consortium of LDC s in an RFP and that each consortium member could elect to independently procure AMI based on this RFP. Erie Thames Powerlines was listed as a member of the consortium. Each consortium member would place its own individual order, and would have responsibility to receive, inspect, accept, and pay for its own individual orders. Unless otherwise noted, whatever price is stated in this RFP shall apply across the board to all members of the listed consortium that procure AMI pursuant to the terms and conditions contained in this Agreement. By submitting a purchase order under this Agreement, such Erie Thames Powerlines acknowledges that they are bound by and will comply with the terms of this Agreement.
 - e) London Hydro has received a Letter of Intent (dated July 25, 2007) from the Minister of Energy, recognizing the efforts of the Smart Meter consortium sponsored by London Hydro and commits to "naming" the consortium in Ontario Regulation 427/06.
 - f) Elster has been chosen as one of the vendors of record by London to supply a complete AMI solution, provided that there are other vendors of record which Erie Thames Powerlines may, in its sole discretion, choose to contract with for the supply of an AMI from time to time;
 - g) Bill 21, the *Energy Conservation and Responsibility Act*, 2006 which received Royal Assent on March 28, 2006 (S.O. 2006) proposes to centralize Meter Data Management/Meter Data Repository ("MDM/R") functions, related to the collection, storage, management and transfer of consumer's consumption information and data within a Smart Metering Entity and provides broad powers to the MOE to regulate procurement of AMI Systems.
 - h) The parties acknowledge and agree that, as part of the implementation of Bill 21 or further amendments to the *Ontario Energy Board Act, 1998* or the *Electricity Act, 1998* or subsequent applicable laws, or regulations (including, without limitation, any regulations, guidelines, policies or directives of the Canadian Standards Association) or otherwise related to the AMI or the interoperability functions related to the MDM/R, it may be necessary to modify the terms of the General Agreement or the Exhibits hereto (including negotiation of such further and supplemental SOW(s), from time to time). Elster hereby undertakes and agrees to negotiate any such amendments in good faith and to use its commercially reasonable efforts to assist Erie Thames Powerlines in implementing an end to end AMI solution as mandated by the MOE, the Independent Electricity System Operator, the Ontario Energy Board or the applicable governing authority.
2. **Entire Agreement.** This General Agreement, together with the Exhibits attached hereto constitute the entire Agreement between the parties and supersede and cancel any and all prior agreements, written or oral, between them relating to the subject matter hereof, and may not be amended except in a written change signed by both of the parties hereto. This Agreement shall include:
- a) The General Agreement
 - b) Exhibit A – Statement of Work
 - c) Exhibit B – Pricing
 - d) Exhibit C – Elster General Terms and Conditions
3. **Supply.** This General Agreement will cover the supply of certain goods, software and services as delineated. Erie Thames Powerlines or its subcontractors will provide installation of all meters and equipment.
4. **Applicable Terms.**
- a) All Equipment and Services shall be sold and delivered pursuant to Exhibit C - Elster General Terms and Conditions of Sale attached hereto, respectively, and incorporated herein by reference.

- b) Delivery Terms. Supplier's Guarantee: If the specified revenue meters are not delivered within the time period promised, and specified in Erie Thames Powerlines' purchase order, a late delivery penalty of one percent (1%) per calendar week shall apply to that specific delivery, excluding collectors. The amount of the penalty payment shall not exceed ten percent (10%) of the total quoted price for that specific delivery and will be deducted from Elster's invoice. THIS PENALTY IS ERIE THAMES POWERLINES' EXCLUSIVE REMEDY FOR DELAY.
- c) Other Meter Requirements. Consistent with the alliance relationship that Elster is promoting in this proposal, Elster shall have the first opportunity to discuss the supply meters for non-residential applications. To be clear, Erie Thames Powerlines has no obligation to purchase meters for non-residential meters from Elster and may, among other options, proceed with an open procurement process or sole source such requirement.
- d) Taxes Unless otherwise specified by Elster, the price does not include any federal, provincial or local property, license, privilege, sales, use, excise, gross receipts, or other like taxes which may now or hereafter be applicable but in any event the price does include duties, if any, applicable to the provision of the meters to Erie Thames Powerlines. Purchaser will assume the payment of all taxes, fees and other charges assessed by any taxing authority with respect to the goods order except those taxes or charges which are based on Elster's income and duties. Elster acknowledges and agrees that Erie Thames Powerlines shall withhold any applicable non-resident withholding taxes from any amount owing hereunder and remit such taxes to the applicable federal taxing authority.
- e) Non Disclosure. Subject to disclosure to the OEB or by legal compulsion, Erie Thames Powerlines will enter into a specific NDA not to reveal pricing to third parties, and only to those among the London Consortium Utilities on a need to know basis.
- f) Confidentiality. Each party (the "Receiving Party") shall maintain in strict confidence any and all proprietary and confidential information about the business operations or customers of the other party or any of their affiliates which it acquires in any form from the other party (the "Disclosing Party"), including without limitation the terms of this Agreement, or any other information disclosed by the Disclosing Party and identified by Disclosing Party as confidential to any third parties without Disclosing Party's prior written consent and then only after obtaining an appropriate nondisclosure agreement with each such third party. The information referred to in the preceding sentence is collectively referred to herein as the "Confidential Information." The Receiving Party further agrees to use its best efforts and to take all reasonable precautions, including such efforts and precautions as are fully commensurate with those employed for the protection of its own confidential information (but in no event less than reasonable care), to maintain strict confidentiality with respect to the Confidential Information and to prevent disclosure thereof to persons other than its employees and agents who require access thereto in order to use the Equipment or Software as permitted under this Agreement and the related agreements executed in connection with this Agreement or to carry out its obligations under this Agreement. Without limiting the generality of the foregoing, Erie Thames Powerlines may disclose Confidential Information to its affiliates, the Ontario Energy Board, and the Ontario Ministry of Energy provided that disclosures to the Ontario Energy Board and the Ontario Ministry of Energy will be made only after providing Elster with 10 days' advance written notice of Erie Thames Powerlines' intention to make such disclosure in order to permit Elster to take such steps as it deems appropriate to ensure that the proposed disclosure both (i) is required by law; and (ii) would disclose only those portions of the documents or information as is required by law. The Receiving Party agrees to take all reasonable precautions to insure that its employees and agents who are given access to the Confidential Information shall make no further disclosure thereof either to other employees or to other persons. The Receiving Party shall not use, or

permit the use of, the Confidential Information for any purpose other than performing this Agreement and exercising the rights granted under this Agreement. The Receiving Party acknowledges that the rights of the Disclosing Party in the Confidential Information are unique and, accordingly, the Disclosing Party shall, in addition to such other remedies as may be available to it at law or in equity, have the right to enforce its rights hereunder by an action for injunctive relief and specific performance to the full extent permitted by law. Upon termination of this Agreement, the Receiving Party shall return or destroy all copies of all Confidential Information to the Disclosing Party. The provisions of this Article shall survive any termination of this Agreement or of any license granted in connection herewith for a period of five (5) years. Elster acknowledges that Erie Thames Powerlines may be subject to the Municipal Freedom of Information and Protection of Privacy Act (Ontario) ("MFIPPA") and may be required to disclose Confidential Information concerning the Agreement in accordance with the provisions of MFIPPA, provided that Erie Thames Powerlines, notifies Elster in writing prior to any such disclosure and discloses only that portion of Confidential Information required to be disclosed pursuant to MFIPPA.

- g) Compliance with Privacy Act. Each party comply with the Personal Information Protection and Electronic Documents Act ("PIPEDA") and any other applicable privacy legislation (collectively, "Privacy Laws") with respect to any Personal Information (as defined below) it collects, uses or discloses in connection with this Agreement and shall indemnify and hold harmless the other party and its Affiliates (as such term is defined in the *Business Corporations Act* (Ontario)) and their respective directors, officers, employees, agents and subcontractors (collectively, "Representatives") from and against any and all claims, demands, suits, losses, damages, causes of action, fines or judgments (including related expenses and legal costs) they may incur related to or arising out of any non-compliance therewith (collectively, "Claims"). The party providing the indemnity hereunder (the "Indemnitor") shall have the right to defend the other party (the "Indemnitee"), by counsel of the Indemnitor's selection reasonably satisfactory to the Indemnitee, with respect to any Claims against or suffered by the Indemnitee or any of its Affiliates or their respective Representatives, provided that the Indemnitor provides the Indemnitee with notice of its intention to do so in a timely manner having regard to all relevant factors including time required to file a defence to such Claims. The parties shall give each other prompt notice of any asserted Claims that are subject to the indemnification provisions herein, shall cooperate with each other and keep each other informed in the defense of any such Claims and neither party shall settle any such Claims without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. This provision shall survive termination of this Agreement.

- i) For the purposes of this Agreement, Personal Information means information about an identifiable individual, but does not include the name, title or business address or telephone number of an employee of an organization. For greater clarity, Personal Information includes the electricity consumption of an individual who is a customer of Erie Thames Powerlines.
- ii) Elster shall immediately notify an individual(s) designated by Erie Thames Powerlines of any privacy related requests or complaints in relation to this Agreement or any breach or possible breach of any Privacy Laws by Elster or any of its Representatives connected with this Agreement.
- iii) Without limiting the generality of the foregoing provisions, to the extent that any consents or notices are legally required in order for Erie Thames Powerlines to collect, use, disclose or maintain Personal Information about individuals who are its customers, including, without limitation, processing such Personal Information using the Meters purchased under this Agreement, Erie

Thames Powerlines has obtained, and will continue to obtain, such consents and has provided and will continue to provide such notices.

- iv) Elster acknowledges and agrees that, if in the course of performing its obligations under this Agreement, Elster collects, uses, stores or transfers any Personal Information about individuals who are customers of Erie Thames Powerlines ("Customer Personal Information"), then it shall be doing so on behalf of Erie Thames Powerlines and for Erie Thames Powerlines' purposes and not on its own behalf or for its own purposes, that Erie Thames Powerlines is now and/or may in future be subject to one or more of the Privacy Laws, and that Elster shall at all times comply strictly with this Agreement in such manner as to ensure that its acts or omissions do not result in Erie Thames Powerlines being in violation of any applicable Privacy Laws. Elster shall not, at any time for any reason, collect, use or disclose the Customer Personal Information except as reasonably necessary for the purpose of carrying out its duties under this Agreement.
- v) Except as expressly permitted herein, Elster shall not, without the prior written consent of Erie Thames Powerlines, (i) disclose to any affiliated or unaffiliated third party any Customer Personal Information, or (ii) transmit or provide access to the Personal Information to any of Elster's personnel, or to any facility, outside Ontario.
- vi) Erie Thames Powerlines may on reasonable notice, audit the practices of Elster in connection with Customer Personal Information and may specifically audit Elster's compliance with Privacy Laws as it relates to Customer Personal Information. Erie Thames Powerlines shall have no duty to conduct such an audit and shall not incur any liability or obligation by reason of doing or not doing so.
- vii) In the event that Customer Personal Information is disclosed to Elster, all such Customer Personal Information shall be stored at Elster's premises in a secure physical and electronic environment. Elster shall use security safeguards to protect Customer Personal Information that are appropriate to the sensitivity of such information provided that in any event, the security safeguards meet or exceed then-current industry standards. Where Erie Thames Powerlines, acting reasonably, believes that the security safeguards used by Elster to protect Customer Personal Information do not meet industry standards for the protection of information of a similar nature, Elster shall on notice by Erie Thames Powerlines, promptly undertake at its sole cost and expense an investigation into any such security deficiency and make any changes required to bring the security safeguards used to protect Customer Personal Information up to then-current industry standards.
- viii) Elster will promptly notify Erie Thames Powerlines in writing upon becoming aware of the loss, theft, or unauthorized access, disclosure, copying, use or modification of any Customer Personal Information.
- ix) In the event of any termination of this Agreement, Elster shall forthwith return to Erie Thames Powerlines, as directed by Erie Thames Powerlines, all the Customer Personal Information that is held by Elster, or, at Erie Thames Powerlines' option, destroy such Customer Personal Information in a manner that takes into account the sensitivity of such information and provide Erie Thames Powerlines with a certificate from an officer of Elster attesting to such destruction.

h) **Warranties.**

(a) Meter and Services Warranty. Elster warrants that meters shall be delivered free of defects in material and workmanship and that Services shall be performed in a good and workmanlike manner. The Warranty Remedy Period for meters shall end twenty four (24) months after date of shipment. The Warranty Remedy Period for Services shall end ninety (90) days after the date of completion of Services.

(b) Optional Extended Warranty. For an additional fee of \$4.00 USD per meter, Elster will replace any electric revenue meters that failed to comply with the warranty set forth in Section 4 h)(a) above for up to 5 years from the date of shipment. This option must be paid with the purchase of meters.

(c) Performance Warranty. If during the standard Warranty Remedy Period of 24 months, more than five percent (5%) of a Meter Vintage fails to conform to the warranty set forth in Section 4 h)(a), then Elster shall provide the remedy as described in Section 4 h)(d) below (subject to Section 4 h)(e)) for the entire Meter Vintage and shall extend the Warranty Period for the entire Meter Vintage for a period of sixty (60) months beginning on June 30 of the year in which the Meter Vintage was received by Erie Thames Powerlines. This provision shall be extended for years 3, 4 and 5 after the shipment date if Erie Thames Powerlines has purchased the Extended Warranty described in Section 4 h)(b) above. "Meter Vintage" is defined as the aggregate meters received by LDC under this Agreement in a given calendar year.

(d) Remedy. If a nonconformity to the foregoing warranty is discovered in the meters during the Warranty Remedy Period, as specified above, under normal and proper use and provided the meters have been properly stored, installed, operated and maintained and written notice of such nonconformity is provided to Elster promptly after such discovery and within the applicable Warranty Remedy Period, Elster shall, at its option, either (i) repair or replace the nonconforming portion of the meters or (ii) refund the portion of the price applicable to the nonconforming portion of meters.

(e) Warranty Exceptions. In no event shall Elster be responsible for gaining access to the goods, disassembly, reassembly or transportation of the goods or parts from or to the place of installation, all of which shall be at Erie Thames Powerlines' risk and expense. Elster shall have no obligation hereunder with respect to any goods which (i) have been improperly repaired or altered; (ii) have been subjected to misuse, negligence or accident; (iii) have been used in a manner contrary to Elster's instructions; or (iv) are comprised of materials provided by or a design specified by Erie Thames Powerlines.

(f) THE FOREGOING WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES OF QUALITY AND PERFORMANCE, WHETHER WRITTEN, ORAL OR IMPLIED, AND ALL OTHER WARRANTIES INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OR USAGE OF TRADE ARE HEREBY DISCLAIMED. THE REMEDIES STATED HEREIN CONSTITUTE ERIE THAMES POWERLINES' EXCLUSIVE REMEDIES AND ELSTER'S ENTIRE LIABILITY FOR ANY BREACH OF WARRANTY.

(g) Long Term Availability of Spare Parts. Due to the nature of rapid electronic evolution, Elster has and will continue to maintain backward compatibility through each of its releases of new EnergyAxis products and functionality upgrades. Our system supports remotely upgrading firmware to allow upgrading while maintaining compatibility. It is our policy to maintain backwards compatibility for all collectors, meters and modules in the field.

(h) For warranty returns of Elster metering hardware, Elster will pay freight to Elster factory in Raleigh, NC.

(i) Elster will provide all freight charges for return of repaired or replaced items from its factory.

(j) After the vendor's Warranty period, Erie Thames Powerlines is responsible for payment of any support or maintenance agreements for computer hardware and/or customer supplied third party software used in the system.

i). Intellectual Property.

(a) Elster shall, at its expense, defend any suit which may be brought against Erie Thames Powerlines or any of its employees, directors, officers or Affiliates (as defined in the *Business Corporations Act* (Ontario)) (collectively, "Representatives") and each of its Affiliates' Representatives based on a claim that the use of the deliverables provided by Elster under this Agreement infringes upon any United States or Canadian patent, copyright or trade secret, and Elster shall indemnify and hold harmless Erie Thames Powerlines with respect to all judgments, damages and costs recovered against Erie Thames Powerlines in any such suit and for costs or expenses incurred by Erie Thames Powerlines in the defense of any such suit, provided that Erie Thames Powerlines gives Elster prompt notice of such suit in accordance with applicable law; reasonable assistance in the defense thereof; and full opportunity to control all aspects of the defense thereof, including settlement. In the event that the use of such deliverables is held to be infringing, and the use of such deliverables is enjoined, Elster will promptly, at its option and expense, so as to prevent any adverse effect to Erie Thames Powerlines' operations procure for Erie Thames Powerlines the right to continue using such deliverables; replace it with non-infringing deliverables provided that the modified or replaced deliverables are substantially equivalent in function, speed, uptime and scalability; modify it so it becomes non-infringing; or if none of the foregoing are available after Elster has applied all reasonable efforts to effect such options, remove the meters and refund the purchase price of all meters purchased on or after the Effective Date under this Agreement, pro-rated over a 15-year useful life.

(b) Elster's obligations under this Section do not apply with respect to a claim of infringement if and to the extent such claim arises out of: (A) the use by Erie Thames Powerlines of any third-party software or equipment not provided by Elster that infringes any patent, copyright, trademark or trade secret of any third party, (B) any modification or alteration of the deliverables (other than by or on behalf of Elster) or (C) use of the deliverable after notice of the claimed infringement has been received by Erie Thames Powerlines provided a suitable replacement has been provided by Elster. The foregoing states the exclusive remedy of Erie Thames Powerlines and the sole liability of Elster for infringement.

IN WITNESS WHEREOF, the parties have authorized their representatives to execute this Agreement effective as of the last date written ("Effective Date").

Elster Metering
A Division of Canadian Meter Company Inc.

By: 

Name: Jack Robertson
(print)

Title: VP & GM

Date: Feb 12/2012

Erie Thames Powerlines

By: 

Name: CHRIS WHITE
(print)

Title: President

Date: JAN 26/10

EXHIBIT A
STATEMENT OF WORK

THIS IS A TEMPLATE TO BE USED AS THE BASIS FOR THE FINAL STATEMENT OF WORK AGREED TO BY THE PARTIES AT THE SYSTEM PLANNING MEETING

1 Overview

The goal of this project is the delivery of the meters and collectors that will be purchased by Erie Thames Powerlines.

Erie Thames Powerlines will provide project management for their scope as defined herein, support the operations and maintenance of the MAS and provide installation of all meters and communications lines.

2 Deliverables

1. Equipment (To be finalized)

- a) Meter Equipment
 - i) REX2 for residential and network services
 - ii) A3 ALPHA Nodes for Commercial and Industrial services
 - iii) Meter based or standalone collectors as required
 - iv) EnergyAxis LAN repeaters as required
 - v) Elster Metercat software version 2.1 required for programming and configuring A3 ALPHA Collector meters or performing shop resets of REX meters.

3 .Responsibilities

		Responsibilities	
No.	Item	Erie Thames Powerlines	Elster
1	Meter Equipment		X
2	Collector/MAS WAN	X	
3	System Planning.	X	X
4	Meter and Collector Site Planning.	X	X
5	Provide the longitude and latitude coordinates	X	
6	A3 ALPHA Collector mapping to determine the optimal collector placement (PIF)		X

7	Site specific utility visit and planning meeting. (PIF)*		X
8	Meter programming set up (PIF)*		X
9	Collector Configuration for Erie Thames Powerlines WAN (PIF)*		X
10	Meter Delivery planning (PIF)*		X
11	Nameplate set up and development (PIF)*		X
12	Establishment of WAN Communications from the Collectors to MAS	X	
13	Meter and Collector Installation.	X	
14	Meter and communication test by Erie Thames Powerlines (if required).	X	
15	Meter Reading.	X	
16	Integration with Billing and Other LDC Systems	X	
17	Support of application service provider (PIF)*		X
18	One day of meter technician training on the operation and maintenance of the EnergyAxis AMI system per year (PIF)*		X
19	MAS System Operation .	Service provider for Erie Thames Powerlines	
20	Payment for WAN Communications from the Collector to MAS (set up costs and ongoing monthly costs)	X	
21	Provide the field services labour to visit a problem endpoint and perform diagnostics and repair or replacement	X	
22	Yearly review of programming requirements (PIF)*	X	X
23	Technical support in diagnosing LAN communications issues (PIF)*		X
24	Technical support for WAN technologies (PIF)*.		X

* Project Initiation Fee

4 Project Schedule

The project schedule is determined during the Project Planning meeting. Installation and integration dates are determined by customer requirements and resource availability. A typical schedule of events is listed below.

- Sign Contract,
- Project Planning meeting
- Meter Configuration
- Meter Procurement
- Meter Delivery
- Training

EXHIBIT B

PRICING

A. Project Prices

1. All prices are in Canadian Dollars and are adjusted for the 4th quarter of 2009 and subject to currency adjustment.

Project Fees		Canadian Dollars
Project Initiation Fee (as per SOW above)	1	\$20,000
Travel & Living for site work - Billed at Cost plus 10%		

The Project Initiation Fee includes:

1. Site specific utility visit and planning meeting. At this meeting the parties will work through the project steps and plan meter deliveries, etc. Attached is a draft agenda for information.
2. One day of meter technician training on the operation and maintenance of the EnergyAxis AMI system per year.
3. A3 ALPHA Collector mapping to determine the optimal collector placement.
4. Support of application service provider. This will include working with the service provider customer chooses to ensure that they have all the necessary information to begin data collection.
5. Technical support for WAN technologies includes collector set-up and testing for communication over Erie Thames Powerlines' fiber network and ISP service.
6. Technical support in diagnosing LAN communications issues. Elster will make personnel available to Erie Thames Powerlines to assist in diagnosing communications issues that may arise.

B. Meter Pricing

Elster is offering pricing based on the total quantity of REX meters (forms 1s, 2s, 3, 4, 12s) committed for purchase by the total of all London Hydro RFP consortium members. In order to qualify for the volume discounts Elster must have a Purchase Order, an EnergyAxis contract, or a signed Letter of Intent from all utilities who are committing to EnergyAxis for their service territories.

All meter pricing is driven by the total number of REX meters and is presented in tables which reflect the quantity breakpoints.

The prices apply irrespective if the meters are delivered as standalone or as part of a complete EnergyAxis project.

All meters are quoted with Measurement Canada sealing included.

Based on those conditions, and subject to the currency adjustment formula in Note 2 below, Elster is offering the following base pricing to Erie Thames Powerlines. Prices are in Canadian dollars.

Total # of REX Meters	ANSI Form 2s REX Meter Canadian \$	ANSI Form 1s, 3s, 4s REX Meter Canadian \$	ANSI Form 12s REX Meter Canadian \$	A3 ALPHA A3TL Nodes Canadian \$	A3 ALPHA A3RL Nodes Canadian \$	Price for Collector ⁽¹⁰⁾ Canadian/\$
< 25,000	\$69.63/	\$91.05/	\$113.50/	\$367.35/	\$419.37/	\$743.16/
50,000	\$68.00/	\$91.05/	\$107.51/	\$367.35/	\$419.37/	\$731.98/
100,000	\$67.10/	\$91.05/	\$107.11/	\$359.46/	\$411.48/	\$720.45/
150,000	\$66.20/	\$91.05/	\$106.45/	\$353.18/	\$404.20/	\$710.19/
200,000	\$65.10/	\$91.05/	\$105.73/	\$345.95/	\$397.97/	\$708.10/
300,000	\$64.30/	\$90.55/	\$105.31/	\$336.19/	\$388.21/	\$706.38/
400,000	\$61.70/	\$90.55/	\$104.71/	\$332.93/	\$384.95/	\$704.24/

For the above graph – note the highlighted row indicating the volume category of pricing being offered to Erie Thames Powerlines.

A decrease in quantity due to a termination by a London Hydro Consortium Utility for cause shall not impact the price paid by LDC (i.e. the original order quantity by the terminating London Hydro Consortium Utility shall still be applied to the pricing calculation).

Notes:

1. To determine the final quantity of REX meters, all purchase orders and letters of intent or other forms of written agreement to purchase received by December 30, 2009 from London Hydro Consortium Utilities for deliveries by December 31, 2010 will be summed together.
2. The prices are presented in Canadian dollars but subject to quarterly currency adjustments. Elster and Erie Thames Powerlines will calculate the final prices using the following formula to calculate the currency adjustment factor. Current meter prices are in Schedule A.
3. US prices (to be added to the above table) shall remain fixed for the duration of the contract.

Currency Adjustment Formula

- a. The prices quoted are in Canadian dollars and based on the USD exchange rate as reported by the Bank of Canada on November 9, 2007. Prices for meters delivered in the 1st quarter of 2008 and each subsequent quarter will be subject to the currency formula as detailed in b) below. The first adjustment date is the last banking day of 2007.
- b. Currency Adjustment.
 - i. Prices will be adjusted per the definitions and formulas shown below.
 - ii. All adjustments will be based on the US/Canada exchange rate per: The nominal noon exchange rates as reported by the Bank of Canada on the Base Date and Adjustment Date.
 - iii. The initial "Base Date" is November 9, 2007.
 - iv. Subject to the applicable exchange rates the prices may be adjusted up or down
 - v. Adjustment date is the last business day of each quarter of a year following the Base Date and adjusted prices will come into effect on that day for product scheduled for delivery in the following quarter.
 - vi. All prices will be subject to the same adjustment factor. AF
 - vii. Adjustment will only be applied if: $AF > \pm 2.0\%$

DEFINITIONS

AF = Currency Exchange Adjustment Factor

E_B = Base Exchange Rate published on Bank of Canada Website as of noon.

Initial Base Rate shall be as of November 9, 2007.

$\$ E_B$ 1 USD = \$0.9391 CND

The Base Rate remains as the November 9, 2007 rate until there is an Adjustment made (changes greater than 2%) at which time the Rate on the date of Adjustment becomes the new Base Rate E_B

E_A = Exchange Rate published on the Adjustment date, the first date being the last Banking Day of 2007

$\$ E_A$ 1 USD = \$ TBD CND

P_O = Original Price, Price set out above in Pricing tables

P_A = Adjusted Price

PRICE ADJUSTMENT FORMULAS

$$AF = \frac{E_A}{E_B}$$

$$P_A = P_O \times AF$$

$$P_A = P_O \times AF$$

Schedule A

Pricing Schedule – Erie Thames Powerlines

Currency: Canadian Dollars. All prices include exchange adjustment.

Original Base rate used \$1 US = \$0.9391 CND per bank of Canada Nov. 7/07 noon rate.

1st Currency Adjustment Dec. 31/07 resulted in 2.1% increase

2nd Currency Adjustment Mar. 31/08 resulted in 4.0% increase

3rd Currency Adjustment on June 30/08 did not result in a price adjustment

4th Currency Adjustment Sept. 30/08 resulted in 3.1% increase

5th Currency Adjustment Dec. 31/08 resulted in a 15.5% increase.

6th Currency Adjustment Mar. 31/09 resulted in 2.9% increase

7th Currency Adjustment June 30/09 resulted in 7.75% decrease

8th Currency Adjustment Sept. 30/09 resulted in 7.77% decrease

Current Base rate \$1 US = \$1.0722 CND per bank of Canada Sept 30/09 noon rate.

Next currency Adjustment date: December 31, 2009

- **Payment Terms:** Net 30 days.

Note: The following prices are based upon Erie Thames Powerlines taking receipt of, and Elster invoicing a minimum of 10,000 Rex Meters no later than December 31, 2010.

Revised March 31, 2009

Price: subject to exchange adjustment

Effective April 1/09 thru June 30/09

Description	CND Price
Form 2s REX2	\$74.33
Form 2s REX2 with external antenna	Pricing Not Yet Available
Form 12s REX2	\$120.72
Form 12s REX2 with external antenna	Pricing Not Yet Available
Forms 1s, 3s, 4s REX2	\$103.95
gREX 3-wire bottom connected REX2	\$95.23
A3TL Polyphase Node	\$394.98
A3RL Polyphase Node	\$454.37
A3TL Meter-based Gatekeeper (Collector)	\$808.46
A3RL Meter-based Gatekeeper (Collector)	\$873.47
EnergyAxis Repeater	\$194.09
EnergyAxis Standalone Gatekeeper (Collector) (AC only, Ethernet)	\$751.03
NOTE:	
EnergyAxis Standalone Gatekeeper (Collector) (AC with Battery Backup, Ethernet)	\$2,247.88
REX2 remote disconnect - adder	\$78.06
REX2 ZigBee communications – adder	\$43.34
KYZ Pulse Outputs (2 outputs cable for A3 Nodes)	\$39.00

Additional price per meter to add two KYZ output relays to an A3 Node.	
Form 12s 600 Volt, 200 Ampere, polyphase 2 element self-contained type meters, 5 th jaw at the 6:00 position, complete with integrated AMCD	Pricing Not Yet Available
EA Inspector Hand-held diagnostic/troubleshooting tool	\$5,831.17

EXHIBIT C

ELSTER METERING, A DIVISION OF ELSTER CANADIAN METERING COMPANY INC. GENERAL TERMS AND CONDITIONS OF SALE

January 15, 2009

1. General.

Unless otherwise agreed by the parties in writing, the terms and conditions contained herein constitute the entire agreement (the "Agreement") between the parties with respect to Purchaser's order of goods and supersede all prior communications and agreements regarding the order. Acceptance by Elster Metering ("Elster") of the order, or Purchaser's acceptance of Elster's quotation or proposal (the "Proposal"), is expressly limited to and conditioned upon Purchaser's acceptance of these terms and conditions. Purchaser's acceptance of goods from Elster shall be deemed to be Purchaser's acceptance of these terms and conditions. These terms and conditions may not be changed or superseded by any different or additional terms and conditions proposed by Purchaser in a purchase order or other document, unless expressly agreed to in writing by Elster. Notwithstanding the foregoing, any software licenses purchased by Purchaser shall be governed exclusively by the terms and conditions of the applicable software license agreement (including, if applicable, a shrink-wrap or click-wrap software license agreement) in effect between the parties.

2. Prices.

- (a) Unless otherwise specified in writing, all Proposals expire thirty (30) days from the date thereof.
- (b) Unless otherwise specified by Elster, the price does not include any federal, provincial or local property, license, privilege, sales, use, excise, gross receipts, or other like taxes which may now or hereafter be applicable. Purchaser will assume the payment of all taxes, duties, fees and other charges assessed by any taxing authority with respect to the goods order. Purchaser agrees to pay or reimburse any such taxes, duties, fees or other charges which Elster or its suppliers are required to pay or collect. If Purchaser is exempt from the payment of any tax or holds a direct payment permit, Purchaser shall, upon order placement, provide Elster a copy, acceptable to the relevant governmental authorities of any such certificate or permit.
- (c) All prices are in Canadian Dollars unless otherwise specified.

3. Payment.

- (a) Unless specified to the contrary in writing by Elster, payment terms are net cash, payable without offset, in Canadian Dollars, 30 days from date of invoice to Seller's office in accordance with the conditions stated by Elster in the Proposal.
- (b) Purchaser shall pay, in addition to the overdue payment, a late charge equal to the lesser of 1 ½ (1.5)% per month or any part thereof or the highest applicable rate allowed by law on all such overdue amounts plus Elster's attorneys' fees and court costs incurred in connection with collection.

4. Changes.

- (a) Any changes requested by Purchaser affecting the ordered scope of work must be accepted by Elster and resulting adjustments to affected provisions, including price, schedule, and guarantees mutually agreed in writing prior to implementation of the change.
- (b) Elster may, at its expense, make such changes in the goods as it deems necessary, in its sole discretion, to conform the goods to the applicable specifications. If Purchaser objects to any such changes, Elster shall be relieved of its obligation to conform to the applicable specifications to the extent that conformance may be affected by such objection.

5. Delivery.

- (a) All goods delivered hereunder will be delivered FCA (Erie Thames Powerlines) as per Incoterms 2000, freight extra.
- (b) When the Proposal calls for delivery FCA point of destination, Elster will deliver FCA accessible common carrier point nearest first destination, freight prepaid and included in the price
- (c) If the scheduled delivery of goods is delayed by Purchaser or by Force Majeure, Elster may move the goods to storage for the account of and at the risk of Purchaser whereupon it shall be deemed to be delivered.
- (d) Shipping and delivery dates are contingent upon Purchaser's timely approvals and delivery by Purchaser of any documentation required for Elster's performance hereunder.
- (e) Claims for shortages or other errors in delivery must be made in writing to Elster within ten days of delivery. Goods may not be returned except with the prior written consent of and subject to terms specified by Elster. Claims for damage after delivery shall be made directly by Purchaser with the common carrier.
- (f) Unless otherwise agreed in writing by the parties, the Purchaser shall be responsible for any required export/import licenses. The obligations of the Purchaser to pay for the goods shall not in any manner be waived by the delay or failure to secure or renew, or by the cancellation of any required export/import licenses.

6. Inspection and Acceptance.

Purchaser shall have up to sixty (60) days after delivery of the goods to the FCA delivery point to inspect and reject or accept the goods. Failure to reject the goods during such time shall be deemed acceptance of the goods.

7. Title & Risk of Loss.

Title to goods shall remain in Elster until fully paid for. Notwithstanding any agreement with respect to delivery terms or payment of transportation charges, risk of loss or damage shall pass to Purchaser upon delivery to the FCA delivery point. Notwithstanding the foregoing, title to any software delivered to Purchaser shall remain in Elster, and Purchaser shall receive only a license to use such software pursuant to the terms of the applicable software license agreement between the parties.

8. Warranties and Remedies.

See Warranty terms in the General Agreement Section 4 h)

9. Limitation of Liability.

(a) In no event shall either party, its suppliers or subcontractors be liable for special, indirect, incidental or consequential damages, whether in contract, warranty, tort, negligence, strict liability or otherwise, including, but not limited to, loss of profits or revenue, loss of use of the goods or any associated equipment, facilities or services, downtime costs, delays, and claims of customers of Erie Thames Powerlines or other third parties for any damages. Each party's liability for any claim whether in contract, warranty, tort, negligence, strict liability, or otherwise for any loss or damage arising out of, connected with, or resulting from this Agreement or the performance or breach thereof, or from the design, manufacture, sale, delivery, resale, repair, replacement, installation, technical direction of installation, inspection, operation or use of any equipment covered by or furnished under this Agreement, or from any services rendered in connection therewith, shall in no case exceed the purchase price allocable to the goods and services or part thereof which gives rise to the claim..

(b) Section (a) above will not limit the liability of (i) either party for its breach of confidentiality hereunder, its breach of applicable law, or claims for bodily injury or death, damage to or loss of personal, tangible, intangible, or real property or negligence or wilful misconduct, or (ii) Elster for its indemnification obligations hereunder in respect of intellectual property infringement..

10. Choice of Law.

This Agreement shall be governed by the laws of the Province of Ontario, which shall have jurisdiction in any matter relating to the same. If any provision hereof, partly or completely, shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision or portion hereof and these terms shall be construed as if such invalid or unenforceable provision or portion thereof had never existed.

11. Force Majeure.

Elster shall neither be liable for loss, damage, detention or delay nor be deemed to be in default for failure to perform when prevented from doing so by causes beyond its reasonable control, including but not limited to acts of war (declared or undeclared), Acts of God, acts of war or terrorism, fire, strike, labor difficulties, acts or omissions of any governmental authority or of Purchaser, compliance with government regulations, insurrection or riot, embargo, delays or shortages in transportation or inability to obtain necessary labor, materials, or manufacturing facilities from usual sources or from defects or delays in the performance of its suppliers or subcontractors due to any of the foregoing enumerated causes. In the event of delay due to any such cause, the date of delivery will be extended by period equal to the delay plus a reasonable time to resume production, and the price will be adjusted to compensate Elster for such delay.

12. Cancellation.

Any order may be cancelled by Purchaser only upon prior written notice and payment of termination charges, including but not limited to, all costs identified to the order incurred prior to the effective date of notice of termination and all expenses incurred by Elster attributable to the termination, plus a fixed sum of ten (10) percent of the final total price to compensate for disruption in scheduling, planned production and other indirect costs. Payment shall be made within 30 days after the date of invoice.

13. Termination.

Elster may terminate any order for nonpayment or other material breach by Purchaser that is not cured within thirty (30) days following written notice thereof. No termination by Purchaser for default shall be effective unless, within thirty (30) days after receipt by Elster of Purchaser's written notice specifying such default, Elster shall have failed to initiate and pursue with due diligence correction of such specified default.

14. Export Control.

(a) Purchaser represents and warrants that the goods provided hereunder and the "direct product" thereof are intended for civil use only and will not be used, directly or indirectly, for the production of chemical or biological weapons or of precursor chemicals for such weapons, or for any direct or indirect nuclear end use. Purchaser agrees not to disclose, use, export or re-export, directly or indirectly, any information provided by Elster or the "direct product" thereof as defined in the Export Control Regulations of the United States Department of Commerce, except in compliance with such Regulations.

(b) If applicable, Elster shall file for a U.S. export license, but only after appropriate documentation for the license application has been provided by Purchaser. Purchaser shall furnish such documentation within a reasonable time after order acceptance. Any delay in obtaining such license shall suspend performance of this Agreement by Elster. If an export license is not granted or, if once granted, is thereafter revoked or modified by the appropriate authorities, this Agreement may be canceled by Elster without liability for damages of any kind resulting from such cancellation. At Elster's request, Purchaser shall provide to Elster a Letter of Assurance and End-User Statement in a form reasonably satisfactory to Elster.

15. Nuclear Insurance

Indemnity. For applications in nuclear projects, the Purchaser and/or its end user customer shall have complete insurance protection against liability and property damage resulting from a nuclear incident to and shall indemnify Elster, its subcontractors, suppliers and vendors against all claims resulting from a nuclear incident.

16. Resale.

If Purchaser resells any of the goods, the sale terms shall limit Elster's liability to the buyer to the same extent that Elster's liability to Purchaser is limited hereunder



utilismartTM Customer Agreement

utilismartTM Contract Number: ETPL01-SMTMT-010210
 Contract Period (Initial Term): February 1, 2010 to January 31, 2013

To: Erie Thames Powerlines (hereinafter referred to as the "Customer")
 Address: 280 Elm Street
 Aylmer, ON N5H 3G3

This utilismartTM Customer Agreement (the "Agreement") sets out the terms and conditions under which Utilismart Corporation, having offices at 201-555 Southdale Road East, London, Ontario, (hereinafter referred to as the "Company"), will make available the Services (as defined below) to the Customer.

1. SCOPE OF SERVICES.

- (a) The Customer will purchase and the Company will perform the Elster EnergyAxis System and Utilismart Smart Meter System (USMS) Application Service Provider (ASP) Services described in Attachments 1 and 2 to this Agreement (the "Services").
- (b) The Company warrants the Services are in compliance with the Ontario Independent Electricity System Operator ("IESO") rules (the "Rules") and Ontario Energy Board Standards (the "Standards") as of the date of this Agreement and will be maintained in such compliance during the term of this Agreement.
- (c) The Company may modify at its discretion, the manner in which the Services are provided to the Customer during the Initial Term or Renewal Term (as each term is defined in Section 18 and sometimes collectively referred to herein as the "Term") provided that such modifications are not Material Alterations and that the Services remain in compliance with the Rules and Standards. The Company shall obtain the written consent of the Customer in the event that such modifications are Material Alterations (said consent will not be unreasonably withheld). The parties agree that for the purposes of this Agreement a Material Alteration will mean a change in the Services that would reasonably be expected to have a significant negative effect on the value or nature of the Services to the Customer or the commercial viability of this Agreement to either party.
- (d) Notwithstanding the terms of Section 1(c) and Section 18, should there be a change in the Rules and Standards which necessitate a Material Alteration in the Services, the Company shall have the option to provide the Customer with no less than 3 months written notice of the Company's decision to terminate this Agreement.

2. THE AGREEMENT. All Attachments to this Agreement shall be deemed to be part of this Agreement. In the event of a conflict between Attachment 1 and Attachment 2, Attachment 1 shall be read in priority to Attachment 2.

3. PAYMENT. To purchase the Services, the Customer shall pay the Company the fees as set out in and in accordance with Attachment 1. The Customer shall pay all sales and goods and services taxes, duties and levies, any related interest and penalties and all similar charges, however designated, imposed or based upon the provision or use of the Services provided under this Agreement (excluding taxes based on the Company's net income), and any additional amounts necessary to ensure that the net amounts received by the Company after all withholdings or payments equal the amount to which the Company otherwise would have been entitled to, absent such charges or taxes. Such charges or taxes shall be separately itemized on the Customer's bill. Monthly invoices shall be sent to the Customer while the Services are being provided, unless a different payment schedule is agreed to and set forth in the Schedule of Charges. Invoices are payable to the Company within thirty (30) days from the date of invoice. Interest charges will be added to any past due amounts at the rate of 1.5% per month.

4. NOTICES. Any notice, report, request or demand shall be made to the receiving party's designated representative, either by delivery in person or by facsimile followed by a paper copy sent by first-class mail. No notice shall be effective until received by the party to whom it is addressed, to the applicable address set out above. Addresses may be changed by written notice.

5. **CHANGES.** The Customer may request changes in the Services at any time or a change may be required due to changes in the Rules or Standards that is not a Material Alteration. In such case a change order must be confirmed in writing, approved by the Company and signed by both parties. Once executed, such change orders will form part of this Agreement. A reasonable adjustment to the due date and/or Schedule of Charges shall be made if any such change affects the time of performance or the cost of the Services to be provided under this Agreement.
6. **LIMITATION OF WARRANTIES.** The provision of Services under this Agreement shall proceed with diligence and shall be executed with ordinarily acceptable practices in the field to which the Services pertain, as well as any standards set forth in Attachments 1 and 2. Except as set forth in this Section, the Company and its affiliates, subcontractors and agents make no warranties with respect to the services, express or implied, and specifically disclaim any warranty of merchant ability or fitness for a particular purpose. Whereas the Company must rely on the accuracy of third party metering devices and data provided to it by third parties in order to provide the Services, the Company does not warranty the accuracy, completeness or currency of any data collected on behalf of the Customer and stored in the Company's database.
7. **CONFIDENTIAL INFORMATION.** Each party agrees that it shall not disclose, either during the Term or after the expiration or termination of this Agreement, to any unaffiliated third party any proprietary information of the other party, including, without limitation, information concerning trade secrets, methods, processes or procedures or any other confidential business or technical information or customer data ("Confidential Information"), which it learns during the course of its performance of this Agreement, without the prior written consent of the other party, except to the extent that any such Confidential Information: (i) is in the public domain; (ii) is independently developed by the receiving party; (iii) is already in the possession of such party prior to disclosure by the other party; (iv) is rightfully received from a third party not under a confidentiality obligation to the other party; or (v) is legally required to be disclosed by the receiving party. Either party may disclose Confidential Information to its sub-contractors, agents or advisors on a need-to-know basis, provided it first obtains an appropriate non-disclosure agreement therefrom.
8. **INTELLECTUAL PROPERTY RIGHTS.**
 - (a) **Customer Proprietary Information.** The Company acknowledges and agrees that it shall have no right, title, claim, interest, security interest or lien ("Interest") in any specifications, designs, plans, drawings, data, software, computer systems, prototypes or other technical or business information ("Proprietary Information") and disclosed to the Company by or on behalf of the Customer in connection with this Agreement ("Customer Proprietary Information"), regardless of whether any such information constitutes a trade secret or is competitively sensitive, or in any Proprietary Rights (as defined below) with respect thereto, and disclaims any such Interest in any of the Customer Proprietary Information or such Proprietary Rights. The Customer hereby grants or shall grant to The Company a personal, non-exclusive, non-transferable, royalty-free license (without the right to sublicense, except to affiliates) during the Term, to use, execute, reproduce, display, perform and copy such Customer Proprietary Information (including the right to provide such information to subcontractors) for the sole purpose of performing the Services and only to the extent necessary to do so. As used in this Agreement, "Proprietary Rights" means, with respect to any item, all trade secret, copyright, patent, trademark, service mark, certification mark, trade dress or other intellectual property or proprietary rights in all countries related to such item or any part thereof, any extensions or renewals of the foregoing, and any registrations, patents or applications with respect to the foregoing.
 - (b) **The Company Proprietary Information.** The Customer acknowledges and agrees that it shall have no Interests in any Proprietary Information disclosed to the Customer by or on behalf of the Company in connection with this Agreement ("The Company Proprietary Information"), regardless of whether any such information constitutes a trade secret or is competitively sensitive, or in any Proprietary Rights with respect thereto, and disclaims any such Interest that it might otherwise have in any of the Company Proprietary Information or such Proprietary Rights. Where necessary for the proper performance of the Services under this Agreement, the Company will grant to the Customer a personal, non-exclusive, non-transferable, royalty-free license (without the right to sublicense, except to affiliates)

during the Term, to use, execute, display, perform and copy any such Company Proprietary Information for use solely in connection with Customer's receipt of the Services.

- (c) **Restrictions.** Notwithstanding the terms of the preceding section, the Customer shall not reproduce, copy, amend, modify, merge or reverse engineer all or any portion of any software resident on the Host System (as defined below), or attempt to do any of the foregoing. In this Agreement, "Host System" means the hardware, main processing modules of the utilismart™ database and/or other related software licensed, leased or owned and operated by the Company and/or the Company's approved agents, subcontractors and suppliers, to provide Services to the Customer.

9. **TRADE NAMES.** Neither party shall use the other party's trade name, trade-marks or logos, in any way, without the prior written consent of the other party, which consent may be withheld within such party's reasonable discretion, except that the Company may include the Customer's name in the Company's customer lists.

10. **LIMITATIONS OF LIABILITY.**

- (a) The Company shall not be liable to the Customer for any special, indirect, incidental, consequential or punitive damages of any character, including but not limited to loss of use, loss of profit, past and future, additional out-of-pocket expenses incurred by the Customer, or other claims resulting from, arising out of, in connection with or in anyway incidental to any act or omission of the Company related to the provisions of this Agreement, including without limitation, claims of third parties.
- (b) **TO THE EXTENT PERMITTED BY LAW, THE LIABILITY OF THE COMPANY TO THE CUSTOMER FOR ANY REASON AND UPON ANY CAUSE OF ACTION WHATSOEVER, WHETHER IN CONTRACT OR TORT, SHALL BE LIMITED TO FEES PAYABLE BY THE CUSTOMER UNDER THIS AGREEMENT IN RESPECT OF THE SERVICES IN THE MONTH IN WHICH THE CAUSE OF ACTION AROSE.**
- (c) The Company shall not be liable for any costs, losses, damages, legal costs and expenses, liability, claims and demands resulting from or arising in connection with any use of the Customer's

usernames or passwords. The Customer is solely responsible for ensuring that the usernames and passwords are kept confidential. The Customer agrees that under no circumstances shall the company be held responsible or liable for situations where the data stored or communicated through the Company's website interface are accessed by third parties through illegal or illicit means, including situations where such data is accessed through the exploitation of security gaps, weaknesses or flaws, if unknown to the Company at the time, which may exist in the Host System (as defined herein). The Company simply stores and facilitates the transmission of private electronic communications. Electronic communications on the Company's Host System are private, and only under situations where explicitly required or allowed by law will such communications be accessed, intercepted, disclosed, or used without the consent of at least one of the parties to the communication.

11. **INDEMNIFICATION.** The Company and the Customer shall indemnify each other and their respective Affiliates as defined in Section 14, employees, subcontractors and agents against all losses resulting from injury or death of any person (including their respective employees, subcontractors or agents) or loss or damage to any tangible, real or personal property to the extent that such loss was proximately caused by gross negligence or willful misconduct of any person for whose conduct the indemnitor is responsible and which arises from the provision or receipt of the Services. The Customer shall indemnify the Company against all other claims from any third party, relating to the Company's provision of Services.

12. **FORCE MAJEURE.** Neither party shall be liable to the other party for any loss, damage, delay or failure of performance resulting directly or indirectly from any cause which is beyond its reasonable control, including (without limitation) acts of God, riots, civil disturbances, wars, states of belligerency, acts of the public enemy, strikes, work stoppages, power or utility failures, extraordinary traffic conditions, changes in laws or regulations, or the acts or omissions of any governmental authority. Under such circumstances, the parties shall engage in good faith negotiations to arrange achievement of this Agreement's purposes through alternative methods.

13. **ASSIGNMENT.** Neither party may assign this Agreement without the other's written consent (which shall not be unreasonably withheld); provided, however, that the Company may without consent assign this Agreement in whole or in part to a Company Affiliate or Related Company. Affiliate means any partnership, corporation or other form of enterprise Controlled (as the term is defined in the following sentence) by, Controlling, and/or under common Control with, one of the parties. "Control" means the ownership, directly or indirectly, of greater than fifty percent (50%) of the voting securities of the entity in respect of which such determination is being made and the power to direct or cause the direction of the management and operating policies of such entity. A Related Company is a partnership or corporation in which the Company or an Affiliate directly owns not less than thirty percent (30%) of the voting securities of such entity.
14. **SUBCONTRACTING.** The Company may subcontract all or any portion of the Services to be performed by it under this Agreement, but shall retain responsibility for the Services subcontracted.
15. **INDEPENDENT CONTRACTOR.** Other than as expressly set forth herein, the Company and its subcontractors are independent contractors for all purposes and at all times for the work performed under this Agreement.
16. **THIRD PARTY BENEFICIARY RIGHTS.** No provision of this Agreement shall in any way inure to the benefit of any third person (including the public at large) so as to constitute any such person a third-party beneficiary of the Agreement or any of the terms hereof, or otherwise give rise to any cause of action in any person not a party hereto except to the extent as may be provided for in this Agreement.

17. TERM AND TERMINATION.

- (a) The term of this Agreement shall be 36 months, commencing on the Renewal Date hereof indicated (the "Initial Term") and may be renewed for successive 1 year terms (each a subsequent "Renewal Term"), unless terminated prior to the end of this Initial Term.

(b) If there has been a breach or default by either party (the "Defaulting Party"), then the other party may terminate this Agreement after giving the Defaulting Party notice, in accordance with the provisions of this Agreement, of the breach or default and 30 business days to remedy the same, or in the case of any breach or default which cannot be reasonably remedied within 30 business days, such period as may reasonably be required to expeditiously remedy the breach or default. If the Customer is in default, a Termination Payment will be due and payable to the Company within 30 days of the termination of this Agreement. The Termination Payment will equal 50% of the remaining Agreement fees, based on the then current Monthly Fees as calculated in accordance with the terms outlined in Attachment 1.

(c) If neither party is in default, this Agreement may be terminated by the Company or the Customer upon providing 180 days prior written Notice to the other party. If this Agreement is terminated by the Customer more than 180 days prior to the end of the Initial Term or Renewal Term, as the case may be, then the Termination Payment will be due within 30 days of termination by the Customer. If this agreement is terminated by the Company and neither party is in default, the Company will provide the Customer with service until the end of the 180 day period and the Customer shall remain liable for any fees incurred according to the terms of Attachment 1 of this Customer Agreement.

(d) For the purposes of this Agreement a breach or default will include the following:

- (i) A violation of any term of this Agreement;
- (ii) The failure to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within 10 business days after written notice is provided

18. **DISPUTE RESOLUTION.** If any dispute, difference or question shall arise between the parties concerning the construction, meaning or effect of this Agreement or anything herein contained or the rights or liabilities of any of them that cannot be mutually resolved between the parties within 30 days, then every such dispute, difference or question shall be referred to a single arbitrator, chosen unanimously by the parties. In the event that the parties cannot agree on a person to act as a single arbitrator, a single arbitrator shall be appointed in accordance with the provisions of the

Arbitration Act Ontario. The determination made by the arbitrator shall be binding upon the parties hereto, and their administrators, successors and assigns, as the case may be. The cost of the arbitration, excluding a party's legal fees and disbursements, shall, unless otherwise ordered by the arbitrator, be borne equally by the parties.

19. GENERAL.

- (a) Any change to this Agreement (including its attachments) must be in writing and signed by both parties.
- (b) Failure to enforce any right or remedy available under this Agreement will not be construed to be a waiver of the right or remedy.
- (c) Any arbitration or legal action either party brings against the other party with respect to this Agreement must begin within one (1) year after the cause of action arises.
- (d) Should any provision of this Agreement be held to be void or unenforceable, the remaining provisions shall remain in full force and effect, to be read and construed as if the void or unenforceable provisions were originally deleted.
- (e) This Agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein, without regard to conflicts of laws. The parties shall attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario.
- (f) This is the entire agreement between the parties with respect to the Services provided hereunder and supersedes all prior agreements, proposals, communications and understandings, whether written or oral.
- (g) Unless otherwise expressly stated, all amounts in this Agreement are in the lawful currency of Canada.
- (h) Sections 3, 6, 7, 8, 9, 10, 11, 12, 13, 16, 17, and 18 shall survive the expiration or termination of this Agreement.
- (i) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. A photocopy or facsimile copy of this Agreement bearing the signature of each party, in a single document or as counterparts, thereof, shall be deemed an original execution version of this Agreement.
- (j) The Customer hereby jointly and severally agrees to indemnify and save the Company harmless from and against any and all claims, demands, actions, causes of action, damages, losses, deficiencies, costs, liabilities and expenses which may be made or brought against the Company or which the Company may suffer or incur as a result of, in respect of or arising out of any non-performance or non-fulfillment of any obligation of the Customer as set out in the Agreement.
- (k) The Customer hereby authorizes Utilismart Corporation to use the Customer's company information as required for the services as described in this contract and in Utilismart Corporation's Client Privacy Policy, a copy of which is available upon request.
- (l) Time is of the essence of this Agreement.

Date January 26, 2010

For
Utilismart Corporation

By: Bruce H. Smith
Name: Bruce H. Smith
Title: President & CEO

By: _____
Name: Greg Hall
Title: Director of Strategic Business Development

For
Erie Thames Powerlines

By: Chris White
Name: Chris White
Title: President

By: _____
Name: _____
Title: _____

Attachment 1 – Purchased Services/Schedule of Charges**Contract Number: ETPL01-SMTMT-010210****GENERAL**

This Attachment 1, Purchased Services / Schedule of Charges, is an attachment to the utilismart™ Customer Agreement, (the "Agreement") between **Erie Thames Powerlines** (hereinafter referred to as the "Customer") and **Utilismart Corporation** (hereinafter referred to as the "Company").

The ASP service provided by the Company consists of operating a data collection, data storage and data delivery system using the Elster EnergyAxis Metering Automation Server (MAS) and includes services provided by the Utilismart Smart Meter System (USMS). All services are provided via an Application Service Provider (ASP) model.

A schedule of services purchased and charges to be paid is detailed below, any additional meter points added to the service will be included at the fees listed below. Fees for new metering points will be charged based upon this schedule and will commence on the date the data collection begins on a daily basis and will extend for the duration of this contract.

SCHEDULE OF SERVICES PURCHASED AND CHARGES

Pricing				Service Description
Less Than 5,000 Meters	5,001 to 10,000 Meters	10,001 To 50,000 Meters	Greater than 50,000 Meters	<ul style="list-style-type: none"> ❖ Ongoing maintenance of all Elster Energy Axis collectors, A3 Nodes, and REX/REX2 residential smart meters on the Utilismart MAS system ❖ Daily data collection of Elster Energy Axis collector and REX/REX 2 residential smart meter data ❖ Ad hoc and on demand data collection as required by the Customer ❖ Meter communication troubleshooting as required by the Customer ❖ Transfer of meter data to the Customer and/or the MDM/R as required in the Elster MAS xml file format or Utilismart file format ❖ Local storage of all historical meter data in native Elster MAS xml file format ❖ Processing and storage of all meter data in the Utilismart Smart Meter System (USMS) data base –Data includes Load Profile Data, Register Read Data, Alerts, Events, Statuses, Instrumentation Values ❖ Delivery of reports and database information out of USMS as per the Customer's requirements, including billing ready CIS data. Reports may include Network Communication Health, Power Quality, Outage/Restoration information etc. ❖ Access to USMS Web GUI interface
\$0.37 per meter per month	\$0.36 per meter per month	\$0.35 per meter per month	\$0.32 per meter per month	

*One time set up fee of \$0.20 per meter
 **Monthly administration fee of \$500
 ***For End Customer web presentment add \$0.03 per meter per month

Note – Utilismart has the capability to collect meter data using any communications technologies supported by the Elster MAS system, including cellular, land line, TCP/IP etc.

Initial Set-up Services and Charges

utilismart TM One Time Charges* (See Notes)			Total
Set-Up Fees			
One Time Initial Set-up	\$3,000		\$3,000
Set Up fee includes: Set up of all Elster EnergyAxis collectors and residential smart meters on the Utilismart MAS and USMS systems			

***Notes:** The following terms and conditions shall apply to this Agreement in addition to those already specified and to all additional meters added to the service.

1. All prices are in Canadian dollars.
2. Applicable taxes are not included and are payable by the Customer in accordance with the Agreement.
3. Data collection fees do not include the cost of telephone line installation or monthly telephone line or communications fees incurred by the Customer. Data collection does include any applicable long distance charges incurred by the Company in the collection of meter data.
4. All payments are net 30 days.
5. The service includes twenty-four (24) months of online data storage and data archiving of all meter data.
6. A single meter point is defined as:
 - up to two (2) channels of a meter data from a physical meter
 - the third or fourth additional channel of meter data from a physical meter
 - the aggregation of two or more meter points into a virtual point

Attachment 2 – utilismart™ Service Description

Contract Number: ETPL01-SMTMT-010210

GENERAL

This Attachment 2, utilismart™ Service Description, is an attachment to the utilismart™ Customer Agreement, (the "Agreement") between **Erie Thames Powerlines** (hereinafter referred to as the "Customer") and **Utilismart Corporation** (hereinafter referred to as the "Company").

The description of ASP services are as follows:

DATA COLLECTION

- Daily collection of meter data directly from each metered site, including:
 - ◆ Initial set up of collectors and meters as per the configuration information submitted by the Customer
 - ◆ Commencement of daily data collection
 - ◆ In instances where the Company is unable to collect meter data from a site, the Company will indicate the data collection problem via email to the Customer. If the data collection problem is due to an error in the Company's system, the Company will attempt to fix it in a timely manner and will indicate when data collection will commence for the affected meter points
 - ◆ If the data collection problem is due to a problem at the meter site, the Company will try to identify the nature of the problem in an email notification to the Customer. It is the responsibility of the Customer to troubleshoot and repair metering and communications issues at the meter site.

CUSTOMER SUPPORT

- The Utilismart Corporation call centre provides product support during normal business hours through trained energy advisors via the following numbers - 1-519-652-0689 or 1-888-652-0689.
- Customer support is provided from 8:00 AM – 5:00 PM, Monday through Friday.
- Limited customer support may be available, but is not guaranteed, during non-business hours from 5:00 PM - 8:00 AM on normal business days and all day on holidays and weekends.
- Observed holidays include New Year's Day, Family Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

SYSTEM AVAILABILITY

- Product Support – Business Hours - Product support is provided through the Utilismart Corporation call centre from 7:00 AM – 6:00 PM, Monday through Friday. The call centre provides full product support for MAS and USMS. The call centre can be reached by calling 1-519-652-0689 or 1-888-652-0689.
- Product Support – Non-business Hours – Limited product support may be available, but is not guaranteed, during non-business hours from 5:00 PM - 8:00 AM on normal business days and all day on holidays and weekends.
- System Recovery – Every reasonable effort will be made to restore the system within 2 business days when failure is due to individual component failures. Every reasonable effort will be made to restore the system within 14 business days when failure is due to catastrophic and/or multiple component failures.

SYSTEM AND DATABASE BACK-UP

Production System Back-up

- The Utilismart Production System (UPS) is backed up with an offsite system that includes a completely operational hardware platform, software applications, and Oracle database.
- The offsite system's databases are updated weekly with fresh installs of the UPS databases. Copies of the UPS Oracle Transaction Logs are sent to the offsite system using a secure VPN connection.
- In the event of a critical problem with the UPS, the offsite system will be brought up to date and will be available to Utilismart customers within 48 hours.
- The offsite location is 50kms away from the UPS main location in London and is connected to a separate power distribution network. This provides additional protection as should there be a major power interruption in the London area, the back-up system would still be available from the separate power network location.
- Within the UPS, should any piece of hardware malfunction beyond recovery, appropriate arrangements are in place hardware suppliers to provide emergency hardware replacements.

Database Back-up

- The UPS Oracle database is backed up twice a week to a hard drive at the main location and all Oracle Transaction Logs are also backed up locally.
- In the event of a disk failure, the locally backed up database will be recovered and brought up to date using the Transaction Logs. The system hard drives are mirrored and hot swappable. Should a hard drive fail that drive will be replaced with minor system down time and disruption.
- In addition, the complete Utilismart systems (including databases) are backed up to tapes once a week, which are stored offsite at a secure location. To augment these complete tape back-ups, nightly incremental tape back-ups are done to capture all system changes that have occurred following the prior complete back-up. The incremental tape back-ups are stored offsite. The tape back-up can be used to restore part or all of the Utilismart system at either Utilismart location.

SMDR

Deferred Revenue Requirement (2006 to 2011)	\$ 1,319,381.32	Sheet 9, Cells C30 to Q30)
Interest on OM&A and Depreciation Expense	\$ 3,243.86	Sheet 9, Cells C32 to S32)
Deferred SMIRR Revenues (May 1 to Aug. 31/2012)	\$ -	SMIRR X No. of customers X No. of months
Less:		
SMFA Revenues (2006 to April 30, 2012)	\$ 890,007.41	Sheet 9, Cells G40 to S40
Interest on SMFA Revenues	\$ 35,126.26	Sheet 9, Cells G42 to S42
Net Deferred Revenue Requirement to be recovered	<u>\$ 397,491.51</u>	
Period of be recovered over. (Years) (September 1, 2012 to April 30, 2014)	1.666666667	(recovery is over 20 months now rather than 2
Number of customers	18496	
Revised SMDR	\$ 12.89	

24)



This worksheet calculates the interest on OM&A and amortization/depreciation expenses

Year	OM&A (from Sheet 5)	Amortization Expense (from Sheet 5)	Cumulative OM&A and Amortization Expense
2006	\$ -	\$ 403.81	\$ 403.81
2007	\$ -	\$ 4,682.69	\$ 5,086.50
2008	\$ -	\$ 10,878.38	\$ 15,964.88
2009	\$ 29,435.06	\$ 15,131.91	\$ 60,531.85
2010	\$ 427,630.88	\$ 88,768.33	\$ 576,931.05
2011	\$ 81,667.79	\$ 176,421.67	\$ 835,020.51
2012	\$ 18,532.06	\$ 208,165.49	\$ 1,061,718.06

Cumulative Interest to 2011

Cumulative Interest to 2012



Ontario Energy Board

Smart Meter Model

se, in the absence of monthly data.

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
\$ 201.90	4.37%	\$ 8.81
\$ 2,745.15	4.73%	\$ 129.78
\$ 10,525.69	3.98%	\$ 418.92
\$ 38,248.36	1.14%	\$ 435.08
\$ 318,731.45	0.80%	\$ 2,541.88
\$ 705,975.78	1.47%	\$ 10,377.84
\$ 948,369.29	1.47%	\$ 13,941.03

\$ 13,912.32

\$ 27,853.34





Ontario Energy Board

Smart Meter Model

Erie Thames Powerlines Corporation

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)	\$ 615.04	\$ 7,093.87	\$ 15,100.11	\$ 51,570.43	\$ 562,164.67	\$ 350,708.01	\$ 332,129.19	\$ 1,319,381.32
Interest on Deferred and forecasted OM&A and Amortization Expense (Sheet 8A/8B) (Check one of the boxes below)	-\$ 4.53	\$ 0.17	\$ 112.69	\$ 99.52	\$ 406.53	\$ 2,629.49		\$ 3,243.86
<input checked="" type="checkbox"/> Sheet 8A (Interest calculated on monthly balances)	-\$ 4.53	\$ 0.17	\$ 112.69	\$ 99.52	\$ 406.53	\$ 2,629.49		\$ 3,243.86
<input type="checkbox"/> Sheet 8B (Interest calculated on average annual balances)								\$ -
SMFA Revenues (from Sheet 8)	\$ 30,283.20	\$ 67,436.71	\$ 56,117.23	\$ 135,337.94	\$ 212,759.06	\$ 271,817.52	\$ 116,255.75	\$ 890,007.41
SMFA Interest (from Sheet 8)	\$ 403.35	\$ 3,019.31	\$ 4,806.68	\$ 2,037.37	\$ 3,236.59	\$ 8,900.60	\$ 12,722.36	\$ 35,126.26
Net Deferred Revenue Requirement	-\$ 30,076.04	-\$ 63,361.98	-\$ 45,711.12	-\$ 85,705.36	\$ 346,575.55	\$ 72,619.39	\$ 203,151.08	\$ 397,491.51
Number of Metered Customers (average for 2012 test year)							18321	

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

Years for collection or refunding	1	
Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization	\$ 990,496.00	
SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues	\$ 925,133.67	
Net Deferred Revenue Requirement	\$ 65,362.33	
SMDR May 1, 2012 to April 30, 2013	\$ 0.30	Match
Check: Forecasted SMDR Revenues	\$ 65,955.60	



Ontario Energy Board

Smart Meter Model

Choose Your Utility:

ENWTN Utilities Ltd.

Erie Thames Powerlines Corporation

Application Contact Information

Name: Graig Pettit

Title: Manager of Finance and Regulatory Affairs

Phone Number: 519-485-1820

Email Address: gpettit@erithamespower.com

We are applying for rates effective: May 1, 2012

Last COS Re-based Year: 2008

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.

	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 Capital Cost and Operational Expense Data								
Smart Meter Installation Plan								
Actual/Planned number of Smart Meters installed during the Calendar Year								
Residential				436	13,890	1,755		16081
General Service < 50 kW				18	1,102	606	54	1780
Actual/Planned number of Smart Meters installed (Residential and GS < 50 kW only)	0	0	0	454	14992	2361	54	17861
Percentage of Residential and GS < 50 kW Smart Meter Installations Completed	0.00%	0.00%	0.00%	2.54%	86.48%	99.70%	100.00%	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	454	14992	2361	54	17861
1 Capital Costs								
1.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)								
	Asset Type							
	Asset type must be selected to enable calculations							
1.1.1 Smart Meters (may include new meters and modules, etc.)	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
	Smart Meter			41,572	1,442,596	363,969	23,820	\$ 1,871,956
1.1.2 Installation Costs (may include socket kits, labour, vehicle, benefits, etc.)	Smart Meter			16,415	708,510	114,526		\$ 839,452
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)	\$ -	\$ -	\$ -	\$ 57,987	\$ 2,151,105	\$ 478,495	\$ 23,820	\$ 2,711,407
1.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)								
	Asset Type							
1.2.1 Collectors	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
	Tools & Equipment	8,076	73,227					\$ 81,304
1.2.2 Repeaters (may include radio licence, etc.)								\$ -
1.2.3 Installation (may include meter seals and rings, collector computer hardware, etc.)	Tools & Equipment		4,274					\$ 4,274
Total Advanced Metering Regional Collector (AMRC) (Includes LAN)	\$ 8,076	\$ 77,501	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,578

1.3 ADVANCED METERING CONTROL COMPUTER (AMCC)

	Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
1.3.1 Computer Hardware	Computer Hardware			23,206				150,000	\$ 173,206
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)		\$ -	\$ -	\$ 23,206	\$ -	\$ -	\$ -	\$ 150,000	\$ 173,206

1.4 WIDE AREA NETWORK (WAN)

	Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
1.4.1 Activation Fees									\$ -
Total Wide Area Network (WAN)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1.5 OTHER AMI CAPITAL COSTS RELATED TO MINIMUM FUNCTIONALITY

	Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
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		\$ 8,076	\$ 77,501	\$ 23,206	\$ 57,987	\$ 2,151,105	\$ 478,495	\$ 173,820	\$ 2,970,191

1.6 CAPITAL COSTS BEYOND MINIMUM FUNCTIONALITY

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

	Asset Type	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	
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	Computer Software								\$ -
1.6.2 Costs for deployment of smart meters to customers other than residential and small general service	Applications Software								\$ -
1.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.							155,000		\$ 155,000
Total Capital Costs Beyond Minimum Functionality		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 155,000	\$ -	\$ 155,000
Total Smart Meter Capital Costs		\$ 8,076	\$ 77,501	\$ 23,206	\$ 57,987	\$ 2,151,105	\$ 633,495	\$ 173,820	\$ 3,125,191

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)

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)

Total Incremental AMCC OM&A Costs

2.4 WIDE AREA NETWORK (WAN)

2.4.1 WAN Maintenance

2.4.2 Other (please specify)

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	
				6,810	224,880	35,415	810	\$ 267,915
								\$ -
	\$ -	\$ -	\$ -	\$ 6,810	\$ 224,880	\$ 35,415	\$ 810	\$ 267,915
								\$ -
								\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
								\$ -
								\$ -
								\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
								\$ -
								\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
								\$ -
								\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
								\$ -
								\$ -
								\$ -
	\$ -	\$ -	\$ -	\$ 22,625	\$ 202,751	\$ 46,253	\$ 17,722	\$ 289,351
	\$ -	\$ -	\$ -	\$ 29,435	\$ 427,631	\$ 81,668	\$ 18,532	\$ 557,266
	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual		
								\$ -
								\$ -
								\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ 29,435	\$ 427,631	\$ 81,668	\$ 18,532	\$ 557,266

3 Aggregate Smart Meter Costs by Category

3.1	Capital								
3.1.1	Smart Meter	\$ -	\$ -	\$ -	\$ 57,987	\$ 2,151,105	\$ 478,495	\$ 23,820	\$ 2,711,407
3.1.2	Computer Hardware	\$ -	\$ -	\$ 23,206	\$ -	\$ -	\$ -	\$ 150,000	\$ 173,206
3.1.3	Computer Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3.1.4	Tools & Equipment	\$ 8,076	\$ 77,501	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,578
3.1.5	Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3.1.6	Applications Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3.1.7	Total Capital Costs	<u>\$ 8,076</u>	<u>\$ 77,501</u>	<u>\$ 23,206</u>	<u>\$ 57,987</u>	<u>\$ 2,151,105</u>	<u>\$ 478,495</u>	<u>\$ 173,820</u>	<u>\$ 2,970,191</u>
3.2	OM&A Costs						Error		Error
3.2.1	Total OM&A Costs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,435</u>	<u>\$ 427,631</u>	<u>\$ 81,668</u>	<u>\$ 18,532</u>	<u>\$ 557,266</u>



Erie Thames Powerlines Corporation

	2006	2007
Cost of Capital		
Capital Structure¹		
Deemed Short-term Debt Capitalization		
Deemed Long-term Debt Capitalization	50.0%	50.0%
Deemed Equity Capitalization	50.0%	50.0%
Preferred Shares		
Total	100.0%	100.0%
Cost of Capital Parameters		
Deemed Short-term Debt Rate		
Long-term Debt Rate (actual/embedded/deemed) ²	6.25%	6.25%
Target Return on Equity (ROE)	9.9%	9.88%
Return on Preferred Shares		
WACC	8.07%	8.07%
Working Capital Allowance		
Working Capital Allowance Rate	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%
Capital Tax (until July 1st, 2010)	0.30%	0.225%
Depreciation Rates		
<i>(expressed as expected useful life in years)</i>		
Smart Meters - years	15	15
- rate (%)	6.67%	6.67%
Computer Hardware - years	5	5
- rate (%)	20.00%	20.00%
Computer Software - years	5	5
- rate (%)	20.00%	20.00%

Tools & Equipment - years	10	10
- rate (%)	10.00%	10.00%
Other Equipment - years		
- rate (%)	0.00%	0.00%

CCA Rates

Smart Meters - CCA Class	8	8
Smart Meters - CCA Rate	20%	20%
Computer Equipment - CCA Class	46	46
Computer Equipment - CCA Rate	30%	30%
General Equipment - CCA Class	8	8
General Equipment - CCA Rate	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



2008	2009	2010	2011	2012 and later
<div>4.0%</div> <div>49.3%</div> <div>46.7%</div> <div>100.0%</div>	<div>4.0%</div> <div>52.7%</div> <div>43.3%</div> <div>100.0%</div>	<div>4.0%</div> <div>56.0%</div> <div>40.0%</div> <div>100.0%</div>	<div>4.0%</div> <div>56.0%</div> <div>40.0%</div> <div>100.0%</div>	<div>4.0%</div> <div>56.0%</div> <div>40.0%</div> <div>100.0%</div>
<div>4.47%</div> <div>5.92%</div> <div>8.57%</div> <div>7.10%</div>	<div>1.33%</div> <div>7.62%</div> <div>8.01%</div> <div>7.54%</div>	<div>2.07%</div> <div>5.87%</div> <div>9.85%</div> <div>7.31%</div>	<div>2.43%</div> <div>5.48%</div> <div>9.66%</div> <div>7.03%</div>	<div>2.08%</div> <div>4.41%</div> <div>9.12%</div> <div>6.20%</div>
<div>15.0%</div>	<div>15.0%</div>	<div>15.0%</div>	<div>15.0%</div>	<div>15.0%</div>
<div>33.50%</div> <div>0.225%</div>	<div>33.00%</div> <div>0.225%</div>	<div>31.00%</div> <div>0.075%</div>	<div>28.25%</div> <div>0.00%</div>	<div>26.25%</div> <div>0.00%</div>
<div>15</div> <div>6.67%</div> <div>5</div> <div>20.00%</div> <div>5</div> <div>20.00%</div>	<div>15</div> <div>6.67%</div> <div>5</div> <div>20.00%</div> <div>5</div> <div>20.00%</div>	<div>15</div> <div>6.67%</div> <div>5</div> <div>20.00%</div> <div>5</div> <div>20.00%</div>	<div>15</div> <div>6.67%</div> <div>5</div> <div>20.00%</div> <div>5</div> <div>20.00%</div>	<div>15</div> <div>6.67%</div> <div>5</div> <div>20.00%</div> <div>5</div> <div>20.00%</div>

10	10	10	10	10
10.00%	10.00%	10.00%	10.00%	10.00%
0.00%	0.00%	0.00%	0.00%	0.00%

8	8	8	8	8
20%	20%	20%	20%	20%

46	46	46	46	46
30%	30%	30%	30%	30%

8	8	8	8	8
20%	20%	20%	20%	20%



Erie Thames Powerlines Corporation

	2006	2007	2008	2009	2010	2011
Net Fixed Assets - Smart Meters						
Gross Book Value						
Opening Balance		\$ -	\$ -	\$ -	\$ 57,987	\$ 2,209,092
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ -	\$ 57,987	\$ 2,151,105	\$ 478,495
Retirements/Removals (if applicable)						
Closing Balance	\$ -	\$ -	\$ -	\$ 57,987	\$ 2,209,092	\$ 2,687,587
Accumulated Depreciation						
Opening Balance		\$ -	\$ -	\$ -	\$ 1,933	\$ 77,502
Amortization expense during year	\$ -	\$ -	\$ -	\$ 1,933	\$ 75,569	\$ 163,223
Retirements/Removals (if applicable)						
Closing Balance	\$ -	\$ -	\$ -	\$ 1,933	\$ 77,502	\$ 240,725
Net Book Value						
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ 56,054	\$ 2,131,590
Closing Balance	\$ -	\$ -	\$ -	\$ 56,054	\$ 2,131,590	\$ 2,446,863
Average Net Book Value	\$ -	\$ -	\$ -	\$ 28,027	\$ 1,093,822	\$ 2,289,226
Net Fixed Assets - Computer Hardware						
Gross Book Value						
Opening Balance		\$ -	\$ -	\$ 23,206	\$ 23,206	\$ 23,206
Capital Additions during year (from Smart Meter Costs)	\$ -	\$ -	\$ 23,206	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)						
Closing Balance	\$ -	\$ -	\$ 23,206	\$ 23,206	\$ 23,206	\$ 23,206
Accumulated Depreciation						
Opening Balance	\$ -	\$ -	\$ -	\$ 2,321	\$ 6,962	\$ 11,603
Amortization expense during year	\$ -	\$ -	\$ 2,321	\$ 4,641	\$ 4,641	\$ 4,641
Retirements/Removals (if applicable)						
Closing Balance	\$ -	\$ -	\$ 2,321	\$ 6,962	\$ 11,603	\$ 16,244
Net Book Value						
Opening Balance	\$ -	\$ -	\$ -	\$ 20,886	\$ 16,244	\$ 11,603
Closing Balance	\$ -	\$ -	\$ 20,886	\$ 16,244	\$ 11,603	\$ 6,962
Average Net Book Value	\$ -	\$ -	\$ 10,443	\$ 18,565	\$ 13,924	\$ 9,283
Net Fixed Assets - Computer Software (including Applications Software)						
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 - Tools and Equipment

Gross Book Value

Opening Balance		\$ 8,076	\$ 85,578	\$ 85,578	\$ 85,578	\$ 85,578
Capital Additions during year (from Smart Meter Costs)	\$ 8,076	\$ 77,501	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)						
Closing Balance	\$ 8,076	\$ 85,578	\$ 85,578	\$ 85,578	\$ 85,578	\$ 85,578

Accumulated Depreciation

Opening Balance	\$ -	-\$ 404	-\$ 5,086	-\$ 13,644	-\$ 22,202	-\$ 30,760
Amortization expense during year	-\$ 404	-\$ 4,683	-\$ 8,558	-\$ 8,558	-\$ 8,558	-\$ 8,558
Retirements/Removals (if applicable)						
Closing Balance	-\$ 404	-\$ 5,086	-\$ 13,644	-\$ 22,202	-\$ 30,760	-\$ 39,318

Net Book Value

Opening Balance	\$ -	\$ 7,672	\$ 80,491	\$ 71,933	\$ 63,376	\$ 54,818
Closing Balance	\$ 7,672	\$ 80,491	\$ 71,933	\$ 63,376	\$ 54,818	\$ 46,260
Average Net Book Value	\$ 3,836	\$ 44,082	\$ 76,212	\$ 67,654	\$ 59,097	\$ 50,539

Net Fixed Assets - Other 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



2012 and later

\$	2,687,587
\$	23,820
\$	2,711,407

-\$	240,725
-\$	179,966
-\$	420,691

\$	2,446,863
\$	2,290,716
\$	2,368,789

\$	23,206
\$	150,000
\$	173,206

-\$	16,244
-\$	19,641
-\$	35,886

\$	6,962
\$	137,321
\$	72,141

\$	-
\$	-
\$	-

\$	-
\$	-
\$	-

\$	-
\$	-
\$	-

\$	85,578
\$	-
\$	85,578

-\$	39,318
-\$	8,558
-\$	47,875

\$	46,260
\$	37,702
\$	41,981

\$	-
\$	-
\$	-

\$	-
\$	-
\$	-

\$	-
\$	-
\$	-



Ontario Energy Board

Smart Meter Model

Erie Thames Powerlines Corporation

	2006	2007	2008	2009	2010	2011	2012 and Later
Average Net Fixed Asset Values (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ 28,027	\$ 1,093,822	\$ 2,289,226	\$ 2,368,789
Computer Hardware	\$ -	\$ -	\$ 10,443	\$ 18,565	\$ 13,924	\$ 9,283	\$ 72,141
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tools & Equipment	\$ 3,836	\$ 44,082	\$ 76,212	\$ 67,654	\$ 59,097	\$ 50,539	\$ 41,981
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Net Fixed Assets	\$ 3,836	\$ 44,082	\$ 86,655	\$ 114,247	\$ 1,166,843	\$ 2,349,048	\$ 2,482,912
Working Capital							
Operating Expenses (from Sheet 2)	\$ -	\$ -	\$ -	\$ 29,435	\$ 427,631	\$ 81,668	\$ 18,532
Working Capital Factor (from Sheet 3)	15%	15%	15%	15%	15%	15%	15%
Working Capital Allowance	\$ -	\$ -	\$ -	\$ 4,415	\$ 64,145	\$ 12,250	\$ 2,780
Incremental Smart Meter Rate Base	\$ 3,836	\$ 44,082	\$ 86,655	\$ 118,662	\$ 1,230,987	\$ 2,361,298	\$ 2,485,691
Return on Rate Base							
Capital Structure							
Deemed Short Term Debt	\$ -	\$ -	\$ 3,466	\$ 4,746	\$ 49,239	\$ 94,452	\$ 99,428
Deemed Long Term Debt	\$ 1,918	\$ 22,041	\$ 42,721	\$ 62,535	\$ 689,353	\$ 1,322,327	\$ 1,391,987
Equity	\$ 1,918	\$ 22,041	\$ 40,468	\$ 51,381	\$ 492,395	\$ 944,519	\$ 994,277
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Capitalization	\$ 3,836	\$ 44,082	\$ 86,655	\$ 118,662	\$ 1,230,987	\$ 2,361,298	\$ 2,485,691
Return on							
Deemed Short Term Debt	\$ -	\$ -	\$ 155	\$ 63	\$ 1,019	\$ 2,295	\$ 2,068
Deemed Long Term Debt	\$ 120	\$ 1,378	\$ 2,530	\$ 4,765	\$ 40,465	\$ 72,464	\$ 61,387
Equity	\$ 190	\$ 2,178	\$ 3,468	\$ 4,116	\$ 48,501	\$ 91,241	\$ 90,678
Preferred Shares	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Return on Capital	\$ 309	\$ 3,555	\$ 6,153	\$ 8,944	\$ 89,985	\$ 165,999	\$ 154,133
Operating Expenses	\$ -	\$ -	\$ -	\$ 29,435	\$ 427,631	\$ 81,668	\$ 18,532
Amortization Expenses (from Sheet 4)							
Smart Meters	\$ -	\$ -	\$ -	\$ 1,933	\$ 75,569	\$ 163,223	\$ 179,966
Computer Hardware	\$ -	\$ -	\$ 2,321	\$ 4,641	\$ 4,641	\$ 4,641	\$ 19,641
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tools & Equipment	\$ 404	\$ 4,683	\$ 8,558	\$ 8,558	\$ 8,558	\$ 8,558	\$ 8,558
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Amortization Expense in Year	\$ 404	\$ 4,683	\$ 10,878	\$ 15,132	\$ 88,768	\$ 176,422	\$ 208,165
Incremental Revenue Requirement before Taxes/PILs	\$ 713	\$ 8,238	\$ 17,031	\$ 53,511	\$ 606,384	\$ 424,089	\$ 380,830
Calculation of Taxable Income							
Incremental Operating Expenses	\$ -	\$ -	\$ -	\$ 29,435	\$ 427,631	\$ 81,668	\$ 18,532
Amortization Expense	\$ 404	\$ 4,683	\$ 10,878	\$ 15,132	\$ 88,768	\$ 176,422	\$ 208,165
Interest Expense	\$ 120	\$ 1,378	\$ 2,685	\$ 4,828	\$ 41,484	\$ 74,759	\$ 63,455
Net Income for Taxes/PILs	\$ 190	\$ 2,178	\$ 3,468	\$ 4,116	\$ 48,501	\$ 91,241	\$ 90,678
Grossed-up Taxes/PILs (from Sheet 7)	-\$ 98.16	-\$ 1,144.01	-\$ 1,930.96	-\$ 1,940.40	-\$ 44,219.70	-\$ 73,380.69	-\$ 48,701.12
Revenue Requirement, including Grossed-up Taxes/PILs	\$ 615	\$ 7,094	\$ 15,100	\$ 51,570	\$ 562,165	\$ 350,708	\$ 332,129



Ontario Energy Board

Smart Meter Model

Erie Thames Powerlines Corporation

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	\$ -	\$ -	\$ -	\$ -	\$ 52,188.41	\$ 1,977,745.48	\$ 2,012,841.89
Capital Additions	\$ -	\$ -	\$ -	\$ 57,987.12	\$ 2,151,105.28	\$ 478,495.01	\$ 23,819.70
Retirements/Removals (if applicable)							
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ 57,987.12	\$ 2,203,293.69	\$ 2,456,240.49	\$ 2,036,661.59
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ 28,993.56	\$ 1,075,552.64	\$ 239,247.51	\$ 11,909.85
Reduced UCC	\$ -	\$ -	\$ -	\$ 28,993.56	\$ 1,127,741.05	\$ 2,216,992.98	\$ 2,024,751.74
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ 5,798.71	\$ 225,548.21	\$ 443,398.60	\$ 404,950.35
Closing UCC	\$ -	\$ -	\$ -	\$ 52,188.41	\$ 1,977,745.48	\$ 2,012,841.89	\$ 1,631,711.24

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	\$ -	\$ -	\$ -	\$ 19,725.33	\$ 13,807.73	\$ 9,665.41	\$ 6,765.79
Capital Additions Computer Hardware	\$ -	\$ -	\$ 23,206.27	\$ -	\$ -	\$ -	\$ 150,000.00
Capital Additions Computer Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
UCC Before Half Year Rule	\$ -	\$ -	\$ 23,206.27	\$ 19,725.33	\$ 13,807.73	\$ 9,665.41	\$ 156,765.79
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ 11,603.14	\$ -	\$ -	\$ -	\$ 75,000.00
Reduced UCC	\$ -	\$ -	\$ 11,603.14	\$ 19,725.33	\$ 13,807.73	\$ 9,665.41	\$ 81,765.79
CCA Rate Class	46	46	46	46	46	46	46
CCA Rate	30%	30%	30%	30%	30%	30%	30%
CCA	\$ -	\$ -	\$ 3,480.94	\$ 5,917.60	\$ 4,142.32	\$ 2,899.62	\$ 24,529.74
Closing UCC	\$ -	\$ -	\$ 19,725.33	\$ 13,807.73	\$ 9,665.41	\$ 6,765.79	\$ 132,236.05

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	\$ -	\$ 7,268.57	\$ 75,566.07	\$ 60,452.86	\$ 48,362.29	\$ 38,689.83	\$ 30,951.86
Capital Additions Tools & Equipment	\$ 8,076.19	\$ 77,501.35	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retirements/Removals (if applicable)							
UCC Before Half Year Rule	\$ 8,076.19	\$ 84,769.92	\$ 75,566.07	\$ 60,452.86	\$ 48,362.29	\$ 38,689.83	\$ 30,951.86
Half Year Rule (1/2 Additions - Disposals)	\$ 4,038.10	\$ 38,750.68	\$ -	\$ -	\$ -	\$ -	\$ -
Reduced UCC	\$ 4,038.10	\$ 46,019.25	\$ 75,566.07	\$ 60,452.86	\$ 48,362.29	\$ 38,689.83	\$ 30,951.86
CCA Rate Class	8	8	8	8	8	8	8
CCA Rate	20%	20%	20%	20%	20%	20%	20%
CCA	\$ 807.62	\$ 9,203.85	\$ 15,113.21	\$ 12,090.57	\$ 9,672.46	\$ 7,737.97	\$ 6,190.37
Closing UCC	\$ 7,268.57	\$ 75,566.07	\$ 60,452.86	\$ 48,362.29	\$ 38,689.83	\$ 30,951.86	\$ 24,761.49



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	\$ 189.51	\$ 2,177.64	\$ 3,468.10	\$ 4,115.58	\$ 48,500.90	\$ 91,240.55	\$ 90,678.02
Amortization	\$ 403.81	\$ 4,682.69	\$ 10,878.38	\$ 15,131.91	\$ 88,768.33	\$ 176,421.67	\$ 208,165.49
CCA - Smart Meters	\$ -	\$ -	\$ -	\$ 5,798.71	\$ 225,548.21	\$ 443,398.60	\$ 404,950.35
CCA - Computers	\$ -	\$ -	\$ 3,480.94	\$ 5,917.60	\$ 4,142.32	\$ 2,899.62	\$ 24,529.74
CCA - Applications Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CCA - Other Equipment	\$ 807.62	\$ 9,203.85	\$ 15,113.21	\$ 12,090.57	\$ 9,672.46	\$ 7,737.97	\$ 6,190.37
Change in taxable income	-\$ 214.30	-\$ 2,343.53	-\$ 4,247.68	-\$ 4,559.39	-\$ 102,093.76	-\$ 186,373.97	-\$ 136,826.94
Tax Rate (from Sheet 3)	36.12%	36.12%	33.50%	33.00%	31.00%	28.25%	26.25%
Income Taxes Payable	-\$ 77.41	-\$ 846.48	-\$ 1,422.97	-\$ 1,504.60	-\$ 31,649.07	-\$ 52,650.65	-\$ 35,917.07
ONTARIO CAPITAL TAX							
Smart Meters	\$ -	\$ -	\$ -	\$ 56,054.22	\$ 2,131,590.18	\$ 2,446,862.53	\$ 2,290,715.74
Computer Hardware	\$ -	\$ -	\$ 20,885.64	\$ 16,244.39	\$ 11,603.14	\$ 6,961.88	\$ 137,320.63
Computer Software (Including Application Software)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tools & Equipment	\$ 7,672.38	\$ 80,491.04	\$ 71,933.29	\$ 63,375.54	\$ 54,817.78	\$ 46,260.03	\$ 37,702.27
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rate Base	\$ 7,672.38	\$ 80,491.04	\$ 92,818.93	\$ 135,674.14	\$ 2,198,011.10	\$ 2,500,084.44	\$ 2,465,738.65
Less: Exemption							
Deemed Taxable Capital	\$ 7,672.38	\$ 80,491.04	\$ 92,818.93	\$ 135,674.14	\$ 2,198,011.10	\$ 2,500,084.44	\$ 2,465,738.65
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)	\$ 23.02	\$ 181.10	\$ 208.84	\$ 305.27	\$ 1,648.51	\$ -	\$ -
Change in Income Taxes Payable	-\$ 77.41	-\$ 846.48	-\$ 1,422.97	-\$ 1,504.60	-\$ 31,649.07	-\$ 52,650.65	-\$ 35,917.07
Change in OCT	\$ 23.02	\$ 181.10	\$ 208.84	\$ 305.27	\$ 1,648.51	\$ -	\$ -
PILs	-\$ 54.39	-\$ 665.38	-\$ 1,214.13	-\$ 1,199.33	-\$ 30,000.56	-\$ 52,650.65	-\$ 35,917.07
Gross Up PILs							
Tax Rate	36.12%	36.12%	33.50%	33.00%	31.00%	28.25%	26.25%
Change in Income Taxes Payable	-\$ 121.17	-\$ 1,325.11	-\$ 2,139.81	-\$ 2,245.67	-\$ 45,868.21	-\$ 73,380.69	-\$ 48,701.12
Change in OCT	\$ 23.02	\$ 181.10	\$ 208.84	\$ 305.27	\$ 1,648.51	\$ -	\$ -
PILs	-\$ 98.16	-\$ 1,144.01	-\$ 1,930.96	-\$ 1,940.40	-\$ 44,219.70	-\$ 73,380.69	-\$ 48,701.12





Ontario Energy Board

Smart Meter Model

Erie Thames Powerlines Corporation

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
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	\$ -	\$ 3,767.31	4.14%	\$ -	\$ 3,767.31	
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	\$ 3,767.31	\$ 3,776.76	4.14%	\$ 13.00	\$ 7,557.07	
2007 Q3	4.59%	5.18%	Jul-06	2006	Q3	\$ 7,544.07	\$ 3,781.62	4.59%	\$ 28.86	\$ 11,354.55	
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	\$ 11,325.69	\$ 3,783.78	4.59%	\$ 43.32	\$ 15,152.79	
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	\$ 15,109.47	\$ 3,788.37	4.59%	\$ 57.79	\$ 18,955.63	
2008 Q2	4.08%	5.18%	Oct-06	2006	Q4	\$ 18,897.84	\$ 3,792.96	4.59%	\$ 72.28	\$ 22,763.08	
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	\$ 22,690.80	\$ 3,796.20	4.59%	\$ 86.79	\$ 26,573.79	
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	\$ 26,487.00	\$ 3,796.20	4.59%	\$ 101.31	\$ 30,384.51	\$ 30,686.55
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	\$ 30,283.20	\$ 1,812.51	4.59%	\$ 115.83	\$ 32,211.54	
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	\$ 32,095.71	\$ 7,012.54	4.59%	\$ 122.77	\$ 39,231.02	
2009 Q3	0.55%	5.67%	Mar-07	2007	Q1	\$ 39,108.25	\$ 8,352.39	4.59%	\$ 149.59	\$ 47,610.22	
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	\$ 47,460.63	\$ 8,336.04	4.59%	\$ 181.54	\$ 55,978.22	
2010 Q1	0.55%	4.34%	May-07	2007	Q2	\$ 55,796.68	\$ 8,644.72	4.59%	\$ 213.42	\$ 64,654.82	
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2	\$ 64,441.40	\$ 5,272.36	4.59%	\$ 246.49	\$ 69,960.25	
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3	\$ 69,713.76	\$ 4,660.52	4.59%	\$ 266.66	\$ 74,640.94	
2010 Q4	1.20%	4.01%	Aug-07	2007	Q3	\$ 74,374.28	\$ 4,726.51	4.59%	\$ 284.48	\$ 79,385.27	
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	\$ 79,100.79	\$ 4,651.16	4.59%	\$ 302.56	\$ 84,054.51	
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	\$ 83,751.95	\$ 4,635.66	5.14%	\$ 358.74	\$ 88,746.35	
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	\$ 88,387.61	\$ 4,681.01	5.14%	\$ 378.59	\$ 93,447.21	
2011 Q4	1.47%	4.29%	Dec-07	2007	Q4	\$ 93,068.62	\$ 4,651.29	5.14%	\$ 398.64	\$ 98,118.55	\$ 70,456.02
2012 Q1	1.47%	4.29%	Jan-08	2008	Q1	\$ 97,719.91	\$ 4,707.92	5.14%	\$ 418.57	\$ 102,846.40	
2012 Q2	1.47%	4.29%	Feb-08	2008	Q1	\$ 102,427.83	\$ 4,670.77	5.14%	\$ 438.73	\$ 107,537.33	
2012 Q3	1.47%	4.29%	Mar-08	2008	Q1	\$ 107,098.60	\$ 4,653.99	5.14%	\$ 458.74	\$ 112,211.33	
2012 Q4	1.47%	4.29%	Apr-08	2008	Q2	\$ 111,752.59	\$ 4,709.41	4.08%	\$ 379.96	\$ 116,841.96	
			May-08	2008	Q2	\$ 116,462.00	\$ 4,656.04	4.08%	\$ 395.97	\$ 121,514.01	
			Jun-08	2008	Q2	\$ 121,118.04	\$ 4,650.67	4.08%	\$ 411.80	\$ 126,180.51	
			Jul-08	2008	Q3	\$ 125,768.71	\$ 4,672.35	3.35%	\$ 351.10	\$ 130,792.16	
			Aug-08	2008	Q3	\$ 130,441.06	\$ 4,701.67	3.35%	\$ 364.15	\$ 135,506.88	
			Sep-08	2008	Q3	\$ 135,142.73	\$ 4,682.52	3.35%	\$ 377.27	\$ 140,202.52	
			Oct-08	2008	Q4	\$ 139,825.25	\$ 4,702.31	3.35%	\$ 390.35	\$ 144,917.91	
			Nov-08	2008	Q4	\$ 144,527.56	\$ 4,690.96	3.35%	\$ 403.47	\$ 149,621.99	
			Dec-08	2008	Q4	\$ 149,218.52	\$ 4,618.62	3.35%	\$ 416.57	\$ 154,253.71	\$ 60,923.91
			Jan-09	2009	Q1	\$ 153,837.14	\$ 4,416.44	2.45%	\$ 314.08	\$ 158,567.66	
			Feb-09	2009	Q1	\$ 158,253.58	\$ 4,497.52	2.45%	\$ 323.10	\$ 163,074.20	
			Mar-09	2009	Q1	\$ 162,751.10	\$ 4,601.80	2.45%	\$ 332.28	\$ 167,685.18	
			Apr-09	2009	Q2	\$ 167,352.90	\$ 4,598.73	1.00%	\$ 139.46	\$ 172,091.09	
			May-09	2009	Q2	\$ 171,951.63	\$ 5,584.12	1.00%	\$ 143.29	\$ 177,679.04	
			Jun-09	2009	Q2	\$ 177,535.75	\$ 14,055.87	1.00%	\$ 147.95	\$ 191,739.57	
			Jul-09	2009	Q3	\$ 191,591.62	\$ 16,289.71	0.55%	\$ 87.81	\$ 207,969.14	
			Aug-09	2009	Q3	\$ 207,881.33	\$ 15,713.33	0.55%	\$ 95.28	\$ 223,689.94	
			Sep-09	2009	Q3	\$ 223,594.66	\$ 16,092.25	0.55%	\$ 102.48	\$ 239,789.39	
			Oct-09	2009	Q4	\$ 239,686.91	\$ 16,015.23	0.55%	\$ 109.86	\$ 255,812.00	
			Nov-09	2009	Q4	\$ 255,702.14	\$ 16,104.85	0.55%	\$ 117.20	\$ 271,924.19	
			Dec-09	2009	Q4	\$ 271,806.99	\$ 17,368.09	0.55%	\$ 124.58	\$ 289,299.66	\$ 137,375.31
			Jan-10	2010	Q1	\$ 289,175.08	\$ 17,857.28	0.55%	\$ 132.54	\$ 307,164.90	
			Feb-10	2010	Q1	\$ 307,032.36	\$ 17,731.40	0.55%	\$ 140.72	\$ 324,904.48	
			Mar-10	2010	Q1	\$ 324,763.76	\$ 19,493.57	0.55%	\$ 148.85	\$ 344,406.18	
			Apr-10	2010	Q2	\$ 344,257.33	\$ 15,960.93	0.55%	\$ 157.78	\$ 360,376.04	
			May-10	2010	Q2	\$ 360,218.26	\$ 17,499.69	0.55%	\$ 165.10	\$ 377,883.05	
			Jun-10	2010	Q2	\$ 377,717.95	\$ 17,667.95	0.55%	\$ 173.12	\$ 395,559.02	
			Jul-10	2010	Q3	\$ 395,385.90	\$ 17,947.67	0.89%	\$ 293.24	\$ 413,626.81	
			Aug-10	2010	Q3	\$ 413,333.57	\$ 17,558.97	0.89%	\$ 306.56	\$ 431,199.10	
			Sep-10	2010	Q3	\$ 430,892.54	\$ 17,804.41	0.89%	\$ 319.58	\$ 449,016.53	
			Oct-10	2010	Q4	\$ 448,696.95	\$ 17,649.76	1.20%	\$ 448.70	\$ 466,795.41	
			Nov-10	2010	Q4	\$ 466,346.71	\$ 17,701.65	1.20%	\$ 466.35	\$ 484,514.71	
			Dec-10	2010	Q4	\$ 484,048.36	\$ 17,885.78	1.20%	\$ 484.05	\$ 502,418.19	\$ 215,995.65
			Jan-11	2011	Q1	\$ 501,934.14	\$ 14,029.89	1.47%	\$ 614.87	\$ 516,578.90	
			Feb-11	2011	Q1	\$ 515,964.03	\$ 14,222.62	1.47%	\$ 632.06	\$ 530,818.71	
			Mar-11	2011	Q1	\$ 530,186.65	\$ 14,089.15	1.47%	\$ 649.48	\$ 544,925.28	
			Apr-11	2011	Q2	\$ 544,275.80	\$ 14,137.23	1.47%	\$ 666.74	\$ 559,079.77	
			May-11	2011	Q2	\$ 558,413.03	\$ 15,133.98	1.47%	\$ 684.06	\$ 574,231.07	
			Jun-11	2011	Q2	\$ 573,547.01	\$ 27,429.68	1.47%	\$ 702.60	\$ 601,679.29	
			Jul-11	2011	Q3	\$ 600,976.69	\$ 29,126.33	1.47%	\$ 736.20	\$ 630,839.22	
			Aug-11	2011	Q3	\$ 630,103.02	\$ 28,946.34	1.47%	\$ 771.88	\$ 659,821.24	
			Sep-11	2011	Q3	\$ 659,049.36	\$ 29,344.89	1.47%	\$ 807.34	\$ 689,201.59	



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		Closing Balance	Annual amounts
			Date	Year	Quarter	(Principal)	Revenues	Rate	Interest		
			Oct-11	2011	Q4	\$ 688,394.25	\$ 28,607.18	1.47%	\$ 843.28	\$ 717,844.71	
			Nov-11	2011	Q4	\$ 717,001.43	\$ 28,927.37	1.47%	\$ 878.33	\$ 746,807.13	
			Dec-11	2011	Q4	\$ 745,928.80	\$ 27,822.86	1.47%	\$ 913.76	\$ 774,665.42	\$ 280,718.12
			Jan-12	2012	Q1	\$ 773,751.66	\$ 27,133.16	1.47%	\$ 947.85	\$ 801,832.67	
			Feb-12	2012	Q1	\$ 800,884.82	\$ 29,707.53	1.47%	\$ 981.08	\$ 831,573.43	
			Mar-12	2012	Q1	\$ 830,592.35	\$ 29,707.53	1.47%	\$ 1,017.48	\$ 861,317.36	
			Apr-12	2012	Q2	\$ 860,299.88	\$ 29,707.53	1.47%	\$ 1,053.87	\$ 891,061.28	
			May-12	2012	Q2	\$ 890,007.41		1.47%	\$ 1,090.26	\$ 891,097.67	
			Jun-12	2012	Q2	\$ 890,007.41		1.47%	\$ 1,090.26	\$ 891,097.67	
			Jul-12	2012	Q3	\$ 890,007.41		1.47%	\$ 1,090.26	\$ 891,097.67	
			Aug-12	2012	Q3	\$ 890,007.41		1.47%	\$ 1,090.26	\$ 891,097.67	
			Sep-12	2012	Q3	\$ 890,007.41		1.47%	\$ 1,090.26	\$ 891,097.67	
			Oct-12	2012	Q4	\$ 890,007.41		1.47%	\$ 1,090.26	\$ 891,097.67	
			Nov-12	2012	Q4	\$ 890,007.41		1.47%	\$ 1,090.26	\$ 891,097.67	
			Dec-12	2012	Q4	\$ 890,007.41		1.47%	\$ 1,090.26	\$ 891,097.67	\$ 128,978.11
Total Funding Adder Revenues Collected						\$ 890,007.41			\$ 35,126.26	\$ 925,133.67	\$ 925,133.67



**Board Approved
Smart Meter Funding
Adder (from Tariff)**



**Board Approved
Smart Meter Funding
Adder (from Tariff)**

[illegible]



This worksheet calculates the interest on OM&A and amortization/depr

Account 1556 - Su

Prescribed Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	
2006 Q1	0.00%	0.00%	Jan-06	2006	Q1	\$	-
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1		-
2006 Q3	4.59%	5.05%	Mar-06	2006	Q1		-
2006 Q4	4.59%	4.72%	Apr-06	2006	Q2		-
2007 Q1	4.59%	4.72%	May-06	2006	Q2		-
2007 Q2	4.59%	4.72%	Jun-06	2006	Q2	-	13.00
2007 Q3	4.59%	5.18%	Jul-06	2006	Q3	-	39.02
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	-	82.35
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	-	140.14
2008 Q2	4.08%	5.18%	Oct-06	2006	Q4	-	212.42
2008 Q3	3.35%	5.43%	Nov-06	2006	Q4	-	299.22
2008 Q4	3.35%	5.43%	Dec-06	2006	Q4	-	400.53
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	-	485.47
2009 Q2	1.00%	6.61%	Feb-07	2007	Q1	-	332.69
2009 Q3	0.55%	5.67%	Mar-07	2007	Q1	-	183.12
2009 Q4	0.55%	4.66%	Apr-07	2007	Q2	-	57.21
2010 Q1	0.55%	4.34%	May-07	2007	Q2		39.37
2010 Q2	0.55%	4.34%	Jun-07	2007	Q2		106.73
2010 Q3	0.89%	4.66%	Jul-07	2007	Q3		146.01
2010 Q4	1.20%	4.01%	Aug-07	2007	Q3		167.61
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3		174.19
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4		181.97
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4		145.18

2011 Q4	1.47%	4.29%		Dec-07	2007	Q4	91.52
2012 Q1	1.47%	4.29%		Jan-08	2008	Q1	334.56
2012 Q2	1.47%	4.29%		Feb-08	2008	Q1	862.80
2012 Q3	1.47%	4.29%		Mar-08	2008	Q1	1,372.71
2012 Q4	1.47%	4.29%		Apr-08	2008	Q2	1,886.25
				May-08	2008	Q2	2,390.69
				Jun-08	2008	Q2	2,880.60
				Jul-08	2008	Q3	3,380.43
				Aug-08	2008	Q3	3,876.17
				Sep-08	2008	Q3	4,382.43
				Oct-08	2008	Q4	4,876.75
				Nov-08	2008	Q4	5,359.11
				Dec-08	2008	Q4	5,829.51
				Jan-09	2009	Q1	6,287.97
				Feb-09	2009	Q1	6,981.74
				Mar-09	2009	Q1	7,675.58
				Apr-09	2009	Q2	8,361.18
				May-09	2009	Q2	9,090.38
				Jun-09	2009	Q2	9,819.75
				Jul-09	2009	Q3	10,545.28
				Aug-09	2009	Q3	11,285.36
				Sep-09	2009	Q3	12,018.75
				Oct-09	2009	Q4	12,745.45
				Nov-09	2009	Q4	13,469.87
				Dec-09	2009	Q4	14,187.58
				Jan-10	2010	Q1	14,898.53
				Feb-10	2010	Q1	20,218.95
				Mar-10	2010	Q1	25,541.39
				Apr-10	2010	Q2	30,855.69
				May-10	2010	Q2	36,247.04
				Jun-10	2010	Q2	41,660.36
				Jul-10	2010	Q3	47,150.94
				Aug-10	2010	Q3	52,851.98
				Sep-10	2010	Q3	58,574.13
				Oct-10	2010	Q4	64,304.08
				Nov-10	2010	Q4	70,416.30
				Dec-10	2010	Q4	76,543.76
				Jan-11	2011	Q1	82,956.66
				Feb-11	2011	Q1	95,693.57
				Mar-11	2011	Q1	108,458.87
				Apr-11	2011	Q2	121,469.48
				May-11	2011	Q2	134,566.24
				Jun-11	2011	Q2	147,656.76
				Jul-11	2011	Q3	208,806.33
				Aug-11	2011	Q3	222,371.11
				Sep-11	2011	Q3	235,893.00
				Oct-11	2011	Q4	249,412.58
				Nov-11	2011	Q4	262,902.13
				Dec-11	2011	Q4	276,339.67

	Jan-12	2012	Q1	289,734.48
	Feb-12	2012	Q1	305,742.73
	Mar-12	2012	Q1	321,738.25
	Apr-12	2012	Q2	337,680.40
	May-12	2012	Q2	353,531.29
	Jun-12	2012	Q2	369,370.39
	Jul-12	2012	Q3	369,370.39
	Aug-12	2012	Q3	369,370.39
	Sep-12	2012	Q3	369,370.39
	Oct-12	2012	Q4	369,370.39
	Nov-12	2012	Q4	369,370.39
	Dec-12	2012	Q4	369,370.39



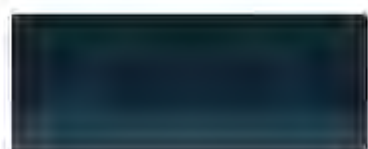
preciation expense, based on monthly data.

b-accounts Operating Expenses, Amortization Expenses, Carrying Charges

OM&A Expenses	Amortization / Depreciation Expense	Closing Balance (Principal)	(Annual) Interest Rate	Interest (on opening balance)	Cumulative Interest
		-	0.00%	-	-
		-	0.00%	-	-
		-	0.00%	-	-
		-	4.14%	-	-
-\$ 13.00		13.00	4.14%	-	-
-\$ 26.03		39.02	4.14%	0.04 -	0.04
-\$ 43.32		82.35	4.59%	0.15 -	0.19
-\$ 57.79		140.14	4.59%	0.31 -	0.51
-\$ 72.28		212.42	4.59%	0.54 -	1.05
-\$ 86.79		299.22	4.59%	0.81 -	1.86
-\$ 101.31		400.53	4.59%	1.14 -	3.00
-\$ 84.94		485.47	4.59%	1.53 -	4.53
-\$ 84.94	\$ 237.72	332.69	4.59%	1.86 -	6.39
-\$ 88.15	\$ 237.72	183.12	4.59%	1.27 -	7.66
-\$ 111.81	\$ 237.72	57.21	4.59%	0.70 -	8.36
-\$ 141.14	\$ 237.72	39.37	4.59%	0.22 -	8.58
-\$ 170.36	\$ 237.72	106.73	4.59%	0.15 -	8.43
-\$ 198.44	\$ 237.72	146.01	4.59%	0.41 -	8.02
-\$ 216.13	\$ 237.72	167.61	4.59%	0.56 -	7.47
-\$ 231.14	\$ 237.72	174.19	4.59%	0.64 -	6.82
-\$ 229.94	\$ 237.72	181.97	4.59%	0.67 -	6.16
-\$ 274.50	\$ 237.72	145.18	5.14%	0.78 -	5.38
-\$ 291.38	\$ 237.72	91.52	5.14%	0.62 -	4.76

\$	5.31	\$	237.72	334.56	5.14%	0.39	-	4.36
-\$	11.65	\$	539.89	862.80	5.14%	1.43	-	2.93
-\$	29.97	\$	539.89	1,372.71	5.14%	3.70		0.76
-\$	26.36	\$	539.89	1,886.25	5.14%	5.88		6.64
-\$	35.44	\$	539.89	2,390.69	4.08%	6.41		13.06
-\$	49.99	\$	539.89	2,880.60	4.08%	8.13		21.19
-\$	40.06	\$	539.89	3,380.43	4.08%	9.79		30.98
-\$	44.15	\$	539.89	3,876.17	3.35%	9.44		40.42
-\$	33.62	\$	539.89	4,382.43	3.35%	10.82		51.24
-\$	45.57	\$	539.89	4,876.75	3.35%	12.23		63.47
-\$	57.53	\$	539.89	5,359.11	3.35%	13.61		77.09
-\$	69.49	\$	539.89	5,829.51	3.35%	14.96		92.05
-\$	81.42	\$	539.89	6,287.97	3.35%	16.27		108.32
-\$	71.66	\$	765.43	6,981.74	2.45%	12.84		121.16
-\$	71.59	\$	765.43	7,675.58	2.45%	14.25		135.41
-\$	79.83	\$	765.43	8,361.18	2.45%	15.67		151.08
-\$	36.23	\$	765.43	9,090.38	1.00%	6.97		158.05
-\$	36.06	\$	765.43	9,819.75	1.00%	7.58		165.63
-\$	39.90	\$	765.43	10,545.28	1.00%	8.18		173.81
-\$	25.35	\$	765.43	11,285.36	0.55%	4.83		178.64
-\$	32.05	\$	765.43	12,018.75	0.55%	5.17		183.82
-\$	38.73	\$	765.43	12,745.45	0.55%	5.51		189.32
-\$	41.01	\$	765.43	13,469.87	0.55%	5.84		195.17
-\$	47.72	\$	765.43	14,187.58	0.55%	6.17		201.34
-\$	54.48	\$	765.43	14,898.53	0.55%	6.50		207.84
-\$	51.24	\$	5,371.66	20,218.95	0.55%	6.83		214.67
-\$	49.23	\$	5,371.66	25,541.39	0.55%	9.27		223.94
-\$	57.36	\$	5,371.66	30,855.69	0.55%	11.71		235.64
\$	19.70	\$	5,371.66	36,247.04	0.55%	14.14		249.79
\$	41.66	\$	5,371.66	41,660.36	0.55%	16.61		266.40
\$	118.92	\$	5,371.66	47,150.94	0.55%	19.09		285.49
\$	329.38	\$	5,371.66	52,851.98	0.89%	34.97		320.46
\$	350.49	\$	5,371.66	58,574.13	0.89%	39.20		359.66
\$	358.29	\$	5,371.66	64,304.08	0.89%	43.44		403.11
\$	740.56	\$	5,371.66	70,416.30	1.20%	64.30		467.41
\$	755.80	\$	5,371.66	76,543.76	1.20%	70.42		537.83
\$	1,041.24	\$	5,371.66	82,956.66	1.20%	76.54		614.37
\$	1,537.94	\$	11,198.97	95,693.57	1.47%	101.62		715.99
\$	1,566.34	\$	11,198.97	108,458.87	1.47%	117.22		833.22
\$	1,811.63	\$	11,198.97	121,469.48	1.47%	132.86		966.08
\$	1,897.80	\$	11,198.97	134,566.24	1.47%	148.80		1,114.88
\$	1,891.55	\$	11,198.97	147,656.76	1.47%	164.84		1,279.72
\$	5,084.71	\$	56,064.86	208,806.33	1.47%	180.88		1,460.60
\$	2,365.81	\$	11,198.97	222,371.11	1.47%	255.79		1,716.39
\$	2,322.91	\$	11,198.97	235,893.00	1.47%	272.40		1,988.79
\$	2,320.61	\$	11,198.97	249,412.58	1.47%	288.97		2,277.76
\$	2,290.58	\$	11,198.97	262,902.13	1.47%	305.53		2,583.29
\$	2,238.57	\$	11,198.97	276,339.67	1.47%	322.06		2,905.35
\$	2,195.85	\$	11,198.97	289,734.48	1.47%	338.52		3,243.86

\$ 2,153.21	\$ 13,855.04	305,742.73	1.47%	354.92	3,598.79
\$ 2,140.48	\$ 13,855.04	321,738.25	1.47%	374.53	3,973.32
\$ 2,087.11	\$ 13,855.04	337,680.40	1.47%	394.13	4,367.45
\$ 1,995.85	\$ 13,855.04	353,531.29	1.47%	413.66	4,781.11
\$ 1,984.06	\$ 13,855.04	369,370.39	1.47%	433.08	5,214.19
		369,370.39	1.47%	452.48	5,666.67
		369,370.39	1.47%	452.48	6,119.15
		369,370.39	1.47%	452.48	6,571.62
		369,370.39	1.47%	452.48	7,024.10
		369,370.39	1.47%	452.48	7,476.58
		369,370.39	1.47%	452.48	7,929.06
		369,370.39	1.47%	452.48	8,381.54
\$ 37,865.26	\$ 331,505.13	\$ 369,370.39			



2008 ETPL Test Year			2010 CPC Test Year		2010 WPPI Test Year		Weighted Average	
	Deemed	Percentages	Deemed	Percentages	Deemed	Percentages	Deemed	Percentages
Rate Base	\$21,923,880		\$1,812,953		\$2,665,649		\$26,402,482	
Equity Portion	\$10,229,682	46.66%	\$845,924	46.66%	\$1,243,792	46.66%	\$12,319,398	46.66%
Debt Portion Long Term	\$10,817,242	49.34%	\$894,511	49.34%	\$1,315,231	49.34%	\$13,026,985	49.34%
Debt Portion Short Term	\$876,955	4.00%	\$72,518	4.00%	\$106,626	4.00%	\$1,056,099	4.00%
Equity Return	\$876,684	8.57%	\$83,324	9.85%	\$122,513	9.85%	\$1,082,521	8.79%
Debt Return Long Term	\$640,381	5.92%	\$52,508	5.87%	\$77,204	5.87%	\$770,093	5.91%
Debt Return Short Term	\$39,200	4.47%	\$1,501	2.07%	\$2,207	2.07%	\$42,908	4.06%
Proposed Return	\$1,556,264		\$137,332		\$201,925		\$1,895,522	

Using the approved rate base and the approved percentages in each year for each entity a weighted average has been calculated using the sum of the three amounts in column I, the Highlighted cells have been utilized in the Smart Meter model.