



October 11, 2012

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

Attention: Ms. Walli

**Re: Espanola Regional Hydro Distribution Corporation's (ERHDC) 2012 Cost of Service
Electricity Distribution Rate Application EB-2011-0319
Draft Rate Order**

ERHDC has attached the Draft Rate Order in the above noted proceedings. The submission has been filed through the Web Portal.

In the event of any additional information, questions or concerns, please contact Jennifer Uchmanowicz, Rate and Regulatory Affairs Officer, at Jennifer.Uchmanowicz@ssmpuc.com or (705) 759-3009.

Sincerely,

A handwritten signature in black ink that reads "Jennifer Uchmanowicz". The signature is written in a cursive, flowing style.

Jennifer Uchmanowicz
on behalf of Espanola Regional Hydro Distribution Corporation
Rates and Regulatory Affairs Officer
PUC Services
Sault Ste. Marie Ont.
Email: jennifer.uchmanowicz@ssmpuc.com
Phone: 705-759-3009

Espanola Regional Hydro Distribution Corporation (“ERHDC”)
Draft Rate Order
2012 Cost of Service Rate Application
EB-2011-0319

Introduction

Espanola Regional Hydro Distribution Corporation (“ERHDC”) filed a cost of service application with the Ontario Energy Board on February 15, 2012. The Application was filed under section 78 of the *Ontario Energy Board Act, 1998* seeking approval for changes to the rates that ERHDC charges for electricity distribution to be effective May 1, 2012. The Board assigned the application file number EB-2011-0319

On March 2, 2012, the Board issued a letter to ERHDC identifying certain additional evidence that needed to be filed before the Board would consider the Application. ERHDC filed the requested additional evidence on March 7, 2012.

The Board issued a Notice of Application and Hearing on March 26, 2012. The Vulnerable Energy Consumers Coalition (“VECC”) applied for and was given intervenor status and cost eligibility.

The Board issued Procedural Order No.1 and Order for Interim Rates on April 23, 2012. The Board made provision for ERHDC to file responses to all interrogatories. ERHDC filed responses to the interrogatories on June 8, 2012. Additional responses to the interrogatories were filed on June 28, 2012. Procedural Order No. 1 also established rates interim as of May 1, 2012 pending the outcome of this proceeding.

On June 29, 2012, the Board issued Procedural Order No.2 establishing dates for parties to provide submissions. Board staff filed its written submission on July 16, 2012 and VECC filed its written submission on July 20, 2012. Reply argument was filed by ERHDC on August 1, 2012.

ERHDC originally requested a service revenue requirement of \$1,810,263 (or a base revenue requirement of \$1,670,364) to be recovered in new rates effective May 1, 2012. The resulting requested rate increase was about \$15.41 on the monthly bill for a Residential customer who consumes 800 kWh per month. A GS < 50 kW customer consuming 2,000 kWh per month would experience about \$29.24 increase on the monthly bill. ERHDC's proposed rates are based on Modified International Financial Reporting Standards ("MIFRS").

In response to a Board staff interrogatory filed on June 8, 2012, ERHDC revised its service revenue requirement to \$1,788,572 (or a base revenue requirement of \$1,648,673). The updated proposed rates are set to recover a revenue deficiency of \$423,422.

In this Draft Rate Order based on the Decision and Order issued September 27th 2012, ERHDC further revised its service requirement to be \$1,778,702 (or base revenue requirement of \$1,636,303) The updated rates are set to recover a revenue deficiency of \$411,052.

ISSUES

The Board's Decision addressed the following issues:

- Operating Revenue;
- Operating, Maintenance & Administration Expenses ("OM&A");
- Rate Base and Capital Expenditures;
- Cost of Capital;
- Cost Allocation and Rate Design;
- Deferral and Variance Accounts;
- Smart Meters;
- Lost Revenue Adjustment Mechanism ("LRAM");
- Modified International Financial Reporting ("MIFRS");
- Rate Mitigation;
- Effective Date; and Implementation.

OPERATING REVENUE

The following issues are addressed in this section:

- Load Forecast;
- Customer Forecast; and
- Other Distribution Revenue.

Load Forecast

BOARD FINDINGS

The Board finds that ERHDC's approach for the load forecast is reasonable and notes that in general the proposed load forecast is consistent with the historic consumption. The Board therefore accepts ERHDC's proposed load forecast for the purpose of setting 2012 rates. The Board notes that the inclusion of 20% of the CDM targets into the load forecast was generally acceptable to the parties and agrees with VECC that ERHDC will implement a LRAM variance account as set out in the Board's CDM Guidelines.

In accordance with the Decision, there are no adjustments from the initial application to ERHDC's load forecast. The approved load forecast for 2012 is as follows:

**Table 1 - Load and Demand
Forecast**

Rate Class	kWh	kW
Residential	32,680,721	
GS < 50 kW	11,265,899	
GS > 50 kW	17,442,772	44,045
Street Lighting	623,166	1,766
Unmetered Scattered Load	213,280	
Sentinel Lighting	24,161	66
TOTAL	62,249,997	

Customer Forecast

BOARD FINDINGS

The Board accepts ERHDC's proposed customer forecast for the purpose of setting 2012 rates.

In accordance with the Decision, there are no adjustments from the initial application to ERHDC's customer forecast. ERHDC's board approved customer forecast is 4,410 customers/connections (including Street Lighting and Sentinel Lighting connections).

Other Distribution Revenue

BOARD FINDINGS

The Board approves a revenue offset of \$142,399 to reflect a \$2,500 increase for the purpose of setting 2012 rates.

In accordance with the Board's decision, ERHDC will increase the Other Distribution Revenue by \$2,500 from \$139,899 to \$142,399. The Merchandising & Jobbing revenue will increase from \$2,500 to \$4,000 and the interest revenue will increase from \$0 to \$1,000.

Table 2 – Other Distribution Revenue

Account	Initial Application	Interrogatory Adjustments	Decision Adjustments	Final
4235 – Specific Service Charges	68,500	0	0	68,500
4225 – Late Payment Charges	16,700	0	0	16,700
4082 – Retail Service Revenues	8,305	0	0	8,305
4084 – Service tx Requests	105	0	0	105
4210 – Rent from Electric Property	38,000	0	0	38,000
4325 – Revenue from Merchandising Jobbing etc.	2,500	0	1,500	4,000
4375 – Revenue from non-utility operations	33,475	0	0	33,475
4380 – Expenses from non-utility operations	(27,686)	0	0	(27,686)
4405 – Interest and Dividend Income	0	0	1,000	1,000
Total	139,899	0	2,500	142,399

OPERATIONS, MAINTENANCE & ADMINISTRATION (“OM&A”)

Transition to IFRS

BOARD FINDINGS

The Board accepts the removal of \$12,500 from the proposed OM&A for 2012 as stated in ERHDC’s reply submission.

In accordance with the Board’s decision, ERHDC reduced OM&A \$12,500 for transition to IFRS costs in the 2012 Test Year.

Table 3 – OM&A

Account	Initial Application	Interrogatory Adjustments	Decision Adjustments	Final
Operations	249,345	0	0	249,345
Maintenance	397,159	0	0	397,159
Billing & Collecting	371,722	0	0	371,722
Community Relations	1,000	0	0	1,000
Administrative and General	353,398	0	(12,500)	340,898
Total OM&A	1,372,624			1,360,124

Vegetation Management

BOARD FINDINGS

While the Board accepts ERHDC’s proposed costs for vegetation management the Board finds it necessary to remind ERHDC that it has a responsibility to maintain a safe and reliable distribution system on an ongoing basis. It is not appropriate or acceptable to present known and existing safety hazards such as have been listed in ERHDC’s reply in order to persuade the Board that its proposed vegetation management costs are reasonable. The grim state of affairs attributable to the lack of vegetation management cannot be justified on the basis of a revenue deficiency.

As an economic regulator the Board ensures that ratepayers are paying just and reasonable rates. It does so by periodically assessing the reasonableness of the utility’s ongoing costs related to operations, maintenance, administration and its capital expansion and replacement programs. There is nothing in this regulatory ratemaking

framework that makes it acceptable for a distribution company to operate at anything less than an acceptable level of safety at all times.

It is clear to the Board that sufficient revenues are required to maintain a distribution system such that it is safe. That does not mean that an unsafe system can ever be justified due lack of funds. Where an undue risk to workers or the public exists ERHDC has a duty to remedy the situation. That duty is not conditional on the basis of affordability.

In accordance with the Decision, there are no adjustments from the initial application to ERHDC's vegetation management expenses included in OM&A. ERHDC's Board approved vegetation management expenses for the test year is \$186,001 as outlined in the table below.

Table 4 – Vegetation Management

Year		2008	2009	2010	2011	2012	2013	2014	2015
13km Bass Lake Road – One time	Costs					\$37,500	\$37,500	\$37,500	\$37,500
	Costs / km					3.25km \$11,538/km	3.25km \$11,538/km	3.25km \$11,538/km	3.25km \$11,538/km
13km Bass Lake Road – Ongoing	Costs				\$10,000				
	Costs / km				1 km \$10,000/km				
All other lines	Costs	\$64,272	\$100,443	\$135,566	\$113,916	\$148,501	\$148,501	\$148,501	\$148,501
	Costs / km	28km \$2,295/km	36km \$2,790/km	34km \$3,987/km	11km \$10,356/km	40km \$3,713/km	40km \$3,713/km	40km \$3,713/km	40km \$3,713/km
Total	Costs	\$64,272	\$100,443	\$135,566	\$123,916	\$186,001	\$186,001	\$186,001	\$186,001

Payment in Lieu of taxes (“PILs”)

BOARD FINDINGS

The Board notes that the level of PILs will be updated on the basis of the Board's findings regarding the rate base and operating expenditures. The draft Rate Order should provide sufficient details of the calculations. Subject to confirmation of the calculations in the draft Rate Order, the Board approves the PILs proxy proposed by ERHDC and as amended in interrogatories of \$9,329.

In accordance with the Board's decision, ERHDC revised the PILs amount to reflect the adjustments in the Board decision. The revised PILs amount is \$9,316. Table 5 below outlines the changes in the PILs requirement. A revised PILs workform is included after Table 5 and an electronic excel copy of the PILs workform will be filed with the draft rate order.

Table 5 – PILs

Account	Initial Application	Change	Interrogatory Amount	Change	Decision Amount
PILs	10,176	(847)	9,329	(13)	9,316



 Ontario Energy Board

**PILS / INCOME TAXES
WORK FORM**

2012 REBASING YEAR

Choose Your Utility:

Espanola Regional Hydro Distribution Corporation	▲
Essex Powerlines Corporation	▬
Festival Hydro Inc.	▬
Festival Hydro Inc. - Hensall	▼

Application Contact Information

Name:

Title:

Phone Number:

Email Address:



<u>1. Info</u>	<u>K. Sch 13 Tax Reserves Bridge</u>
<u>A. Data Input Sheet</u>	<u>L. Sch 7-1 Loss Cfwd Bridge</u>
<u>B. Tax Rates & Exemptions</u>	<u>M. Adj. Taxable Income Bridge</u>
<u>C. Sch 8 Hist</u>	<u>N. PILs,Tax Provision Bridge</u>
<u>D. Schedule 10 CEC Hist</u>	<u>O. Schedule 8 CCA Test Year</u>
<u>E. Sch 13 Tax Reserves Hist</u>	<u>P. Schedule 10 CEC Test Year</u>
<u>F. Sch 7-1 Loss Cfwd Hist</u>	<u>Q Sch 13 Tax Reserve Test Year</u>
<u>G. Adj. Taxable Income Historic</u>	<u>R. Sch 7-1 Loss Cfwd</u>
<u>H. PILs,Tax Provision Historic</u>	<u>S. Taxable Income Test Year</u>
<u>I. Schedule 8 CCA Bridge Year</u>	<u>T. PILs,Tax Provision</u>
<u>J. Schedule 10 CEC Bridge Year</u>	



Espanola Regional Hydro Distribution
Data Input Sheet - Applicant's Rate Base

Rate Base			\$ 4,244,735	
Return on Rate Base				
Deemed ShortTerm Debt %	4.00%	T	\$ 169,789	$W = S * T$
Deemed Long Term Debt %	56.00%	U	\$ 2,377,052	$X = S * U$
Deemed Equity %	40.00%	V	\$ 1,697,894	$Y = S * V$
Short Term Interest Rate	2.08%	Z	\$ 3,532	$AC = W * Z$
Long Term Interest	4.41%	AA	\$ 104,828	$AD = X * AA$
Return on Equity (Regulatory Income)	9.12%	AB	\$ 154,848	$AE = Y * AB$
Return on Rate Base			\$ 263,208	$AF = AC + AD + AE$

Questions that must be answered

	Historic	Bridge	Test Year
1. Does the applicant have any Investment Tax Credits (ITC)?	No	No	No
2. Does the applicant have any SRED Expenditures?	No	No	No
3. Does the applicant have any Capital Gains or Losses for tax purposes?	No	No	No
4. Does the applicant have any Capital Leases?	No	No	No
5. Does the applicant have any Loss Carry-Forwards (non-capital or net capital)?	No	No	No
6. Since 1999, has the applicant acquired another regulated applicant's assets?	No	No	No
7. Did the applicant pay dividends? <i>If Yes, please describe what was the tax treatment in the manager's summary.</i>	No	No	No
8. Did the applicant elect to capitalize interest incurred on CWIP for tax purposes?	No	No	No



Tax Rates

Federal & Provincial
As of March 22, 2011

Federal income tax

General corporate rate
Federal tax abatement
Adjusted federal rate

Rate reduction

Ontario income tax

Combined federal and Ontario

Federal & Ontario Small Business

Federal small business threshold
Ontario Small Business Threshold

Federal small business rate

Ontario small business rate

Effective #####	Effective #####	Effective #####	Effective #####
38.00%	38.00%	38.00%	38.00%
-10.00%	-10.00%	-10.00%	-10.00%
28.00%	28.00%	28.00%	28.00%
-11.50%	-13.00%	-13.00%	-13.00%
16.50%	15.00%	15.00%	15.00%
11.75%	11.25%	10.50%	10.00%
28.25%	26.25%	25.50%	25.00%
500,000	500,000	500,000	500,000
500,000	500,000	500,000	500,000
11.00%	11.00%	11.00%	11.00%
4.50%	4.50%	4.50%	4.50%

NOTES:

1. Federal Budgets of March 22, 2011 and June 6, 2011 reaffirmed the corporate tax rate reductions to 16.5% in 2011 and 15% in 2012.



2012 REBASING YEAR

Schedule 8 - Historical Year

Class	Class Description	UCC End of Year Historic per tax returns	Less: Non- Distribution Portion	UCC Regulated Historic Year
1	Distribution System - post 1987	1,772,936		1,772,936
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election			0
2	Distribution System - pre 1988			0
8	General Office/Stores Equip	45,725		45,725
10	Computer Hardware/ Vehicles	98,248		98,248
10.1	Certain Automobiles			0
12	Computer Software			0
13 ₁	Lease # 1			0
13 ₂	Lease #2			0
13 ₃	Lease # 3			0
13 ₄	Lease # 4			0
14	Franchise			0
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs			0
42	Fibre Optic Cable			0
43.1	Certain Energy-Efficient Electrical Generating Equipment			0
43.2	Certain Clean Energy Generation Equipment			0
45	Computers & Systems Software acq'd post Mar 22/04	1,265		1,265
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)			0
47	Distribution System - post February 2005	1,541,054		1,541,054
50	Data Network Infrastructure Equipment - post Mar 2007	60		60
52	Computer Hardware and system software	2,895		2,895
95	CWIP			0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
	SUB-TOTAL - UCC	3,462,183	0	3,462,183



Espanola Regional Hydro Distribution
Schedule 10 CEC - Historical Year

Cumulative Eligible Capital

Additions

Cost of Eligible Capital Property Acquired during Test Year				
Other Adjustments	0			
Subtotal	<u>0</u>	x 3/4 =	0	
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an ECP to the Corporation after Friday, December 20, 2002	0	x 1/2 =	0	
			<u>0</u>	0
Amount transferred on amalgamation or wind-up of subsidiary	0			0
Subtotal			<u>0</u>	0

Deductions

Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all ECP during Test Year				
Other Adjustments	0			
Subtotal	<u>0</u>	x 3/4 =		0

Cumulative Eligible Capital Balance				0
Current Year Deduction		0	x 7% =	0
Cumulative Eligible Capital - Closing Balance				0





Ontario Energy Board


**PILS / INCOME TAXES
WORK FORM**

2012 REBASING YEAR

Espanola Regional Hydro Distribution
Schedule 13 Tax Reserves - Historical

Continuity of Reserves

Description	Historical Balance as per tax returns	Non-Distribution Eliminations	Utility Only
Capital Gains Reserves ss.40(1)			0
Tax Reserves Not Deducted for accounting purposes			
Reserve for doubtful accounts ss. 20(1)(l)			0
Reserve for goods and services not delivered ss. 20(1)(m)			0
Reserve for unpaid amounts ss. 20(1)(n)			0
Debt & Share Issue Expenses ss. 20(1)(e)			0
Other tax reserves			0
			0
			0
			0
			0
Total	0	0	0
Financial Statement Reserves (not deductible for Tax Purposes)			
General Reserve for Inventory Obsolescence (non-specific)			0
General reserve for bad debts			0
Accrued Employee Future Benefits:			0
- Medical and Life Insurance			0
- Short & Long-term Disability			0
- Accumulated Sick Leave			0
- Termination Cost			0
- Other Post-Employment Benefits			0
Provision for Environmental Costs			0
Restructuring Costs			0
Accrued Contingent Litigation Costs			0
Accrued Self-Insurance Costs			0
Other Contingent Liabilities			0
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)			0
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)			0
Other			0
			0
			0
			0
			0
Total	0	0	0



Ontario Energy Board

PILS / INCOME TAXES

WORK FORM

2012 REBASING YEAR

Espanola Regional Hydro Distribution

Schedule 7-1 Loss Carry Forward - Historic

Corporation Loss Continuity and Application

	Total	Non-Distribution Portion	Utility Balance
Non-Capital Loss Carry Forward Deduction			
Actual Historic			0

	Total	Non-Distribution Portion	Utility Balance
Net Capital Loss Carry Forward Deduction			
Actual Historic	23,996		23,996



Ontario Energy Board


**PILS / INCOME TAXES
 WORK FORM**


2012 REBASING YEAR

**Espanola Regional Hydro Distribution
 Adjusted Taxable Income - Historic Year**

	T2S1 line #	Total for Legal Entity	Non-Distribution Eliminations	Historic Wires Only
Income before PILs/Taxes	A	55,581		55,581
Additions:				
Interest and penalties on taxes	103	914		914
Amortization of tangible assets	104	236,484		236,484
Amortization of intangible assets	106			0
Recapture of capital cost allowance from Schedule 8	107			0
Gain on sale of eligible capital property from Schedule 10	108			0
Income or loss for tax purposes- joint ventures or partnerships	109			0
Loss in equity of subsidiaries and affiliates	110			0
Loss on disposal of assets	111	3,939		3,939
Charitable donations	112			0
Taxable Capital Gains	113			0
Political Donations	114			0
Deferred and prepaid expenses	116			0
Scientific research expenditures deducted on financial statements	118			0
Capitalized interest	119			0
Non-deductible club dues and fees	120			0
Non-deductible meals and entertainment expense	121			0
Non-deductible automobile expenses	122			0
Non-deductible life insurance premiums	123			0
Non-deductible company pension plans	124			0
Tax reserves deducted in prior year	125			0
Reserves from financial statements- balance at end of year	126			0
Soft costs on construction and renovation of buildings	127			0
Book loss on joint ventures or partnerships	205			0
Capital items expensed	206			0
Debt issue expense	208			0
Development expenses claimed in current year	212			0
Financing fees deducted in books	216			0
Gain on settlement of debt	220			0
Non-deductible advertising	226			0
Non-deductible interest	227			0
Non-deductible legal and accounting fees	228			0
Recapture of SR&ED expenditures	231			0
Share issue expense	235			0
Write down of capital property	236			0
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237			0
Other Additions				
Interest Expensed on Capital Leases	290			0
Realized Income from Deferred Credit Accounts	291			0
Pensions	292			0
Non-deductible penalties	293			0
	294			0
	295			0
ARO Accretion expense				0
Capital Contributions Received (ITA 12(1)(x))				0
Lease Inducements Received (ITA 12(1)(x))				0
Deferred Revenue (ITA 12(1)(a))				0
Prior Year Investment Tax Credits received				0
				0
Regulatory Assets Current Year		30,842		30,842
Accrued future benefit costs		19,889		19,889
				0
				0
				0
				0
				0
				0
Total Additions		292,068	0	292,068

Deductions:				
Gain on disposal of assets per financial statements	401			0
Dividends not taxable under section 83	402			0
Capital cost allowance from Schedule 8	403	221,067		221,067
Terminal loss from Schedule 8	404			0
Cumulative eligible capital deduction from Schedule 10	405			0
Allowable business investment loss	406			0
Deferred and prepaid expenses	408			0
Scientific research expenses claimed in year	411			0
Tax reserves claimed in current year	413			0
Reserves from financial statements - balance at beginning of year	414			0
Contributions to deferred income plans	416			0
Book income of joint venture or partnership	305			0
Equity in income from subsidiary or affiliates	306			0
Other deductions: (Please explain in detail the nature of the item)				
Interest capitalized for accounting deducted for tax	390			0
Capital Lease Payments	391			0
Non-taxable imputed interest income on deferral and variance accounts	392			0
	393			0
	394			0
ARO Payments - Deductible for Tax when Paid				0
ITA 13(7.4) Election - Capital Contributions Received				0
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds				0
Deferred Revenue - ITA 20(1)(m) reserve				0
Principal portion of lease payments				0
Lease Inducement Book Amortization credit to income				0
Financing fees for tax ITA 20(1)(e) and (e.1)				0
				0
Actual Benefits Paid		12,002		12,002
				0
				0
				0
				0
				0
				0
Total Deductions		233,069	0	233,069
Net Income for Tax Purposes		114,580	0	114,580
Charitable donations from Schedule 2	311			0
Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82)	320			0
Non-capital losses of preceding taxation years from Schedule 4	331			0
Net-capital losses of preceding taxation years from Schedule 4 (Please include explanation and calculation in Manager's summary)	332			0
Limited partnership losses of preceding taxation years from Schedule 4	335			0
TAXABLE INCOME		114,580	0	114,580





Ontario Energy Board
PILS / INCOME TAXES WORK
FORM
2012 REBASING YEAR

Espanola Regional Hydro Distribution Corporation
 PILs Tax Provision - Historic Year


Note: Input the actual information from the tax returns for the historic year.


Wires Only

Regulatory Taxable Income		\$ 114,580 A
Ontario Income Taxes		
Income tax payable	Ontario Income Tax	<div style="display: flex; justify-content: space-between;"> B \$ - C = A * B </div>
Small business credit	Ontario Small Business Threshold	<div style="display: flex; justify-content: space-between;"> \$ 114,580 D 17.00% E </div>
	Rate reduction (negative)	<div style="display: flex; justify-content: space-between;"> \$ 19,479 F = D * E </div>
Ontario Income tax		\$ 19,479 J = C + F
Combined Tax Rate and PILs		
	Effective Ontario Tax Rate	17.00% K = J / A
	Federal tax rate	21.00% L
	Combined tax rate	38.00% M = L + L
Total Income Taxes		\$ 43,540 N = A * M
Investment Tax Credits		O
Miscellaneous Tax Credits		P
Total Tax Credits		\$ - Q = O + P
Corporate PILs/Income Tax Provision for Bridge Year		\$ 43,540 R = N - Q



Class	Class Description	UCC Regulated Historic Year	Additions	Disposals (Negative)	UCC Before 1/2 Yr Adjustment	1/2 Year Rule (1/2 Additions Less Disposals)	Reduced UCC	Rate %	Bridge Year CCA	UCC End of Bridge Year
1	Distribution System - post 1987	\$ 1,772,936			\$ 1,772,936	\$ -	\$ 1,772,936	4%	\$ 70,917	\$ 1,702,019
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election				\$ -	\$ -	\$ -	6%	\$ -	\$ -
2	Distribution System - pre 1988				\$ -	\$ -	\$ -	6%	\$ -	\$ -
8	General Office/Stores Equip	\$ 45,725	\$ 31,975		\$ 77,700	\$ 15,988	\$ 61,713	20%	\$ 12,343	\$ 65,358
10	Computer Hardware/ Vehicles	\$ 98,248			\$ 98,248	\$ -	\$ 98,248	30%	\$ 29,474	\$ 68,774
10.1	Certain Automobiles				\$ -	\$ -	\$ -	30%	\$ -	\$ -
12	Computer Software				\$ -	\$ -	\$ -	100%	\$ -	\$ -
13.1	Lease #1				\$ -	\$ -	\$ -		\$ -	\$ -
13.2	Lease #2				\$ -	\$ -	\$ -		\$ -	\$ -
13.3	Lease #3				\$ -	\$ -	\$ -		\$ -	\$ -
13.4	Lease #4				\$ -	\$ -	\$ -		\$ -	\$ -
14	Franchise				\$ -	\$ -	\$ -		\$ -	\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs				\$ -	\$ -	\$ -	8%	\$ -	\$ -
42	Fibre Optic Cable				\$ -	\$ -	\$ -	12%	\$ -	\$ -
43.1	Certain Energy-Efficient Electrical Generating Equipment				\$ -	\$ -	\$ -	30%	\$ -	\$ -
43.2	Certain Clean Energy Generation Equipment				\$ -	\$ -	\$ -	50%	\$ -	\$ -
45	Computers & Systems Software acq'd post Mar 22/04	\$ 1,265			\$ 1,265	\$ -	\$ 1,265	45%	\$ 569	\$ 696
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)				\$ -	\$ -	\$ -	30%	\$ -	\$ -
47	Distribution System - post February 2005	\$ 1,541,054	\$ 377,800		\$ 1,918,854	\$ 189,900	\$ 1,729,954	8%	\$ 136,396	\$ 1,780,458
50	Data Network Infrastructure Equipment - post Mar 2007	\$ 60			\$ 60	\$ -	\$ 60	55%	\$ 33	\$ 27
52	Computer Hardware and system software	\$ 2,895			\$ 2,895	\$ -	\$ 2,895	100%	\$ 2,895	\$ -
95	CWIP				\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
TOTAL		\$ 3,462,183	\$ 409,775	\$ -	\$ 3,871,958	\$ 204,888	\$ 3,667,071		\$ 254,628	\$ 3,617,330





Ontario Energy Board

**PILS / INCOME TAXES
WORK FORM**

2012 REBASING YEAR

Espanola Regional Hydro Distribution
Schedule 10 CEC - Bridge Year

Cumulative Eligible Capital

0

Additions

Cost of Eligible Capital Property Acquired during Test Year

Other Adjustments

0

Subtotal

0

x 3/4 = 0

Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an ECP to the Corporation after Friday, December 20, 2002

0

x 1/2 = 0

0

0

Amount transferred on amalgamation or wind-up of subsidiary

0

0

Subtotal

0

Deductions

Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all ECP during Test Year

Other Adjustments

0

Subtotal

0

x 3/4 =

0

Cumulative Eligible Capital Balance

0

Current Year Deduction

0 x 7% =

0

Cumulative Eligible Capital - Closing Balance

0



Ontario Energy Board

PILS/INCOME TAXES WORK FORM

2012 REBASING YEAR

Espanola Regional Hydro Distribution

Schedule 13 Tax Reserves - Bridge Year

Continuity of Reserves

[illegible]





Ontario Energy Board

PILS / INCOME TAXES

WORK FORM

2012 REBASING YEAR

Espanola Regional Hydro Distribution

Schedule 7-1 Loss Carry Forward - Bridge Year

Corporation Loss Continuity and Application

Non-Capital Loss Carry Forward Deduction	Total
Actual Historic	0
Application of Loss Carry Forward to reduce taxable income in Bridge Year	
Other Adjustments Add (+) Deduct (-)	
Balance available for use in Test Year	0
Amount to be used in Bridge Year	
Balance available for use post Bridge Year	0

Net Capital Loss Carry Forward Deduction	Total
Actual Historic	23,996
Application of Loss Carry Forward to reduce taxable income in Bridge Year	
Other Adjustments Add (+) Deduct (-)	
Balance available for use in Test Year	23,996
Amount to be used in Bridge Year	
Balance available for use post Bridge Year	23,996





Ontario Energy Board

PILS / INCOME TAXES

WORK FORM

2012 REFASING YEAR

Espanola Regional Hydro Distribution

Adjusted Taxable Income - Bridge Year

	T2S1 line #	Total for Regulated Utility
Income before PILs/Taxes	A	-31,217
Additions:		
Interest and penalties on taxes	103	
Amortization of tangible assets	104	145,341
Amortization of intangible assets	106	
Recapture of capital cost allowance from Schedule 8	107	
Gain on sale of eligible capital property from Schedule 10	108	
Income or loss for tax purposes- joint ventures or partnerships	109	
Loss in equity of subsidiaries and affiliates	110	
Loss on disposal of assets	111	
Charitable donations	112	
Taxable Capital Gains	113	
Political Donations	114	
Deferred and prepaid expenses	116	
Scientific research expenditures deducted on financial statements	118	
Capitalized interest	119	
Non-deductible club dues and fees	120	
Non-deductible meals and entertainment expense	121	
Non-deductible automobile expenses	122	
Non-deductible life insurance premiums	123	
Non-deductible company pension plans	124	
Tax reserves deducted in prior year	125	0
Reserves from financial statements- balance at end of year	126	0
Soft costs on construction and renovation of buildings	127	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
Debt issue expense	208	
Development expenses claimed in current year	212	
Financing fees deducted in books	216	
Gain on settlement of debt	220	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Recapture of SR&ED expenditures	231	
Share issue expense	235	
Write down of capital property	236	
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	

Other Additions		
Interest Expensed on Capital Leases	290	
Realized Income from Deferred Credit Accounts	291	
Pensions	292	
Non-deductible penalties	293	
	294	
	295	
ARO Accretion expense		
Capital Contributions Received (ITA 12(1)(x))		
Lease Inducements Received (ITA 12(1)(x))		
Deferred Revenue (ITA 12(1)(a))		
Prior Year Investment Tax Credits received		
Total Additions		145,341
Deductions:		
Gain on disposal of assets per financial statements	401	
Dividends not taxable under section 83	402	
Capital cost allowance from Schedule 8	403	254,628
Terminal loss from Schedule 8	404	
Cumulative eligible capital deduction from Schedule 10	405	0
Allowable business investment loss	406	
Deferred and prepaid expenses	409	
Scientific research expenses claimed in year	411	
Tax reserves claimed in current year	413	0
Reserves from financial statements - balance at beginning of year	414	0
Contributions to deferred income plans	416	
Book income of joint venture or partnership	305	
Equity in income from subsidiary or affiliates	306	
<i>Other deductions: (Please explain in detail the nature of the item)</i>		
Interest capitalized for accounting deducted for tax	390	
Capital Lease Payments	391	
Non-taxable imputed interest income on deferral and variance accounts	392	
	393	
	394	
ARO Payments - Deductible for Tax when Paid		
ITA 13(7.4) Election - Capital Contributions Received		
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds		
Deferred Revenue - ITA 20(1)(m) reserve		
Principal portion of lease payments		
Lease Inducement Book Amortization credit to income		
Financing fees for tax ITA 20(1)(e) and (e.1)		
Total Deductions		254,628
Net Income for Tax Purposes		-140,504
Charitable donations from Schedule 2	311	
Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82)	320	
Non-capital losses of preceding taxation years from Schedule 4	331	
Net-capital losses of preceding taxation years from Schedule 4 (Please include explanation and calculation in Manager's summary)	332	
Limited partnership losses of preceding taxation years from Schedule 4	335	
TAXABLE INCOME		-140,504

Espanola Regional Hydro Distribution Corporation		PILs Tax Provision - Bridge Year	
<div style="text-align: right;"> Ontario Energy Board PILS / INCOME TAXES WORK FORM 2012 REBASING YEAR </div>			
		Wires Only	
Regulatory Taxable Income		-\$ 140,504 A	
Ontario Income Taxes			
<i>Income tax payable</i>	Ontario Income Tax	4.50% B	\$ - C = A * B
<i>Small business credit</i>	Ontario Small Business Threshold Rate reduction	\$ - D -7.25% E	\$ - F = D * E
Ontario Income tax		\$ - J = C + F	
Combined Tax Rate and PILs		Effective Ontario Tax Rate	0.00% K = J / A
	Federal tax rate	0.00% L	
	Combined tax rate	0.00% M = L + L	
Total Income Taxes		\$ - N = A * M	
Investment Tax Credits		0 O	
Miscellaneous Tax Credits		0 P	
Total Tax Credits		\$ - Q = O + P	
Corporate PILs/Income Tax Provision for Bridge Year		\$ - R = N - Q	
Note:			
1. This is for the derivation of Bridge year PILs income tax expense and should not be used for Test year revenue requirement calculations.			




Ontario Energy Board

PILS/INCOME TAXES


WORK FORM


2012 REFASING YEAR

Espanola Regional Hydro Distribution Corporation

Schedule 8 CCA - Test Year

Class	Class Description	UCC Test Year Opening Balance	Additions	Disposals (Negative)	UCC Before 1/2 Yr Adjustment	1/2 Year Rule (1/2 Additions Less Disposals)	Reduced UCC	Rate %	Test Year CCA	UCC End of Test Year
1	Distribution System - post 1987	\$ 1,702,019			\$ 1,702,019	\$ -	\$ 1,702,019	4%	\$ 68,081	\$ 1,833,938
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election	\$ -			\$ -	\$ -	\$ -	6%	\$ -	\$ -
2	Distribution System - pre 1988	\$ -			\$ -	\$ -	\$ -	6%	\$ -	\$ -
8	General Office/Stores Equip	\$ 65,358	5,000		\$ 70,358	\$ 2,500	\$ 67,858	20%	\$ 13,572	\$ 56,786
10	Computer Hardware/ Vehicles	\$ 68,774	190,000		\$ 258,774	\$ 95,000	\$ 163,774	30%	\$ 49,132	\$ 209,642
10.1	Certain Automobiles	\$ -			\$ -	\$ -	\$ -	30%	\$ -	\$ -
12	Computer Software	\$ -			\$ -	\$ -	\$ -	100%	\$ -	\$ -
13.1	Lease #1	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
13.2	Lease #2	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
13.3	Lease #3	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
13.4	Lease #4	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
14	Franchise	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than	\$ -			\$ -	\$ -	\$ -	8%	\$ -	\$ -
42	Fibre Optic Cable	\$ -			\$ -	\$ -	\$ -	12%	\$ -	\$ -
43.1	Certain Energy-Efficient Electrical Generating Equipment	\$ -			\$ -	\$ -	\$ -	30%	\$ -	\$ -
43.2	Certain Clean Energy Generation Equipment	\$ -			\$ -	\$ -	\$ -	50%	\$ -	\$ -
45	Computers & Systems Software acq'd post Mar 22/04	\$ 696	19,999		\$ 20,695	\$ 10,000	\$ 10,695	45%	\$ 4,813	\$ 15,882
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	\$ -			\$ -	\$ -	\$ -	30%	\$ -	\$ -
47	Distribution System - post February 2005	\$ 1,780,458	847,069	-361,846	\$ 2,265,681	\$ 242,612	\$ 2,023,069	8%	\$ 161,846	\$ 2,103,835
50	Data Network Infrastructure Equipment - post Mar 2007	\$ 27			\$ 27	\$ -	\$ 27	55%	\$ 15	\$ 12
52	Computer Hardware and system software	\$ -			\$ -	\$ -	\$ -	100%	\$ -	\$ -
95	CWIP	\$ -			\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
TOTAL		\$ 3,617,330	\$ 1,062,068	-\$ 361,846	\$ 4,317,552	\$ 350,111	\$ 3,967,441		\$ 297,458	\$ 4,020,095





Ontario Energy Board
PILS / INCOME TAXES
WORK FORM

2012 REBASING YEAR

Espanola Regional Hydro Distribution
Schedule 10 CEC - Test Year

Cumulative Eligible Capital

0

Additions

Cost of Eligible Capital Property Acquired during Test Year

3,107

Other Adjustments

0

Subtotal 3,107 x 3/4 = 2,330

Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an ECP to the Corporation after Friday, December 20, 2002

0

x 1/2 = 0

2,330 2,330

Amount transferred on amalgamation or wind-up of subsidiary

0

0

Subtotal 2,330

Deductions

Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all ECP during Test Year

0

Other Adjustments


0


Subtotal 0 x 3/4 = 0

Cumulative Eligible Capital Balance 2,330

Current Year Deduction (Carry Forward to Tab "Test Year Taxable Income") 2,330 x 7% = 163

Cumulative Eligible Capital - Closing Balance 2,167





Ontario Energy Board

PILS / INCOME TAXES

WORK FORM

2012 REBASING YEAR

Espanola Regional Hydro Distribution

Schedule 7-1 Loss Carry Forward - Test Year

Corporation Loss Continuity and Application

	Total	Non-Distribution Portion	Utility Balance
Non-Capital Loss Carry Forward Deduction			
Actual/Estimated Bridge Year			0
Application of Loss Carry Forward to reduce taxable income in 2005			0
Other Adjustments Add (+) Deduct (-)			0
Balance available for use in Test Year	0	0	0
Amount to be used in Test Year			0
Balance available for use post Test Year	0	0	0

	Total	Non-Distribution Portion	Utility Balance
Net Capital Loss Carry Forward Deduction			
Actual/Estimated Bridge Year	23,996		23,996
Application of Loss Carry Forward to reduce taxable income in 2005			0
Other Adjustments Add (+) Deduct (-)			0
Balance available for use in Test Year	23,996	0	23,996
Amount to be used in Test Year			0
Balance available for use post Test Year	23,996	0	23,996



Ontario Energy Board

PILS / INCOME TAXES

WORK FORM



2012 REBASING YEAR

Espanola Regional Hydro Distribution

Taxable Income - Test Year

[illegible]

Total Additions		193,562
Deductions:		
Gain on disposal of assets per financial statements	401	
Dividends not taxable under section 83	402	
Capital cost allowance from Schedule 8	403	297,458
Terminal loss from Schedule 8	404	
Cumulative eligible capital deduction from Schedule 10 CEC	405	163
Allowable business investment loss	406	
Deferred and prepaid expenses	409	
Scientific research expenses claimed in year	411	
Tax reserves end of year	413	0
Reserves from financial statements - balance at beginning of year	414	0
Contributions to deferred income plans	416	
Book income of joint venture or partnership	305	
Equity in income from subsidiary or affiliates	306	
<i>Other deductions: (Please explain in detail the nature of the item)</i>		
Interest capitalized for accounting deducted for tax	390	
Capital Lease Payments	391	
Non-taxable imputed interest income on deferral and variance accounts	392	
	393	
	394	
	395	
	396	
	397	
ARO Payments - Deductible for Tax when Paid		
ITA 13(7.4) Election - Capital Contributions Received		
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds		
Deferred Revenue - ITA 20(1)(m) reserve		
Principal portion of lease payments		
Lease Inducement Book Amortization credit to income		
Financing fees for tax ITA 20(1)(e) and (e.1)		
Total Deductions		297,621
NET INCOME FOR TAX PURPOSES		50,789
Charitable donations	311	
Taxable dividends received under section 112 or 113	320	
Non-capital losses of preceding taxation years from Schedule 7-1	331	
Net-capital losses of preceding taxation years (Please show calculation)	332	
Limited partnership losses of preceding taxation years from Schedule 4	335	
REGULATORY TAXABLE INCOME		50,789

		 Ontario Energy Board PILS/INCOME TAXES WORK FORM 2012 REBASING YEAR	
Espanola Regional Hydro Distribution Corporation PILs Tax Provision - Test Year			
		Wires Only	
Regulatory Taxable Income		\$ 50,789 A	
Ontario Income Taxes			
Income tax payable	Ontario Income Tax	4.50% B	\$ 2,286 C = A * B
Small business credit	Ontario Small Business Threshold	\$ - D	
	Rate reduction	-6.75% E	\$ - F = D * E
Ontario Income tax		\$ 2,286 J = C + F	
Combined Tax Rate and PILs			
	Effective Ontario Tax Rate	4.50%	K = J / A
	Federal tax rate	11.00%	L
	Combined tax rate		15.50% M = L + L
Total Income Taxes		\$ 7,872 N = A * M	
Investment Tax Credits		O	
Miscellaneous Tax Credits		P	
Total Tax Credits		\$ - Q = O + P	
Corporate PILs/Income Tax Provision for Test Year		\$ 7,872 R = N - Q	
Corporate PILs/Income Tax Provision Gross Up ¹		84.50%	S = 1 - M
			\$ 1,444 T = R / S - N
Income Tax (grossed-up)		\$ 9,316 U = R + T	

Depreciation

BOARD FINDINGS

The Board finds that the proposed depreciated rates are reasonable and approves a total depreciation expense of \$175,539 for the purpose of setting 2012 rates.

In accordance with the Decision, there are no adjustments from the initial application to ERHDC's depreciation expense. ERHDC's board approved depreciation expense is \$175,539.

RATE BASE AND CAPITAL EXPENDITURES

ERHDC requested approval of a rate base of \$4,246,610 in this Application, which represented a 46% increase from the 2010 actual amount and a 56% increase from the 2008 Board approved amount. The proposed rate base is based on Modified International Financial Reporting Standards ("MIFRS").

The following areas are addressed in this section:

- Capital Expenditures;
- Working Capital Allowance; and
- Green Energy Act Plan.

Capital Expenditures

BOARD FINDINGS

The Board approves ERHDC's proposed capital expenditures in 2012. The Board is of the view that the proposed capital expenditures, excluding smart meter costs, are consistent with the historic spending level. The Board finds that the update of 2011 actual capital expenditures is not necessary as it is not material and will not direct ERHDC to make this adjustment.

In accordance with the Board's decision there are no adjustments to the initial application. ERHDC approved expenditures is \$1,025,592 in 2012 including \$655,906 in smart meter expenditures.

Working Capital Allowance

BOARD FINDINGS

The Board agrees with ERHDC that using the default 15% working capital allowance is consistent with Chapter 2 of the Filing Requirements for Transmission and Distribution Applications issued June 22, 2011.

ERHDC calculated its Working Capital Allowance using the 15% allowance approach. In the interrogatories ERHDC proposed a \$1,139,885 Working Capital Allowance. In accordance with the decision, ERHDC decreased OM&A \$12,500 for the removal of the transition of IFRS costs in the test year. This resulted in a decrease in the Working Capital Allowance to \$1,138,010 in the draft rate order.

Table 6 – Working Capital Allowance

Distribution Expense	Initial Application	Interrogatory Amount	Decision Adjustment	Decision Amount
Operations	249,346	0	0	249,346
Maintenance	397,158	0	0	397,158
Billing and Collecting	371,722	0	0	371,722
Community Relations	1,000	0	0	1,000
Administrative and General	353,398	0	(12,500)	340,898
Total Eligible Distribution Expenses	1,372,624	0	0	1,360,124
Power Supply Expense	6,226,613	0	0	6,226,613
Total Working Capital Expenses	7,599,237	0	0	7,586,737
Working Capital Allowance 15%	1,139,885			1,138,010

Green Energy Act Plan

BOARD FINDINGS

The Board notes that ERHDC has filed its Basic Green Energy Act Plan with no cost recovery proposed, and no classifications on investments related to connection of renewable generation or to investment in smart grid were provided. The Board finds that the evidence provided does not allow for a proper approval of the GEA Plan.

The Board is of the view that ERHDC has met the requirements under the Board's Distribution System Planning Filing Requirements and no further action is required by ERHDC at this time.

The Board acknowledges that ERHDC intends to utilize the incremental capital module (ICM) to address the treatment of new capital needs. The Board will examine the prudence of the costs proposed by ERHDC upon filing of the ICM at a later date.

In accordance with the Board's decision there are no adjustments to the initial application for the Green Energy Act Plan.

COST OF CAPITAL

BOARD FINDINGS

The Board accepts ERHDC's updated rates to reflect the cost of capital parameters issued on March 2, 2012.

In accordance with the decision ERHDC's approved Cost of Capital parameters issued March 2, 2012 are used in the interrogatories and the draft rate order. The cost of capital parameters are in the table below:

Table 7 – Cost of Capital

Cost of Capital Parameter	Updated Value for 2012 Cost of Service Applications for rates effective May 1, 2012
Return on Equity	9.12%
Deemed Long-term Debt Rate	4.41%
Deemed Short-term Debt Rate	2.08%

COST ALLOCATION AND RATE DESIGN

The following issues are addressed in this section:

- Cost Allocation;
- Monthly Service Charges ("MSC");
- Retail Transmission Service Rates ("RTSR");
- Low Voltage Charges; and
- Loss Factors

Cost Allocation

BOARD FINDINGS

The Board finds that the proposed revenue-to-cost ratios are reasonable and consistent with the Board's revenue-to-cost ratio policy.

In accordance with the Decision, there are no adjustments from the initial application to ERHDC's revenue-to-cost ratios. The following table sets out ERHDC's current and approved revenue-to-cost ratios and the Board's targets, as established in the Board's *Review of Electricity Distribution Cost Allocation Policy* (EB-2010-0219).

Table 8 – Revenue-to-Cost Ratios

Customer Class	Updated Current Ratios	Approved Ratios in draft rate order for Test Year	Board's Target Range - Floor	Board's Target Range - Ceiling
Residential	93.4%	95.2%	85%	115%
GS < 50 kW	113.9%	115.9%	80%	120%
GS > 50 kW	135.7%	120.0%	80%	120%
Street Lighting	68.7%	70.0%	70%	120%
Sentinel Lighting	68.3%	80.0%	80%	120%
Unmetered Scattered Load	114.3%	114.9%	80%	120%

Monthly Service Charges ("MSC")

BOARD FINDINGS

The Board approves ERHDC's proposed MSC which maintains the existing fixed/variable proportions. The Board notes that the MSC for GS> 50 kW class exceeds the target ceiling, but recognizes that maintaining the fixed/variable proportions are consistent with the Board's past decisions.

In accordance with the Decision, there are no adjustments from the initial application to ERHDC's fixed/variable proportions. The following table sets out ERHDC's monthly service charges. The proposed Monthly Service Charges by rate class are included in the table below:

Table 9 – Monthly Service Charge

Rate Class	Monthly Service Charges		
	Current	Interrogatory Amount	Decision Amount
Residential	\$9.96	\$13.70	\$13.59
GS < 50 kW	\$17.95	\$24.54	\$24.36
GS > 50 kW	\$161.36	\$190.93	\$189.75
Street Lighting	\$1.40	\$1.93	\$1.92
Sentinel Lighting	\$1.29	\$2.09	\$2.07
Unmetered Scattered Load	\$8.82	\$11.94	\$11.84

Retail Transmission Service Rates (“RTSR”)

BOARD FINDINGS

The Board accepts the revised Retail Transmission Service Rates proposed for 2012.

In response to a Board staff interrogatory, ERHDC updated its proposed RTSRs to reflect expiration of rate riders which are under a Hydro One Sub-Transmission classification. No further adjustments are required in the draft rate order. The updated RTSRs are shown in the following table:

Table 10 – Retail Transmission Service Rates (RTSRs)

Rate Class	ERHDC RTSRs as per Interrogatories and Final Decision	
	RTSR Network	RTSR Connection
Residential (\$/kWh)	\$0.0056	\$0.0041
GS < 50 kW (\$/kWh)	\$0.0052	\$0.0037
GS > 50kW (\$/kW)	\$2.0890	\$1.4334
GS > 50kW – Interval Metered (\$/kW)	\$2.3482	\$1.9855
Street Lighting (\$/kW)	\$1.5755	\$1.1080
Unmetered Scattered Load (\$/kWh)	\$0.0052	\$0.0037
Sentinel Lighting (\$/kW)	\$1.5835	\$1.1312

Low Voltage Charges

BOARD FINDINGS

The Board approves the LV costs of \$229,288 and acknowledges ERHDC's commitment that it will explore alternatives to reduce LV costs in the future.

In its original application, ERHDC forecasted its Low Voltage ("LV") costs to be \$144,544. In response to a Board staff interrogatory, ERHDC revised its LV costs to \$229,288 and indicated that the revised value is based on the current Hydro One rates. In accordance with the decision no further adjustments are required to the amounts proposed in the interrogatories. The low voltage charges are as follows:

Table 11 – Low Voltage Charges

Customer Class	Initial Application	Interrogatory Amount	Decision Amount
Residential	0.0024	0.0037	0.0037
GS<50	0.0022	0.0035	0.0035
GS>50	0.9355	1.4840	1.4840
Sentinel Lights	0.6735	1.0684	1.0684
Street Lights	0.6598	1.0466	1.0466
USL	0.0022	0.0035	0.0035

Loss Factors

BOARD FINDINGS

The Board will apply a DLF of 5% for the purposes of setting rates. ERHDC is of the belief that its line clearing operations will have a positive impact on its line losses. The Board draws no conclusions in that regard but nevertheless accepts ERHDC's proposal to set the DLF at 5%.

ERHDC applied for a Total Loss Factor ("TLF") of 1.0714 (for secondary metered customers < 5,000 kW), which is based on an underlying Distribution Loss Factor ("DLF") of 1.0527 and Supply Facility Loss Factor ("SFLF") of 1.0178. The proposed DLF and SFLF are based on the average of five historical years from 2006 to 2010. The current approved TLF for secondary metered customers < 5,000 kW is 1.0543. In accordance

with the Board decision, ERHDC's DLF will be deemed at 5%. Therefore, ERHDC will have a DLF of 1.0500 and a SFLF of 1.0178 for a TLF of 1.0687. The TLF of 1.0687 has been used in the draft rate order.

DEFERRAL AND VARIANCE ACCOUNTS

The following issues are addressed in this section:

- Balances Proposed for Disposition; and
- Review and Disposition of Account 1562: Deferred Payments in Lieu of Taxes.

Balances Proposed for Disposition

BOARD FINDINGS

The Board approves the disposition of the Group 1 and Group 2 deferral and variance account principal and interest balances as at December 31, 2010 and the forecasted interest through April 30, 2012 over a period that maintains a rate impact of less than 10% for all rate classes.

In accordance with the decision, there are no further adjustments required to the initial application for Group 1 and Group 2 accounts for disposition. The accounts and rate riders are outlined in Table 12, Table 13, and Table 14 below.

Review and Disposition of Account 1562: Deferred Payment in Lieu of Taxes

BOARD FINDINGS

The Board accepts Board staff's approach to Account 1562 to address the interest claw back issue and approves the disposition of a credit balance of \$28,245 which ERHDC had agreed to. The Board finds that the approved amount to be returned to customers is consistent with previous regulatory guidance and past decisions of the Board. ERHDC should include this balance in the Group 1 and Group 2 deferral and variance account balances to be refunded through rate riders resulting from this Decision.

For accounting and reporting purposes, the balance of Account 1562 shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the Accounting Procedures Handbook for Electricity Distributors. The

date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year (e.g. May 1). This entry should be completed on a timely basis to ensure that these adjustments are included in the September 30, 2012 RRR data to be filed with the Board by November 30, 2012.

In accordance with the Decision, ERHDC adjusted the disposition for account 1562 to a credit balance of \$28,245. Table 12 and table 13 below outlines the accounts for disposition and the updated rate riders by rate class. As per the Board's decision ERHDC is to maintain a rate impact of less than 10% for all rate classes. As part of the rate mitigation plan ERHDC proposes to allocate the deferral and variance account rate rider recovery over a 4 year period. ERHDC proposes to change the 1 year disposition period for the Global Adjustment rate rider for Non-RPP customers to a 6 month disposition period from the implementation date November 1, 2012 to April 30, 2013.

Table 12 – Deferral and Variance Accounts

Account #	Account Description	Disposition Amount Initial Application	Disposition Amount Decision
1550	LV Variance Account	(\$9,996)	(\$9,996)
1580	RSVA – Wholesale	(\$137,250)	(\$137,250)
1584	RSVA – Retail	\$676	\$676
1586	RSVA – Retail	(\$9,298)	(\$9,298)
1588 Pwr	RSVA – Power	\$280,208	\$280,208
1588 GA	RSVA – Power – Sub	(\$5,199)	(\$5,199)
1508	Other Regulatory Assets – Incremental Capital	\$2,409	\$2,409
1562	Deferred Payments	(\$26,978)	(\$28,245)
1592	PILs/Taxes Variance	\$8,443	\$8,443
1592 ITC	PILs/Taxes Variance, Sub-account HST/OVAT	(\$7,888)	(\$7,888)
1595	Disposition of Regulatory Balances	\$10,727	\$10,727
		\$105,854	\$104,587

Table 13 – Deferral and Variance Account Rate Riders

Customer Class	Initial Application	Interrogatory Amount	Decision Amount (over 1 year disposition)	Decision Amount (over proposed 4 year disposition)
Residential	0.0017	0.0017	0.0017	0.0004
GS<50	0.0018	0.0018	0.0018	0.0004
GS>50	0.7582	0.7582	0.7544	0.1886
Sentinel Lights	0.5477	0.5477	0.5255	0.1314
Street Lights	0.2977	0.2977	0.2661	0.0665
USL	0.0016	0.0016	0.0015	0.0004

Table 14 - Global Adjustment Rate Rider for Non-RPP customers

Customer Class	Initial Application	Interrogatory Amount (over 1 year disposition)	Decision Amount (over 6 month disposition)
Residential (kWh)	(0.0002)	(0.0002)	(0.0004)
GS<50 (kWh)	(0.0002)	(0.0002)	(0.0004)
GS>50 (kW)	(0.0893)	(0.0893)	(0.1787)
Sentinel Lights	0	0	0
Street Lights	0	0	0
USL	0	0	0

SMART METERS

ERHDC is requesting the approval of its smart meter capital and OM&A costs on a final basis to the end of 2011, a 24 month smart meter disposition rate rider ("SMDR") to recover the residual balance in the smart meter variance accounts, and a 24 month stranded meter rate rider ("SMRR") to recover the net book value of the removed from service stranded meters.

Prudence of Smart Meter Costs

BOARD FINDINGS

The Board notes that authorization to procure and deploy smart meters has been done in accordance with Government regulations, including successful participation in London Hydro RFP process, overseen by the Fairness Commissioner, to select (a) vendor(s) for the procurement and/or installation of smart meters and related systems. There is thus a significant degree of cost control discipline and distributors, including ERHDC, are subject to in the procurement and deployment of smart meters.

The Board finds that ERHDC's documented costs related to smart meter procurement, installation and operation, and associated equipment, are reasonable. As such, the Board approves the recovery of the costs for smart meter deployment and operation as of December 31, 2011.

In accordance with the Decision, there are no adjustments from the initial application to ERHDC smart meter costs.

Smart Meter Disposition Rate Rider

BOARD FINDINGS

The Board approves ERHDC's revised cost allocation methodology as it is consistent with the approach approved by the Board in PowerStream's smart meter cost recovery application (EB-2011-0128). The Board will approve the updated class-specified SMDRs to be collected over a period that maintains a rate impact of less than 10% for all customer classes. The Board will approve an effective date of May 1, 2012 and will approve an implementation date of November 1, 2012.

In accordance with the Decision, ERHDC will recover \$184,091 through a smart meter

disposition rate rider. In the interrogatory responses ERHDC requested the SMDR to be recovered over a 2 year period. The Board's decision states that the SMDR is to be collected over a period of time that maintains a rate impact less than 10% for all customers. As part of ERHDC's rate mitigation plan, it is proposed in this draft rate order to collect the SMDR over a 4 year period as discussed in Scenario 1 in the rate mitigation section.

Table 15 – Smart Meter Disposition Rider (SMDR)

Customer Class	Initial Application	Interrogatory Amount (over 2 Year Disposition)	Decision Amount (over proposed 4 year disposition)
Residential	\$2.36	\$2.23	\$1.12
GS<50	\$2.50	\$2.68	\$1.34
GS>50	\$3.89	\$5.50	\$2.75

Stranded Meters

BOARD FINDINGS

The Board approves the proposed class-specified SMRRs to be collected over a period that maintains a rate impact of less than 10% for all customer classes. The Board will approve an effective date of May 1, 2012 and will approve an implementation date of November 1, 2012.

In accordance with the Decision, ERHDC will recover \$87,767 as a smart meter disposition rate rider. In the interrogatory responses ERHDC requested the SMRR to be recovered over a 2 year period. The Board's decision states that the SMRR is to be collected over a period of time that maintains a rate impact less than 10% for all customers. As part of ERHDC's rate mitigation plan, it is proposed in this draft rate order to collect the SMRR over a 4 year period as discussed in Section 1 in the rate mitigation section.

Table 16 – Stranded Meter Rate Rider (SMRR)

Customer Class	Initial Application	Interrogatory Amount (over 2 Year Disposition)	Decision Amount (over proposed 4 year disposition)
Residential	\$1.04	\$1.04	\$0.52
GS<50	\$1.37	\$1.37	\$0.68
GS>50	\$4.30	\$4.30	\$2.15

LOST REVENUE ADJUSTMENT MECHANISM (“LRAM”)

BOARD FINDINGS

The Board approves the updated LRAM amount of \$152,728 which represents the effect of CDM programs implemented from 2006 to 2010 for the period 2006 to 2010. The Board agrees with Board staff that the recovery of the lost revenue for the persistence from 2006 to 2010 programs in 2011 and 2012 is premature to do so and inconsistent with the LRAM Guidelines.

In accordance with the Decision, ERHDC will recover a \$152,728 LRAM amount. In the interrogatory responses ERHDC requested the LRAM to be recovered over a 3 year period. The Board’s decision states that revenue should be recovered over a period of time that maintains a rate impact less than 10% for all customers. As part of ERHDC’s rate mitigation plan, it is proposed in this draft rate order to collect the LRAM over a 4 year period.

Table 17 – LRAM

Customer Class	Initial Application	Interrogatory Amount (over 3 Year Disposition)	Decision Amount (over proposed 4 year disposition)
Residential (kWh)	0.0016	0.0016	0.0012
GS<50 (kWh)	0.0000	0.0000	0.0000
GS>50 (kW)	0.0000	0.0000	0.0000

MODIFIED INTERNATIONAL FINANCIAL REPORTING (“MIFRS”)

BOARD FINDINGS

The Board approves the revised PP&E balance of \$29,483 to be recovered over a four year period. The Board notes that the PP&E deferral account is designed to capture the PP&E difference caused by the transition from CGAAP to MIFRS and that ERHDC has calculated the balance in accordance with Board guidance on this matter.

In accordance with the decision, ERHDC revised PP&E balance in the draft rate order is \$29,483.

Table 18 – PP&E Account

PP&E Account	Initial Application	Change	Interrogatory Amount	Change	Follow –up Interrogatory Amount (not reflected in changes)	Change made in draft rate order	Decision Amount
	29,917	2,325	32,242	(2,759)	29,483	(2,759)	29,483

SUMMARY OF CHANGES

Rate Base

Table 19 – Rate Base

Distribution Expense	Initial Application	Change	Interrogatory Amount	Change	Decision Amount
Fixed Assets Opening Bal.	3,062,546	0	3,062,546	0	3,062,546
Fixed Assets Closing Bal.	3,150,903	0	3,150,903	0	3,150,903
Average Fixed Asset Balance	3,106,725	0	3,106,725	0	3,160,725
Working Capital Allowance	1,127,174	12,711	1,139,885	(1,875)	1,138,010
Rate Base	4,233,899	12,711	4,246,610	(1,875)	4,244,732

The rate base increased in the interrogatory responses by \$12,711 ($\$84,744 \times 15\% = \$12,711$) due to an underestimation of Low Voltage Charges as per Board Staff interrogatory question #23.

The rate base decreased in the draft rate order by \$1,875 ($\$12,500 \times 15\% = \$1,875$) due to the removal of the transition to IFRS costs of \$12,500 as per the decision.

Revenue Deficiency

Table 20 – Revenue Deficiency

	Initial Application	Change	Interrogatory Amount	Change	Decision Amount
Total Deficiency	445,113	(21,691)	423,422	(12,370)	411,052

In accordance with the decision, ERHDC has included a revised Revenue Deficiency schedule below:

Espanola Regional Hydro Distribution Corporation License Number ED-2002-0502, File Number		
Espanola Regional Hydro Distribution Corporation Revenue Deficiency Determination		
Description	2012 Test Existing Rates	2012 Test - Required Revenue
Revenue		
Revenue Deficiency		411,052
Distribution Revenue	1,225,251	1,225,251
Other Operating Revenue (Net)	142,399	142,399
Total Revenue	1,367,650	1,778,702
Costs and Expenses		
Administrative & General, Billing & Collecting	713,620	713,620
Operation & Maintenance	646,504	646,504
Depreciation & Amortization	146,055	146,055
Property Taxes	0	0
Capital Taxes	0	0
Deemed Interest	108,360	108,360
Total Costs and Expenses	1,614,538	1,614,538
Less OCT Included Above	0	0
Total Costs and Expenses Net of OCT	1,614,538	1,614,538
Utility Income Before Income Taxes	(246,888)	164,164
Income Taxes:		
Corporate Income Taxes	9,316	9,316
Total Income Taxes	9,316	9,316
Utility Net Income	(256,204)	154,848
Capital Tax Expense Calculation:		
Total Rate Base	4,244,735	4,244,735
Exemption	15,000,000	15,000,000
Deemed Taxable Capital	(10,755,265)	(10,755,265)
Ontario Capital Tax	0	0
Income Tax Expense Calculation:		
Accounting Income	(246,888)	164,164
Tax Adjustments to Accounting Income	(104,059)	(104,059)
Taxable Income	(350,947)	60,105
Income Tax Expense	(54,397)	9,316
Tax Rate Reflecting Tax Credits	15.50%	15.50%
Actual Return on Rate Base:		
Rate Base	4,244,735	4,244,735
Interest Expense	108,360	108,360
Net Income	(256,204)	154,848
Total Actual Return on Rate Base	(147,844)	263,207
Actual Return on Rate Base	-3.48%	6.20%
Required Return on Rate Base:		
Rate Base	4,244,735	4,244,735
Return Rates:		
Return on Debt (Weighted)	4.25%	4.25%
Return on Equity	9.42%	9.42%
Deemed Interest Expense	108,360	108,360
Return On Equity	154,848	154,848
Total Return	263,208	263,208
Expected Return on Rate Base	6.20%	6.20%
Revenue Deficiency After Tax	411,052	0
Revenue Deficiency Before Tax	411,052	0
Tax Exhibit		2012
Deemed Utility Income		154,848
Tax Adjustments to Accounting Income		(104,059)
Taxable Income prior to adjusting revenue to PILs		50,789
Tax Rate		15.50%
Total PILs before gross up		7,872
Grossed up PILs		9,316

Revenue Requirement

Table 21 – Revenue Requirement

	Initial Application	Change	Interrogatory Amount	Change	Decision Amount
Service Revenue Requirement	1,810,263	(21,691)	1,788,572	(9,870)	1,778,702
Less: Revenue Offsets	139,899	0	139,899	2,500	142,399
Total Base Revenue Requirement	1,670,364	(21,691)	1,648,673	(12,370)	1,636,303
Add Back LV Charges	144,544	84,744	229,288	0	229,288
Add Back Transformer Allowance	11,512	0	11,512	0	11,512
Gross Revenue for Rates	1,826,420	63,053	1,889,473	(12,370)	1,877,103

The reduction in the gross revenue for rates in the draft rate order is as follows:

Increase to depreciation expense as a result of PP&E deferral account	2,759
Reduction in OM&A for transition to IFRS costs	(12,500)
Reduction in PILs	(13)
Reduction to regulated return on capital	(116)
Increase in Revenue Offsets	(2,500)
Total	(12,370)

The reduction in the gross revenue for rates in the interrogatories is as follows:

Increase to depreciation expense as a result of PP&E deferral account	(2,326)
Increase in Low Voltage Charges	84,744
Reduction in PILs	(847)
Reduction to regulated return on capital	(18,518)
Total	63,053

Rate Design

ERHDC made no changes to the allocation of the fixed and variance split. The updated rates are as follows:

Table 22 – Fixed Charge Analysis

Fixed Charge Analysis								
Customer Class	Current Volumetric Split	Current Fixed Charge Split	Total	Fixed Rate Based on Current Fixed/Variable Revenue Proportions	2011 Rates From OEB Approved Tariff	Minimum System with PLCC Adjustment (Ceiling Fixed Charge From Cost Allocation Model)	Target Fixed Charge Split	Fixed Charge with Target Split
Residential	53.54%	46.46%	100.00%	13.59	9.96	19.73	46.46%	13.59
GS < 50 kW	64.40%	35.60%	100.00%	24.36	17.95	28.37	35.60%	24.36
GS >50 kW	70.93%	29.07%	100.00%	189.75	161.36	70.53	29.07%	189.75
Sentinel Lights	62.96%	37.04%	100.00%	2.07	1.29	7.70	37.04%	2.07
Street Lighting	63.85%	36.15%	100.00%	1.92	1.40	8.48	36.15%	1.92
USL	41.57%	58.43%	100.00%	11.84	8.82	14.22	58.43%	11.84

Table 23 – Allocation between fixed and variable rates

Customer Class	Total Net Rev. Requirement	Rev Requirement %	Proposed Fixed Rate	Resulting Variable Rate	Total Fixed Revenue	Total Variable Revenue	Transformer Allowance	Gross Distribution Revenue	LV & Wheeling Charges	Total
Residential	999,289	61.07%	13.59	\$0.0164	\$ 464,243	\$ 535,045		999,289	121,998	1,121,286
GS < 50 kW	349,008	21.33%	24.36	\$0.0200	\$ 124,245	\$ 224,763		349,008	39,252	388,260
GS >50 kW	211,468	12.92%	189.75	\$3.6660	\$ 61,479	\$ 149,989	\$ 11,512	222,980	65,376	288,357
Sentinel Lights	1,748	0.11%	2.07	\$16.6708	\$ 647	\$ 1,100		1,748	71	1,818
Street Lighting	67,007	4.09%	1.92	\$24.2280	\$ 24,220	\$ 42,787		67,007	1,848	68,855
USL	7,784	0.48%	11.84	\$0.0152	\$ 4,548	\$ 3,236		7,784	743	8,527
TOTAL	1,636,303	100%			\$ 679,382	\$ 956,921	\$ 11,512	\$ 1,647,815	\$ 229,288	\$ 1,877,103
			Forecast Fixed/Variable Ratio		41.229%	58.072%	0.699%	100.000%		

REVENUE REQUIREMENT WORKFORM

In accordance with the decision ERHDC has included a revised revenue requirement workform.



REVENUE REQUIREMENT WORK FORM

Name of LDC:
File Number:
Rate Year: Version: 2.11



Click here to print
the entire
workbook

Table of Content

<u>Sheet</u>	<u>Name</u>
A	<u>Data Input Sheet</u>
1	<u>Rate Base</u>
2	<u>Utility Income</u>
3	<u>Taxes/PILS</u>
4	<u>Capitalization/Cost of Capital</u>
5	<u>Revenue Sufficiency/Deficiency</u>
6	<u>Revenue Requirement</u>
7A	<u>Bill Impacts -Residential</u>
7B	<u>Bill Impacts - GS < 50 kW</u>



REVENUE REQUIREMENT WORK FORM

Version: 2.11

Name of LDC: Espanola Regional Hydro Distribution

File Number: EB-2001-0319

Rate Year: 2012

		Data Input						(1)
		Initial Application			(7)		Per Board Decision	
1	Rate Base							
	Gross Fixed Assets (average)	\$7,947,795			\$ 7,947,795			\$7,947,795
	Accumulated Depreciation (average)	(\$4,841,071)	(5)		-\$ 4,841,071			(\$4,841,071)
	Allowance for Working Capital:							
	Controllable Expenses	\$1,372,624			\$ 1,372,624		(\$12,500)	\$1,360,124
	Cost of Power	\$6,141,869		\$84,744	\$ 6,226,613			\$6,226,613
	Working Capital Rate (%)	15.00%			15.00%			15.00%
2	Utility Income							
	Operating Revenues:							
	Distribution Revenue at Current Rates	\$1,225,251		\$0	\$1,225,251		\$0	\$1,225,251
	Distribution Revenue at Proposed Rates	\$1,670,364		(\$21,691)	\$1,648,673		(\$12,370)	\$1,636,303
	Other Revenue:							
	Specific Service Charges	\$68,500		\$0	\$68,500		\$0	\$68,500
	Late Payment Charges	\$16,700		\$0	\$16,700		\$0	\$16,700
	Other Distribution Revenue	\$82,385		\$0	\$82,385		\$2,500	\$84,885
	Other Income and Deductions	(\$27,686)		\$0	(\$27,686)		\$0	(\$27,686)
	Operating Expenses:							
	OM+A Expenses	\$1,372,624			\$ 1,372,624		(\$12,500)	\$1,360,124
	Depreciation/Amortization	\$145,621		(\$2,325)	\$ 143,296		\$2,759	\$146,055
	Property taxes							
	Capital taxes							
	Other expenses							
3	Taxes/PILs							
	Taxable Income:							
	Adjustments required to arrive at taxable income	(\$104,059)	(3)		(\$104,059)			(\$104,059)
	Utility Income Taxes and Rates:							
	Income taxes (not grossed up)	\$8,599			\$7,883			\$7,872
	Income taxes (grossed up)	\$10,176			\$9,329			\$9,316
	Capital Taxes		(6)			(6)		
	Federal tax (%)	11.00%			11.00%			11.00%
	Provincial tax (%)	4.50%			4.50%			4.50%
	Income Tax Credits							
4	Capitalization/Cost of Capital							
	Capital Structure:							
	Long-term debt Capitalization Ratio (%)	56.0%			56.0%			56.0%
	Short-term debt Capitalization Ratio (%)	4.0%	(2)		4.0%	(2)		4.0%
	Common Equity Capitalization Ratio (%)	40.0%			40.0%			40.0%
	Preferred Shares Capitalization Ratio (%)	0.0%						
		100.0%			100.0%			100.0%
	Cost of Capital							
	Long-term debt Cost Rate (%)	5.01%			4.41%			4.41%
	Short-term debt Cost Rate (%)	2.08%			2.08%			2.08%
	Common Equity Cost Rate (%)	9.42%			9.12%			9.12%
	Preferred Shares Cost Rate (%)							



REVENUE REQUIREMENT WORK FORM

Version: 2.11

Name of LDC: Espanola Regional Hydro Distribution Corporation
File Number: EB-2001-0319
Rate Year: 2012

Rate Base									
Line No.	Particulars	Initial Application						Per Board Decision	
1	Gross Fixed Assets (average) (3)	\$7,947,795		\$ -	\$7,947,795		\$ -	\$7,947,795	
2	Accumulated Depreciation (average) (3)	(\$4,841,071)		\$ -	(\$4,841,071)		\$ -	(\$4,841,071)	
3	Net Fixed Assets (average) (3)	\$3,106,725		\$ -	\$3,106,725		\$ -	\$3,106,725	
4	Allowance for Working Capital (1)	\$1,127,174		\$12,712	\$1,139,886		(\$1,875)	\$1,138,011	
5	Total Rate Base	\$4,233,898		\$12,712	\$4,246,610		(\$1,875)	\$4,244,735	

(1) Allowance for Working Capital - Derivation									
6	Controllable Expenses	\$1,372,624		\$ -	\$1,372,624		(\$12,500)	\$1,360,124	
7	Cost of Power	\$6,141,869		\$84,744	\$6,226,613		\$ -	\$6,226,613	
8	Working Capital Base	\$7,514,493		\$84,744	\$7,599,237		(\$12,500)	\$7,586,737	
9	Working Capital Rate % (2)	15.00%		0.00%	15.00%		0.00%	15.00%	
10	Working Capital Allowance	\$1,127,174		\$12,712	\$1,139,886		(\$1,875)	\$1,138,011	



REVENUE REQUIREMENT WORK FORM

Version: 2.11

Name of LDC: Espanola Regional Hydro Distribution Corporation
File Number: EB-2001-0319
Rate Year: 2012

Utility income									
Line No.	Particulars	Initial Application						Per Board Decision	
Operating Revenues:									
1	Distribution Revenue (at Proposed Rates)	\$1,670,364		(\$21,691)		\$1,648,673		(\$12,370)	\$1,636,303
2	Other Revenue	(1) \$139,899		(\$279,798)		\$139,899		\$2,500	\$142,399
3	Total Operating Revenues	\$1,810,263		(\$301,489)		\$1,788,572		(\$9,870)	\$1,778,702
Operating Expenses:									
4	OM+A Expenses	\$1,372,624		\$ -		\$1,372,624		(\$12,500)	\$1,360,124
5	Depreciation/Amortization	\$145,621		(\$2,325)		\$143,296		\$2,759	\$146,055
6	Property taxes	\$ -		\$ -		\$ -		\$ -	\$ -
7	Capital taxes	\$ -		\$ -		\$ -		\$ -	\$ -
8	Other expense	\$ -		\$ -		\$ -		\$ -	\$ -
9	Subtotal (lines 4 to 8)	\$1,518,245		(\$2,325)		\$1,515,920		(\$9,741)	\$1,506,179
10	Deemed Interest Expense	\$122,309		(\$13,901)		\$108,407		(\$48)	\$108,360
11	Total Expenses (lines 9 to 10)	\$1,640,554		(\$16,226)		\$1,624,327		(\$9,789)	\$1,614,539
12	Utility income before income taxes	\$169,709		(\$285,263)		\$164,245		(\$81)	\$164,163
13	Income taxes (grossed-up)	\$10,176		(\$847)		\$9,329		(\$13)	\$9,316
14	Utility net income	\$159,533		(\$284,415)		\$154,916		(\$68)	\$154,847
Notes									
(1)	Other Revenues / Revenue Offsets								
	Specific Service Charges	\$68,500		\$ -		\$68,500		\$ -	\$68,500
	Late Payment Charges	\$16,700		\$ -		\$16,700		\$ -	\$16,700
	Other Distribution Revenue	\$82,385		\$ -		\$82,385		\$2,500	\$84,885
	Other Income and Deductions	(\$27,686)		\$ -		(\$27,686)		\$ -	(\$27,686)
	Total Revenue Offsets	\$139,899		\$ -		\$139,899		\$2,500	\$142,399



REVENUE REQUIREMENT WORK FORM

Version: 2.11

Name of LDC: Espanola Regional Hydro Distribution Corporation
File Number: EB-2011-0319
Rate Year: 2012

Taxes/PILs									
Line No.	Particulars	Application				Per Board Decision			
<u>Determination of Taxable Income</u>									
1	Utility net income before taxes	\$159,533			\$154,916			\$154,848	
2	Adjustments required to arrive at taxable utility income	(\$104,059)			(\$104,059)			(\$104,059)	
3	Taxable income	\$55,474			\$50,857			\$50,789	
<u>Calculation of Utility income Taxes</u>									
4	Income taxes	\$8,599			\$7,883			\$7,872	
5	Capital taxes	\$ -	(1)		\$ -	(1)		\$ -	(1)
6	Total taxes	\$8,599			\$7,883			\$7,872	
7	Gross-up of Income Taxes	\$1,577			\$1,446			\$1,444	
8	Grossed-up Income Taxes	\$10,176			\$9,329			\$9,316	
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	\$10,176			\$9,329			\$9,316	
10	Other tax Credits	\$ -			\$ -			\$ -	
<u>Tax Rates</u>									
11	Federal tax (%)	11.00%			11.00%			11.00%	
12	Provincial tax (%)	4.50%			4.50%			4.50%	
13	Total tax rate (%)	15.50%			15.50%			15.50%	



REVENUE REQUIREMENT WORK FORM

Version: 2.11

Name of LDC: Espanola Regional Hydro Distribution Corporation
File Number: EB-2001-0319
Rate Year: 2012

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
Initial Application					
		(%)	(\$)	(%)	(\$)
Debt					
1	Long-term Debt	56.00%	\$2,370,983	5.01%	\$118,786
2	Short-term Debt	4.00%	\$169,356	2.08%	\$3,523
3	Total Debt	60.00%	\$2,540,339	4.81%	\$122,309
Equity					
4	Common Equity	40.00%	\$1,693,559	9.42%	\$159,533
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$1,693,559	9.42%	\$159,533
7	Total	100.00%	\$4,233,898	6.66%	\$281,842

		(%)	(\$)	(%)	(\$)
Debt					
1	Long-term Debt	56.00%	\$2,378,102	4.41%	\$104,874
2	Short-term Debt	4.00%	\$169,864	2.08%	\$3,533
3	Total Debt	60.00%	\$2,547,966	4.25%	\$108,407
Equity					
4	Common Equity	40.00%	\$1,698,644	9.12%	\$154,916
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$1,698,644	9.12%	\$154,916
7	Total	100.00%	\$4,246,610	6.20%	\$263,324

Per Board Decision					
		(%)	(\$)	(%)	(\$)
Debt					
8	Long-term Debt	56.00%	\$2,377,052	4.41%	\$104,828
9	Short-term Debt	4.00%	\$169,789	2.08%	\$3,532
10	Total Debt	60.00%	\$2,546,841	4.25%	\$108,360
Equity					
11	Common Equity	40.00%	\$1,697,894	9.12%	\$154,848
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	Total Equity	40.00%	\$1,697,894	9.12%	\$154,848
14	Total	100.00%	\$4,244,735	6.20%	\$263,208



REVENUE REQUIREMENT WORK FORM

Version: 2.11

Name of LDC: Espanola Regional Hydro Distribution Corporation
File Number: EB-2001-0319
Rate Year: 2012

Revenue Sufficiency/Deficiency							
Line No.	Particulars	Initial Application				Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$445,113		\$423,423		\$411,053
2	Distribution Revenue	\$1,225,251	\$1,225,251	\$1,225,251	\$1,225,250	\$1,225,251	\$1,225,250
3	Other Operating Revenue Offsets - net	\$139,899	\$139,899	\$139,899	\$139,899	\$142,399	\$142,399
4	Total Revenue	\$1,365,150	\$1,810,263	\$1,365,150	\$1,788,572	\$1,367,650	\$1,778,702
5	Operating Expenses	\$1,518,245	\$1,518,245	\$1,515,920	\$1,515,920	\$1,506,179	\$1,506,179
6	Deemed Interest Expense	\$122,309	\$122,309	\$108,407	\$108,407	\$108,360	\$108,360
	Total Cost and Expenses	\$1,640,554	\$1,640,554	\$1,624,327	\$1,624,327	\$1,614,539	\$1,614,539
7	Utility Income Before Income Taxes	(\$275,404)	\$169,709	(\$259,177)	\$164,245	(\$246,889)	\$164,163
8	Tax Adjustments to Accounting Income per 2009 PILs	(\$104,059)	(\$104,059)	(\$104,059)	(\$104,059)	(\$104,059)	(\$104,059)
9	Taxable Income	(\$379,463)	\$65,650	(\$363,236)	\$60,186	(\$350,948)	\$60,104
10	Income Tax Rate	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
11	Income Tax on Taxable Income	(\$58,817)	\$10,176	(\$56,302)	\$9,329	(\$54,397)	\$9,316
12	Income Tax Credits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Utility Net Income	(\$216,587)	\$159,533	(\$202,876)	\$154,916	(\$192,492)	\$154,847
14	Utility Rate Base	\$4,233,898	\$4,233,898	\$4,246,610	\$4,246,610	\$4,244,735	\$4,244,735
	Deemed Equity Portion of Rate Base	\$1,693,559	\$1,693,559	\$1,698,644	\$1,698,644	\$1,697,894	\$1,697,894
15	Income/Equity Rate Base (%)	-12.79%	9.42%	-11.94%	9.12%	-11.34%	9.12%
16	Target Return - Equity on Rate Base	9.42%	9.42%	9.12%	9.12%	9.12%	9.12%
17	Sufficiency/Deficiency in Return on Equity	-22.21%	0.00%	-21.06%	0.00%	-20.46%	0.00%
18	Indicated Rate of Return	-2.23%	6.66%	-2.22%	6.20%	-1.98%	6.20%
19	Requested Rate of Return on Rate Base	6.66%	6.66%	6.20%	6.20%	6.20%	6.20%
20	Sufficiency/Deficiency in Rate of Return	-8.88%	0.00%	-8.43%	0.00%	-8.18%	0.00%
21	Target Return on Equity	\$159,533	\$159,533	\$154,916	\$154,916	\$154,848	\$154,848
22	Revenue Deficiency/(Sufficiency)	\$376,120	(\$0)	\$357,792	(\$1)	\$347,340	(\$1)
23	Gross Revenue Deficiency/(Sufficiency)	\$445,113 (1)		\$423,423 (1)		\$411,053 (1)	



REVENUE REQUIREMENT WORK FORM

Version: 2.11

Name of LDC: Espanola Regional Hydro Distribution Corporation
File Number: EB-2001-0319
Rate Year: 2012

Revenue Requirement					
Line No.	Particulars	Application		Per Board Decision	
1	OM&A Expenses	\$1,372,624		\$1,372,624	\$1,360,124
2	Amortization/Depreciation	\$145,621		\$143,296	\$146,055
3	Property Taxes	\$ -			
4	Capital Taxes	\$ -		\$ -	\$ -
5	Income Taxes (Grossed up)	\$10,176		\$9,329	\$9,316
6	Other Expenses	\$ -			
7	Return				
	Deemed Interest Expense	\$122,309		\$108,407	\$108,360
	Return on Deemed Equity	\$159,533		\$154,916	\$154,848
8	Distribution Revenue Requirement before Revenues	\$1,810,263		\$1,788,573	\$1,778,703
9	Distribution revenue	\$1,670,364		\$1,648,673	\$1,636,303
10	Other revenue	\$139,899		\$139,899	\$142,399
11	Total revenue	\$1,810,263		\$1,788,572	\$1,778,702
12	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	(\$0) (1)		(\$1) (1)	(\$1) (1)

Notes

EFFECTIVE DATE AND FORGONE REVENUE

BOARD FINDINGS

The Board has determined that ERHDC's new rates will become effective May 1st 2012. In this decision the Board has made findings regarding the revenue requirement based partly on the apparent historic lack of sufficient maintenance of the distribution system.

The Board has also expressed its expectation that ERHDC's rebased revenues will be used to correct for this historic neglect and that a recalibration of its revenue requirements at its next rebasing will be reflective of this next period of accelerated maintenance.

The Board notes VECC's submission regarding its concern that ratepayers should not bear the financial brunt of the applicant's late filing. While the Board generally agrees with VECC's views on this point, but in this case it will allow for the full period of recovery requested by ERHDC so as to allow the necessary works to be completed. The Board does so with the ratepayer in mind from a service delivery point of view.

*The Board considers this to be an exceptional case; one where the Board found it necessary to remind the applicant of the tenets of ratemaking and of the inappropriateness of relying on the establishment of a revenue requirement to initiate works related to maintaining a sufficiently safe distribution system. The Board fully expects ERHDC to file its next rebasing application on time and based on a revenue requirement designed to **maintain** (not create) a safe and reliable distribution system.*

The Board has also determined that the implementation date will be November 1, 2012. The Board notes that there is an overall revenue deficiency that arises out of this Decision. The Board directs ERHDC to dispose of any deficiency arising from this Decision for the period May 1, 2012 to the implementation date by calculating class specific volumetric rate riders that would recover from customers the stub period amount over a period that maintains a rate impact of less than 10% for typical customers in all rate classes. If reducing the impact for all classes to less than 10% on total bill is not possible while maintaining a reasonable recovery period, ERHDC may provide an alternative mitigation plan as part of its draft Rate Order. ERHDC should also provide the detailed calculations of the rate riders in its draft Rate Order.

In accordance with the Board's decision, ERHDC has calculated the deficiency arising

from this decision for the period May 1, 2012 to the implementation date of November 1, 2012. The amount to be recovered by a volumetric rate rider for the forgone revenue is \$266,846 as in Table 24 below. The foregone revenue calculation includes the SMDR, SMRR, LRAM and deferral and variance rate riders. As part of the rate mitigation plan and to maintain a total bill impact of < 10% for all customers the rate riders were spread over 4 years from the effective date May 1, 2012. Therefore, the revised rate riders are included in the foregone revenue calculation for the 6 month stub period between the effective date and implementation date.

Table 24 – Forgone Revenue

Forgone Revenue Calculations							
	Monthly Value from Board Approved Load Forecast (A)	6 Month Total (B)		Current Rates (C)	Proposed Rates (D)	Difference (E=D-C)	Total Forgone Revenue F=(B*E)
Residential							
Customers	2,847	17,082	Fixed	\$9.96	\$13.59	\$3.63	\$62,008
kWh	2,723,393	16,340,361	Variable	\$0.0120	\$0.0164	\$0.0044	\$71,898
Smart Meter Disposition Rate Rider	2,847	17,082	Fixed	\$0.0000	\$1.1200	\$1.1200	\$19,132
Stranded Meter Rate Rider	2,847	17,082	Fixed	\$0.0000	\$0.5200	\$0.5200	\$8,883
Deferral /Variance Account Rate Rider	2,723,393	16,340,361	Variable	\$0.0000	\$0.0004	\$0.0004	\$6,536
LRAM Rate Rider	2,723,393	16,340,361	Variable	\$0.0000	\$0.0012	\$0.0012	\$19,608
							\$188,064
General Service < 50 kW							
Customers	425	2,550	Fixed	\$17.95	\$24.36	\$6.41	\$16,346
kWh	938,825	5,632,950	Variable	\$0.0147	\$0.0200	\$0.0053	\$29,855
Smart Meter Disposition Rate Rider	425	2,550	Fixed	\$0.0000	\$1.3400	\$1.3400	\$3,417
Stranded Meter Rate Rider	425	2,550	Fixed	\$0.0000	\$0.6850	\$0.6850	\$1,747
Deferral /Variance Account Rate Rider	938,825	5,632,950	Variable	\$0.0000	\$0.0004	\$0.0004	\$2,253
							\$53,617
General Service 50 to 4,999 kW							
Customers	27	162	Fixed	\$161.36	\$189.75	\$28.39	\$4,599
kW	3,670	22,023	Variable	\$3.1566	\$3.6660	\$0.5094	\$11,218
Smart Meter Disposition Rate Rider	27	162	Fixed	\$0.0000	\$2.7500	\$2.7500	\$446
Stranded Meter Rate Rider	27	162	Fixed	\$0.0000	\$2.1500	\$2.1500	\$348
Deferral /Variance Account Rate Rider	3,670	22,023	Variable	\$0.0000	\$0.1886	\$0.1886	\$4,153
							\$20,765
Unmetered Scattered Load							
Connections	32	192	Fixed	\$8.82	\$11.84	\$3.02	\$580
kWh	17,773	106,640	Variable	\$0.0113	\$0.0152	\$0.0039	\$413
Deferral /Variance Account Rate Rider	17,773	106,640	Variable	\$0.0000	\$0.0004	\$0.0004	\$43
							\$1,035
Sentinel Lighting							
Connections	26	156	Fixed	\$1.29	\$2.07	\$0.78	\$122
kW	6	33	Variable	\$10.3652	\$16.6708	\$6.3056	\$208
Deferral /Variance Account Rate Rider	6	33	Variable	\$0.0000	\$0.1314	\$0.1314	\$4
							\$334
Street Lighting							
Connections	1,053	2,106	Fixed	\$1.40	\$1.92	\$0.52	\$1,088
kW	147	294	Variable	\$17.6963	\$24.2280	\$6.5317	\$1,922
Deferral /Variance Account Rate Rider	147	294	Variable	\$0.0000	\$0.0665	\$0.0665	\$20
							\$3,030
Total							\$266,846

RATE MITIGATION

BOARD FINDINGS

While ERHDC has not provided a rate mitigation at this point, should ERHDC determine that rate impacts in its draft Rate Order would exceed the 10% total bill threshold for typical customers in any class, ERHDC should document this and propose a reasonable plan to address such a situation.

ERHDC has determined that the rate impacts in its draft rate order will exceed the 10% total bill threshold for typical customers. ERHDC analyzed the bill impacts with the SMDR, SMRR, LRAM, Deferral and Variance accounts, and foregone revenue rate riders over a 3.5 year recovery period until the next cost of service rate application and the average residential customer consuming 800 kWh was not under a 10% total bill impact. To mitigate the rate impacts ERHDC proposes 2 alternative scenarios.

Scenario 1

The first scenario extends the recovery period for all rate riders (LRAM, SMDR, SMRR, and Deferral and Variance Accounts) to a 4 year period commencing May 1, 2012 and defers the recovery of the foregone revenue until the 2013 IRM application. PUC proposes to recover the forgone revenue over a 1 year period (May 1, 2013 to April 30, 2014) as a volumetric rate rider. The forgone revenue amount of \$266,846 would be recorded in a deferral account until disposal in the 2013 IRM application and no carrying charges would be applied.

Scenario 2

The second scenario extends the recovery period for the LRAM and Deferral and Variance Accounts for a 4 year period commencing May 1, 2012. The foregone revenue rate rider would be collected over a 3.5 year period starting November 1, 2012. The SMDR and the SMRR rate riders would be deferred until the 2013 IRM application. PUC proposes to recover the SMDR and SMRR over a 1 year period (May 1, 2013 to April 30, 2014) as a monthly fixed charge. The deferral would be \$237,885 and no carrying charges would apply.

Other Issues

Street Lights

The total bill impact for street lights is 16.7%. Extending the recovery period of the rate riders does not have a significant change in the bill impact for street lights. ERHDC proposes the impacts are reasonable for street lights due to the historically low revenue to cost ratios.

Sentinel Lights

The total bill impact for street lights is 19.41%. Extending the recovery period of the rate riders does not have a significant change in the total bill impact for the sentinel lights. ERHDC proposes the impacts are reasonable for sentinel lights due to the historically low revenue to cost ratios. ERHDC estimates that with an average increase of 19.41% a sentinel light customers total bill will increase from \$11.04 to \$13.18 which results in a \$2.14 monthly increase to a limited number of customers.

BILL IMPACTS SENARIO 1

For the purpose of the bill impacts, the average consumption of a typical ERHDC customer was used for each rate class. In addition, the bill impacts for a residential customer consuming an average of 800 kWh and the General Service < 50 kW consuming 2000 kWh is included.

Bill Impacts

Customer Class: Residential									
Consumption		800 kWh							
	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 9.9600	1	\$ 9.96	\$ 13.5900	1	\$ 13.59	\$ 3.63	36.45%
Smart Meter Rate Adder	Monthly	\$ 1.0000	1	\$ 1.00	\$ -	1	\$ -	-\$ 1.00	-100.00%
Smart Meter Disposition Rider	Monthly	\$ -	1	\$ -	\$ 1.1200	1	\$ 1.12	\$ 1.12	
Stranded Meter Rate Rider	Monthly	\$ -	1	\$ -	\$ 0.5200	1	\$ 0.52	\$ 0.52	
Late Payment Charges	Monthly	\$ 0.1800	1	\$ 0.18	\$ -	1	\$ -	-\$ 0.18	-100.00%
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0120	800	\$ 9.60	\$ 0.0164	800	\$ 13.12	\$ 3.52	36.67%
			800	\$ -		800	\$ -	\$ -	
LRAM & SSM Rate Rider	per kWh	\$ -	800	\$ -	\$ 0.0012	800	\$ 0.96	\$ 0.96	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
Sub-Total A				\$ 20.74			\$ 29.31	\$ 8.57	41.32%
Deferral/Variance Account	per kWh		800	\$ -	\$ 0.0004	800	\$ 0.32	\$ 0.32	
Disposition Rate Rider			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
Low Voltage Service Charge	per kWh	\$ 0.0023	800	\$ 1.84	\$ 0.0037	800	\$ 2.96	\$ 1.12	60.87%
Smart Meter Entity Charge			800	\$ -		800	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 22.58			\$ 32.59	\$ 10.01	44.33%
RTSR - Network and Line		\$ 0.0099	808	\$ 8.00	\$ 0.0097	809	\$ 7.84	-\$ 0.16	-2.01%
			808	\$ -		809	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 30.58			\$ 40.43	\$ 9.85	32.21%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	808	\$ 4.20	\$ 0.0052	809	\$ 4.20	\$ 0.00	0.01%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	808	\$ 1.05	\$ 0.0011	809	\$ 0.89	-\$ 0.16	-15.37%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			808	\$ -		809	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	600	\$ 45.00	\$ 0.0750	600	\$ 45.00	\$ -	0.00%
Energy - RPP - Tier 2		\$ 0.0880	208	\$ 18.34	\$ 0.0880	209	\$ 18.35	\$ 0.01	0.06%
TOU - Off Peak		\$ 0.0650	517	\$ 33.63	\$ 0.0650	517	\$ 33.64	\$ 0.00	0.01%
TOU - Mid Peak		\$ 0.1000	146	\$ 14.55	\$ 0.1000	146	\$ 14.55	\$ 0.00	0.01%
TOU - On Peak		\$ 0.1170	146	\$ 17.03	\$ 0.1170	146	\$ 17.03	\$ 0.00	0.01%
Total Bill on RPP (before Taxes)				\$ 99.18			\$ 108.88	\$ 9.70	9.78%
HST	13%			\$ 12.89	13%		\$ 14.15	\$ 1.26	9.78%
Total Bill (including HST)				\$ 112.07			\$ 123.03	\$ 10.96	9.78%
Ontario Clean Energy Benefit ¹				-\$ 11.21			-\$ 12.30	-\$ 1.09	9.72%
Total Bill on RPP (including OCEB)				\$ 100.86			\$ 110.73	\$ 9.87	9.78%
Total Bill on TOU (before Taxes)				\$ 101.05			\$ 110.74	\$ 9.70	9.60%
HST	13%			\$ 13.14	13%		\$ 14.40	\$ 1.26	9.60%
Total Bill (including HST)				\$ 114.18			\$ 125.14	\$ 10.96	9.60%
Ontario Clean Energy Benefit ¹				-\$ 11.42			-\$ 12.51	-\$ 1.09	9.54%
Total Bill on TOU (including OCEB)				\$ 102.76			\$ 112.63	\$ 9.87	9.60%
Loss Factor (%)				1.0543%			1.0687%		

Customer Class: Residential

[illegible]

1.0543%

1.0687%

Bill Impacts

Customer Class: **General Service < 50kW**

Consumption 2000 kWh

[illegible]

Loss Factor (%)

1.0543%

1.0687%

Bill Impacts

Customer Class: **General Service < 50kW**

Consumption **2209** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 17.9500	1	\$ 17.95	\$ 24.3600	1	\$ 24.36	\$ 6.41	35.71%
Smart Meter Rate Adder	Monthly	\$ 1.0000	1	\$ 1.00		1	\$ -	-\$ 1.00	-100.00%
Smart Meter Disposition Rider	Monthly		1	\$ -	\$ 1.3400	1	\$ 1.34	\$ 1.34	
Stranded Meter Rate Rider	Monthly		1	\$ -	\$ 0.6850	1	\$ 0.69	\$ 0.69	
Late Payment Charges	Monthly	\$ 0.4200	1	\$ 0.42		1	\$ -	-\$ 0.42	-100.00%
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0147	2209	\$ 32.47	\$ 0.0200	2209	\$ 44.18	\$ 11.71	36.05%
			2209	\$ -		2209	\$ -	\$ -	
LRAM & SSM Rate Rider	per kWh	\$ -	2209	\$ -	\$ -	2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
Sub-Total A				\$ 51.84			\$ 70.57	\$ 18.72	36.11%
Deferral/Variance Account	per kWh		2209	\$ -	\$ 0.0004	2209	\$ 0.88	\$ 0.88	
Disposition Rate Rider			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
Low Voltage Service Charge	per kWh	\$ 0.0021	2209	\$ 4.64	\$ 0.0035	2209	\$ 7.73	\$ 3.09	66.67%
Smart Meter Entity Charge						2209	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 56.48			\$ 79.18	\$ 22.70	40.19%
RTSR - Network and Line		\$ 0.0091	2232	\$ 20.31	\$ 0.0089	2233	\$ 19.87	-\$ 0.44	-2.18%
			2232	\$ -		2233	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 76.80			\$ 99.05	\$ 22.26	28.98%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	2232	\$ 11.61	\$ 0.0052	2233	\$ 11.61	\$ 0.00	0.01%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	2232	\$ 2.90	\$ 0.0011	2233	\$ 2.46	-\$ 0.45	-15.37%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			2232	\$ -		2233	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	600	\$ 45.00	\$ 0.0750	600	\$ 45.00	\$ -	0.00%
Energy - RPP - Tier 2		\$ 0.0880	1632	\$ 143.64	\$ 0.0880	1633	\$ 143.67	\$ 0.03	0.02%
TOU - Off Peak		\$ 0.0650	1429	\$ 92.86	\$ 0.0650	1429	\$ 92.88	\$ 0.01	0.01%
TOU - Mid Peak		\$ 0.1000	402	\$ 40.18	\$ 0.1000	402	\$ 40.19	\$ 0.01	0.01%
TOU - On Peak		\$ 0.1170	402	\$ 47.01	\$ 0.1170	402	\$ 47.02	\$ 0.01	0.01%
Total Bill on RPP (before Taxes)				\$ 279.95			\$ 301.79	\$ 21.84	7.80%
HST		13%		\$ 36.39		13%	\$ 39.23	\$ 2.84	7.80%
Total Bill (including HST)				\$ 316.34			\$ 341.02	\$ 24.68	7.80%
Ontario Clean Energy Benefit ¹				-\$ 31.63			-\$ 34.10	-\$ 2.47	7.81%
Total Bill on RPP (including OCEB)				\$ 284.71			\$ 306.92	\$ 22.21	7.80%
Total Bill on TOU (before Taxes)				\$ 271.36			\$ 293.20	\$ 21.84	8.05%
HST		13%		\$ 35.28		13%	\$ 38.12	\$ 2.84	8.05%
Total Bill (including HST)				\$ 306.64			\$ 331.31	\$ 24.68	8.05%
Ontario Clean Energy Benefit ¹				-\$ 30.66			-\$ 33.13	-\$ 2.47	8.06%
Total Bill on TOU (including OCEB)				\$ 275.98			\$ 298.18	\$ 22.21	8.05%

Loss Factor (%)

1.0543%

1.0687%

Bill Impacts

Customer Class: **General Service > 50 kW**

Consumption		53835 kWh		135 kW					
	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 161.3600	1	\$ 161.36	\$ 189.7500	1	\$ 189.75	\$ 28.39	17.59%
Smart Meter Rate Adder	Monthly	\$ 1.0000	1	\$ 1.00		1	\$ -	-\$ 1.00	-100.00%
Smart Meter Disposition Rider	Monthly		1	\$ -	\$ 2.7500	1	\$ 2.75	\$ 2.75	
Stranded Meter Rate Rider	Monthly		1	\$ -	\$ 2.1500	1	\$ 2.15	\$ 2.15	
Late Payment Charges	Monthly	\$ 0.4200	1	\$ 0.42		1	\$ -	-\$ 0.42	-100.00%
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 3.1566	135	\$ 426.14	\$ 3.6660	135	\$ 494.91	\$ 68.77	16.14%
			53835	\$ -		53835	\$ -	\$ -	
LRAM & SSM Rate Rider		\$ -	53835	\$ -	\$ -	53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		135	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
Sub-Total A				\$ 588.92			\$ 689.56	\$ 100.64	17.09%
Deferral/Variance Account	per kW		135	\$ -	\$ 0.1886	135	\$ 25.46	\$ 25.46	
Disposition Rate Rider			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
Low Voltage Service Charge	per kW	\$ 0.8403	135	\$ 113.44	\$ 1.4840	135	\$ 200.34	\$ 86.90	76.60%
Smart Meter Entity Charge						53835	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 702.36			\$ 915.36	\$ 213.00	30.33%
RTSR - Network and line	per kW	\$ 4.6269	135	\$ 624.63	\$ 3.5224	135	\$ 475.52	-\$ 149.11	-23.87%
			135	\$ -		135	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 1,326.99			\$ 1,390.89	\$ 63.89	4.81%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	53835	\$ 279.94	\$ 0.0052	53835	\$ 279.94	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	53835	\$ 69.99	\$ 0.0011	53835	\$ 59.22	-\$ 10.77	-15.38%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			53835	\$ -		53835	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	1000	\$ 75.00	\$ 0.0750	1000	\$ 75.00	\$ -	0.00%
Energy - RPP - Tier 2		\$ 0.0880	53403	\$ 4,699.43	\$ 0.0880	53410	\$ 4,700.11	\$ 0.68	0.01%
TOU - Off Peak		\$ 0.0650	34818	\$ 2,263.15	\$ 0.0650	34823	\$ 2,263.47	\$ 0.32	0.01%
TOU - Mid Peak		\$ 0.1000	9792	\$ 979.25	\$ 0.1000	9794	\$ 979.39	\$ 0.14	0.01%
TOU - On Peak		\$ 0.1170	9792	\$ 1,145.72	\$ 0.1170	9794	\$ 1,145.88	\$ 0.16	0.01%
Total Bill on RPP (before Taxes)				\$ 6,451.35			\$ 6,505.15	\$ 53.81	0.83%
HST		13%		\$ 838.68	13%		\$ 845.67	\$ 6.99	0.83%
Total Bill (including HST)				\$ 7,290.02			\$ 7,350.83	\$ 60.80	0.83%
Ontario Clean Energy Benefit ¹				-\$ 729.00			-\$ 735.08	-\$ 6.08	0.83%
Total Bill on RPP (including OCEB)				\$ 6,561.02			\$ 6,615.75	\$ 54.72	0.83%
Total Bill on TOU (before Taxes)				\$ 6,065.03			\$ 6,118.78	\$ 53.75	0.89%
HST		13%		\$ 788.45	13%		\$ 795.44	\$ 6.99	0.89%
Total Bill (including HST)				\$ 6,853.49			\$ 6,914.22	\$ 60.74	0.89%
Ontario Clean Energy Benefit ¹				-\$ 685.35			-\$ 691.42	-\$ 6.07	0.89%
Total Bill on TOU (including OCEB)				\$ 6,168.14			\$ 6,222.80	\$ 54.67	0.89%
Loss Factor (%)			1.0543%				1.0687%		

Bill Impacts

Customer Class: **Street Lights**

Consumption		15579 kWh		44					
	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 1.4000	311	\$ 435.40	\$ 1.9167	311	\$ 596.09	\$ 160.69	36.91%
Smart Meter Rate Adder	Monthly		1	\$ -		1	\$ -	\$ -	
Smart Meter Disposition Rider	Monthly		1	\$ -		1	\$ -	\$ -	
Stranded Meter Rate Rider	Monthly		1	\$ -		1	\$ -	\$ -	
Late Payment Charges	Monthly	\$ 0.0200	311	\$ 6.22		1	\$ -	\$ 6.22	-100.00%
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 17.6963	44	\$ 778.64	\$ 24.2280	44	\$ 1,066.03	\$ 287.39	36.91%
			15579	\$ -		15579	\$ -	\$ -	
LRAM & SSM Rate Rider		\$ -	15579	\$ -	\$ -	15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
			15579	\$ -		44	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
Sub-Total A				\$ 1,220.26			\$ 1,662.13	\$ 441.87	36.21%
Deferral/Variance Account	per kW		44	\$ -	\$ 0.0665	44	\$ 2.93	\$ 2.93	
Disposition Rate Rider			15579	\$ -		15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
Low Voltage Service Charge	per kW	\$ 0.6403	44	\$ 28.17	\$ 1.0466	44	\$ 46.05	\$ 17.88	63.45%
Smart Meter Entity Charge						15579	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 1,248.43			\$ 1,711.10	\$ 462.67	37.06%
RTSR - Network	per kW	\$ 2.7517	44	\$ 121.07	\$ 2.6835	44	\$ 118.07	\$ 3.00	-2.48%
RTSR - Line and Transformation Connection			44	\$ -		44	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 1,369.51			\$ 1,829.18	\$ 459.67	33.56%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	15579	\$ 81.01	\$ 0.0052	15579	\$ 81.01	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	15579	\$ 20.25	\$ 0.0011	15579	\$ 17.14	\$ 3.12	-15.38%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			15579	\$ -		15579	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	1000	\$ 75.00	\$ 0.0750	1000	\$ 75.00	\$ -	0.00%
Energy - RPP - Tier 2		\$ 0.0880	14743	\$ 1,297.41	\$ 0.0880	14745	\$ 1,297.60	\$ 0.20	0.02%
TOU - Off Peak		\$ 0.0650	10076	\$ 654.92	\$ 0.0650	10077	\$ 655.01	\$ 0.09	0.01%
TOU - Mid Peak		\$ 0.1000	2834	\$ 283.38	\$ 0.1000	2834	\$ 283.42	\$ 0.04	0.01%
TOU - On Peak		\$ 0.1170	2834	\$ 331.55	\$ 0.1170	2834	\$ 331.60	\$ 0.05	0.01%
Total Bill on RPP (before Taxes)				\$ 2,843.17			\$ 3,299.93	\$ 456.75	16.06%
HST		13%		\$ 369.61	13%		\$ 428.99	\$ 59.38	16.06%
Total Bill (including HST)				\$ 3,212.79			\$ 3,728.92	\$ 516.13	16.06%
Ontario Clean Energy Benefit ¹				\$ 321.28			\$ 372.89	\$ 51.61	16.06%
Total Bill on RPP (including OCEB)				\$ 2,891.51			\$ 3,356.03	\$ 464.52	16.06%
Total Bill on TOU (before Taxes)				\$ 2,740.62			\$ 3,197.36	\$ 456.74	16.67%
HST		13%		\$ 356.28	13%		\$ 415.66	\$ 59.38	16.67%
Total Bill (including HST)				\$ 3,096.90			\$ 3,613.01	\$ 516.11	16.67%
Ontario Clean Energy Benefit ¹				\$ 309.69			\$ 361.30	\$ 51.61	16.67%
Total Bill on TOU (including OCEB)				\$ 2,787.21			\$ 3,251.71	\$ 464.50	16.67%
Loss Factor (%)		1.0543%			1.0687%				

Bill Impacts

Customer Class: **Sentinel Lights**

Consumption		77 kWh		0.2					
Charge Unit		Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 1.2900	1	\$ 1.29	\$ 2.0748	1	\$ 2.07	\$ 0.78	60.84%
Smart Meter Rate Adder	Monthly		1	\$ -		1	\$ -	\$ -	
Smart Meter Disposition Rider	Monthly		1	\$ -		1	\$ -	\$ -	
Stranded Meter Rate Rider	Monthly		1	\$ -		1	\$ -	\$ -	
Late Payment Charges	Monthly	\$ 0.0300	1	\$ 0.03		1	\$ -	-\$ 0.03	-100.00%
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 10.3652	0.2	\$ 2.07	\$ 16.6708	0.2	\$ 3.33	\$ 1.26	60.83%
			77	\$ -		77	\$ -	\$ -	
LRAM & SSM Rate Rider		\$ -	77	\$ -	\$ -	77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
			77	\$ -		0.2	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
Sub-Total A				\$ 3.39			\$ 5.41	\$ 2.02	59.41%
Deferral/Variance Account	per kW		0.2	\$ -	\$ 0.1314	0.2	\$ 0.03	\$ 0.03	
Disposition Rate Rider			77	\$ -		77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
Low Voltage Service Charge	per kW	\$ 0.6410	0.2	\$ 0.13	\$ 1.0684	0.2	\$ 0.21	\$ 0.09	66.68%
Smart Meter Entity Charge						77	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 3.52			\$ 5.65	\$ 2.13	60.42%
RTSR - Network and Line	per kW	\$ 2.7832	0.2	\$ 0.56	\$ 2.7147	0	\$ 0.54	-\$ 0.01	-2.46%
			0	\$ -		0	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 4.08			\$ 6.19	\$ 2.11	51.84%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	77	\$ 0.40	\$ 0.0052	77	\$ 0.40	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	77	\$ 0.10	\$ 0.0011	77	\$ 0.08	-\$ 0.02	-15.38%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			77	\$ -		77	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	78	\$ 5.84	\$ 0.0750	78	\$ 5.84	\$ 0.00	0.01%
Energy - RPP - Tier 2		\$ 0.0880	0	\$ -	\$ 0.0880	0	\$ -	\$ -	
TOU - Off Peak		\$ 0.0650	50	\$ 3.24	\$ 0.0650	50	\$ 3.24	\$ 0.00	0.01%
TOU - Mid Peak		\$ 0.1000	14	\$ 1.40	\$ 0.1000	14	\$ 1.40	\$ 0.00	0.01%
TOU - On Peak		\$ 0.1170	14	\$ 1.64	\$ 0.1170	14	\$ 1.64	\$ 0.00	0.01%
Total Bill on RPP (before Taxes)				\$ 10.41			\$ 12.51	\$ 2.10	20.16%
HST	13%			\$ 1.35	13%		\$ 1.63	\$ 0.27	20.16%
Total Bill (including HST)				\$ 11.77			\$ 14.14	\$ 2.37	20.16%
<i>Ontario Clean Energy Benefit ¹</i>				-\$ 1.18			-\$ 1.41	-\$ 0.23	19.49%
Total Bill on RPP (including OCEB)				\$ 10.59			\$ 12.73	\$ 2.14	20.23%
Total Bill on TOU (before Taxes)				\$ 10.85			\$ 12.95	\$ 2.10	19.34%
HST	13%			\$ 1.41	13%		\$ 1.68	\$ 0.27	19.34%
Total Bill (including HST)				\$ 12.27			\$ 14.64	\$ 2.37	19.34%
<i>Ontario Clean Energy Benefit ¹</i>				-\$ 1.23			-\$ 1.46	-\$ 0.23	18.70%
Total Bill on TOU (including OCEB)				\$ 11.04			\$ 13.18	\$ 2.14	19.41%
Loss Factor (%)		1.0543%		1.0687%					

Customer Class: Unmetered Scattered Loads

Consumption	555
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[illegible]

Loss Factor (%)	1.0543%
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1.0687%

Deferred Revenue to the 2013 IRM Application

The foregone revenue volumetric rate rider to be included in the 2013 IRM rate year to be recovered over a 1 year period from May 1, 2013 to April 30, 2014 is calculated as follows based on forecast distribution revenue:

Rate Class	Amount for Disposition	2012 Forecast Quantities	Billing Factor	# of Years	Volumetric Rate Rider
Residential	163,150	32,680,721	kWh	1	0.0050
General Service < 50	55,994	11,265,899	kWh	1	0.0050
General Service > 50	35,232	44,054	KW	1	0.7997
USL	1,262	213,280	kWh	1	0.0059
Sentinel Lights	285	66	KW	1	4.3158
Street Lights	10,922	1,766	KW	1	6.1847
Total	266,846				

Bill Impacts in 2013 IRM Application

The bill impact for a typical residential customer consuming 800 kWh for the deferred foregone rate rider proposed to be recovered over a 1 year period in the 2013 IRM application is 3.60%. This impact is excluding any other adjustments resulting from the IRM application. The total bill impact is included below:

Bill Impacts

Customer Class: Residential									
Consumption		800 kWh							
	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 13.5900	1	\$ 13.59	\$ 13.5900	1	\$ 13.59	\$ -	0.00%
Smart Meter Rate Adder	Monthly		1	\$ -		1	\$ -	\$ -	
Smart Meter Disposition Rider	Monthly	\$ 1.1200	1	\$ 1.12	\$ 1.1200	1	\$ 1.12	\$ -	0.00%
Stranded Meter Rate Rider	Monthly	\$ 0.5200	1	\$ 0.52	\$ 0.5200	1	\$ 0.52	\$ -	0.00%
Late Payment Charges	Monthly		1	\$ -		1	\$ -	\$ -	
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0164	800	\$ 13.12	\$ 0.0164	800	\$ 13.12	\$ -	0.00%
			800	\$ -		800	\$ -	\$ -	
LRAM & SSM Rate Rider	per kWh	\$ 0.0012	800	\$ 0.96	\$ 0.0012	800	\$ 0.96	\$ -	0.00%
			800	\$ -		800	\$ -	\$ -	
Foregone Revenue Rate Rider			800	\$ -	\$ 0.0050	800	\$ 4.00	\$ 4.00	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
Sub-Total A				\$ 29.31			\$ 33.31	\$ 4.00	13.65%
Deferral/Variance Account	per kWh	\$ 0.0004	800	\$ 0.32	\$ 0.0004	800	\$ 0.32	\$ -	0.00%
Disposition Rate Rider			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
Low Voltage Service Charge	per kWh	\$ 0.0037	800	\$ 2.96	\$ 0.0037	800	\$ 2.96	\$ -	0.00%
Smart Meter Entity Charge						800	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 32.59			\$ 36.59	\$ 4.00	12.27%
RTSR - Network and Line		\$ 0.0097	809	\$ 7.84	\$ 0.0097	809	\$ 7.84	\$ -	0.00%
			809	\$ -		809	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 40.43			\$ 44.43	\$ 4.00	9.89%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	809	\$ 4.20	\$ 0.0052	809	\$ 4.20	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0011	809	\$ 0.89	\$ 0.0011	809	\$ 0.89	\$ -	0.00%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			809	\$ -		809	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	600	\$ 45.00	\$ 0.0750	600	\$ 45.00	\$ -	0.00%
Energy - RPP - Tier 2		\$ 0.0880	209	\$ 18.35	\$ 0.0880	209	\$ 18.35	\$ -	0.00%
TOU - Off Peak		\$ 0.0650	517	\$ 33.64	\$ 0.0650	517	\$ 33.64	\$ -	0.00%
TOU - Mid Peak		\$ 0.1000	146	\$ 14.55	\$ 0.1000	146	\$ 14.55	\$ -	0.00%
TOU - On Peak		\$ 0.1170	146	\$ 17.03	\$ 0.1170	146	\$ 17.03	\$ -	0.00%
Total Bill on RPP (before Taxes)				\$ 108.88			\$ 112.88	\$ 4.00	3.67%
HST	13%			\$ 14.15	13%		\$ 14.67	\$ 0.52	3.67%
Total Bill (including HST)				\$ 123.03			\$ 127.55	\$ 4.52	3.67%
<i>Ontario Clean Energy Benefit ¹</i>				\$ 12.30			\$ 12.76	\$ 0.46	3.74%
Total Bill on RPP (including OCEB)				\$ 110.73			\$ 114.79	\$ 4.06	3.67%
Total Bill on TOU (before Taxes)				\$ 110.74			\$ 114.74	\$ 4.00	3.61%
HST	13%			\$ 14.40	13%		\$ 14.92	\$ 0.52	3.61%
Total Bill (including HST)				\$ 125.14			\$ 129.66	\$ 4.52	3.61%
<i>Ontario Clean Energy Benefit ¹</i>				\$ 12.51			\$ 12.97	\$ 0.46	3.68%
Total Bill on TOU (including OCEB)				\$ 112.63			\$ 116.69	\$ 4.06	3.60%

BILL IMPACTS SCENARIO 2

In scenario 2 the foregone revenue rate rider is included and recovered over 3.5 years starting November 1, 2012 until April 30, 2016. The calculation of the foregone revenue is included below:

Rate Class	Amount for Disposition	2012 Forecast Quantities	Billing Factor	# of Years	Volumetric Rate Rider
Residential	163,150	32,680,721	kWh	3.5	0.0014
General Service < 50	55,994	11,265,899	kWh	3.5	0.0014
General Service > 50	35,232	44,054	KW	3.5	0.2285
USL	1,262	213,280	kWh	3.5	0.0017
Sentinel Lights	285	66	KW	3.5	1.2331
Street Lights	10,922	1,766	KW	3.5	1.7671
Total	266,846				

In scenario 2 the SMDR and the SMRR recovery is deferred until the 2013 IRM application and recovered over a 1 year period from May 1, 2013 until April 30, 2014. The calculation of the SMDR and the SMRR monthly charge is included below:

Smart Meter Actual Cost Recovery Rate Rider - SMDR Calculated by Rate Class				
	Total	Residential	GS < 50	GS > 50
Allocators				
Average Smart Meter Unit Cost		\$ 191.53	\$ 251.74	\$ 894.92
Smart Meter Cost	\$ 675,907	\$ 547,188	\$ 107,240	\$ 21,478
Allocation of Smart Meter Costs	100.00%	80.96%	15.87%	3.18%
Number of meters installed	3,307	2,857	426	24
Allocation of Number of meters installed	100.00%	86.39%	12.88%	0.73%
Total Return (deemed interest plus return)	\$ 96,687	\$ 78,274	\$ 15,340	\$ 3,072
Amortization	\$ 107,917	\$ 87,365	\$ 17,122	\$ 3,429
OM&A	\$ 106,633	\$ 92,123	\$ 13,736	\$ 774
Revenue Requirement before PILs	\$ 311,237	\$ 257,762	\$ 46,199	\$ 7,275
PILs	\$ 16,573	\$ 13,725	\$ 2,460	\$ 387
Total Revenue Requirement 2006 to 2011	\$ 327,810	\$ 271,488	\$ 48,659	\$ 7,663
	100.00%	82.82%	14.84%	2.34%
Smart Meter Rate Adder Revenues	(\$141,740)	(\$122,274)	(\$18,455)	(\$1,011)
Carrying Charge SMFA	(\$5,422)	(\$4,677)	(\$706)	(\$39)
Carrying Charge Deferred Expenses	\$3,444	\$2,852	\$511	\$80
Smart Meter True-up	\$ 184,091	\$ 152,462	\$ 27,326	\$ 3,564
Less Amount recovered in Foregone Rate Rider for May 1, 2012 to Nov 1, 2012	-\$ 22,995	-\$ 19,132	-\$ 3,417	-\$ 446
Total	\$ 161,096	\$ 133,330	\$ 23,909	\$ 3,118
Metered Customers per 2012 test year forecast	3,299	2,847	425	27
Rate Rider to Recover Smart Meter Costs (per customer per month)	\$ 4.07	\$ 3.90	\$ 4.69	\$ 9.62
1 Year Rate Rider (per customer per month)	4.07	3.90	4.69	9.62

Stranded Smart Meter Recovery Rate Rider Calculated by Rate Class				
	Total	Residential	GS < 50	GS > 50
Allocators				
Average Smart Meter Unit Cost		\$ 190.06	\$ 265.45	\$ 894.92
Smart Meter Cost	\$ 675,907	\$ 547,188	\$ 107,240	\$ 21,478
Allocation of Smart Meter Costs	100.00%	80.96%	15.87%	3.18%
Number of meters installed	3,307	2,879	404	24
Allocation of Number of meters installed	100.00%	87.06%	12.22%	0.73%
Stranded Meter Costs	\$87,767			
Costs Allocated by Rate Class		\$71,053	\$13,925	\$2,789
Less Amount recovered in Foregone Rate Rider for May 1, 2012 to Nov 1, 2012	(\$10,978)	(\$8,883)	(\$1,747)	(\$348)
Total	\$76,789	\$62,170	\$12,178	\$2,441
Metered Customers per 2012 test year forecast	3,299	2,847	425	27
Rate Rider to Recover Stranded Meter Costs (per month)		\$ 1.82	\$ 2.39	\$ 7.53
1 Year Rate Rider (per customer per month)		1.82	2.39	7.53

Bill Impacts Scenario 2

Customer Class: **Residential**

Consumption **800** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 9.9600	1	\$ 9.96	\$ 13.5900	1	\$ 13.59	\$ 3.63	36.45%
Smart Meter Rate Adder	Monthly	\$ 1.0000	1	\$ 1.00	\$ -	1	\$ -	-\$ 1.00	-100.00%
Smart Meter Disposition Rider	Monthly		1	\$ -	\$ -	1	\$ -	\$ -	
Stranded Meter Rate Rider	Monthly		1	\$ -	\$ -	1	\$ -	\$ -	
Late Payment Charges	Monthly	\$ 0.1800	1	\$ 0.18	\$ -	1	\$ -	-\$ 0.18	-100.00%
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0120	800	\$ 9.60	\$ 0.0164	800	\$ 13.12	\$ 3.52	36.67%
			800	\$ -		800	\$ -	\$ -	
LRAM & SSM Rate Rider	per kWh	\$ -	800	\$ -	\$ 0.0012	800	\$ 0.96	\$ 0.96	
			800	\$ -		800	\$ -	\$ -	
Foregone Revenue Rate Rider	per kWh		800	\$ -	\$ 0.0014	800	\$ 1.12	\$ 1.12	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
Sub-Total A				\$ 20.74			\$ 28.79	\$ 8.05	38.81%
Deferral/Variance Account	per kWh		800	\$ -	\$ 0.0004	800	\$ 0.32	\$ 0.32	
Disposition Rate Rider			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
Low Voltage Service Charge	per kWh	\$ 0.0023	800	\$ 1.84	\$ 0.0037	800	\$ 2.96	\$ 1.12	60.87%
Smart Meter Entity Charge						800	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 22.58			\$ 32.07	\$ 9.49	42.03%
RTSR - Network and Line		\$ 0.0099	808	\$ 8.00	\$ 0.0097	809	\$ 7.84	-\$ 0.16	-2.01%
			808	\$ -		809	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 30.58			\$ 39.91	\$ 9.33	30.50%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	808	\$ 4.20	\$ 0.0052	809	\$ 4.20	\$ 0.00	0.01%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	808	\$ 1.05	\$ 0.0011	809	\$ 0.89	-\$ 0.16	-15.37%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			808	\$ -		809	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	600	\$ 45.00	\$ 0.0750	600	\$ 45.00	\$ -	0.00%
Energy - RPP - Tier 2		\$ 0.0880	208	\$ 18.34	\$ 0.0880	209	\$ 18.35	\$ 0.01	0.06%
TOU - Off Peak		\$ 0.0650	517	\$ 33.63	\$ 0.0650	517	\$ 33.64	\$ 0.00	0.01%
TOU - Mid Peak		\$ 0.1000	146	\$ 14.55	\$ 0.1000	146	\$ 14.55	\$ 0.00	0.01%
TOU - On Peak		\$ 0.1170	146	\$ 17.03	\$ 0.1170	146	\$ 17.03	\$ 0.00	0.01%
Total Bill on RPP (before Taxes)				\$ 99.18			\$ 108.36	\$ 9.18	9.25%
HST		13%		\$ 12.89	13%		\$ 14.09	\$ 1.19	9.25%
Total Bill (including HST)				\$ 112.07			\$ 122.45	\$ 10.37	9.25%
<i>Ontario Clean Energy Benefit ¹</i>				-\$ 11.21			-\$ 12.24	-\$ 1.03	9.19%
Total Bill on RPP (including OCEB)				\$ 100.86			\$ 110.21	\$ 9.34	9.26%
Total Bill on TOU (before Taxes)				\$ 101.05			\$ 110.22	\$ 9.18	9.08%
HST		13%		\$ 13.14	13%		\$ 14.33	\$ 1.19	9.08%
Total Bill (including HST)				\$ 114.18			\$ 124.55	\$ 10.37	9.08%
<i>Ontario Clean Energy Benefit ¹</i>				-\$ 11.42			-\$ 12.46	-\$ 1.04	9.11%
Total Bill on TOU (including OCEB)				\$ 102.76			\$ 112.09	\$ 9.33	9.08%

Loss Factor (%)

1.0543%

1.0687%

Bill Impacts Scenario 2

Customer Class: **Residential**

Consumption **957** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 9.9600	1	\$ 9.96	\$ 13.59	1	\$ 13.59	\$ 3.63	36.45%
Smart Meter Rate Adder	Monthly	\$ 1.0000	1	\$ 1.00	\$ -	1	\$ -	-\$ 1.00	-100.00%
Smart Meter Disposition Rider	Monthly		1	\$ -	\$ -	1	\$ -	\$ -	
Stranded Meter Rate Rider	Monthly		1	\$ -	\$ -	1	\$ -	\$ -	
Late Payment Charges	Monthly	\$ 0.1800	1	\$ 0.18	\$ -	1	\$ -	-\$ 0.18	-100.00%
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0120	957	\$ 11.48	\$ 0.0164	957	\$ 15.69	\$ 4.21	36.67%
			957	\$ -		957	\$ -	\$ -	
LRAM & SSM Rate Rider	per kWh	\$ -	957	\$ -	\$ 0.0012	957	\$ 1.15	\$ 1.15	
			957	\$ -		957	\$ -	\$ -	
Foregone Revenue Rate Rider	per kWh		957	\$ -	\$ 0.0014	957	\$ 1.34	\$ 1.34	
			957	\$ -		957	\$ -	\$ -	
			957	\$ -		957	\$ -	\$ -	
			957	\$ -		957	\$ -	\$ -	
			957	\$ -		957	\$ -	\$ -	
			957	\$ -		957	\$ -	\$ -	
Sub-Total A				\$ 22.62			\$ 31.77	\$ 9.15	40.44%
Deferral/Variance Account	per kWh		957	\$ -	\$ 0.0004	957	\$ 0.38	\$ 0.38	
Disposition Rate Rider			957	\$ -		957	\$ -	\$ -	
			957	\$ -		957	\$ -	\$ -	
			957	\$ -		957	\$ -	\$ -	
Low Voltage Service Charge	per kWh	\$ 0.0023	957	\$ 2.20	\$ 0.0037	957	\$ 3.54	\$ 1.34	60.87%
Smart Meter Entity Charge						957	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 24.83			\$ 35.70	\$ 10.87	43.79%
RTSR - Network and Line		\$ 0.0099	967	\$ 9.57	\$ 0.0097	967	\$ 9.38	-\$ 0.19	-2.01%
			967	\$ -		967	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 34.40			\$ 45.08	\$ 10.68	31.05%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	967	\$ 5.03	\$ 0.0052	967	\$ 5.03	\$ 0.00	0.01%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	967	\$ 1.26	\$ 0.0011	967	\$ 1.06	-\$ 0.19	-15.37%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			967	\$ -		967	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	600	\$ 45.00	\$ 0.0750	600	\$ 45.00	\$ -	0.00%
Energy - RPP - Tier 2		\$ 0.0880	367	\$ 32.30	\$ 0.0880	367	\$ 32.32	\$ 0.01	0.04%
TOU - Off Peak		\$ 0.0650	619	\$ 40.23	\$ 0.0650	619	\$ 40.24	\$ 0.01	0.01%
TOU - Mid Peak		\$ 0.1000	174	\$ 17.41	\$ 0.1000	174	\$ 17.41	\$ 0.00	0.01%
TOU - On Peak		\$ 0.1170	174	\$ 20.37	\$ 0.1170	174	\$ 20.37	\$ 0.00	0.01%
Total Bill on RPP (before Taxes)				\$ 117.99			\$ 128.49	\$ 10.50	8.90%
HST		13%		\$ 15.34	13%		\$ 16.70	\$ 1.36	8.90%
Total Bill (including HST)				\$ 133.33			\$ 145.19	\$ 11.86	8.90%
<i>Ontario Clean Energy Benefit ¹</i>				-\$ 13.33			-\$ 14.52	-\$ 1.19	8.93%
Total Bill on RPP (including OCEB)				\$ 120.00			\$ 130.67	\$ 10.67	8.90%
Total Bill on TOU (before Taxes)				\$ 118.69			\$ 129.19	\$ 10.50	8.84%
HST		13%		\$ 15.43	13%		\$ 16.79	\$ 1.36	8.84%
Total Bill (including HST)				\$ 134.12			\$ 145.98	\$ 11.86	8.84%
<i>Ontario Clean Energy Benefit ¹</i>				-\$ 13.41			-\$ 14.60	-\$ 1.19	8.87%
Total Bill on TOU (including OCEB)				\$ 120.71			\$ 131.38	\$ 10.67	8.84%

Loss Factor (%)

1.0543%

1.0687%

Bill Impacts Scenario 2

Customer Class: **General Service < 50kW**

Consumption **2000** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 17.9500	1	\$ 17.95	\$ 24.3600	1	\$ 24.36	\$ 6.41	35.71%
Smart Meter Rate Adder	Monthly	\$ 1.0000	1	\$ 1.00	\$ -	1	\$ -	-\$ 1.00	-100.00%
Smart Meter Disposition Rider	Monthly		1	\$ -	\$ -	1	\$ -	\$ -	
Stranded Meter Rate Rider	Monthly		1	\$ -	\$ -	1	\$ -	\$ -	
Late Payment Charges	Monthly	\$ 0.4200	1	\$ 0.42	\$ -	1	\$ -	-\$ 0.42	-100.00%
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0147	2000	\$ 29.40	\$ 0.0200	2000	\$ 40.00	\$ 10.60	36.05%
			2000	\$ -		2000	\$ -	\$ -	
LRAM & SSM Rate Rider	per kWh	\$ -	2000	\$ -	\$ -	2000	\$ -	\$ -	
			2000	\$ -		2000	\$ -	\$ -	
Foregone Revenue Rate Rider	per kWh		2000	\$ -	\$ 0.0014	2000	\$ 2.80	\$ 2.80	
			2000	\$ -		2000	\$ -	\$ -	
			2000	\$ -		2000	\$ -	\$ -	
			2000	\$ -		2000	\$ -	\$ -	
			2000	\$ -		2000	\$ -	\$ -	
			2000	\$ -		2000	\$ -	\$ -	
Sub-Total A				\$ 48.77			\$ 67.16	\$ 18.39	37.71%
Deferral/Variance Account	per kWh		2000	\$ -	\$ 0.0004	2000	\$ 0.80	\$ 0.80	
Disposition Rate Rider			2000	\$ -		2000	\$ -	\$ -	
			2000	\$ -		2000	\$ -	\$ -	
			2000	\$ -		2000	\$ -	\$ -	
Low Voltage Service Charge	per kWh	\$ 0.0021	2000	\$ 4.20	\$ 0.0035	2000	\$ 7.00	\$ 2.80	66.67%
Smart Meter Entity Charge						2000	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 52.97			\$ 74.96	\$ 21.99	41.51%
RTSR - Network and Line		\$ 0.0091	2021	\$ 18.39	\$ 0.0089	2021	\$ 17.99	-\$ 0.40	-2.18%
			2021	\$ -		2021	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 71.36			\$ 92.95	\$ 21.59	30.25%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	2021	\$ 10.51	\$ 0.0052	2021	\$ 10.51	\$ 0.00	0.01%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	2021	\$ 2.63	\$ 0.0011	2021	\$ 2.22	-\$ 0.40	-15.37%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			2021	\$ -		2021	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	FALSE	\$ -	\$ 0.0750	FALSE	\$ -	\$ -	
Energy - RPP - Tier 2		\$ 0.0880	FALSE	\$ -	\$ 0.0880	FALSE	\$ -	\$ -	
TOU - Off Peak		\$ 0.0650	1293	\$ 84.08	\$ 0.0650	1294	\$ 84.09	\$ 0.01	0.01%
TOU - Mid Peak		\$ 0.1000	364	\$ 36.38	\$ 0.1000	364	\$ 36.38	\$ 0.01	0.01%
TOU - On Peak		\$ 0.1170	364	\$ 42.56	\$ 0.1170	364	\$ 42.57	\$ 0.01	0.01%
Total Bill on RPP (before Taxes)				\$ 84.50			\$ 105.68	\$ 21.19	25.07%
HST		13%		\$ 10.98	13%		\$ 13.74	\$ 2.75	25.07%
Total Bill (including HST)				\$ 95.48			\$ 119.42	\$ 23.94	25.07%
<i>Ontario Clean Energy Benefit ¹</i>				-\$ 9.55			-\$ 11.94	-\$ 2.39	25.03%
Total Bill on RPP (including OCEB)				\$ 85.93			\$ 107.48	\$ 21.55	25.08%
Total Bill on TOU (before Taxes)				\$ 247.52			\$ 268.73	\$ 21.21	8.57%
HST		13%		\$ 32.18	13%		\$ 34.93	\$ 2.76	8.57%
Total Bill (including HST)				\$ 279.70			\$ 303.66	\$ 23.97	8.57%
<i>Ontario Clean Energy Benefit ¹</i>				-\$ 27.97			-\$ 30.37	-\$ 2.40	8.58%
Total Bill on TOU (including OCEB)				\$ 251.73			\$ 273.29	\$ 21.57	8.57%

Loss Factor (%)

1.0543%

1.0687%

Bill Impacts Scenario 2

Customer Class: **General Service < 50kW**

Consumption **2209** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 17.9500	1	\$ 17.95	\$ 24.3600	1	\$ 24.36	\$ 6.41	35.71%
Smart Meter Rate Adder	Monthly	\$ 1.0000	1	\$ 1.00	\$ -	1	\$ -	-\$ 1.00	-100.00%
Smart Meter Disposition Rider	Monthly		1	\$ -	\$ -	1	\$ -	\$ -	
Stranded Meter Rate Rider	Monthly		1	\$ -	\$ -	1	\$ -	\$ -	
Late Payment Charges	Monthly	\$ 0.4200	1	\$ 0.42	\$ -	1	\$ -	-\$ 0.42	-100.00%
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0147	2209	\$ 32.47	\$ 0.0200	2209	\$ 44.18	\$ 11.71	36.05%
			2209	\$ -		2209	\$ -	\$ -	
LRAM & SSM Rate Rider	per kWh	\$ -	2209	\$ -	\$ -	2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
Foregone Revenue Rate Rider	per kWh		2209	\$ -	\$ 0.0014	2209	\$ 3.09	\$ 3.09	
			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
Sub-Total A				\$ 51.84			\$ 71.63	\$ 19.79	38.17%
Deferral/Variance Account	per kWh		2209	\$ -	\$ 0.0004	2209	\$ 0.88	\$ 0.88	
Disposition Rate Rider			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
			2209	\$ -		2209	\$ -	\$ -	
Low Voltage Service Charge	per kWh	\$ 0.0021	2209	\$ 4.64	\$ 0.0035	2209	\$ 7.73	\$ 3.09	66.67%
Smart Meter Entity Charge						2209	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 56.48			\$ 80.25	\$ 23.77	42.08%
RTSR - Network and Line		\$ 0.0091	2232	\$ 20.31	\$ 0.0089	2233	\$ 19.87	-\$ 0.44	-2.18%
			2232	\$ -		2233	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 76.80			\$ 100.12	\$ 23.32	30.37%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	2232	\$ 11.61	\$ 0.0052	2233	\$ 11.61	\$ 0.00	0.01%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	2232	\$ 2.90	\$ 0.0011	2233	\$ 2.46	-\$ 0.45	-15.37%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			2232	\$ -		2233	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	600	\$ 45.00	\$ 0.0750	600	\$ 45.00	\$ -	0.00%
Energy - RPP - Tier 2		\$ 0.0880	1632	\$ 143.64	\$ 0.0880	1633	\$ 143.67	\$ 0.03	0.02%
TOU - Off Peak		\$ 0.0650	1429	\$ 92.86	\$ 0.0650	1429	\$ 92.88	\$ 0.01	0.01%
TOU - Mid Peak		\$ 0.1000	402	\$ 40.18	\$ 0.1000	402	\$ 40.19	\$ 0.01	0.01%
TOU - On Peak		\$ 0.1170	402	\$ 47.01	\$ 0.1170	402	\$ 47.02	\$ 0.01	0.01%
Total Bill on RPP (before Taxes)				\$ 279.95			\$ 302.85	\$ 22.91	8.18%
HST		13%		\$ 36.39	13%		\$ 39.37	\$ 2.98	8.18%
Total Bill (including HST)				\$ 316.34			\$ 342.22	\$ 25.88	8.18%
Ontario Clean Energy Benefit ¹				-\$ 31.63			-\$ 34.22	-\$ 2.59	8.19%
Total Bill on RPP (including OCEB)				\$ 284.71			\$ 308.00	\$ 23.29	8.18%
Total Bill on TOU (before Taxes)				\$ 271.36			\$ 294.27	\$ 22.90	8.44%
HST		13%		\$ 35.28	13%		\$ 38.25	\$ 2.98	8.44%
Total Bill (including HST)				\$ 306.64			\$ 332.52	\$ 25.88	8.44%
Ontario Clean Energy Benefit ¹				-\$ 30.66			-\$ 33.25	-\$ 2.59	8.45%
Total Bill on TOU (including OCEB)				\$ 275.98			\$ 299.27	\$ 23.29	8.44%

Loss Factor (%)

1.0543%

1.0687%

Bill Impacts Scenario 2

Customer Class: **General Service > 50 kW**

Consumption		53835 kWh							
		135 kW							
		Current Board-Approved			Proposed			Impact	
	Charge Unit	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 161.3600	1	\$ 161.36	\$ 189.7500	1	\$ 189.75	\$ 28.39	17.59%
Smart Meter Rate Adder	Monthly	\$ 1.0000	1	\$ 1.00		1	\$ -	-\$ 1.00	-100.00%
Smart Meter Disposition Rider	Monthly		1	\$ -	\$ -	1	\$ -	\$ -	
Stranded Meter Rate Rider	Monthly		1	\$ -	\$ -	1	\$ -	\$ -	
Late Payment Charges	Monthly	\$ 0.4200	1	\$ 0.42		1	\$ -	-\$ 0.42	-100.00%
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 3.1566	135	\$ 426.14	\$ 3.6660	135	\$ 494.91	\$ 68.77	16.14%
			53835	\$ -		53835	\$ -	\$ -	
LRAM & SSM Rate Rider		\$ -	53835	\$ -	\$ -	53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
Foregone Revenue Rate Rider	per kWh		53835	\$ -	\$ 0.2285	135	\$ 30.85	\$ 30.85	
			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
Sub-Total A				\$ 588.92			\$ 715.51	\$ 126.59	21.49%
Deferral/Variance Account	per kW		135	\$ -	\$ 0.1886	135	\$ 25.46	\$ 25.46	
Disposition Rate Rider			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
			53835	\$ -		53835	\$ -	\$ -	
Low Voltage Service Charge	per kW	\$ 0.8403	135	\$ 113.44	\$ 1.4840	135	\$ 200.34	\$ 86.90	76.60%
Smart Meter Entity Charge						53835	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 702.36			\$ 941.31	\$ 238.95	34.02%
RTSR - Network and line	per kW	\$ 4.6269	135	\$ 624.63	\$ 3.5224	135	\$ 475.52	-\$ 149.11	-23.87%
			135	\$ -		135	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 1,326.99			\$ 1,416.83	\$ 89.84	6.77%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	53835	\$ 279.94	\$ 0.0052	53835	\$ 279.94	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	53835	\$ 69.99	\$ 0.0011	53835	\$ 59.22	-\$ 10.77	-15.38%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			53835	\$ -		53835	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	1000	\$ 75.00	\$ 0.0750	1000	\$ 75.00	\$ -	0.00%
Energy - RPP - Tier 2		\$ 0.0880	53403	\$ 4,699.43	\$ 0.0880	53410	\$ 4,700.11	\$ 0.68	0.01%
TOU - Off Peak		\$ 0.0650	34818	\$ 2,263.15	\$ 0.0650	34823	\$ 2,263.47	\$ 0.32	0.01%
TOU - Mid Peak		\$ 0.1000	9792	\$ 979.25	\$ 0.1000	9794	\$ 979.39	\$ 0.14	0.01%
TOU - On Peak		\$ 0.1170	9792	\$ 1,145.72	\$ 0.1170	9794	\$ 1,145.88	\$ 0.16	0.01%
Total Bill on RPP (before Taxes)				\$ 6,451.35			\$ 6,531.10	\$ 79.75	1.24%
HST		13%		\$ 838.68	13%		\$ 849.04	\$ 10.37	1.24%
Total Bill (including HST)				\$ 7,290.02			\$ 7,380.15	\$ 90.12	1.24%
Ontario Clean Energy Benefit ¹				-\$ 729.00			-\$ 738.01	-\$ 9.01	1.24%
Total Bill on RPP (including OCEB)				\$ 6,561.02			\$ 6,642.14	\$ 81.11	1.24%
Total Bill on TOU (before Taxes)				\$ 6,065.03			\$ 6,144.73	\$ 79.70	1.31%
HST		13%		\$ 788.45	13%		\$ 798.81	\$ 10.36	1.31%
Total Bill (including HST)				\$ 6,853.49			\$ 6,943.55	\$ 90.06	1.31%
Ontario Clean Energy Benefit ¹				-\$ 685.35			-\$ 694.35	-\$ 9.00	1.31%
Total Bill on TOU (including OCEB)				\$ 6,168.14			\$ 6,249.20	\$ 81.06	1.31%
Loss Factor (%)		1.0543%				1.0687%			

Bill Impacts Scenario 2

Customer Class: Street Lights									
Consumption		15579 kWh							
		44							
	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 1.4000	311	\$ 435.40	\$ 1.9167	311	\$ 596.09	\$ 160.69	36.91%
Smart Meter Rate Adder	Monthly		1	\$ -		1	\$ -	\$ -	
Smart Meter Disposition Rider	Monthly		1	\$ -		1	\$ -	\$ -	
Stranded Meter Rate Rider	Monthly		1	\$ -		1	\$ -	\$ -	
Late Payment Charges	Monthly	\$ 0.0200	311	\$ 6.22		1	\$ -	\$ -6.22	-100.00%
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 17.6963	44	\$ 778.64	\$ 24.2280	44	\$ 1,066.03	\$ 287.39	36.91%
			15579	\$ -		15579	\$ -	\$ -	
LRAM & SSM Rate Rider		\$ -	15579	\$ -	\$ -	15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
Foregone Revenue Rate Rider	per kWh		15579	\$ -	\$ 1.7674	44	\$ 77.77	\$ 77.77	
			15579	\$ -		15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
Sub-Total A				\$ 1,220.26			\$ 1,739.89	\$ 519.63	42.58%
Deferral/Variance Account	per kW		44	\$ -	\$ 0.0665	44	\$ 2.93	\$ 2.93	
Disposition Rate Rider			15579	\$ -		15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
			15579	\$ -		15579	\$ -	\$ -	
Low Voltage Service Charge	per kW	\$ 0.6403	44	\$ 28.17	\$ 1.0466	44	\$ 46.05	\$ 17.88	63.45%
Smart Meter Entity Charge						15579	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 1,248.43			\$ 1,788.87	\$ 540.44	43.29%
RTSR - Network	per kW	\$ 2.7517	44	\$ 121.07	\$ 2.6835	44	\$ 118.07	\$ -3.00	-2.48%
RTSR - Line and Transformation Connection			44	\$ -		44	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 1,369.51			\$ 1,906.94	\$ 537.44	39.24%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	15579	\$ 81.01	\$ 0.0052	15579	\$ 81.01	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	15579	\$ 20.25	\$ 0.0011	15579	\$ 17.14	\$ -3.12	-15.38%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			15579	\$ -		15579	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	1000	\$ 75.00	\$ 0.0750	1000	\$ 75.00	\$ -	0.00%
Energy - RPP - Tier 2		\$ 0.0880	14743	\$ 1,297.41	\$ 0.0880	14745	\$ 1,297.60	\$ 0.20	0.02%
TOU - Off Peak		\$ 0.0650	10076	\$ 654.92	\$ 0.0650	10077	\$ 655.01	\$ 0.09	0.01%
TOU - Mid Peak		\$ 0.1000	2834	\$ 283.38	\$ 0.1000	2834	\$ 283.42	\$ 0.04	0.01%
TOU - On Peak		\$ 0.1170	2834	\$ 331.55	\$ 0.1170	2834	\$ 331.60	\$ 0.05	0.01%
Total Bill on RPP (before Taxes)				\$ 2,843.17			\$ 3,377.69	\$ 534.52	18.80%
HST		13%		\$ 369.61	13%		\$ 439.10	\$ 69.49	18.80%
Total Bill (including HST)				\$ 3,212.79			\$ 3,816.79	\$ 604.01	18.80%
Ontario Clean Energy Benefit ¹				-\$ 321.28			-\$ 381.68	-\$ 60.40	18.80%
Total Bill on RPP (including OCEB)				\$ 2,891.51			\$ 3,435.11	\$ 543.61	18.80%
Total Bill on TOU (before Taxes)				\$ 2,740.62			\$ 3,275.12	\$ 534.50	19.50%
HST		13%		\$ 356.28	13%		\$ 425.77	\$ 69.49	19.50%
Total Bill (including HST)				\$ 3,096.90			\$ 3,700.89	\$ 603.99	19.50%
Ontario Clean Energy Benefit ¹				-\$ 309.69			-\$ 370.09	-\$ 60.40	19.50%
Total Bill on TOU (including OCEB)				\$ 2,787.21			\$ 3,330.80	\$ 543.59	19.50%
Loss Factor (%)		1.0543%			1.0687%				

Bill Impacts Scenario 2

Customer Class: **Sentinel Lights**

Consumption **77** kWh

0.2

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 1.2900	1	\$ 1.29	\$ 2.0748	1	\$ 2.07	\$ 0.78	60.84%
Smart Meter Rate Adder	Monthly		1	\$ -		1	\$ -	\$ -	
Smart Meter Disposition Rider	Monthly		1	\$ -		1	\$ -	\$ -	
Stranded Meter Rate Rider	Monthly		1	\$ -		1	\$ -	\$ -	
Late Payment Charges	Monthly	\$ 0.0300	1	\$ 0.03		1	\$ -	\$ -0.03	-100.00%
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kW	\$ 10.3652	0.2	\$ 2.07	\$ 16.6708	0.2	\$ 3.33	\$ 1.26	60.83%
			77	\$ -		77	\$ -	\$ -	
LRAM & SSM Rate Rider		\$ -	77	\$ -	\$ -	77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
Foregone Revenue Rate Rider	per kWh		77	\$ -	\$ 1.2331	0.2	\$ 0.25	\$ 0.25	
			77	\$ -		77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
Sub-Total A				\$ 3.39			\$ 5.66	\$ 2.26	66.68%
Deferral/Variance Account	per kW		0.2	\$ -	\$ 0.1314	0.2	\$ 0.03	\$ 0.03	
Disposition Rate Rider			77	\$ -		77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
			77	\$ -		77	\$ -	\$ -	
Low Voltage Service Charge	per kW	\$ 0.6410	0.2	\$ 0.13	\$ 1.0684	0.2	\$ 0.21	\$ 0.09	66.68%
Smart Meter Entity Charge						77	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 3.52			\$ 5.90	\$ 2.37	67.43%
RTSR - Network and Line	per kW	\$ 2.7832	0.2	\$ 0.56	\$ 2.7147	0	\$ 0.54	\$ -0.01	-2.46%
			0	\$ -		0	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 4.08			\$ 6.44	\$ 2.36	57.89%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	77	\$ 0.40	\$ 0.0052	77	\$ 0.40	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	77	\$ 0.10	\$ 0.0011	77	\$ 0.08	\$ -0.02	-15.38%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			77	\$ -		77	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	78	\$ 5.84	\$ 0.0750	78	\$ 5.84	\$ 0.00	0.01%
Energy - RPP - Tier 2		\$ 0.0880	0	\$ -	\$ 0.0880	0	\$ -	\$ -	
TOU - Off Peak		\$ 0.0650	50	\$ 3.24	\$ 0.0650	50	\$ 3.24	\$ 0.00	0.01%
TOU - Mid Peak		\$ 0.1000	14	\$ 1.40	\$ 0.1000	14	\$ 1.40	\$ 0.00	0.01%
TOU - On Peak		\$ 0.1170	14	\$ 1.64	\$ 0.1170	14	\$ 1.64	\$ 0.00	0.01%
Total Bill on RPP (before Taxes)				\$ 10.41			\$ 12.76	\$ 2.35	22.53%
HST	13%			\$ 1.35	13%		\$ 1.66	\$ 0.30	22.53%
Total Bill (including HST)				\$ 11.77			\$ 14.42	\$ 2.65	22.53%
<i>Ontario Clean Energy Benefit ¹</i>				\$ -1.18			\$ -1.44	\$ -0.26	22.03%
Total Bill on RPP (including OCEB)				\$ 10.59			\$ 12.98	\$ 2.39	22.58%
Total Bill on TOU (before Taxes)				\$ 10.85			\$ 13.20	\$ 2.35	21.61%
HST	13%			\$ 1.41	13%		\$ 1.72	\$ 0.30	21.61%
Total Bill (including HST)				\$ 12.27			\$ 14.92	\$ 2.65	21.61%
<i>Ontario Clean Energy Benefit ¹</i>				\$ -1.23			\$ -1.49	\$ -0.26	21.14%
Total Bill on TOU (including OCEB)				\$ 11.04			\$ 13.43	\$ 2.39	21.67%

Loss Factor (%)

1.0543%

1.0687%

Bill Impacts Scenario 2

Customer Class: **Unmetered Scattered Loads**

Consumption **555** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 8.8200	1	\$ 8.82	\$ 11.8400	1	\$ 11.84	\$ 3.02	34.24%
Smart Meter Rate Adder	Monthly		1	\$ -		1	\$ -	\$ -	
Smart Meter Disposition Rider	Monthly		1	\$ -		1	\$ -	\$ -	
Stranded Meter Rate Rider	Monthly		1	\$ -		1	\$ -	\$ -	
Late Payment Charges	Monthly	\$ 0.1400	1	\$ 0.14		1	\$ -	-\$ 0.14	-100.00%
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0113	555	\$ 6.29	\$ 0.0152	555	\$ 8.44	\$ 2.15	34.16%
			555	\$ -		555	\$ -	\$ -	
LRAM & SSM Rate Rider		\$ -	555	\$ -	\$ -	555	\$ -	\$ -	
			555	\$ -		555	\$ -	\$ -	
Foregone Revenue Rate Rider	per kWh		555	\$ -	\$ 0.0017	555	\$ 0.94	\$ 0.94	
			555	\$ -		555	\$ -	\$ -	
			555	\$ -		555	\$ -	\$ -	
			555	\$ -		555	\$ -	\$ -	
			555	\$ -		555	\$ -	\$ -	
			555	\$ -		555	\$ -	\$ -	
Sub-Total A				\$ 15.25			\$ 21.22	\$ 5.97	39.16%
Deferral/Variance Account	per kWh		0	\$ -	\$ 0.0004	555	\$ 0.22	\$ 0.22	
Disposition Rate Rider			555	\$ -		555	\$ -	\$ -	
			555	\$ -		555	\$ -	\$ -	
			555	\$ -		555	\$ -	\$ -	
Low Voltage Service Charge	per kWh	\$ 0.0021	555	\$ 1.17	\$ 0.0035	555	\$ 1.94	\$ 0.78	66.67%
Smart Meter Entity Charge						555	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 16.41			\$ 23.38	\$ 6.97	42.47%
RTSR - Network and Line	per kW	\$ 2.7832	0.2	\$ 0.56	\$ 2.7147	0	\$ -	-\$ 0.56	-100.00%
			0	\$ -		0	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 16.97			\$ 23.38	\$ 6.41	37.79%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	555	\$ 2.89	\$ 0.0052	555	\$ 2.89	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0013	555	\$ 0.72	\$ 0.0011	555	\$ 0.61	-\$ 0.11	-15.38%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			555	\$ -		555	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	561	\$ 42.06	\$ 0.0750	561	\$ 42.07	\$ 0.01	0.01%
Energy - RPP - Tier 2		\$ 0.0880	0	\$ -	\$ 0.0880	0	\$ -	\$ -	
TOU - Off Peak		\$ 0.0650	359	\$ 23.33	\$ 0.0650	359	\$ 23.33	\$ 0.00	0.01%
TOU - Mid Peak		\$ 0.1000	101	\$ 10.10	\$ 0.1000	101	\$ 10.10	\$ 0.00	0.01%
TOU - On Peak		\$ 0.1170	101	\$ 11.81	\$ 0.1170	101	\$ 11.81	\$ 0.00	0.01%
Total Bill on RPP (before Taxes)				\$ 62.64			\$ 68.95	\$ 6.31	10.07%
HST		13%		\$ 8.14	13%		\$ 8.96	\$ 0.82	10.07%
Total Bill (including HST)				\$ 70.79			\$ 77.91	\$ 7.13	10.07%
<i>Ontario Clean Energy Benefit ¹</i>				-\$ 7.08			-\$ 7.79	-\$ 0.71	10.03%
Total Bill on RPP (including OCEB)				\$ 63.71			\$ 70.12	\$ 6.42	10.08%
Total Bill on TOU (before Taxes)				\$ 65.82			\$ 72.13	\$ 6.31	9.59%
HST		13%		\$ 8.56	13%		\$ 9.38	\$ 0.82	9.59%
Total Bill (including HST)				\$ 74.37			\$ 81.50	\$ 7.13	9.59%
<i>Ontario Clean Energy Benefit ¹</i>				-\$ 7.44			-\$ 8.15	-\$ 0.71	9.54%
Total Bill on TOU (including OCEB)				\$ 66.93			\$ 73.35	\$ 6.42	9.59%

Loss Factor (%)

1.0543%

1.0687%

Bill Impact of the Deferred SMDR and SMRR to 213 IRM Rate Application

The bill impact for a typical residential customer consuming 800 kWh for the SMDR and the SMRR, in the 2013 IRM application as proposed in scenario 2, to be recovered over a 1 year period is 5.20%. This impact excludes any other adjustments resulting from the IRM application. The total bill impact is included below:

Bill Impacts

Customer Class: Residential									
Consumption		800 kWh							
	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 13.5900	1	\$ 13.59	\$ 13.5900	1	\$ 13.59	\$ -	0.00%
Smart Meter Rate Adder	Monthly		1	\$ -		1	\$ -	\$ -	
Smart Meter Disposition Rider	Monthly	\$ -	1	\$ -	\$ 3.9000	1	\$ 3.90	\$ 3.90	
Stranded Meter Rate Rider	Monthly	\$ -	1	\$ -	\$ 1.8200	1	\$ 1.82	\$ 1.82	
Late Payment Charges	Monthly		1	\$ -		1	\$ -	\$ -	
			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	per kWh	\$ 0.0164	800	\$ 13.12	\$ 0.0164	800	\$ 13.12	\$ -	0.00%
			800	\$ -		800	\$ -	\$ -	
LRAM & SSM Rate Rider	per kWh	\$ 0.0012	800	\$ 0.96	\$ 0.0012	800	\$ 0.96	\$ -	0.00%
			800	\$ -		800	\$ -	\$ -	
Foregone Revenue Rate Rider		\$ 0.0014	800	\$ 1.12	\$ 0.0014	800	\$ 1.12	\$ -	0.00%
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
Sub-Total A				\$ 28.79			\$ 34.51	\$ 5.72	19.87%
Deferral/Variance Account	per kWh	\$ 0.0004	800	\$ 0.32	\$ 0.0004	800	\$ 0.32	\$ -	0.00%
Disposition Rate Rider			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
			800	\$ -		800	\$ -	\$ -	
Low Voltage Service Charge	per kWh	\$ 0.0037	800	\$ 2.96	\$ 0.0037	800	\$ 2.96	\$ -	0.00%
Smart Meter Entity Charge						800	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 32.07			\$ 37.79	\$ 5.72	17.84%
RTSR - Network and Line		\$ 0.0097	809	\$ 7.84	\$ 0.0097	809	\$ 7.84	\$ -	0.00%
			809	\$ -		809	\$ -	\$ -	
Sub-Total C - Delivery (including Sub-Total B)				\$ 39.91			\$ 45.63	\$ 5.72	14.33%
Wholesale Market Service Charge (WMSC)	per kWh	\$ 0.0052	809	\$ 4.20	\$ 0.0052	809	\$ 4.20	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	per kWh	\$ 0.0011	809	\$ 0.89	\$ 0.0011	809	\$ 0.89	\$ -	0.00%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)			809	\$ -		809	\$ -	\$ -	
Energy - RPP - Tier 1		\$ 0.0750	600	\$ 45.00	\$ 0.0750	600	\$ 45.00	\$ -	0.00%
Energy - RPP - Tier 2		\$ 0.0880	209	\$ 18.35	\$ 0.0880	209	\$ 18.35	\$ -	0.00%
TOU - Off Peak		\$ 0.0650	517	\$ 33.64	\$ 0.0650	517	\$ 33.64	\$ -	0.00%
TOU - Mid Peak		\$ 0.1000	146	\$ 14.55	\$ 0.1000	146	\$ 14.55	\$ -	0.00%
TOU - On Peak		\$ 0.1170	146	\$ 17.03	\$ 0.1170	146	\$ 17.03	\$ -	0.00%
Total Bill on RPP (before Taxes)				\$ 108.36			\$ 114.08	\$ 5.72	5.28%
HST		13%		\$ 14.09	13%		\$ 14.83	\$ 0.74	5.28%
Total Bill (including HST)				\$ 122.45			\$ 128.91	\$ 6.46	5.28%
Ontario Clean Energy Benefit ¹				-\$ 12.24			-\$ 12.89	-\$ 0.65	5.31%
Total Bill on RPP (including OCEB)				\$ 110.21			\$ 116.02	\$ 5.81	5.28%
Total Bill on TOU (before Taxes)				\$ 110.22			\$ 115.94	\$ 5.72	5.19%
HST		13%		\$ 14.33	13%		\$ 15.07	\$ 0.74	5.19%
Total Bill (including HST)				\$ 124.55			\$ 131.02	\$ 6.46	5.19%
Ontario Clean Energy Benefit ¹				-\$ 12.46			-\$ 13.10	-\$ 0.64	5.14%
Total Bill on TOU (including OCEB)				\$ 112.09			\$ 117.92	\$ 5.82	5.20%
Loss Factor (%)			1.0687%				1.0687%		

PROPOSED TARIFF OF RATES AND CHARGES

Scenario 1
Schedule of Distribution Rates and Charges
Effective May 1, 2012
Implementation Date November 1, 2012

Customer Class	Item Description	Unit	Rate (\$)
Residential	Monthly Rates and Charges - Delivery Component		
	Service Charge	per month	13.59
	Distribution Volumetric Rate	per kWh	0.0164
	Low Voltage Service Rate	per kWh	0.0037
	Lost Revenue Adjustment Mechanism Rate Rider - Effective until April 30, 2016	per kWh	0.0012
	Smart Meter Disposition Rider - effective until April 30, 2016	per month	1.1200
	Stranded Meter Rate Rider effective until April 30, 2016	per month	0.5200
	Rate Rider for Global Adjustment Sub-Account (2012) - Effective until April 30, 2013	per kWh	(0.0004)
	- Applicable only to Non-RPP Customers		
	Rate Rider for Deferral/Variance Account Disposition (2012) - Effective until April 30, 2016	per kWh	0.0004
	Retail Transmission Rate - Network Service Rate	per kWh	0.0056
	Retail Transmission Rate - Line and Transformation Connection Service Rate	per kWh	0.0041
	Monthly Rates and Charges - Regulatory Component		
	Wholesale Market Service Rate	per kWh	0.0052
	Rural Rate Protection Charge	per kWh	0.0011
	Standard Supply Service - Administrative Charge (if applicable)	per month	0.2500

GS < 50 kW			
	Monthly Rates and Charges - Delivery Component		
	Service Charge	per month	24.36
	Distribution Volumetric Rate	per kWh	0.0200
	Low Voltage Service Rate	per kWh	0.0035
	Smart Meter Disposition Rider - effective until April 30, 2016	per month	1.3400
	Stranded Meter Rate Rider effective until April 30, 2016	per month	0.6800
	Rate Rider for Global Adjustment Sub-Account (2012) - Effective until April 30, 2013	per kWh	(0.0004)
	- Applicable only to Non-RPP Customers		
	Rate Rider for Deferral/Variance Account Disposition (2012) - Effective until April 30, 2016	per kWh	0.0004
	Retail Transmission Rate - Network Service Rate	per kWh	0.0052
	Retail Transmission Rate - Line and Transformation Connection Service Rate	per kWh	0.0037
	Monthly Rates and Charges - Regulatory Component		
	Wholesale Market Service Rate	per kWh	0.0052
	Rural Rate Protection Charge	per kWh	0.0011
	Standard Supply Service - Administrative Charge (if applicable)	per month	0.2500

GS >50 kW			
	Monthly Rates and Charges - Delivery Component		
	Service Charge	per month	189.75
	Distribution Volumetric Rate	per kW	3.6660
	Low Voltage Service Rate	per kW	1.4840
	Smart Meter Disposition Rider - effective until April 30, 2016	per month	2.7500
	Stranded Meter Rate Rider effective until April 30, 2016	per month	2.1500
	Rate Rider for Global Adjustment Sub-Account (2012) - Effective until April 30, 2013	per kW	0.1787
	- Applicable only to Non-RPP Customers		
	Rate Rider for Deferral/Variance Account Disposition (2012) - Effective until April 30, 2016	per kW	0.1886
	Retail Transmission Rate - Network Service Rate	per kW	2.0890
	Retail Transmission Rate - Line and Transformation Connection Service Rate	per kW	1.4334
	Retail Transmission Rate - Network Service Rate - Interval Metered	per kW	2.3482
	Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	per kW	1.9855
	Monthly Rates and Charges - Regulatory Component		
	Wholesale Market Service Rate	per kWh	0.0052
	Rural Rate Protection Charge	per kWh	0.0011
	Standard Supply Service - Administrative Charge (if applicable)	per month	0.2500

Sentinel Lights

Monthly Rates and Charges - Delivery Component

Service Charge (Per Connection)	per month	2.07
Distribution Volumetric Rate	per kW	16.6708
Low Voltage Service Rate	per kW	1.0684
Rate Rider for Deferral/Variance Account Disposition (2012) - Effective until April 30, 2016	per kW	0.1314
Retail Transmission Rate - Network Service Rate	per kW	1.5835
Retail Transmission Rate - Line and Transformation Connection Service Rate	per kW	1.1312

Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	per kWh	0.0052
Rural Rate Protection Charge	per kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	per month	0.2500

Street Lighting

Monthly Rates and Charges - Delivery Component

Service Charge (Per Connection)	per month	1.92
Distribution Volumetric Rate	per kW	24.2280
Low Voltage Service Rate	per kW	1.0466
Rate Rider for Deferral/Variance Account Disposition (2012) - Effective until April 30, 2016	per kW	0.0665
Retail Transmission Rate - Network Service Rate	per kW	1.5755
Retail Transmission Rate - Line and Transformation Connection Service Rate	per kW	1.1080

Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	per kWh	0.0052
Rural Rate Protection Charge	per kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	per month	0.2500

USL

Monthly Rates and Charges - Delivery Component

Service Charge (Per Connection)	per month	11.84
Distribution Volumetric Rate	per kWh	0.0152
Low Voltage Service Rate	per kWh	0.0035
Rate Rider for Deferral/Variance Account Disposition (2012) - Effective until April 30, 2016	per kWh	0.0004
Retail Transmission Rate - Network Service Rate	per kWh	0.0052
Retail Transmission Rate - Line and Transformation Connection Service Rate	per kWh	0.0037

Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	per kWh	0.0052
Rural Rate Protection Charge	per kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	per month	0.2500

MicroFIT

Monthly Rates and Charges - Delivery Component

Service Charge	per month	5.25
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Allowances

Transformer Allowance for Ownership - per KW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)

Scenario 2
Schedule of Distribution Rates and Charges
Effective May 1, 2012
Implementation Date November 1, 2012

Customer Class	Item Description	Unit	Rate (\$)
Residential			
	Monthly Rates and Charges - Delivery Component		
	Service Charge	per month	13.59
	Distribution Volumetric Rate	per kWh	0.0164
	Low Voltage Service Rate	per kWh	0.0037
	Lost Revenue Adjustment Mechanism Rate Rider - Effective until April 30, 2016	per kWh	0.0012
	Foregone Revenue Rate Rider - Effective until April 30, 2016	per kWh	0.0014
	Rate Rider for Global Adjustment Sub-Account (2012) - Effective until April 30, 2013	per kWh	(0.0004)
	- Applicable only to Non-RPP Customers		
	Rate Rider for Deferral/Variance Account Disposition (2012) - Effective until April 30, 2016	per kWh	0.0004
	Retail Transmission Rate - Network Service Rate	per kWh	0.0056
	Retail Transmission Rate - Line and Transformation Connection Service Rate	per kWh	0.0041
	Monthly Rates and Charges - Regulatory Component		
	Wholesale Market Service Rate	per kWh	0.0052
	Rural Rate Protection Charge	per kWh	0.0011
	Standard Supply Service - Administrative Charge (if applicable)	per month	0.2500
GS < 50 kW			
	Monthly Rates and Charges - Delivery Component		
	Service Charge	per month	24.36
	Distribution Volumetric Rate	per kWh	0.0200
	Low Voltage Service Rate	per kWh	0.0035
	Foregone Revenue Rate Rider - Effective until April 30, 2016	per kWh	0.0014
	Rate Rider for Global Adjustment Sub-Account (2012) - Effective until April 30, 2013	per kWh	(0.0004)
	- Applicable only to Non-RPP Customers		
	Rate Rider for Deferral/Variance Account Disposition (2012) - Effective until April 30, 2016	per kWh	0.0004
	Retail Transmission Rate - Network Service Rate	per kWh	0.0052
	Retail Transmission Rate - Line and Transformation Connection Service Rate	per kWh	0.0037
	Monthly Rates and Charges - Regulatory Component		
	Wholesale Market Service Rate	per kWh	0.0052
	Rural Rate Protection Charge	per kWh	0.0011
	Standard Supply Service - Administrative Charge (if applicable)	per month	0.2500
GS >50 kW			
	Monthly Rates and Charges - Delivery Component		
	Service Charge	per month	189.75
	Distribution Volumetric Rate	per kW	3.6660
	Low Voltage Service Rate	per kW	1.4840
	Foregone Revenue Rate Rider - Effective until April 30, 2016	per kW	0.2285
	Rate Rider for Global Adjustment Sub-Account (2012) - Effective until April 30, 2013	per kW	0.1787
	- Applicable only to Non-RPP Customers		
	Rate Rider for Deferral/Variance Account Disposition (2012) - Effective until April 30, 2016	per kW	0.1886
	Retail Transmission Rate - Network Service Rate	per kW	2.0890
	Retail Transmission Rate - Line and Transformation Connection Service Rate	per kW	1.4334
	Retail Transmission Rate - Network Service Rate - Interval Metered	per kW	2.3482
	Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	per kW	1.9855
	Monthly Rates and Charges - Regulatory Component		
	Wholesale Market Service Rate	per kWh	0.0052
	Rural Rate Protection Charge	per kWh	0.0011
	Standard Supply Service - Administrative Charge (if applicable)	per month	0.2500

Sentinel Lights

Monthly Rates and Charges - Delivery Component

Service Charge (Per Connection)	per month	2.07
Distribution Volumetric Rate	per kW	16.6708
Low Voltage Service Rate	per kW	1.0684
Rate Rider for Deferral/Variance Account Disposition (2012) - Effective until April 30, 2016	per kW	0.1314
Foregone Revenue Rate Rider - Effective until April 30, 2016	per kW	1.2331
Retail Transmission Rate - Network Service Rate	per kW	1.5835
Retail Transmission Rate - Line and Transformation Connection Service Rate	per kW	1.1312

Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	per kWh	0.0052
Rural Rate Protection Charge	per kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	per month	0.2500

Street Lighting

Monthly Rates and Charges - Delivery Component

Service Charge (Per Connection)	per month	1.92
Distribution Volumetric Rate	per kW	24.2280
Low Voltage Service Rate	per kW	1.0466
Foregone Revenue Rate Rider - Effective until April 30, 2016	per kW	1.7674
Rate Rider for Deferral/Variance Account Disposition (2012) - Effective until April 30, 2016	per kW	0.0665
Retail Transmission Rate - Network Service Rate	per kW	1.5755
Retail Transmission Rate - Line and Transformation Connection Service Rate	per kW	1.1080

Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	per kWh	0.0052
Rural Rate Protection Charge	per kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	per month	0.2500

USL

Monthly Rates and Charges - Delivery Component

Service Charge (Per Connection)	per month	11.84
Distribution Volumetric Rate	per kWh	0.0152
Low Voltage Service Rate	per kWh	0.0035
Foregone Revenue Rate Rider - Effective until April 30, 2016	per kWh	0.0017
Rate Rider for Deferral/Variance Account Disposition (2012) - Effective until April 30, 2016	per kWh	0.0004
Retail Transmission Rate - Network Service Rate	per kWh	0.0052
Retail Transmission Rate - Line and Transformation Connection Service Rate	per kWh	0.0037

Monthly Rates and Charges - Regulatory Component

Wholesale Market Service Rate	per kWh	0.0052
Rural Rate Protection Charge	per kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	per month	0.2500

MicroFIT

Monthly Rates and Charges - Delivery Component

Service Charge	per month	5.25
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Allowances

Transformer Allowance for Ownership - per KW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)