Exhibit 3:

REVENUE

Exhibit 3: Revenue

Tab 1 (of 3): Load and Revenue Forecast

OVERVIEW OF OPERATING REVENUE

This exhibit provides details of THI's operating revenue for 2009 Board Approved, 2009 Actual, 2010 Actual, 2011 Actual, the 2012BY and the 2013TY. The exhibit also provides a variance analysis of distribution throughput revenue by rate class. Operating revenue is exclusive of revenue from commodity sales. Distribution throughput revenue is attributable to fixed and variable charges for distribution services and is exclusive of other revenue. Net distribution throughput revenue is distribution revenue less transformation ownership allowance. Other revenue includes late payment service charges, other specific service charges, and other non-throughput related distribution revenue.

THI is proposing total operating revenue of $3,575k for the 2013TY. This is comprised of net throughput distribution revenue of $3,444k plus revenue offsets of $130k to be recovered through other revenue. A breakdown is provided at E6/T1/S2/Att1.

A summary of operating revenue is presented in Table 3-1 in Schedule 1 below. The table provides a comparison of total revenues from the 2009 Board Approved year to the 2013TY.

Table 3-1: Summary of Operating Revenue

	2009 Board Approved	2009 Actual	2010 Actual	2011 Actual	2012BY	2013TY at Current Rates	2013TY at Proposed Rates
Total Net Distribution	2,839,737	2,592,868	3,061,547	2,936,200	2,847,750	2,943,520	3,444,405
Total Revenue Offset	130,722	131,908	146,447	153,621	141,320	130,345	130,345
Total Operating Revenue	**2,970,459**	**2,724,766**	**3,207,994**	**3,089,821**	**2,989,070**	**3,073,865**	**3,574,749**

EB-2012-0168

Exhibit 3

Tab 1

Schedule 1

Attachment 1

Volumetric Trend Table

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

3.1.1 Volumetric Trend Table

Enter historical volume data and projections for 2012-2013

CUSTOMERS (CONNECTIONS)

Customer Class Name	2009 Approved	2009 Actual	2010 Actual	2011 Actual	2011 Normalized	2012 Normalized	2012 Estimated	2013 Normalized
Residential	5,942	5,901	5,952	5,994	5,970	6,006	6,006	6,042
General Service < 50 kW	637	653	658	658	658	662	662	666
General Service > 50 to 499 kW	70	77	75	78	75	76	76	76
General Service > 500 to 1499 kW	8	8	9	9	9	9	9	9
General Service > 1,500 kW	3	4	3	3	3	2	2	2
Unmetered Scattered Load	19	62	62	62	62	62	62	62
Sentinel Lighting	79	126	127	127	127	127	127	127
Street Lighting	1	1	1	1	1	1	1	1
TOTAL	**6,759**	**6,832**	**6,887**	**6,932**	**6,905**	**6,945**	**6,945**	**6,985**

METERED KILOWATT-HOURS (kWh)

Customer Class Name	2009 Approved	2009 Actual	2010 Actual	2011 Actual	2011 Normalized	2012 Normalized	2012 Estimated	2013 Normalized
Residential	49,583,434	48,556,541	50,822,813	50,395,810	50,185,160	50,439,122	50,439,122	49,718,289
General Service < 50 kW	24,428,744	21,870,821	22,571,697	22,678,308	22,627,258	22,798,620	22,798,620	22,374,916
General Service > 50 to 499 kW	35,624,529	35,352,858	37,204,459	38,818,213	38,078,366	38,559,036	38,559,036	38,032,205
General Service > 500 to 1499 kW	24,500,614	30,013,245	35,629,880	35,963,953	35,963,953	35,685,378	35,685,378	34,764,165
General Service > 1,500 kW	45,716,514	39,910,421	36,643,040	34,473,148	34,473,148	35,250,205	35,250,205	35,588,409
Unmetered Scattered Load	472,835	380,763	394,565	426,840	426,840	426,840	426,840	426,840
Sentinel Lighting	73,943	109,511	105,802	131,725	131,725	118,423	118,423	118,423
Street Lighting	1,310,738	1,350,236	1,413,090	1,422,827	1,422,827	1,422,827	1,422,827	1,399,171
TOTAL	**181,711,351**	**177,544,396**	**184,785,346**	**184,310,824**	**183,309,277**	**184,700,451**	**184,700,451**	**182,422,418**

KILOWATTS (kW)

Customer Class Name	2009 Approved	2009 Actual	2010 Actual	2011 Actual	2011 Normalized	2012 Normalized	2012 Estimated	2013 Normalized
Residential								
General Service < 50 kW								
General Service > 50 to 499 kW	101,127	111,593	115,624	116,218	114,003	115,442	115,442	115,448
General Service > 500 to 1499 kW	53,192	74,159	89,293	88,785	88,785	88,097	88,097	87,241
General Service > 1,500 kW	88,121	107,381	81,520	68,360	68,360	68,466	68,466	70,544
Unmetered Scattered Load								
Sentinel Lighting	205	291	305	291	291	301	301	301
Street Lighting	3,783	3,831	3,831	3,831	3,831	3,831	3,831	3,767
TOTAL	**246,428**	**297,255**	**290,573**	**277,485**	**275,270**	**276,137**	**276,137**	**277,301**

Customer Class Name	Loss Factor	WHOLESALE kWh's [1] 2012 Normalized	2012 Estimated	2013 Normalized

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

3.1.1 Volumetric Trend Table

Enter historical volume data and projections for 2012-2013

Residential	1.0333	52,117,459	52,117,459	51,372,641
General Service < 50 kW	1.0333	23,557,233	23,557,233	23,119,430
General Service > 50 to 499 kW	1.0333	39,842,069	39,842,069	39,297,708
General Service > 500 to 1499 kW	1.0333	36,872,792	36,872,792	35,920,926
General Service > 1,500 kW	1.0333	36,423,138	36,423,138	36,772,596
Unmetered Scattered Load	1.0333	441,043	441,043	441,043
Sentinel Lighting	1.0333	122,363	122,363	122,363
Street Lighting	1.0333	1,470,171	1,470,171	1,445,728

[1] Metered kWh's multiplied by Loss Factor

APPROACH TO WEATHER NORMALIZED LOAD FORECAST

The approach to the weather normalized load forecast is in the Elenchus Research Associates Report at E3/T1/S2/Att1.

EB-2012-0168

Exhibit 3

Tab 1

Schedule 2

Attachment 1

Load Forecast Report

2012 – 2013 Weather Normalized Load Forecast
Tillsonburg Hydro

A Report Prepared by
Elenchus Research Associates Inc.

On Behalf of
Tillsonburg Hydro Inc.

July 5, 2012

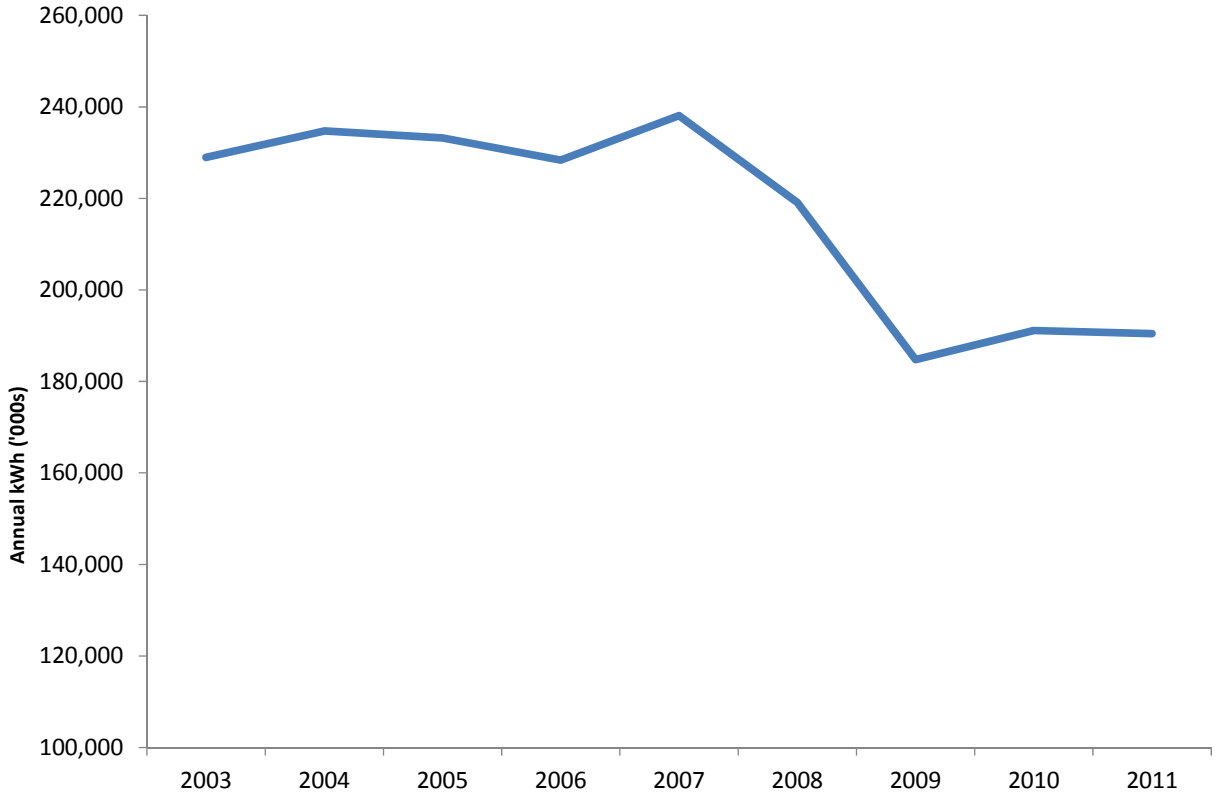
1 INTRODUCTION

This report outlines the methodology used to derive the weather normal load forecast prepared for the Tillsonburg Hydro Inc. ("THI") cost-of-service rate application for 2013. A weather normal load forecast for applicable classes has been derived for the bridge year (2012) and test year (2013). The forecast for THI is based on monthly class specific retail data. Class specific retail data do not include losses; therefore, distribution system losses are not part of the class retail volumes.

In order to isolate demand determinants at the class specific level, separate multiple regression equations have been estimated to weather normalize and forecast kWh consumption for the residential, GS<50 and GS 50-499 classes. For the GS 500-1499 and GS>1500 classes, as well as Street lighting, Sentinel lighting and unmetered scattered load (USL), a trend analysis based on average use per customer is used. These classes' consumption does not appear to follow a profile consistent with sensitivity to degree days. Lighting and USL classes are generally considered non-weather sensitive. Industrial load is also, in many cases, not sensitive to degree days to the extent that residential and commercial load is.

The delivery of wholesale energy to Tillsonburg Hydro has declined substantially since 2007 as a result of the recession. Since 2007, there has been a sustained and permanent loss of load in Tillsonburg as a result of industrial closures. This can be clearly seen in Chart 1 below, which plots Tillsonburg Hydro's annual wholesale kWh deliveries from 2003 to 2011. Wholesale kWh consumption peaked in 2007 at just over 238 million kWh. In 2009, annual wholesale kWh dropped to just under 185 million kWh, a decline of over 53 million kWh or more than 22 per cent. This has increased slightly post-recession to just over 190 million kWh but is still more than 20 per cent below the 2007 consumption level.

Chart 1
Tillsonburg Hydro Annual Wholesale kWh



2 CLASS SPECIFIC NORMALIZATION – WEATHER SENSITIVE

In order to determine the relationship between observed weather and energy consumption, monthly weather observations describing the extent of heating or cooling required within the month are necessary. Environment Canada publishes monthly observations on heating degree days (HDD) and cooling degree days (CDD) for selected weather stations across Canada. Heating degree days for a given day are the number of Celsius degrees that the mean temperature is below 18°C. Cooling degree days for a given day are the number of Celsius degrees that the mean temperature is above 18°C. For Tillsonburg, the monthly HDD and CDD as reported for nearby London have been used.

In order to measure the change in economic activity, a data series must be chosen which represents, as much as possible, regional economic activity. For Tillsonburg, monthly full-time employment as reported in Statistics Canada's Monthly Labour Force Survey (Table 282-0054) for the London Economic Area (3560) is used. The London Economic Area includes the Town of Tillsonburg.

Calendar variables are also included. These include explanatory variables such as number of days in the month or number of peak days in the month.

As stated in the introduction, this load forecast develops class specific demand determinants for residential, GS<50 and GS 50-499 consumption classes. This can be viewed as an improvement over the methodology employed in the previous cost-of-service application, which based the normalization on a weather sensitive wholesale approach. The analysis for each of these classes is discussed below:

2.1 RESIDENTIAL CLASS

Using the monthly class consumption and explanatory variables, the following regression model has been estimated for residential class kWh consumption.

Table 1: Residential kWh Model
OLS using observations 2008:01-2011:12 (T = 48)
Dependent variable: ReskWh

	coefficient	t-ratio	p-value
const	-1,178,518.8	-0.92	0.360893
HDD	1,809.1	13.33	7.16E-17
CDD	15,217.7	16.10	8.11E-20
LondonFTE	5,637.6	1.78	0.082665
Monthdays	97,586.5	2.87	0.006416

R-squared	0.88	Adjusted R-squared	0.87
F(4, 43)	78.98	P-value(F)	3.07E-19
D-W	1.88	Theil's U	0.35

Monthly actual versus predicted values for residential kWh are plotted in the chart below. Annual actual versus predicted residential kWh values and the annual prediction errors are displayed in the table following.

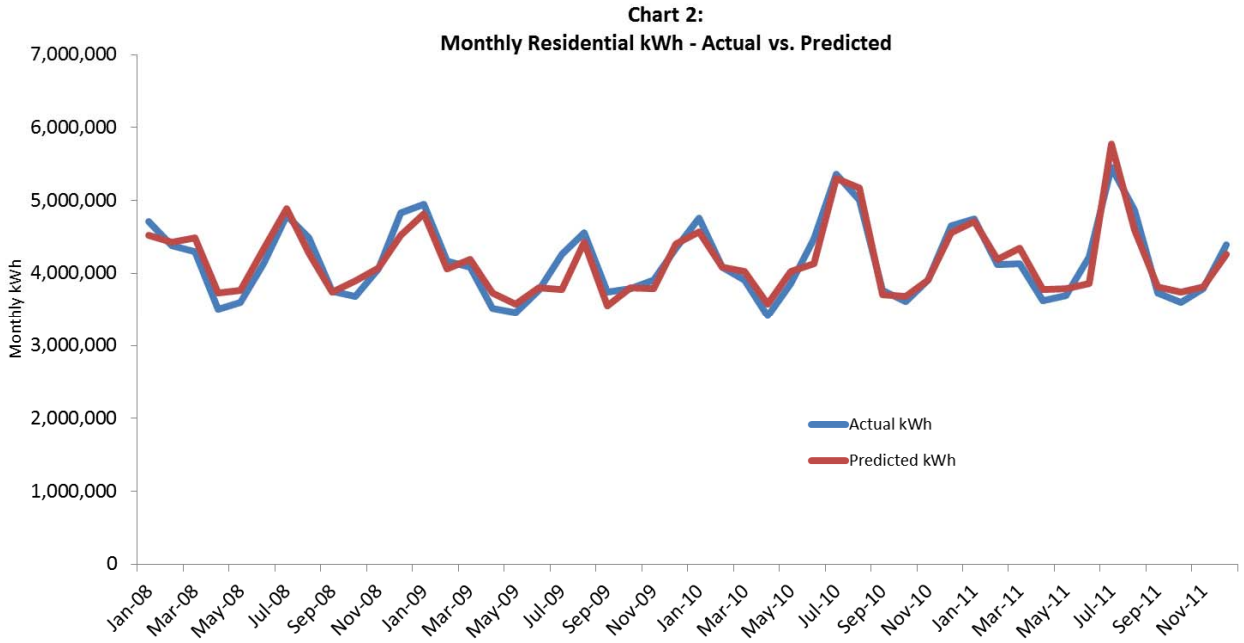


Table 2: Residential kWh Actual vs Predicted

Year	*Actual Res kWh*	*Predicted Res kWh*	*Error*
2008	50,243,244	51,187,014	1.9%
2009	48,556,541	49,773,617	2.5%
2010	50,822,813	49,840,140	-1.9%
2011	50,395,810	50,185,160	-0.4%
	Mean Absolute Percentage Error		***1.7%***

2.2 GS<50 kW Class

A regression model using the same explanatory variables and time period as for the residential class was developed for the GS<50 kW class kWh. The regression model results are shown in the table following, as are the annual actual versus predicted, annual errors and a plot on monthly actual versus predicted.

Table 3: GS<50 kWh Model
OLS using observations 2008:01-2011:12 (T = 48)
Dependent variable: GS<50kWh

	coefficient	t-ratio	p-value
const	-673,217.6	-1.90	0.063971
HDD	542.7	14.41	4.56E-18
CDD	3,771.3	14.38	4.95E-18
LondonER_FTE	4,971.6	5.65	1.19E-06
Monthdays	33,459.5	3.54	0.000972

R-squared	0.88	Adjusted R-squared	0.87
F(4, 43)	81.81	P-value(F)	1.58E-19
D-W	2.28	Theil's U	0.33

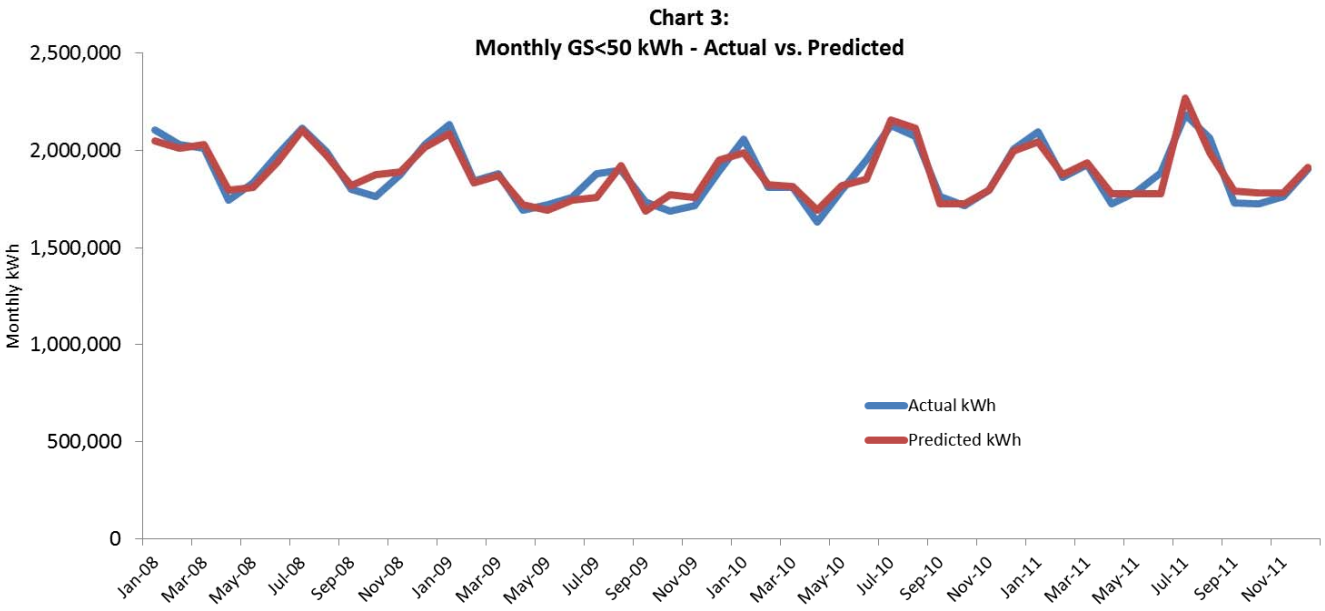


Table 4: GS<50 kWh Actual vs Predicted

Year	*Actual GS<50 kWh*	*Predicted GS<50 kWh*	*Error*
2008	23,307,275	23,339,734	0.1%
2009	21,870,821	21,817,150	-0.2%
2010	22,571,697	22,528,078	-0.2%
2011	22,678,308	22,743,138	0.3%
	Mean Absolute Percentage Error		***0.2%***

2.3 GS 50-499 kW Class

The GS 50-499 kW class was also found to be weather sensitive. In addition, consumption in this class was more responsive to "peak days" rather than "month days", and appeared to be have more downward momentum due to the recession than the smaller customer classes. To capture this transitive effect, a "dummy variable" for the recession period, running from June 2008 through to and including June 2009, is included in the regression. The regression analysis results are displayed in Table 5 below.

Table 5: GS 50-499 kWh Model
OLS using observations 2006:01-2011:12 (T = 72)
Dependent variable: GS50_499kWh

	coefficient	t-ratio	p-value
const	-215,449.90	-0.54	0.592425611
HDD	629.86	10.01	7.31E-15
CDD	2,275.62	5.33	1.26E-06
LondonER_FTE	8,851.66	6.87	2.81E-09
Peakdays	41,402.74	3.96	0.000184831
RecessionD	-278,557.65	-9.17	2.14E-13

R-squared	0.77	Adjusted R-squared	0.75
F(5, 66)	44.41	P-value(F)	7.88E-20
D-W	1.68	Theil's U	0.54

Monthly actual versus predicted values for GS 50-499 kWh are plotted in the chart below. Annual actual versus predicted GS 50-499 kWh values and the annual prediction errors are displayed in the table following.

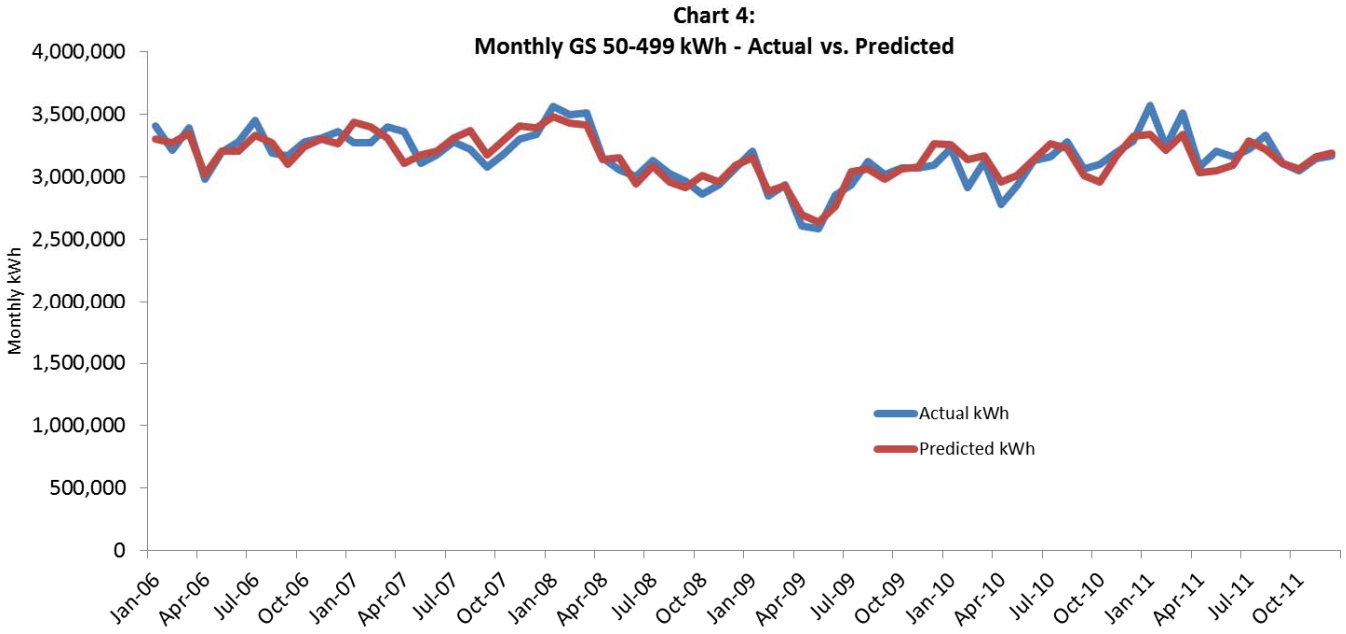


Table 6: GS 50-499 kWh Actual vs Predicted

Year	*Actual GS 50-499 kWh*	*Predicted GS 50-499 kWh*	*Error*
2006	39,238,088	38,879,186	-0.9%
2007	39,004,140	39,592,225	1.5%
2008	37,780,154	37,595,461	-0.5%
2009	35,352,858	35,555,506	0.6%
2010	37,204,459	37,649,339	1.2%
2011	38,818,213	38,126,195	-1.8%
	Mean Absolute Percentage Error		***1.1%***

3 WEATHER NORMALIZATION AND FORECASTS

3.1 WEATHER SENSITIVE CLASS FORECASTS

The most recent 10 year monthly degree day average has been adopted as the definition of weather normal for the purposes of THI`s weather normal load forecast. To our knowledge, this approach is consistent with most LDCs load forecast filings for cost-of-service rebasing applications, and is the approach used by THI in its last COS load

forecast. The table below displays the most recent 10 year average of heating degree days and cooling degree days as reported by Environment Canada for London, Ontario.

Table 7: 10-yr HDD and CDD, London, Ontario

	2002-2011 10-yr normal HDD	CDD
Jan	728.2	0.0
Feb	656.6	0.0
Mar	557.1	0.0
Apr	313.4	1.0
May	168.7	12.1
Jun	32.5	56.9
Jul	5.7	105.5
Aug	10.2	82.2
Sep	64.3	27.1
Oct	258.9	3.8
Nov	407.4	0.0
Dec	634.6	0.0
Annual	**3,837.4**	**288.6**

Forecasts for Ontario's employment outlook for 2012 and 2013 from four Canadian Chartered Banks, as available while preparing the load forecast, are summarized below.

Table 8: Employment Forecast – Ontario
(figures in annual percentage change)

	BMO *(Jun 22, 2012)*	RBC *(June, 2012)*	Scotia *(June 6, 2012)*	TD *(Apr 9 ,2012)*	**Avg**
2012	0.8	1.0	0.9	0.8	**0.9**
2013	1.0	1.4	1.0	1.1	**1.1**

Incorporating the forecast economic variables, 10-yr weather normal heating and cooling degree days, and calendar and index variables, the following weather corrected consumption and forecast values are calculated:

Table 9: Weather Corrected Consumption for Tillsonburg Hydro				
			10-yr (2002-2011)	
Year	Actual residential kWh	%chg	Weather Normal	%chg
2008	50,243,244	*0.7%*	51,187,014	
2009	48,556,541	*-3.4%*	49,773,617	*-2.8%*
2010	50,822,813	*4.7%*	49,840,140	*0.1%*
2011	50,395,810	*-0.8%*	50,185,160	*0.7%*
2012F			50,439,122	*0.5%*
2013F			50,534,380	*0.2%*
Year	Actual GS<50 kWh	%chg	Weather Normal	%chg
2008	23,307,275	*-2.5%*	23,458,162	
2009	21,870,821	*-6.2%*	22,264,331	*-5.1%*
2010	22,571,697	*3.2%*	22,322,996	*0.3%*
2011	22,678,308	*0.5%*	22,627,258	*1.4%*
2012F			22,798,620	*0.8%*
2013F			22,935,224	*0.6%*
Year	Actual GS 50-499 kWh	%chg	Weather Normal	%chg
2008	37,780,154	*-3.1%*	37,631,074	
2009	35,352,858	*-6.4%*	35,802,252	*-4.9%*
2010	37,204,459	*5.2%*	37,578,047	*5.0%*
2011	38,818,213	*4.3%*	38,078,366	*1.3%*
2012F			38,559,036[1]	*1.3%*
2013F			38,737,617	*0.5%*

3.2 NON-WEATHER SENSITIVE CLASS FORECASTS

THI has 5 rate classes for which there is no clear correlation between degree days and monthly consumption. Three of these classes are typically non-weather sensitive load: street and sentinel lighting and unmetered scattered load (USL). For these classes, the forecast is based on an annual average use per customer (connection) basis.

For streetlights, the number of connections has not changed in a number of years and the use per connection has been between 550 and 600 kWh for the past 4 years. The

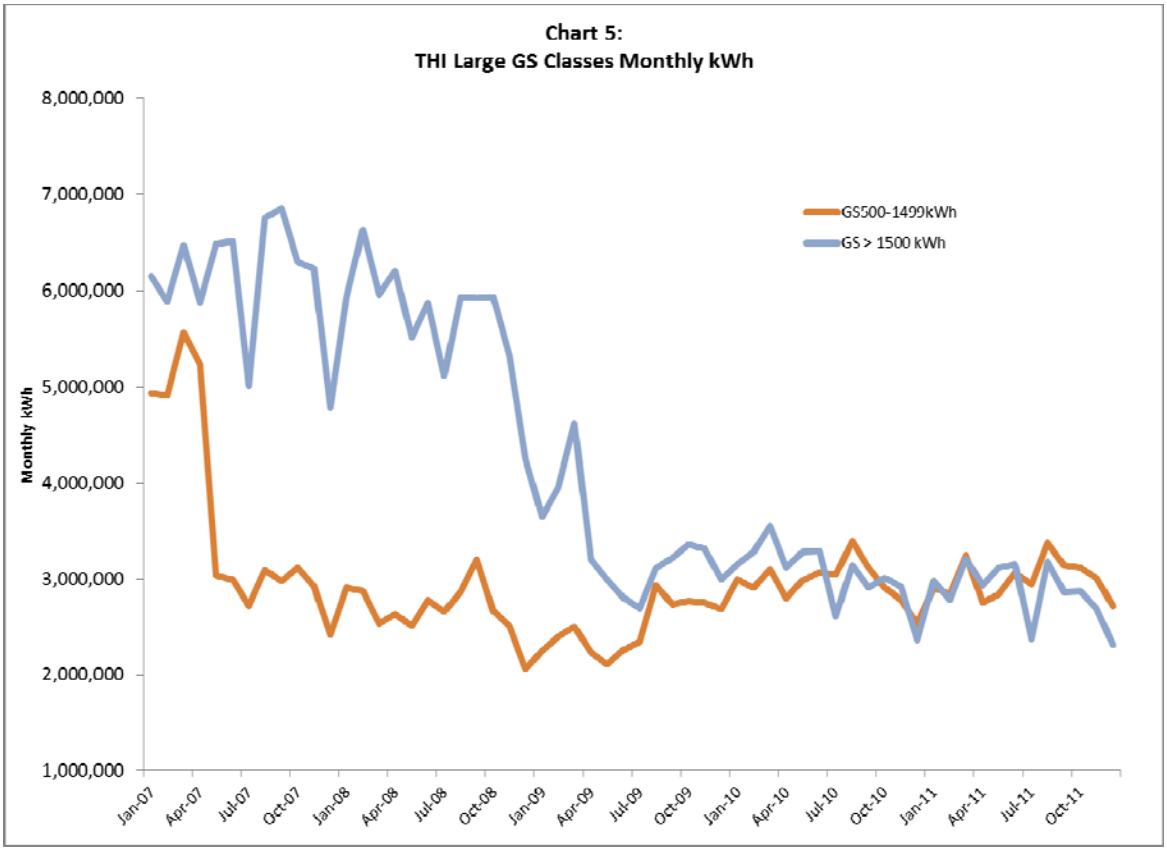
[1] As of 2012, a customer formerly in the GS>1500 kW class has been reclassified to the GS 50-499 kW class for the purpose of this forecast. Consumption has been increased in the GS 50-499 kW class forecast by this customers' annual consumption in 2011. See the following section for more details.

number of connections are forecast to remain stable in 2012-2013 and the 2011 use per connection of 600 kWh/yr is forecast to continue. Therefore, streetlight kWh is forecast to remain constant in 2012 and 2013.

Sentinel light connections have also been stable for the past 4 years (126 to 127) and this is forecast to continue. Billed kWh for the sentinel light class has fluctuated somewhat. To forecast sentinel light kWh consumption, the average of the last 4 years' use per connection has been used (932 kWh/yr).

USL customers have declined from 20 in 2009 to 17 in 2011; however consumption has not declined. The number of connections is forecast to remain at 17 and consumption is expected to remain at the 2011 level.

The remaining two classes, GS 500-1499 kW and GS>1500 kW are primarily industrial load. These classes were created from the former GS>500 kW class and historical consumption data are available back to January 2007. The steep decline in industrial consumption associated with the closure of certain THI customers has directly affected these two classes, as is illustrated in the chart below.



3.2.1 INDIVIDUAL LARGE CUSTOMERS [NTD: REDACTED?]

The large declines in these two classes are primarily attributable to the cessation of operations of 3 customers: All three customers' premises remain connected as customers, but previous usage has ceased.

Customer #1

Customer #1 used an average of 2.5 million kWh per month and had an average monthly demand of 5,400 kW until May 2007. After May 2007, its monthly consumption fell to approximately 40,000 to 50,000 kWh per month and less than 400 kW per month, or less than 1/10th of its previous monthly demand. In January 2008, this customer was reclassified to the GS 50-499 kW class.

Customer #2

From January 2007 until March 2009 Customer #2 generally consumed greater than 2 million kWh per month (over 33 million kWh in 2008) and generally greater than 5,000 kW demand per month (over 68,000 billed kW in 2008). After April 2009, consumption declined to generally less than 200,000 kWh per month and just over 500 kW per month as Customer #2 ceased its former operations. The customer was reclassified to the GS 500-1499 kW class in January 2010.

Customer #3

Customer #3 consumed in excess of 2,000 kW per month and over 500,000 kWh per month from January 2007 until July 2010. Since July 2010, consumption has been less than 200 kW per month and generally less than 20,000 kWh per month, as Customer #3 has closed its operations. As of mid-2012, the customer remains in the GS>1500 kW class. However, given that consumption is less that 500 kW per month, this customer has been reclassified as GS 50-499 kW as of 2012 for the purposes of this forecast. This customer is likely to be reclassified to this class before the test year based on its current consumption profile (see footnote 1 above).

3.2.2 LARGE GS CLASSES

In order to generate appropriate use per customer estimates for these classes going forward, the large customers that have ceased production need to have their consumption removed from the historical class consumption. The restated classes (with shut-down operations' consumption restated) are referred to as "net" classes. The actual and "net" class consumption is compared in the table below.

Table 10: Actual and Net GS>500 classes
Annual kWh

	Actual				Net			
	GS 500-1499		GS > 1500		GS 500-1499		GS > 1500	
Year	kWh		kWh		kWh		kWh	
2007	43,912,433		73,318,742		33,322,814		32,005,608	
2008	32,215,202	*-26.6%*	68,618,309	*-6.4%*	32,215,202	*-3.3%*	27,710,937	*-13.4%*
2009	30,013,245	*-6.8%*	39,910,421	*-41.8%*	30,013,245	*-6.8%*	25,838,718	*-6.8%*
2010	35,629,880	*18.7%*	36,643,040	*-8.2%*	35,629,880	*18.7%*	32,873,956	*27.2%*
2011	35,963,953	*0.9%*	34,473,148	*-5.9%*	35,963,953	*0.9%*	34,279,409	*4.3%*

The actual and net use per customer is shown in the following table. The forecast use per customer is based on the "net" class usage and the average growth over 2008-2011.

Table 11: Actual and Net GS>500 classes
Use Per Customer

	Actual				Net			
	GS 500-1499		GS > 1500		GS 500-1499		GS > 1500[2]	
Year	kWh		kWh		kWh		kWh	
2007	5,489,054		18,329,686		4,165,352		16,002,804	
2008	4,026,900	*-26.6%*	17,154,577	*-6.4%*	4,026,900	*-3.3%*	13,855,469	*-13.4%*
2009	3,751,656	*-6.8%*	9,977,605	*-41.8%*	3,751,656	*-6.8%*	12,919,359	*-6.8%*
2010	4,191,751	*11.7%*	10,469,440	*4.9%*	4,191,751	*11.7%*	16,436,978	*27.2%*
2011	3,995,995	*-4.7%*	11,491,049	*9.8%*	3,995,995	*-4.7%*	17,139,704	*4.3%*
2012F					3,965,042	*-0.8%*	17,625,102	*2.8%*
2013F					3,934,329	*-0.8%*	18,124,247	*2.8%*

Using the preceding information on average use, Table 12 displays actual and forecast kWh consumption for the GS>500 classes and Table 13 displays actual and forecast kWh consumption for street lighting, sentinel lighting and USL.

Table 12: THI GS>500 Classes – Annual kWh

Year	GS>500 - 1499 kWh	%chg	GS>1500 kWh	%chg
2007	43,912,433		73,318,742	
2008	32,215,202	*-26.6%*	68,618,309	*-6.4%*
2009	30,013,245	*-6.8%*	39,910,421	*-41.8%*
2010	35,629,880	*18.7%*	36,643,040	*-8.2%*
2011	35,963,953	*0.9%*	34,473,148	*-5.9%*
2012F	35,685,378	*-0.8%*	35,250,205	*2.3%*
2013F	35,408,962	*-0.8%*	36,248,494	*2.8%*

[2] Includes 2 customers only. See footnote 1 above.

Table 13: Street lighting, Sentinel, USL – Annual kWh						
Year	Street light kWh	%chg	Sentinel kWh	%chg	USL kWh	%chg
2008	1,316,592		124,517		405,064	
2009	1,350,236	*2.6%*	109,511	*-12.1%*	380,763	*-6.0%*
2010	1,413,090	*4.7%*	105,802	*-3.4%*	394,565	*3.6%*
2011	1,422,827	*0.7%*	131,725	*24.5%*	426,840	*8.2%*
2012F	1,422,827	*0.0%*	118,423	*-10.1%*	426,840	*0.0%*
2013F	1,422,827	*0.0%*	118,423	*0.0%*	426,840	*0.0%*

3.3 CLASS KW

The next table outlines the kW consumption for the GS classes with demand charges – GS 50-499, GS 500-1499 and GS>1500. GS 50-499 is weather sensitive; therefore weather normal kWs are derived. Normalized and forecast kWs are derived based on the historical annual kW/kWh ratio. Details are displayed Table 14 below.

Table 14: THI GS Classes kW

	Year	GS 50 - 499 kW		kW/kWh	GS500-1499 kW		kW/kWh	GS>1500 kW		kW/kWh
Actual	2007	104,168		0.00267	100,876		0.0023	157,102		0.00214
	2008	111,300	*6.8%*	0.00295	71,705	*-28.9%*	0.00223	153,510	*-2.3%*	0.00224
	2009	111,593	*0.3%*	0.00316	74,159	*3.4%*	0.00247	107,381	*-30.0%*	0.00269
	2010	115,624	*3.6%*	0.00311	89,293	*20.4%*	0.00251	81,520	*-24.1%*	0.00222
	2011	116,218	*0.5%*	0.00299	88,785	*-0.6%*	0.00247	68,360	*-16.1%*	0.00198
Actual "Net"	2007	104,168		0.00267	73,337		0.0022	61,493		0.00192
	2008	111,300	*6.8%*	0.00295	71,705	*-2.2%*	0.00223	57,612	*-6.3%*	0.00208
	2009	111,593	*0.3%*	0.00316	74,159	*3.4%*	0.00247	59,602	*3.5%*	0.00231
	2010	115,624	*3.6%*	0.00311	89,293	*20.4%*	0.00251	64,517	*8.2%*	0.00196
	2011	116,218	*0.5%*	0.00299	88,785	*-0.6%*	0.00247	66,580	*3.2%*	0.00194
Normalized & Forecast	2008	110,861			71,705			153,510		
	2009	113,011	*1.9%*		74,159	*3.4%*		107,381	*-30.0%*	
	2010	116,785	*3.3%*		89,293	*20.4%*		81,520	*-24.1%*	
	2011	114,003	*-2.4%*		88,785	*-0.6%*		68,360	*-16.1%*	
	2012	115,442	*1.3%*		88,097	*-0.8%*		68,466	*0.2%*	
	2013	115,977	*0.5%*		87,415	*-0.8%*		70,405	*2.8%*	

Historical and forecast kW for street lighting and sentinel lighting are displayed in the next table (Table 15).

Table 15: THI Street Light and Sentinel kW

Year	Street kW		kW/kWh	Sentinel kW		kW/kWh
2008	3,831		0.00291	300		0.00241
2009	3,831	*0.0%*	0.00284	291	*-3.1%*	0.00266
2010	3,831	*0.0%*	0.00271	305	*4.8%*	0.00288
2011	3,831	*0.0%*	0.00269	291	*-4.6%*	0.00221
2012	3,831	*0.0%*	0.00269	301	*3.4%*	0.00254
2013	3,831	*0.0%*	0.00269	301	*0.0%*	0.00254

4 CUSTOMER COUNT AND FORECAST SUMMARY

Table 16 displays the annual average customer count summary for all classes. Table 17 displays a forecast summary.

Customer count projections for residential and GS<50 are based on the average annual population growth for the Town of Tillsonburg from 2006 to 2011 as reported by the 2011 Census (3.2% 2006 to 2011). This is consistent with recent average annual customer connections (2009 to 2011). Little change is expected in the other classes other than what was discussed in the preceding paragraphs.

Table 16 – Average Annual Customer Connections – THI

	Residential	%chg	GS<50	%chg	GS50-499	%chg	GS500-1499	GS>1500
2007	5,790	*2.0%*	643	*-0.8%*	73	*-3.4%*	8	4
2008	5,871	*1.4%*	638	*-0.7%*	76	*4.7%*	8	4
2009	5,885	*0.2%*	643	*0.7%*	78	*1.5%*	8	4
2010	5,927	*0.7%*	656	*2.0%*	75	*-3.3%*	9	4
2011	5,970	*0.7%*	658	*0.4%*	75	*0.4%*	9	3
2012f	6,006	*0.6%*	662	*0.6%*	76	*0.9%*	9	2
2013f	6,042	*0.6%*	666	*0.6%*	76	*0.0%*	9	2

	Street lights	Sentinel	USL
2007	2,372	79	19
2008	2,372	126	19
2009	2,372	126	20
2010	2,372	127	19
2011	2,372	127	17
2012f	2,372	127	17
2013f	2,372	127	17

Table 17 – Forecast Summary – THI

	2011 Actual	2011 Normalized	2012f Normalized	2013f Normalized
Residential (kWh)	50,395,810	50,185,160	**50,439,122**	**50,534,380**
GS<50 (kWh)	22,678,308	22,627,258	**22,798,620**	**22,935,224**
GS 50-499 (kWh)	38,818,213	38,078,366	**38,559,036**	**38,737,617**
(kW)	116,218	114,003	**115,442**	**115,977**
GS 500-1499 (kWh)	35,963,953	35,963,953	**35,685,378**	**35,408,962**
(kW)	88,785	88,785	**88,097**	**87,415**
GS>1500 (kWh)	34,473,148	34,473,148	**35,250,205**	**36,248,494**
(kW)	68,360	68,360	**68,466**	**70,405**
Street Lights (kWh)	1,422,827	1,422,827	**1,422,827**	**1,422,827**
(kW)	3,831	3,831	**3,831**	**3,831**
Sentinel Lights (kWh)	131,725	131,725	**118,423**	**118,423**
(kW)	291	291	**301**	**301**
USL (kWh)	426,840	426,840	**426,840**	**426,840**
Total Retail kWh	184,310,824	183,309,277	184,700,450	185,832,768

EB-2012-0168

Exhibit 3

Tab 1

Schedule 2

Attachment 2

Census Profile

Census Profile

	Tillsonburg, Town Ontario (Census Subdivision) Change geography			Oxford, CTY Ontario (Census division) Change geography		
Population and dwelling counts	**Tillsonburg, T**			**Oxford, CTY**		
	Total	**Male**	**Female**	**Total**	**Male**	**Female**
Population in 2011 [1]	15,301	...	...	105,719	...	...
Population in 2006 [1]	14,822	...	...	102,756	...	...
2006 to 2011 population change (%)	3.2	...	...	2.9	...	...
Total private dwellings [2]	7,072	...	...	43,367	...	...
Private dwellings occupied by usual residents [3]	6,814	...	...	41,554	...	...
Population density per square kilometre	685.1	...	...	51.8	...	...
Land area (square km)	22.34	...	...	2,039.56	...	...

Age characteristics	**Tillsonburg, T**			**Oxford, CTY**		
	Total	**Male**	**Female**	**Total**	**Male**	**Female**
Total population by age groups [4]	15,305	7,250	8,055	105,720	52,065	53,655
0 to 4 years	730	370	360	6,140	3,150	2,990
5 to 9 years	780	400	375	6,345	3,305	3,040
10 to 14 years	775	400	370	6,805	3,490	3,315
15 to 19 years	850	430	415	7,240	3,700	3,540
15 years	175	85	90	1,500	795	705
16 years	175	85	90	1,495	740	760
17 years	165	85	85	1,415	705	710
18 years	165	90	75	1,450	770	685
19 years	160	80	80	1,380	695	685
20 to 24 years	795	400	390	6,190	3,120	3,065
25 to 29 years	780	395	385	5,990	3,015	2,970
30 to 34 years	855	395	460	6,045	3,010	3,035
35 to 39 years	800	410	385	6,420	3,205	3,210
40 to 44 years	915	455	455	6,820	3,430	3,390
45 to 49 years	1,055	505	550	8,465	4,180	4,285
50 to 54 years	1,130	515	615	8,160	4,020	4,140
55 to 59 years	985	455	535	7,145	3,560	3,590
60 to 64 years	1,015	475	540	6,415	3,125	3,295
65 to 69 years	975	425	545	4,960	2,405	2,550
70 to 74 years	910	420	490	4,170	1,935	2,235
75 to 79 years	805	330	475	3,410	1,515	1,900
80 to 84 years	615	265	350	2,605	1,110	1,495
85 years and over	530	190	340	2,385	780	1,605
Median age of the population [5]	46.9	44.5	48.9	41.2	40.0	42.4
% of the population aged 15 and over	85.0	83.8	86.2	81.8	80.9	82.6

Definitions, sources and symbols

Source: Statistics Canada, 2011 Census of Population.

How to cite: Statistics Canada. 2012. *Tillsonburg, Ontario (Code 3532004) and Oxford, Ontario (Code 3532)* (table). *Census Profile*. 2011 Census. Statistics Canada Catalogue no. 98-316-XWE. Ottawa. Released May 29, 2012. http://www12.statcan.gc.ca/census-recensement/2011/dp-pd/prof/index.cfm?Lang=E (accessed July 3, 2012).

Date Modified: 2012-06-06

APPROACH TO CONSERVATION AND DEMAND MANAGEMENT

Sections 2.6.1.2 and 2.6.1.3 of the Board's latest Filing Requirements specify that an LDC must provide a description of how CDM impacts have been accounted for in the historical period and how the CDM target is factored into the test year load forecast.

It is THI's understanding that the Board expects LDCs to make an appropriate adjustment to their weather normalized load forecast to ensure customers realize at the earliest date possible the effects of conservation efforts undertaken to meet the government's provincial target in 2014. As noted by the Board in its Decision in the Hydro One Brampton Inc. proceeding (EB-2010-0132)[1]:

> *The Board is of the view that CDM targets will be achieved on an incremental, staged basis and that any adjustment to the test year's rates should be commensurate with the quantum of forecast savings for the test year.*

The CDM Adjustment to THI's load forecast, as prepared by Elenchus, addresses past and future reductions from CDM programs. Load reductions from the persistence of previous OPA programs are known and THI also makes an adjustment for CDM programs contributing to meet its 2014 provincial target. The specific adjustment for the 2014 CDM target for the 2013 test year is 30% of THI's assigned cumulative target of 10.3 MWh which is 3.1 MWh.

The CDM Adjustment results are presented in the next table and a description of the methodology used to derive those results follows the table.

Table 3-6: CDM Adjustment per Class – Energy (kWh)

[1] EB-2010-0132, issued April 4, 2011, page 8.

	Weather Normalized	2006-2010 CDM Programs		Weather Normalized	2011-2014 CDM Target	Weather Normalized
	2013F (Elenchus)	6 yr. Avg. (2006/11)	2013 Persistence	Revised 2013F	(30% of Target)	Adjusted 2013F
Residential (kWh)	50,534,380	962,351	937,854	50,558,877	840,588	49,718,289
GS<50 (kWh)	22,935,224	326,227	508,242	22,753,209	378,293	22,374,916
GS>50-499 (kWh)	38,737,617	109,537	171,938	38,675,216	643,011	38,032,205
GS 500-1499 (kWh)	35,408,962	100,125	157,164	35,351,923	587,758	34,764,165
GS>1500 (kWh)	36,248,494	102,499	160,890	36,190,103	601,694	35,588,409
Street Lights (kW)	1,422,827	0	0	1,422,827	23,656	1,399,171
Sentinel Lights (kW)	118,423	0	0	118,423	0	118,423
USL (kWh)	426,840	0	0	426,840	0	426,840
Total Customer (kWh)	185,832,767	1,439,970	1,936,089	185,497,418	3,075,000	182,422,418

With respect to the energy forecast adjustment, THI proceeded first by grossing up the weather normalized forecast prepared by Elenchus by the average results of the 2006-2010 OPA programs of the previous six years (2006 to 2011). The grossed up forecast was then netted down with the expected persistence in CDM reductions from those same programs in 2013. This provides a revised load forecast from which the 30% CDM

target is subtracted. The CDM target reduction is allocated by class based on their respective revised energy volume.

CDM reductions for the three GS over 50 classes have been prorated per each class' energy volume among those three classes for purpose of the adjusted load forecast.

THI does not expect CDM reductions for the unmetered classes (i.e., USL and Sentinel) and they have been excluded from the allocation of the 2014 target.

THI adjusted the demand forecast for past OPA programs by grossing it up by the six year average of the 2006-2010 programs and netted it down with the expected 2013 CDM persistence. The demand forecast is then further adjusted to reflect the reduction in the energy forecast from the 2014 CDM target. The reduction in demand is proportional to that in energy (i.e., a 10% reduction in energy will yield a 10% reduction in demand).

Table 3-7: CDM Adjustment per Class – Demand (kW)

	Weather Normalized	2006-2010 CDM Programs		Weather Normalized	2011-2014 CDM Target	Weather Normalized
	2013F (Elenchus)	5 yr. Avg. (2006/11)	2013 Persistence	Revised 2013F	Proportional	Adjusted 2013F
GS>50-499 (kWh)	115,977	1,734	311	117,400	1,952	115,448
GS 500-1499 (kWh)	87,415	1,585	284	88,716	1,475	87,241
GS>1500 (kWh)	70,405	1,622	291	71,737	1,193	70,544
Street Lights (kW)	3,831	0	0	3,831	64	3,767
Sentinel Lights (kW)	301	0	0	301	0	301
Total Demand	277,929	4,940	885	281,984	4,683	277,301

Overall, the CDM adjusted weather normalized load forecast for the 2013TY for THI is 182,422,418 kWh or 1.8% less than the load forecast prepared by Elenchus.

The detailed results of the 2006-2010 CDM programs for the years 2006 to 2013 are provided in E3/T1/S3/Att1

EB-2012-0168

Exhibit 3

Tab 1

Schedule 3

Attachment 1

CDM Adjustment Detailed

	Original	2006 - 2010 CDM Savings									Revised		Target	Adjusted		
	2013f Normalized	2006	2007	2008	2009	2010	2011	2012	2013	Average 2006-2011	2013F	Share of Total Volume	3,075,000	2013F	Change with Original	
Residential (kWh)	50,534,380	490,168	961,984	1,103,113	1,229,175	996,430	993,236	954,189	937,854	962,351	50,558,877	27.3%	838,117	49,720,760	-813,620	-1.6%
GS<50 (kWh)	22,935,224			586	287,838	508,242	508,242	508,242	508,242	326,227	22,753,209	12.3%	377,181	22,376,028	-559,196	-2.4%
GS>50-499 (kWh)	38,737,617		5,370	5,370	102,284	262,725	171,938	171,938	171,938	109,537	38,675,216	20.8%	641,121	38,034,095	-703,522	-1.8%
GS 500-1499 (kWh)	35,408,962		4,909	4,909	93,495	240,149	157,164	157,164	157,164	100,125	35,351,923	19.1%	586,031	34,765,892	-643,070	-1.8%
GS>1500 (kWh)	36,248,494		5,025	5,025	95,712	245,843	160,890	160,890	160,890	102,499	36,190,103	19.5%	599,925	35,590,178	-658,316	-1.8%
Street Lights (kWh)	1,422,827										1,422,827	0.8%	23,586	1,399,241	-23,586	-1.7%
Sentinel Lights (kWh)	118,423										118,423	0.1%	1,963	116,460	-1,963	-1.7%
USL (kWh)	426,840										426,840	0.2%	7,076	419,764	-7,076	-1.7%
Total Customer (kWh)	**185,832,767**	490,168	977,288	1,119,003	1,808,503	2,253,389	1,991,470	1,952,424	1,936,089	1,439,970	185,497,418	100.0%	3,075,000	**182,422,418**	-3,410,349	-1.8%
GS>50-499 (kWh)	115,977	1,378	1,740	2,452	2,296	2,225	311	311	311	1,734	117,400		1,946	115,453.90	-523	-0.5%
GS 500-1499 (kWh)	87,415	1,260	1,590	2,241	2,099	2,034	284	284	284	1,585	88,716		1,471	87,245.12	-170	-0.2%
GS>1500 (kWh)	70,405	1,290	1,628	2,294	2,148	2,082	291	291	291	1,622	71,737		1,189	70,547.43	142	0.2%
Street Lights (kW)	3,831										3,831		64	3,767.49	-64	-1.7%
Sentinel Lights (kW)	301										301		5	296	-5	-1.7%
Total Demand	**277,929**	3,928	4,959	6,988	6,543	6,341	885	885	885	4,940	281,984		4,674	**277,310**	-619	-0.2%
Energy CDM (Total)	**110,395,073**		**15,304**	**15,304**	**291,491**	**748,717**	**489,993**	**489,993**	**489,993**							
GS>50-499 (kWh)	35.1%	-	1,884	1,884	35,891	92,190	60,333	60,333	60,333							
GS 500-1499 (kWh)	32.1%	-	1,722	1,722	32,807	84,268	55,149	55,149	55,149							
GS>1500 (kWh)	32.8%	-	1,763	1,763	33,585	86,266	56,456	56,456	56,456							
Demand CDM (Total)	**(all. on energy)**	**3,928**	**4,959**	**6,988**	**6,543**	**6,341**	**885**	**885**	**885**							
GS>50-499 (kWh)	35.1%	1,378	1,740	2,452	2,296	2,225	311	311	311							
GS 500-1499 (kWh)	32.1%	1,260	1,590	2,241	2,099	2,034	284	284	284							
GS>1500 (kWh)	32.8%	1,290	1,628	2,294	2,148	2,082	291	291	291							

	Original	2006 - 2010 CDM Savings			Revised		Target	Adjusted		
	2013f Normalized	2012	2013	Average 2006-2011	2013F	Share of Total Volume	3,075,000	2013F	Change with Original	
Residential (kWh)	50,534,380	954,189	937,854	962,351	50,558,877	27.3%	840,588	49,718,289	-816,091	-1.6%
GS<50 (kWh)	22,935,224	508,242	508,242	326,227	22,753,209	12.3%	378,293	22,374,916	-560,308	-2.4%
GS>50-499 (kWh)	38,737,617	171,938	171,938	109,537	38,675,216	20.9%	643,011	38,032,205	-705,412	-1.8%
GS 500-1499 (kWh)	35,408,962	157,164	157,164	100,125	35,351,923	19.1%	587,758	34,764,165	-644,797	-1.8%
GS>1500 (kWh)	36,248,494	160,890	160,890	102,499	36,190,103	19.6%	601,694	35,588,409	-660,085	-1.8%
Street Lights (kWh)	1,422,827				1,422,827	0.8%	23,656	1,399,171	-23,656	-1.7%
Sentinel Lights (kWh)	118,423				118,423	0.0%	-	118,423	0	0.0%
USL (kWh)	426,840				426,840	0.0%	-	426,840	0	0.0%
Total Customer (kWh)	**185,832,767**	1,952,424	1,936,089	1,439,970	185,497,418	100.0%	3,075,000	**182,422,418**	-3,410,349	-1.8%
GS>50-499 (kWh)	115,977	311	311	1,734	117,400		1,952	115,448.16	-529	-0.5%
GS 500-1499 (kWh)	87,415	284	284	1,585	88,716		1,475	87,240.78	-174	-0.2%
GS>1500 (kWh)	70,405	291	291	1,622	71,737		1,193	70,543.92	139	0.2%
Street Lights (kW)	3,831				3,831		64	3,767.31	-64	-1.7%
Sentinel Lights (kW)	301				301		-	301	0	0.0%
Total Demand	**277,929**	885	885	4,940	281,984		4,683	**277,301**	-628	-0.2%

Energy CDM (Total)	**110,395,073**	**489,993**	**489,993**
GS>50-499 (kWh)	35.1%	60,333	60,333
GS 500-1499 (kWh)	32.1%	55,149	55,149
GS>1500 (kWh)	32.8%	56,456	56,456

Demand CDM (Total)	**(all. on energy)**	**885**	**885**
GS>50-499 (kWh)	35.1%	311	311
GS 500-1499 (kWh)	32.1%	284	284
GS>1500 (kWh)	32.8%	291	291

ENERGY (kWh)

	Weather Normalized	2006-2010 CDM Programs		Weather Normalized	2011-2014 CDM Target	Weather Normalized
	2013F	5 yr. Avg.	2013	Revised	(30% of Target)	Adjusted
	(Elenchus)	(2006/11)	Persistence	2013F		2013F
Residential (kWh)	50,534,380	962,351	937,854	50,558,877	840,588	**49,718,289**
GS<50 (kWh)	22,935,224	326,227	508,242	22,753,209	378,293	**22,374,916**
GS>50-499 (kWh)	38,737,617	109,537	171,938	38,675,216	643,011	**38,032,205**
GS 500-1499 (kWh)	35,408,962	100,125	157,164	35,351,923	587,758	**34,764,165**
GS>1500 (kWh)	36,248,494	102,499	160,890	36,190,103	601,694	**35,588,409**
Street Lights (kW)	1,422,827	0	0	1,422,827	23,656	**1,399,171**
Sentinel Lights (kW)	118,423	0	0	118,423	0	**118,423**
USL (kWh)	426,840	0	0	426,840	0	**426,840**
Total Customer (kWh)	**185,832,767**	**1,439,970**	**1,936,089**	**185,497,418**	**3,075,000**	**182,422,418**

DEMANDE (kW)

	Weather Normalized	2006-2010 CDM Programs		Weather Normalized	2011-2014 CDM Target	Weather Normalized
	2013F	5 yr. Avg.	2013	Revised	Proportional	Adjusted
	(Elenchus)	(2006/11)	Persistence	2013F		2013F
GS>50-499 (kWh)	115,977	1,734	311	117,400	1,952	**115,448**
GS 500-1499 (kWh)	87,415	1,585	284	88,716	1,475	**87,241**
GS>1500 (kWh)	70,405	1,622	291	71,737	1,193	**70,544**
Street Lights (kW)	3,831	0	0	3,831	64	**3,767**
Sentinel Lights (kW)	301	0	0	301	0	**301**
Total Demand	**277,929**	**4,940**	**885**	**281,984**	**4,683**	**277,301**

PASS-THROUGH CHARGES

Pass-through charges for power supply include commodity, retail transmission services, wholesale market service, rural rate protection and low voltage service. Debt retirement charges are not included. A total loss factor applies to forecast retail volumes for all pass-through charges other than low voltage service, when the billing determinant is kWh. The calculation of total loss factors is described in E8/T3/S6.

Commodity Price

The assumed commodity prices are based on the Regulated Price Plan ("RPP") Report issued by the OEB on April 19, 2012 for the period May 1, 2012 through April 30, 2013. The estimated price for RPP customers corresponds to the average supply cost for RPP customers specified in the report. 2011 Actual Commodity Price is located at E3/T1/S4/Att1.

Retail Transmission Service ("RTS") Rates

Proposed RTS rates for Network Service and Line Transformation Connection Services are described in E8/T3/S1.

Wholesale Market Service ("WMS") Rate

The existing WMS rate charge of $0.0052 per kWh has been maintained.

Rural Rate Protection

The existing Rural Rate Protection charge of $0.0013 per kWh has been maintained.

Low Voltage ("LV") Service

THI has no low voltage customers.

EB-2012-0168

Exhibit 3

Tab 1

Schedule 4

Attachment 1

Projected Power Supply Expenses

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

C7 Commodity Price

Enter actual non-RPP kWh's and forecast prices

	2011 ACTUAL kWh's		
Customer Class Name	**Total**	**non-RPP**	**RPP**
Residential	50,395,810	11,143,151	39,252,659
General Service < 50 kW	22,678,308	7,041,761	15,636,547
General Service > 50 to 499 kW	38,818,213	34,262,344	4,555,869
General Service > 500 to 1499 kW	35,963,953	35,963,953	
General Service > 1,500 kW	34,473,148	34,473,148	
Unmetered Scattered Load	426,840	69,623	357,217
Sentinel Lighting	131,725		131,725
Street Lighting	1,422,827	1,422,827	
TOTAL	**184,310,824**	**124,376,807**	**59,934,017**
%	***100.00%***	***67.48%***	***32.52%***
Forecast Price			
HOEP ($/MWh)		$43.41	
Global Adjustment ($/MWh)		$28.22	
TOTAL ($/MWh)		**$71.63**	**$72.98**
$/kWh		***$0.07163***	***$0.07298***
%		67.48%	32.52%
WEIGHTED AVERAGE PRICE	**$0.0721**	$0.0483	$0.0237

OVERVIEW OF DISTRIBUTION REVENUE

Distribution Throughput Revenue

As indicated in the section on load forecast below (E3/T1/S2/Att1), THI was substantially impacted by the recession in 2008-09. Wholesale kWh consumption peaked in 2007 at just over 238 million kWh. In 2009, annual wholesale kWh dropped to just under 185 million kWh, a decline of over 53 million kWh or more than 22 per cent. This has increased slightly post-recession to just over 190 million kWh but is still more than 20 per cent below the 2007 consumption level. Since 2007, there has been a sustained and permanent loss of load in Tillsonburg as a result of industrial closures. This has impacted distribution revenue, especially in the larger General Service classes.

In addition to the recession, 2009 Actual was affected by a very cool summer. In 2010, a warmer than normal summer occurred, and 2011 saw a warm but closer to normal summer and a slightly warmer than normal fall season. These events also influence actual distribution revenue results year-over-year.

With historical population growth averaging about 0.6% per year (2006-2011), THI's service area is experiencing modest growth compared to the provincial average. Average growth in residential customers is roughly following this trend. This is discussed further below.

E3/T1/S5/Att1 shows 2012BY and 2013TY revenue at current rates.

1

	2009 Board Approved	2009 Actual	2010 Actual	2011 Actual	2012BY	2013TY at Current Rates	2013TY at Proposed Rates
Distribution Revenue							
Residential	1,778,991	1,653,970	1,766,057	1,603,851	1,566,655	1,558,754	2,024,779
GS<50 kW	557,965	500,966	560,330	538,736	545,695	540,458	633,892
GS 50-499 kW	241,394	188,095	291,191	290,820	300,993	300,941	351,736
GS 500-1499 kW	100,221	202,505	151,767	169,042	178,076	177,671	199,261
GS>1500 kW	191,278	104,919	315,238	256,608	264,994	271,726	160,017
Street Lighting	51,922	40,972	60,107	62,623	66,634	65,862	11,038
Sentinel Lighting	3,670	--	3,871	4,838	4,756	4,756	8,879
USL	14,296	18,514	23,650	21,912	23,352	23,352	54,805
Total Net Distribution	**2,939,737**	**2,709,941**	**3,172,210**	**2,948,430**	**2,951,155**	**2,943,520**	**3,444,407**
Transformer Allowance	85,250	117,073	110,663	103,559	103,405	104,248	104,248
Total Gross Distribution	**3,024,987**	**2,827,014**	**3,282,873**	**3,051,989**	**3,054,560**	**3,047,768**	**3,548,655**

2

3 Note: the revenue from the Sentinel Light Class in 2009 was credited to Unmetered
4 Scattered Load class in the General Ledger. This was corrected in subsequent years.

5

EB-2012-0168

Exhibit 3

Tab 1

Schedule 5

Attachment 1

Pro-forma Revenue from Current Distribution Charges

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

C3 Revenue from Current Distribution Charges

Rates from sheet A4; Volumes from sheet C1

Enter projected volumes for Transformer Allowance

Customer Class Name	2012 PROJECTED REVENUE FROM EXISTING VARIABLE CHARGES							
	Variable Distribution Rate	per	Volume	Gross Variable Revenue	Transform. Allowance Rate	Transform. Allowance kW's	Transform. Allowance $'s	Net Variable Revenue
Residential	$0.0169	kWh	50,439,122	852,421				852,421
General Service < 50 kW	$0.0152	kWh	22,798,620	346,539				346,539
General Service > 50 to 499 kW	$1.7010	kW	115,442	196,367	($0.60)	22,357	(13,414)	182,953
General Service > 500 to 1499 kW	$0.9187	kW	88,097	80,935	($0.60)	81,519	(48,911)	32,023
General Service > 1,500 kW	$3.7991	kW	68,466	260,109	($0.60)	68,466	(41,080)	219,030
Unmetered Scattered Load	$0.0290	kWh	426,840	12,378				12,378
Sentinel Lighting	$10.6876	kW	301	3,217	($0.60)			3,217
Street Lighting	$12.0665	kW	3,831	46,227	($0.60)			46,227
TOTAL VARIABLE REVENUE				**1,798,193**		**172,342**	**(103,405)**	**1,694,788**

Customer Class Name	2012 PROJECTED DISTRIBUTION REVENUE AT EXISTING RATES							
	Fixed Rate	Customers (Connections)	Fixed Charge Revenue	Variable Revenue	TOTAL	% Fixed Revenue	% Variable Revenue	% Total Revenue
Residential	$9.9100	6,006	714,234	852,421	1,566,655	45.59%	54.41%	53.09%
General Service < 50 kW	$25.0700	662	199,156	346,539	545,695	36.50%	63.50%	18.49%
General Service > 50 to 499 kW	$129.4300	76	118,040	182,953	300,993	39.22%	60.78%	10.20%
General Service > 500 to 1499 kW	$1,352.3400	9	146,053	32,023	178,076	82.02%	17.98%	6.03%
General Service > 1,500 kW	$1,915.1700	2	45,964	219,030	264,994	17.35%	82.65%	8.98%
Unmetered Scattered Load	$14.7500	62	10,974	12,378	23,352	46.99%	53.01%	0.79%
Sentinel Lighting	$1.0100	127	1,539	3,217	4,756	32.36%	67.64%	0.16%
Street Lighting	$1,700.5900	1	20,407	46,227	66,634	30.63%	69.37%	2.26%
DISTRIBUTION REVENUE			**1,256,367**	**1,694,788**	**2,951,155**	42.57%	57.43%	100.00%

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

C3 Revenue from Current Distribution Charges

Rates from sheet A4; Volumes from sheet C1

Enter projected volumes for Transformer Allowance

Customer Class Name	2013 PROJECTED REVENUE FROM EXISTING VARIABLE CHARGES							
	Variable Distribution Rate	per	Volume	Gross Variable Revenue	Transform. Allowance Rate	Transform. Allowance kW's	Transform. Allowance $'s	Net Variable Revenue
Residential	$0.0169	kWh	49,718,289	840,239				840,239
General Service < 50 kW	$0.0152	kWh	22,374,916	340,099				340,099
General Service > 50 to 499 kW	$1.7010	kW	115,448	196,377	($0.60)	22,460	(13,476)	182,901
General Service > 500 to 1499 kW	$0.9187	kW	87,241	80,148	($0.60)	80,883	(48,530)	31,619
General Service > 1,500 kW	$3.7991	kW	70,544	268,004	($0.60)	70,403	(42,242)	225,762
Unmetered Scattered Load	$0.0290	kWh	426,840	12,378				12,378
Sentinel Lighting	$10.6876	kW	301	3,217	($0.60)			3,217
Street Lighting	$12.0665	kW	3,767	45,455	($0.60)			45,455
TOTAL VARIABLE REVENUE				**1,785,917**		**173,746**	**(104,248)**	**1,681,669**

Customer Class Name	2013 PROJECTED DISTRIBUTION REVENUE AT EXISTING RATES							
	Fixed Rate	Customers (Connections)	Fixed Charge Revenue	Variable Revenue	TOTAL	% Fixed Revenue	% Variable Revenue	% Total Revenue
Residential	$9.9100	6,042	718,515	840,239	1,558,754	46.10%	53.90%	52.96%
General Service < 50 kW	$25.0700	666	200,359	340,099	540,458	37.07%	62.93%	18.36%
General Service > 50 to 499 kW	$129.4300	76	118,040	182,901	300,941	39.22%	60.78%	10.22%
General Service > 500 to 1499 kW	$1,352.3400	9	146,053	31,619	177,671	82.20%	17.80%	6.04%
General Service > 1,500 kW	$1,915.1700	2	45,964	225,762	271,726	16.92%	83.08%	9.23%
Unmetered Scattered Load	$14.7500	62	10,974	12,378	23,352	46.99%	53.01%	0.79%
Sentinel Lighting	$1.0100	127	1,539	3,217	4,756	32.36%	67.64%	0.16%
Street Lighting	$1,700.5900	1	20,407	45,455	65,862	30.98%	69.02%	2.24%
DISTRIBUTION REVENUE			**1,261,851**	**1,681,669**	**2,943,520**	42.87%	57.13%	100.00%

Exhibit 3: Revenue

Tab 2 (of 3): Variance Analysis

OVERVIEW OF CHANGES TO LOAD FORECAST

Load Forecasting and Connection Forecast

Load Forecasting

THI engaged resources from Elenchus Research Associates Inc. ("Elenchus") to prepare a load forecast for the 2012BY and 2013TY. The Elenchus report is provided at E3/T1/S2/Att1, and contains the details of the forecasting process, methodology, and results.

Elenchus reviewed monthly wholesale and class data from THI. After reviewing the data, Elenchus determined that it was possible to determine class specific demand determinants for residential, GS<50 and GS 50-499 consumption classes using class specific multiple regression models. This can be viewed as an improvement over the methodology employed in the previous cost-of-service application, which based the normalization on a weather sensitive wholesale approach. The remaining classes (lighting, USL, and larger industrial classes) were found to have no clear correlation between degree days and monthly consumption.

Monthly variation in energy use is principally driven by weather, economic activity and calendar variables (i.e., number of days in the month or "month days", or number of non-holiday weekdays in the month or "peak days"). In order to measure weather, Elenchus used heating degree days ("HDD") and cooling degree days ("CDD") as observed at nearby London, Ontario. In order to "weather normalize" consumption, Elenchus adopted the most recent 10-year monthly average of HDD and CDD (2002 to 2011). To measure economic activity, monthly full-time employment for the London Economic Area, which

includes the Town of Tillsonburg. Forecasts of employment for the bridge year and test year were obtained by taking the consensus forecast of employment growth in Ontario from 4 Canadian Chartered Banks. Both the Residential Class and GS<50 kW class utilized HDD, CDD, London Economic Area full-time employment and number of days in the month, as explanatory variables for monthly energy consumption. For the GS 50-499 kW class, consumption was more responsive to “peak days” rather than “month days”, and appeared to have more downward momentum due to the recession than the smaller customer classes. To capture this transitive effect, a “dummy variable” for the recession period, running from June 2008 through to and including June 2009, is included in the regression.

Diagnostic statistics and regression prediction accuracy of the above equations are provided in the attached Load Forecast Report.

Connection Forecast

The customer count projections for the Residential and GS<50 kW classes are based on the average annual population growth for the Town of Tillsonburg from 2006 to 2011 as reported by the 2011 Census (3.2% 2006 to 2011, or 0.6% per annum), provided at E3/T1/S2/Att2. This is consistent with recent average annual customer connections (2009 to 2011). No change is expected in the other classes from 2011. Customer/connection counts in the Load Forecast Report are expressed as annual averages.

Average Use

The following table (Table 3-3) summarizes actual average annual use per customer, by class, based on average annual customer counts.

Table 3-3 Actual Annual Use Per Customer

Year	Res	*%chg*	GS<50	*%chg*	GS 50 - 499 kWh	*%chg*
2005	9,490		40,554		524,236	
2006	8,868	*-6.5%*	38,254	*-5.7%*	519,137	*-1.0%*
2007	8,619	*-2.8%*	37,172	*-2.8%*	534,303	*2.9%*
2008	8,558	*-0.7%*	36,508	*-1.8%*	494,397	*-7.5%*
2009	8,252	*-3.6%*	34,023	*-6.8%*	455,676	*-7.8%*
2010	8,574	*3.9%*	34,434	*1.2%*	496,059	*8.9%*
2011	8,442	*-1.5%*	34,470	*0.1%*	515,286	*3.9%*

	GS500-1499 kWh	*%chg*	GS>1500 kWh	%chg
2005				
2006				
2007	5,489,054		18,329,686	
2008	4,026,900	-26.6%	17,154,577	-6.4%
2009	3,751,656	-6.8%	9,977,605	-41.8%
2010	4,191,751	11.7%	10,469,440	4.9%
2011	3,995,995	-4.7%	11,491,049	9.8%

Residential and GS<50 kW class use per customer, on an actual basis, has generally been declining since 2005 (It should be noted that 2005 was one of the warmest summers in recent years). The declining trend was reversed in 2010, but resumed in 2011. The year 2010 experienced a warmer than average summer after the cool summer of and recession of 2009. The following table (Table 3-4) displays normalized use per customer for those classes that have been weather normalized.

Table 3-4 Average Use Per Customer - Normalized

	Res	*%chg*	GS<50	*%chg*	GS 50 - 499 kWh	*%chg*
2008	8,719		36,744		492,446	
2009	8,458	*-3.0%*	34,635	*-5.7%*	461,468	*-6.3%*
2010	8,409	*-0.6%*	34,055	*-1.7%*	501,041	*8.6%*
2011	8,407	*0.0%*	34,392	*1.0%*	505,465	*0.9%*
2012	8,399	*-0.1%*	34,446	*0.2%*	507,356	*0.4%*
2013	8,364	*-0.4%*	34,446	*0.0%*	509,705	*0.5%*

The demographics of the Town of Tillsonburg have changed with a smaller proportion of residents being under 25 (Table 3-5) summarizes results from the 1996 and 2011 Census for the Town of Tillsonburg.

Table 3-5, Town of Tillsonburg, 1996 & 2011 Census

Age Group	1996	2011	%chg	% of Total 1996	% of Total 2011
Under 25	4,065	3,930	-3.3%	30.8%	25.7%
25-54	5,125	5,535	8.0%	38.8%	36.2%
55+	4,025	5,835	45.0%	30.5%	38.1%
Total	13,215	15,300			

The Load Forecast Report at E3/T1/S2/Att1 following details the methodology and results for the throughput forecast.

Attachment 1 (of 1):

Variance Analysis of Load Forecast

The following table (Table 3-3) summarizes actual average annual use per customer, by class, based on average annual customer counts.

Table 3-3 Actual Annual Use Per Customer

Year	Res	*%chg*	GS<50	*%chg*	GS 50 - 499 kWh	*%chg*
2005	9,490		40,554		524,236	
2006	8,868	*-6.5%*	38,254	*-5.7%*	519,137	*-1.0%*
2007	8,619	*-2.8%*	37,172	*-2.8%*	534,303	*2.9%*
2008	8,558	*-0.7%*	36,508	*-1.8%*	494,397	*-7.5%*
2009	8,252	*-3.6%*	34,023	*-6.8%*	455,676	*-7.8%*
2010	8,574	*3.9%*	34,434	*1.2%*	496,059	*8.9%*
2011	8,442	*-1.5%*	34,470	*0.1%*	515,286	*3.9%*

	GS500-1499 kWh	*%chg*	GS>1500 kWh	%chg
2005				
2006				
2007	5,489,054		18,329,686	
2008	4,026,900	-26.6%	17,154,577	-6.4%
2009	3,751,656	-6.8%	9,977,605	-41.8%
2010	4,191,751	11.7%	10,469,440	4.9%
2011	3,995,995	-4.7%	11,491,049	9.8%

Residential and GS<50 kW class use per customer, on an actual basis, has generally been declining since 2005 (It should be noted that 2005 was one of the warmest summers in recent years). The declining trend was reversed in 2010, but resumed in 2011. The year 2010 experienced a warmer than average summer after the cool summer of and recession of 2009. The following table (Table 3-4) displays normalized use per customer for those classes that have been weather normalized.

Table 3-4 Average Use Per Customer - Normalized

	Res	*%chg*	GS<50	*%chg*	GS 50 - 499 kWh	*%chg*
2008	8,719		36,744		492,446	
2009	8,458	*-3.0%*	34,635	*-5.7%*	461,468	*-6.3%*
2010	8,409	*-0.6%*	34,055	*-1.7%*	501,041	*8.6%*
2011	8,407	*0.0%*	34,392	*1.0%*	505,465	*0.9%*
2012	8,399	*-0.1%*	34,446	*0.2%*	507,356	*0.4%*
2013	8,364	*-0.4%*	34,446	*0.0%*	509,705	*0.5%*

The demographics of the Town of Tillsonburg have changed with a smaller proportion of residents being under 25. Table 3-5 summarizes results from the 1996 and 2011 Census for the Town of Tillsonburg.

Table 3-5, Town of Tillsonburg, 1996 & 2011 Census

Age Group	1996	2011	%chg	% of Total 1996	% of Total 2011
Under 25	4,065	3,930	-3.3%	30.8%	25.7%
25-54	5,125	5,535	8.0%	38.8%	36.2%
55+	4,025	5,835	45.0%	30.5%	38.1%
Total	13,215	15,300			

Exhibit 3: Revenue

Tab 3 (of 3): Other Revenue

OVERVIEW OF OTHER REVENUE

E3/T3/S1/Att1 shows the trend of Other Revenue by USoA account, which includes Specific Service Charges, Late Payment Charges, Other Distribution Revenues and Other Income and expenses, .

E3/T3/S1/Att2 shows the annual change in the specific revenue offsets.

E3/T3/S2/Att1 provides additional details on projected service charges. THI has forecasted these revenues to stay consistent with 2011 actuals.

E3/T3/S3/Att1 describes the significant variances in the Other Revenue Variances table.

Schedule 4 presents the revenue offsets which are applied to the base revenue requirement for the 2013TY.

File Number:	EB-2012-0168
Exhibit:	3
Tab:	3
Schedule:	1
Attachment:	1
Date:	28-Sep-12

Appendix 2-F
Other Operating Revenue

USoA #	USoA Description	2009 Actual	2010 Actual	2011 Actual[2]	Bridge Year[3]	Bridge Year[3]	Test Year
					2012	2012	2013
	Reporting Basis	CGAAP	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS
4235	**Specific Service Charges**	$ 40,500	$ 48,420	$ 34,115	$ 35,705	$ 35,705	$ 35,705
4225	**Late Payment Charges**	$ 20,092	$ 23,037	$ 17,022	$ 17,500	$ 17,500	$ 17,500
4082	**Retail Services Revenues**	$ 11,039	$ 14,706	$ 12,080	$ 13,390	$ 13,390	$ 14,030
4084	Retail Service Transaction Re	$ 248	$ 581	$ 310	$ 338	$ 338	$ 369
4210	Power Poles	$ 26,664	$ 26,664	$ 26,664	$ 26,664	$ 26,664	$ 26,664
4080	Administration Charge	$ 16,565	$ 17,128	$ 17,375	$ 17,723	$ 17,723	$ 18,077
Specific Service Charges		$ 40,500	$ 48,420	$ 34,115	$ 35,705	$ 35,705	$ 35,705
Late Payment Charges		$ 20,092	$ 23,037	$ 17,022	$ 17,500	$ 17,500	$ 17,500
Other Operating Revenues		$ 54,516	$ 59,079	$ 56,429	$ 58,115	$ 58,115	$ 59,140
Other Income or Deductions		$ 13,384	$ 15,911	$ 46,055	$ 30,000	$ 30,000	$ 18,000
Total		$ 128,492	$ 146,447	$ 153,621	$ 141,320	$ 141,320	$ 130,345

Description	**Account(s)**
Specific Service Charges:	4235
Late Payment Charges:	4225
Other Distribution Revenues:	4080, 4082, 4084, 4090, 4205, 4210, 4215, 4220, 4240, 4245
Other Income and Expenses:	4305, 4310, 4315, 4320, 4325, 4330, 4335, 4340, 4345, 4350, 4355, 4360, 4365, 4370, 4375, 4380, 4385, 4390, 4395, 4398, 4405, 4415

Note: Add all applicable accounts listed above to the table and include all relevant information.
The above table assumes adoption of MIFRS as of January 1, 2013. If the adoption year differs, please adjust the table accordingly.

Account Breakdown Details

For each "Other Operating Revenue" and "Other Income or Deductions" Account, a detailed breakdown of the account components is required. See the example below for Account 4405, Interest and Dividend Income.

Account 4405 - Interest and Dividend Income

	2009 Actual	2010 Actual	2011 Actual[2]	Bridge Year	Bridge Year	Test Year
Reporting Basis	CGAAP	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS
Short-term Investment Interest						
Bank Deposit Interest	$ 11,716	$ 13,267	$ 26,500	$ 24,000	$ 24,000	$ 18,000
Miscellaneous Interest Revenue	$ 1,668	$ 2,644	$ 19,555	$ 6,000	$ 6,000	$ -
etc.[1]						
Total	$ 13,384	$ 15,911	$ 46,055	$ 30,000	$ 30,000	$ 18,000

Notes:

1 List and specify any other interest revenue

2 If the applicant is adopting IFRS or an alternate accounting standard as of January 1, 2012 for financial reporting purposes, 2011 must be presented on both a CGAAP and MIFRS (or alternate accounting standard) basis.

3 If the applicant is adopting IFRS or an alternate accounting standard as of January 1, 2013 for financial reporting purposes, 2012 must be presented on both a CGAAP and MIFRS (or alternate accounting standard) basis.

Attachment 2 (of 2):

Other Revenue Trend Table

	2009 Actual to 2009 Board Approved	2010 Actual to 2009 Actual	2011 Actual to 2010 Actual	2012BY to 2011 Actual	2013TY to 2012BY
Other Revenue					
Late Payment	2,722	2,945	-6,015	478	0
Specific Service Charge	-6,795	7,920	-14,305	1,590	0
Other Distribution Revenue	-5,541	1,147	-2,650	1,686	1,025
Other Income & Expenses	7,384	2,527	30,144	-16,055	-12,000
Total Revenue Offset	**-2,230**	**14,539**	**7,174**	**-12,301**	**-10,975**

OTHER REVENUE FROM SERVICE CHARGES

E3/T3/S1/Att1 shows the revenue realized from service charges 2009 Board-approved amount, 2009 – 2011 actual and the projection for 2012-2013

No changes to any existing rates for specific charges are proposed in this application.

EB-2012-0168

Exhibit 3

Tab 3

Schedule 2

Attachment 1

Trend Table of Other Revenue from Service Charges

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

C9 Other Service Revenues

Enter volumes and rates for other distributor services

Service	USA #	2009 Approved			2009 Actual		
		Volume	Rate	Revenue	Volume	Rate	Revenue
Standard Supply Service -- Administrative Charge	4080	86,920	$0.25	21,730	66,259	$0.25	16,565
Arrears Certificate	4084			0			0
Statement of Account	4084			0			0
Pulling post-dated cheques	4084			0			0
Duplicate invoices for previous billing	4084			0			0
Request for other billing information	4084			0			0
Easement Letter	4084			0			0
Income tax letter	4084			0			0
Notification Charge	4084			0			0
Account history	4235			0			0
Credit reference/credit check (plus credit agency costs)	4235			0			0
Returned Cheque charge (plus bank charges)	4235	111	$15.00	1,665	99	$15.00	1,485
Charge to certify cheque	4235			0			0
Legal letter charge	4084			0			0
Account set up charge / change of occupancy charge	4235	874	$30.00	26,220	767	$30.00	23,010
Special Meter reads	4235	6	$30.00	180	5	$30.00	150
Meter dispute charge plus Measurement Canada fees (if meter found cor	4235			0			0
Late Payment - per month	4225	820,000	1.50%	12,300	1,045,486	1.50%	15,682
Collection of account charge – no disconnection	4225	169	$30.00	5,070	147	$30.00	4,410
Collection of account charge – no disconnection – after regular hours	4225			0			0
Disconnect/Reconnect at meter – during regular hours	4235	256	$65.00	16,640	224	$65.00	14,560
Disconnect/Reconnect at meter – after regular hours	4235	14	$185.00	2,590	7	$185.00	1,295
Disconnect/Reconnect at pole – during regular hours	4235		$185.00	0		$185.00	0
Disconnect/Reconnect at pole – after regular hours	4235			0			0
Install / remove load control device – during regular hours	4235			0			0
Install / remove load control device – after regular hours	4235		$185.00	0		$185.00	0
Service call – customer-owned equipment	4235			0			0
Service call – after regular hours	4235		$165.00	0		$165.00	0
Temporary service install and remove – overhead – no transformer	4235			0			0
Temporary service install and remove – underground – no transformer	4235			0			0
Temporary service install and remove – overhead – with transformer	4235			0			0
Specific Charge for Access to the Power Poles – per pole/year	4210	1,315	$22.35	29,390	1,193	$22.35	26,664
Administrative Billing Charge	4235			0			0
Layout fees	4235			0			0
Retailer Service Agreement -- standard charge	4082	12	$100.00	1,200	2	$100.00	200
Retailer Service Agreement -- monthly fixed charge (per retailer)	4082	144	$20.00	2,880	137	$20.00	2,740
Retailer Service Agreement -- monthly variable charge (per customer)	4082	4,920	$0.50	2,460	10,286	$0.50	5,143
Distributor-Consolidated Billing -- monthly charge (per customer)	4082	4,764	$0.30	1,429	9,852	$0.30	2,956
Retailer-Consolidated Billing -- monthly credit (per customer)	4082		($0.30)	0		($0.30)	0
Service Transaction Request -- request fee (per request)	4084	2,522	$0.25	631	469	$0.25	117
Service Transaction Request -- processing fee (per processed request)	4084	674	$0.50	337	261	$0.50	131
Interval Meter Load Management Tool	4235			0			0
Customer Information request -- non-EBT (more than twice a year, per re	4084			0			0
TOTAL				**124,722**			**115,107**

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

C9 Other Service Revenues

Enter volumes and rates for other distributor services

Service	USA #	2010 Actual			2011 Actual		
		Volume	Rate	Revenue	Volume	Rate	Revenue
Standard Supply Service -- Administrative Charge	4080	68,511	$0.25	17,128	69,501	$0.25	17,375
Arrears Certificate	4084			0			0
Statement of Account	4084			0			0
Pulling post-dated cheques	4084			0			0
Duplicate invoices for previous billing	4084			0			0
Request for other billing information	4084			0			0
Easement Letter	4084			0			0
Income tax letter	4084			0			0
Notification Charge	4084			0			0
Account history	4235			0			0
Credit reference/credit check (plus credit agency costs)	4235			0			0
Returned Cheque charge (plus bank charges)	4235	84	$15.00	1,260	85	$15.00	1,275
Charge to certify cheque	4235			0			0
Legal letter charge	4084			0			0
Account set up charge / change of occupancy charge	4235	1,043	$30.00	31,290	912	$30.00	27,360
Special Meter reads	4235	4	$30.00	120	2	$30.00	60
Meter dispute charge plus Measurement Canada fees (if meter found cor	4235			0			0
Late Payment - per month	4225	1,185,788	1.50%	17,787	886,809	1.50%	13,302
Collection of account charge – no disconnection	4225	175	$30.00	5,250	124	$30.00	3,720
Collection of account charge – no disconnection – after regular hours	4225			0			0
Disconnect/Reconnect at meter – during regular hours	4235	211	$65.00	13,715	72	$65.00	4,680
Disconnect/Reconnect at meter – after regular hours	4235	11	$185.00	2,035	4	$185.00	740
Disconnect/Reconnect at pole – during regular hours	4235		$185.00	0		$185.00	0
Disconnect/Reconnect at pole – after regular hours	4235			0			0
Install / remove load control device – during regular hours	4235			0			0
Install / remove load control device – after regular hours	4235		$185.00	0		$185.00	0
Service call – customer-owned equipment	4235			0			0
Service call – after regular hours	4235		$165.00	0		$165.00	0
Temporary service install and remove – overhead – no transformer	4235			0			0
Temporary service install and remove – underground – no transformer	4235			0			0
Temporary service install and remove – overhead – with transformer	4235			0			0
Specific Charge for Access to the Power Poles – per pole/year	4210	1,193	$22.35	26,664	1,193	$22.35	26,664
Administrative Billing Charge	4235			0			0
Layout fees	4235			0			0
Retailer Service Agreement -- standard charge	4082	2	$100.00	200		$100.00	0
Retailer Service Agreement -- monthly fixed charge (per retailer)	4082	160	$20.00	3,200	159	$20.00	3,180
Retailer Service Agreement -- monthly variable charge (per customer)	4082	14,310	$0.50	7,155	11,156	$0.50	5,578
Distributor-Consolidated Billing -- monthly charge (per customer)	4082	13,836	$0.30	4,151	11,073	$0.30	3,322
Retailer-Consolidated Billing -- monthly credit (per customer)	4082		($0.30)	0		($0.30)	0
Service Transaction Request -- request fee (per request)	4084	940	$0.25	235	475	$0.25	119
Service Transaction Request -- processing fee (per processed request)	4084	691	$0.50	346	383	$0.50	192
Interval Meter Load Management Tool	4235			0			0
Customer Information request -- non-EBT (more than twice a year, per re	4084			0			0
TOTAL				**130,534**			

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

C9 Other Service Revenues

USA Account #s per sheet Y6

Enter volumes and rates for other distributor services

		2012 Projection			2013 Projection (existing rates)			2013 Projection (proposed rates)		
Service	**USA #**	**Volume**	**Rate**	**Revenue**	**Volume**	**Rate**	**Revenue**	**Volume**	**Rate**	**Revenue**
Standard Supply Service -- Administrative Charge	4080	70,891	$0.25	17,723	72,309	$0.25	18,077	72,309	$0.25	18,077
Arrears Certificate	4084			0	0	$0.00	0	0		0
Statement of Account	4084			0	0	$0.00	0	0		0
Pulling post-dated cheques	4084			0	0	$0.00	0	0		0
Duplicate invoices for previous billing	4084			0	0	$0.00	0	0		0
Request for other billing information	4084			0	0	$0.00	0	0		0
Easement Letter	4084			0	0	$0.00	0	0		0
Income tax letter	4084			0	0	$0.00	0	0		0
Notification Charge	4084			0	0	$0.00	0	0		0
Account history	4235			0	0	$0.00	0	0		0
Credit reference/credit check (plus credit agency costs)	4235			0	0	$0.00	0	0		0
Returned Cheque charge (plus bank charges)	4235	90	$15.00	1,350	90	$15.00	1,350	90	$15.00	1,350
Charge to certify cheque	4235			0	0	$0.00	0	0		0
Legal letter charge	4084			0	0	$0.00	0	0		0
Account set up charge / change of occupancy charge	4235	907	$30.00	27,210	907	$30.00	27,210	907	$30.00	27,210
Special Meter reads	4235		$30.00	0	0	$30.00	0	0	$30.00	0
Meter dispute charge plus Measurement Canada fees (if meter found cor	4235			0	0	$0.00	0	0		0
Late Payment - per month	4225	866,666	1.50%	13,000	866,666	1.50%	13,000	866,666	1.50%	13,000
Collection of account charge – no disconnection	4225	150	$30.00	4,500	150	$30.00	4,500	150	$30.00	4,500
Collection of account charge – no disconnection – after regular hours	4225			0		$0.00	0	0		0
Disconnect/Reconnect at meter – during regular hours	4235	90	$65.00	5,850	90	$65.00	5,850	90	$65.00	5,850
Disconnect/Reconnect at meter – after regular hours	4235	7	$185.00	1,295	7	$185.00	1,295	7	$185.00	1,295
Disconnect/Reconnect at pole – during regular hours	4235		$185.00	0	0	$185.00	0	0	$185.00	0
Disconnect/Reconnect at pole – after regular hours	4235			0	0	$0.00	0	0		0
Install / remove load control device – during regular hours	4235			0	0	$0.00	0	0		0
Install / remove load control device – after regular hours	4235	0	$185.00	0	0	$185.00	0	0	$185.00	0
Service call – customer-owned equipment	4235			0	0	$0.00	0	0		0
Service call – after regular hours	4235	0	$165.00	0	0	$165.00	0	0	$165.00	0
Temporary service install and remove – overhead – no transformer	4235			0	0	$0.00	0	0		0
Temporary service install and remove – underground – no transformer	4235			0	0	$0.00	0	0		0
Temporary service install and remove – overhead – with transformer	4235			0	0	$0.00	0	0		0
Specific Charge for Access to the Power Poles – per pole/year	4210	1,193	$22.35	26,664	1,193	$22.35	26,664	1,193	$22.35	26,664
Administrative Billing Charge	4235			0		$0.00	0	0		0
Layout fees	4235			0		$0.00	0	0		0
Retailer Service Agreement -- standard charge	4082	1	$100.00	100	1	$100.00	100	1	$100.00	100
Retailer Service Agreement -- monthly fixed charge (per retailer)	4082	192	$20.00	3,840	204	$20.00	4,080	204	$20.00	4,080
Retailer Service Agreement -- monthly variable charge (per customer)	4082	12,000	$0.50	6,000	12,500	$0.50	6,250	12,500	$0.50	6,250
Distributor-Consolidated Billing -- monthly charge (per customer)	4082	11,500	$0.30	3,450	12,000	$0.30	3,600	12,000	$0.30	3,600
Retailer-Consolidated Billing -- monthly credit (per customer)	4082		($0.30)	0		($0.30)	0	0	($0.30)	0
Service Transaction Request -- request fee (per request)	4084	500	$0.25	125	525	$0.25	131	525	$0.25	131
Service Transaction Request -- processing fee (per processed request)	4084	425	$0.50	213	475	$0.50	238	475	$0.50	238
Interval Meter Load Management Tool	4235			0		$0.00	0	0		0
Customer Information request -- non-EBT (more than twice a year, per re	4084			0		$0.00	0	0		0
TOTAL				**111,319**			**112,345**			**112,345**

OTHER REVENUE VARIANCE ANALYSIS

E3/T3/S3/Att1 shows the annual variances in other revenue.

2009 Actual vs 2009 Board-Approved

Other revenue in 2009 was $1k greater than the Board-approved amount. The variance was mainly due to higher retail services revenues, late payment penalties and interest, offset by lower miscellaneous charges.

2010 Actual vs 2009 Actual

Other revenue in 2010 was $56k greater than in 2009. The variance was mainly from higher miscellaneous charges (from one-time scrap sales).

2011 Actual vs 2010 Actual

Other revenue in 2011 was $17k greater than in 2010. The variance can be attributed to higher interest income, reflecting higher interest income on deferral and variance balances, offset by lower miscellaneous charges, late payment charges, and retail service revenues.

2012BY vs 2011 Actual

Other revenue in 2012BY is $63k lower mainly due to lower miscellaneous charges (from one-time scrap sales) and interest revenues.

2013TY vs 2012BY

THI is projecting a decrease in service revenue of $11k mainly due to lower interest income on deferral and variance balances

EB-2012-0168

Exhibit 3

Tab 3

Schedule 3

Attachment 1

Other Revenue Variances Table

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

S8 Variance Analysis: Revenue Offsets

Review highlighted variances (no input on this sheet)

Variances > 10% (min $2,000) or $17,874 are shown in bold

Account Grouping	Account Description	2013 @ new dist. rates	2013 @ existing rates	Var $	Var %
3050-Revenues From Services - Distribution	4080-Distribution Services Revenue	(18,077)	(18,077)	0	0.0%
	4082-Retail Services Revenues	(14,030)	(14,030)	0	0.0%
	4084-Service Transaction Requests (STR) Revenues	(369)	(369)	0	0.0%
3100-Other Operating Revenues	4210-Rent from Electric Property	(26,664)	(26,664)	0	0.0%
	4225-Late Payment Charges	(17,500)	(17,500)	0	0.0%
	4235-Miscellaneous Service Revenues	(35,705)	(35,705)	0	0.0%
3200-Investment Income	4405-Interest and Dividend Income	(18,000)	(18,000)	0	0.0%
		(130,345)	(130,345)	0	0.0%

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

S8 Variance Analysis: Revenue Offsets

Review highlighted variances (no input on this sheet)

Variances > 10% (min $2,000) or $17,874 are shown in bold

Account Grouping	Account Description	2013 @ existing rates	2012 Projection	Var $	Var %
3050-Revenues From Services - Distribution	4080-Distribution Services Revenue	(18,077)	(17,723)	(355)	(2.0%)
	4082-Retail Services Revenues	(14,030)	(13,390)	(640)	(4.8%)
	4084-Service Transaction Requests (STR) Revenues	(369)	(338)	(31)	(9.3%)
3100-Other Operating Revenues	4210-Rent from Electric Property	(26,664)	(26,664)	0	0.0%
	4225-Late Payment Charges	(17,500)	(17,500)	0	0.0%
	4235-Miscellaneous Service Revenues	(35,705)	(35,705)	0	0.0%
3200-Investment Income	4405-Interest and Dividend Income	(18,000)	(30,000)	**12,000**	**40.0%**
		(130,345)	(141,319)	10,974	7.8%

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

S8 Variance Analysis: Revenue Offsets

Review highlighted variances (no input on this sheet)

Variances > 10% (min $2,000) or $17,874 are shown in bold

Account Grouping	Account Description	2012 Projection	2011 Actual	Var $	Var %
3050-Revenues From Services - Distribution	4080-Distribution Services Revenue	(17,723)	(17,375)	(348)	(2.0%)
	4082-Retail Services Revenues	(13,390)	(12,080)	(1,310)	(10.8%)
	4084-Service Transaction Requests (STR) Revenues	(338)	(310)	(27)	(8.8%)
3100-Other Operating Revenues	4210-Rent from Electric Property	(26,664)	(27,390)	727	2.7%
	4225-Late Payment Charges	(17,500)	(13,302)	**(4,198)**	**(31.6%)**
	4235-Miscellaneous Service Revenues	(35,705)	(88,230)	**52,525**	**59.5%**
3200-Investment Income	4405-Interest and Dividend Income	(30,000)	(46,055)	**16,055**	**34.9%**
		(141,319)	(204,743)	63,424	31.0%

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

S8 Variance Analysis: Revenue Offsets

Review highlighted variances (no input on this sheet)

Variances > 10% (min $2,000) or $17,874 are shown in bold

Account Grouping	Account Description	2011 Actual	2010 Actual	Var $	Var %
3050-Revenues From Services - Distribution	4080-Distribution Services Revenue	(17,375)	(17,128)	(248)	(1.4%)
	4082-Retail Services Revenues	(12,080)	(14,706)	**2,626**	**17.9%**
	4084-Service Transaction Requests (STR) Revenues	(310)	(581)	270	46.6%
3100-Other Operating Revenues	4210-Rent from Electric Property	(27,390)	(27,390)	0	0.0%
	4225-Late Payment Charges	(13,302)	(17,787)	**4,485**	**25.2%**
	4235-Miscellaneous Service Revenues	(88,230)	(94,050)	5,820	6.2%
3200-Investment Income	4405-Interest and Dividend Income	(46,055)	(15,911)	**(30,144)**	**(189.5%)**
		(204,743)	(187,552)	(17,191)	(9.2%)

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

S8 Variance Analysis: Revenue Offsets

Review highlighted variances (no input on this sheet)

Variances > 10% (min $2,000) or $17,874 are shown in bold

Account Grouping	Account Description	2010 Actual	2009 Actual	Var $	Var %
3050-Revenues From Services - Distribution	4080-Distribution Services Revenue	(17,128)	(16,565)	(563)	(3.4%)
	4082-Retail Services Revenues	(14,706)	(11,040)	**(3,666)**	**(33.2%)**
	4084-Service Transaction Requests (STR) Revenues	(581)	(248)	(333)	(134.3%)
3100-Other Operating Revenues	4210-Rent from Electric Property	(27,390)	(29,116)	1,726	5.9%
	4225-Late Payment Charges	(17,787)	(15,682)	**(2,105)**	**(13.4%)**
	4235-Miscellaneous Service Revenues	(94,050)	(45,409)	**(48,640)**	**(107.1%)**
3200-Investment Income	4405-Interest and Dividend Income	(15,911)	(13,384)	**(2,527)**	**(18.9%)**
		(187,552)	(131,444)	(56,107)	(42.7%)

Tillsonburg Hydro Inc. (ED-2003-0026)

2013 EDR Application (EB-2012-0168) version: 1

August 31, 2012

S8 Variance Analysis: Revenue Offsets

Review highlighted variances (no input on this sheet)

Variances > 10% (min $2,000) or $17,874 are shown in bold

Account Grouping	Account Description	2009 Actual	2009 Approved	Var $	Var %
3050-Revenues From Services - Distribution	4080-Distribution Services Revenue	(16,565)	(21,730)	**5,165**	**23.8%**
	4082-Retail Services Revenues	(11,040)	(7,969)	**(3,071)**	**(38.5%)**
	4084-Service Transaction Requests (STR) Revenues	(248)	(967)	719	74.4%
3100-Other Operating Revenues	4210-Rent from Electric Property	(29,116)	(29,390)	274	0.9%
	4225-Late Payment Charges	(15,682)	(12,300)	**(3,382)**	**(27.5%)**
	4235-Miscellaneous Service Revenues	(45,409)	(52,376)	**6,967**	**13.3%**
3200-Investment Income	4405-Interest and Dividend Income	(13,384)	(6,000)	**(7,384)**	**(123.1%)**
		(131,444)	(130,732)	(712)	(0.5%)

REVENUE OFFSETS

E3/T3/S4/Att1 shows the revenue amount which offset the base revenue requirement for 2013.

EB-2012-0168

Exhibit 3

Tab 3

Schedule 4

Attachment 1

Test Year Revenue Offsets

Tillsonburg Hydro Inc. (ED-2003-0026)
2013 EDR Application (EB-2012-0168) version: 1
August 31, 2012

C10 Revenue Offset Projections

Enter other amounts needed to complete projections

Service Projections from Sheet C8

Account Grouping	Account Description	2012			2013 (existing rates)			2013 (proposed rates)			Offset Input			2013 Offset Amount
		Service Projection	Other (+ / -)	Total	Service Projection	Other (+ / -)	Total	Service Projection	Other (+ / -)	Total	%	or	$	
3050-Revenues From Services - Distribution	4080-Distribution Services Revenue	17,723		17,723	18,077		18,077	18,077		18,077	100%			18,077
	4082-Retail Services Revenues	13,390		13,390	14,030		14,030	14,030		14,030	100%			14,030
	4084-Service Transaction Requests (STR) Revenues	338		338	369		369	369		369	100%			369
	4090-Electric Services Incidental to Energy Sales													
3100-Other Operating Revenues	4205-Interdepartmental Rents													
	4210-Rent from Electric Property	26,664		26,664	26,664		26,664	26,664		26,664	100%			26,664
	4215-Other Utility Operating Income													
	4220-Other Electric Revenues													
	4225-Late Payment Charges	17,500		17,500	17,500		17,500	17,500		17,500	100%			17,500
	4230-Sales of Water and Water Power													
	4235-Miscellaneous Service Revenues	35,705		35,705	35,705		35,705	35,705		35,705	100%			35,705
	4240-Provision for Rate Refunds													
	4245-Government Assistance Directly Credited to Income													
3150-Other Income & Deductions	4305-Regulatory Debits													
	4310-Regulatory Credits													
	4315-Revenues from Electric Plant Leased to Others													
	4320-Expenses of Electric Plant Leased to Others													
	4325-Revenues from Merchandise, Jobbing, Etc.										100%			
	4330-Costs and Expenses of Merchandising, Jobbing, Etc.													
	4335-Profits and Losses from Financial Instrument Hedges													
	4340-Profits and Losses from Financial Instrument Investments													
	4345-Gains from Disposition of Future Use Utility Plant													
	4350-Losses from Disposition of Future Use Utility Plant													
	4355-Gain on Disposition of Utility and Other Property													
	4360-Loss on Disposition of Utility and Other Property													
	4365-Gains from Disposition of Allowances for Emission													
	4370-Losses from Disposition of Allowances for Emission													
	4375-Revenues from Non-Utility Operations													
	4380-Expenses of Non-Utility Operations													
	4390-Miscellaneous Non-Operating Income										100%			
	4395-Rate-Payer Benefit Including Interest													
	4398-Foreign Exchange Gains and Losses, Including Amortization													
3200-Investment Income	4405-Interest and Dividend Income		30,000	30,000		18,000	18,000		18,000	18,000	100%			18,000
3150-Other Income & Deductions	4324-Special Purpose Charge Recovery													
	4376-4375-Revenues from Non-Utility Operations - Generation Facility Revenues - Sub-Account													
	4381-4380-Expenses of Non-Utility Operations - Generation Facility Expenses - Sub-Account													
TOTAL		**111,319**	**30,000**	**141,319**	**112,345**	**18,000**	**130,345**	**112,345**	**18,000**	**130,345**				**130,345**