



October 15, 2012

By RESS and Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, ON
M4P 1E4

Dear Ms. Walli;

**Re: Horizon Utilities Corporation ED-2006-0031
Application for Disposition of Account 1562 Deferred Payments in Lieu of
Taxes ("PILs") EB-2012-0005
Draft Tariff of Rates and Charges**

On March 28, 2012, Horizon Utilities Corporation ("Horizon Utilities") filed its stand-alone application for disposition of account 1562 Deferred Payment in Lieu of Taxes ("PILs"). On May 23, 2012, Horizon Utilities amended its Deferred PILs application to address the treatment of unbilled energy. On October 4, 2012, the Board issued its Decision and Order in the above-captioned proceeding. Subsequently, on October 11, 2012, the Board issued a corrected version of the Decision and Order (the "Decision").

In the Decision, the Board approved a principal debit balance for disposition of \$2,039,038 consisting of the applied-for amount of \$2,890,495 plus an adjustment related to gains and losses on disposal of fixed assets of \$287,734 less amounts related to depreciation of (\$1,035,484) and Large Corporation Taxes ("LCT") of (\$103,707).

The following table summarizes adjustments made each year to the principal amounts in the continuity schedules contained in Appendix B of the Application, as a result of the Decision.

Summary of adjustments made to PILs claim				
Year	Depreciation	Gains/Losses	LCT	Total
2002	\$ (124,903)	\$ 42,074		\$ (82,829)
2003	\$ (254,041)	\$ 41,296		\$ (212,745)
2004	\$ (240,755)	\$ 32,914		\$ (207,841)
2005	\$ (202,278)	\$ 171,450		\$ (30,828)
2006	\$ (213,507)		\$ (103,707)	\$ (317,214)
Total	\$ (1,035,484)	\$ 287,734	\$ (103,707)	\$ (851,457)

As directed by the Board, Horizon Utilities has re-calculated the carrying charges on the disposition balance of \$2,039,038 approved by the Board. Based on the above adjustments, the carrying charges have been calculated to be \$ 1,284,828. These calculations are provided in Attachment 1. The calculations of the proposed rate riders to recover the total amount of \$3,323,866 are included with this letter in Attachment 2. The draft Tariff of Rates and Charges reflecting the Board's Decision are included in Attachment 3.

Two hard copies will be delivered to the Board and are being filed using the Board's RESS system; live Excel files supporting the calculations of carrying charges and rate riders are also being filed on the Board's RESS system.

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

Yours truly,

Original signed by Indy J. Butany-DeSouza

Indy J. Butany-DeSouza, MBA
Vice-President, Regulatory Affairs
Horizon Utilities Corporation

Encl.

cc. Intervenors of Record (electronic version only)

ATTACHMENT 1

Revised Appendix B of Application

Carrying Charges Revised Based Disposition Approved

Horizon Utilities Corporation
AC1562 - Carrying Charges
January 1, 2007 to August 31, 2012 (Est.)

2007	2006 Close*	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy														-
PILs Billings														-
True-up Variance Adj.														-
Deferral Account Variance Adj.														-
Cumulative Principal Balance	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		4.59%	4.59%	4.59%	4.14%	4.14%	4.14%	4.59%	4.59%	5.14%	5.14%	5.14%	5.14%	
Monthly Carrying Charge		7,949	7,180	7,949	6,938	7,170	6,938	7,949	7,949	8,614	8,901	8,614	8,901	95,053
Cumulative Carrying Charge	1,014,461	1,022,410	1,029,589	1,037,538	1,044,476	1,051,646	1,058,584	1,066,533	1,074,482	1,083,096	1,091,998	1,100,612	1,109,513	
2008	2007 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy														-
PILs Billings														-
True-up Variance Adj.														-
Deferral Account Variance Adj.														-
Cumulative balance	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		5.14%	5.14%	5.14%	4.08%	4.08%	4.08%	3.35%	3.35%	3.35%	3.35%	3.35%	3.35%	
Monthly Carrying Charge		8,901	8,040	8,901	6,838	7,066	6,838	5,801	5,801	5,614	5,801	5,614	5,801	81,019
Cumulative Carrying Charge	1,109,513	1,118,415	1,126,455	1,135,356	1,142,194	1,149,260	1,156,097	1,161,899	1,167,700	1,173,315	1,179,116	1,184,730	1,190,532	
2009	2008 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy														-
PILs Billings														-
True-up Variance Adj.														-
Deferral Account Variance Adj.														-
Cumulative Principal Balance	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		2.45%	2.45%	2.45%	1.00%	1.00%	1.00%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	
Monthly Carrying Charge		4,243	3,832	4,243	1,676	1,732	1,676	952	952	922	952	922	952	23,055
Cumulative Carrying Charge	1,190,532	1,194,775	1,198,607	1,202,850	1,204,526	1,206,258	1,207,934	1,208,886	1,209,838	1,210,760	1,211,713	1,212,634	1,213,587	

Horizon Utilities Corporation
AC1562 - Carrying Charges
January 1, 2007 to August 31, 2012 (Est.)

2010	2009 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy														-
PILs Billings														-
True-up Variance Adj.														-
Deferral Account Variance Adj.														-
Cumulative Principal Balance	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	0.89%	0.89%	0.89%	1.20%	1.20%	1.20%	
Monthly Carrying Charge		952	860	952	922	952	922	1,541	1,541	1,492	2,078	2,011	2,078	16,303
Cumulative Carrying Charge	1,213,587	1,214,539	1,215,400	1,216,352	1,217,274	1,218,226	1,219,148	1,220,690	1,222,231	1,223,722	1,225,801	1,227,812	1,229,890	
2011	2010 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy														-
PILs Billings														-
True-up Variance Adj.														-
Deferral Account Variance Adj.														-
Cumulative Principal Balance	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	
Monthly Carrying Charge		2,546	2,299	2,546	2,464	2,546	2,464	2,546	2,546	2,464	2,546	2,464	2,546	29,974
Cumulative Carrying Charge	1,229,890	1,232,435	1,234,735	1,237,281	1,239,744	1,242,290	1,244,754	1,247,299	1,249,845	1,252,309	1,254,854	1,257,318	1,259,864	
2012	2011 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy														-
PILs Billings														-
True-up Variance Adj.														-
Deferral Account Variance Adj.														-
Cumulative Principal Balance	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037	2,039,037
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%			
Monthly Carrying Charge		2,546	2,299	2,546	2,464	2,546	2,464	2,546	2,546	2,464	2,546	-	-	24,965
Cumulative Carrying Charge	1,259,864	1,262,410	1,264,709	1,267,255	1,269,718	1,272,264	1,274,728	1,277,273	1,279,819	1,282,283	1,284,828	1,284,828	1,284,828	
*Sum of HHI and SCHUSI closing balances per Appendices B-2 and B-3												3,323,866		

Hamilton Hydro Inc.
AC1562 - Carrying Charges
October 1, 2001 to December 31, 2006

2001		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy											823,557	823,557	823,557	2,470,670
PILs Billings														-
True-up Variance Adj.														-
Deferral Account Variance Adj.														-
Cumulative Principal Balance											823,557	1,647,113	2,470,670	2,470,670
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Monthly Carrying Charge		-	-	-	-	-	-	-	-	-	-	4,907	10,142	15,050
Cumulative Carrying Charge	-	-	-	-	-	-	-	-	-	-	-	4,907	15,050	
2002	2001 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy		731,198	731,198	731,198	731,198	731,198	731,198	731,198	731,198	731,198	731,198	731,198	731,198	8,774,379
PILs Billings				(774,372)	(971,660)	(868,569)	(952,608)	(1,024,721)	(1,023,566)	(960,420)	(926,003)	(871,683)	(977,605)	(9,351,206)
True-up Variance Adj.							333,490							333,490
Deferral Account Variance Adj.							-							-
Cumulative balance	2,470,670	3,201,868	3,933,067	3,889,893	3,649,431	3,512,060	3,624,140	3,330,618	3,038,250	2,809,029	2,614,224	2,473,739	2,227,333	2,227,333
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Monthly Carrying Charge		15,213	17,808	24,218	23,180	22,471	20,928	22,316	20,508	18,105	17,297	15,578	15,232	232,853
Cumulative Carrying Charge	15,050	30,263	48,071	72,289	95,468	117,940	138,868	161,183	181,692	199,796	217,093	232,671	247,903	
2003	2002 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy		937,087	937,087	937,087	937,087	937,087	937,087	937,087	937,087	937,087	937,087	937,087	937,087	11,245,049
PILs Billings		(951,056)	(942,391)	(900,363)	(902,486)	(883,311)	(820,020)	(961,830)	(951,286)	(908,102)	(903,860)	(873,061)	(926,947)	(10,924,712)
True-up Variance Adj.							(91,966)							(91,966)
Deferral Account Variance Adj.														-
Cumulative Principal Balance	2,227,333	2,213,365	2,208,062	2,244,786	2,279,388	2,333,164	2,358,266	2,333,524	2,319,325	2,348,311	2,381,538	2,445,564	2,455,704	2,455,704
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Monthly Carrying Charge		13,715	12,310	13,596	13,376	14,035	13,903	14,521	14,369	13,821	14,460	14,191	15,059	167,356
Cumulative Carrying Charge	247,903	261,618	273,928	287,524	300,901	314,936	328,839	343,360	357,729	371,550	386,009	400,201	415,259	
2004	2003 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy		782,671	782,671	782,671	782,671	782,671	782,671	782,671	782,671	782,671	782,671	782,671	782,671	9,392,047
PILs Billings		(703,996)	(945,429)	(933,188)	(905,854)	(601,151)	(607,630)	(655,380)	(715,708)	(737,786)	(671,840)	(640,935)	(596,913)	(8,715,809)
True-up Variance Adj.							(454,482)							(454,482)
Deferral Account Variance Adj.							(374,681)							(374,681)
Cumulative Principal Balance	2,455,704	2,534,379	2,371,621	2,221,103	2,097,920	2,279,439	1,625,317	1,752,608	1,819,571	1,864,455	1,975,285	2,117,021	2,302,779	2,302,779
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Monthly Carrying Charge		15,121	14,095	14,603	13,235	12,918	13,583	10,008	10,792	10,843	11,480	11,771	13,036	151,485
Cumulative Carrying Charge	415,259	430,380	444,476	459,079	472,314	485,232	498,815	508,823	519,615	530,458	541,938	553,709	566,744	

Hamilton Hydro Inc.
AC1562 - Carrying Charges
October 1, 2001 to December 31, 2006

2005	2004 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy		731,198	731,198	731,198	702,807	702,807	702,807	702,807	702,807	702,807	702,807	702,807	702,807	8,518,860
PILs Billings		(779,634)	(622,124)	(702,825)	(610,015)	(572,928)	(796,248)	(906,149)	(907,551)	(704,345)	(666,902)	(661,040)	(724,987)	(8,654,748)
True-up Variance Adj.							(514,461)							(514,461)
Deferral Account Variance Adj.							(678,932)							(678,932)
Cumulative Principal Balance	2,302,779	2,254,343	2,363,418	2,391,791	2,484,583	2,614,462	1,327,629	1,124,287	919,543	918,005	953,910	995,678	973,498	973,498
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Monthly Carrying Charge		14,179	12,538	14,553	14,252	15,299	15,579	8,175	6,923	5,479	5,653	5,684	6,131	124,446
Cumulative Carrying Charge	566,744	580,924	593,462	608,015	622,267	637,566	653,145	661,320	668,243	673,722	679,375	685,059	691,190	

2006	2005 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy		702,807	702,807	702,807	702,807									2,811,229
PILs Proxy		(748,735)	(712,796)	(687,967)	(477,153)									(2,626,651)
True-up Variance Adj.*							511,422							511,422
Deferral Account Variance Adj.*							30,361							30,361
Cumulative Principal Balance	973,498	927,570	917,581	932,422	1,158,076	1,158,076	1,699,859	1,699,859	1,699,859	1,699,859	1,699,859	1,699,859	1,699,859	1,699,859
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		7.25%	7.25%	7.25%	4.14%	4.14%	4.14%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	
Monthly Carrying Charge		5,994	5,159	5,650	3,173	4,072	3,941	6,627	6,627	6,413	6,627	6,413	6,627	67,321
Cumulative Carrying Charge	691,190	697,185	702,343	707,993	711,166	715,238	719,179	725,806	732,432	738,845	745,472	751,885	758,511	

*Includes Deferral Account adjustments for:
-Hamilton Hydro Inc. for the 59 day period January 1, 2005 to February 28, 2005 (Refer to Appendix C-2-5)
-Horizon Utilities for the 306 day period March 1, 2011 to December 31, 2011 (Refer to Appendix C-1)

St. Catharines Hydro Services Inc.
AC1562 - Carrying Charges
October 1, 2001 to December 31, 2006

2001		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy											212,048	212,048	212,048	636,144
PILs Billings														-
True-up Variance Adj.														-
Deferral Account Variance Adj.														-
Cumulative Principal Balance											212,048	424,096	636,144	636,144
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Monthly Carrying Charge		-	-	-	-	-	-	-	-	-	-	1,264	2,611	3,875
Cumulative Carrying Charge	-	-	-	-	-	-	-	-	-	-	-	1,264	3,875	
2002	2001 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy		196,301	196,301	196,301	196,301	196,301	196,301	196,301	196,301	196,301	196,301	196,301	196,301	2,355,615
PILs Billings				(88,854)	(142,367)	(267,573)	(248,232)	(175,432)	(337,712)	(266,135)	(309,906)	(233,309)	(260,586)	(2,330,106)
True-up Variance Adj.							230,726							230,726
Deferral Account Variance Adj.							-							-
Cumulative balance	636,144	832,445	1,028,747	1,136,194	1,190,128	1,118,857	1,297,652	1,318,521	1,177,111	1,107,277	993,672	956,664	892,379	892,379
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Monthly Carrying Charge		3,917	4,630	6,335	6,770	7,328	6,667	7,990	8,119	7,014	6,818	5,921	5,891	77,401
Cumulative Carrying Charge	3,875	7,792	12,422	18,756	25,527	32,855	39,522	47,513	55,631	62,646	69,464	75,385	81,276	
2003	2002 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy		249,313	249,313	249,313	249,313	249,313	249,313	249,313	249,313	249,313	249,313	249,313	249,313	2,991,759
PILs Billings		(271,560)	(260,453)	(264,454)	(238,323)	(246,528)	(258,651)	(240,122)	(270,152)	(292,028)	(269,252)	(216,682)	(225,212)	(3,053,416)
True-up Variance Adj.							143,929							143,929
Deferral Account Variance Adj.														-
Cumulative Principal Balance	892,379	870,133	858,993	843,852	854,843	857,628	992,220	1,001,410	980,572	937,857	917,918	950,550	974,651	974,651
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Monthly Carrying Charge		5,495	4,839	5,289	5,028	5,264	5,111	6,110	6,166	5,843	5,775	5,470	5,853	66,243
Cumulative Carrying Charge	81,276	86,771	91,610	96,899	101,928	107,191	112,302	118,411	124,578	130,421	136,196	141,666	147,519	
2004	2003 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy		249,313	249,313	249,313	196,301	196,301	196,301	196,301	196,301	196,301	196,301	196,301	196,301	2,514,651
PILs Billings		(258,261)	(266,436)	(279,139)	(243,943)	(182,247)	(195,814)	(200,265)	(224,794)	(229,361)	(118,134)	(171,184)	(68,673)	(2,438,252)
True-up Variance Adj.							(121,195)							(121,195)
Deferral Account Variance Adj.							(102,510)							(102,510)
Cumulative Principal Balance	974,651	965,703	948,581	918,755	871,113	885,167	661,949	657,985	629,493	596,433	674,600	699,717	827,345	827,345
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Monthly Carrying Charge		6,001	5,371	5,841	5,475	5,364	5,275	4,076	4,052	3,751	3,673	4,020	4,309	57,206
Cumulative Carrying Charge	147,519	153,520	158,891	164,732	170,207	175,571	180,845	184,921	188,973	192,724	196,396	200,416	204,725	

St. Catharines Hydro Services Inc.
AC1562 - Carrying Charges
October 1, 2001 to December 31, 2006

2005	2004 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy		196,301	196,301	196,301	209,122	209,122	209,122	209,122	209,122	209,122	209,122	209,122	209,122	2,471,004
PILs Billings		(174,252)	(205,175)	(187,654)	(443,878)	(222,605)	(262,006)	(186,421)	(355,904)	(217,498)	(187,295)	(198,020)	18,278	(2,622,430)
True-up Variance Adj.							(53,510)							(53,510)
Deferral Account Variance Adj.							(257,554)							(257,554)
Cumulative Principal Balance	827,345	849,395	840,521	849,168	614,412	600,929	236,981	259,683	112,901	104,525	126,352	137,455	364,855	364,855
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Monthly Carrying Charge		5,094	4,724	5,176	5,060	3,783	3,581	1,459	1,599	673	644	753	846	33,392
Cumulative Carrying Charge	204,725	209,819	214,543	219,719	224,779	228,562	232,143	233,602	235,201	235,874	236,518	237,270	238,117	
2006	2005 Close	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total Year
PILs Proxy		209,122	209,122	209,122	209,122									836,489
PILs Proxy		(221,178)	(201,471)	(220,812)	(215,421)									(858,881)
True-up Variance Adj.*							(3,284)							(3,284)
Deferral Account Variance Adj.*							-							-
Cumulative Principal Balance	364,855	352,799	360,451	348,761	342,462	342,462	339,178	339,178	339,178	339,178	339,178	339,178	339,178	339,178
Days in Month		31	28	31	30	31	30	31	31	30	31	30	31	365
Days in Year		365	365	365	365	365	365	365	365	365	365	365	365	
Deemed Interest Rate		7.25%	7.25%	7.25%	4.14%	4.14%	4.14%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	
Monthly Carrying Charge		2,247	1,962	2,219	1,187	1,204	1,165	1,322	1,322	1,280	1,322	1,280	1,322	17,833
Cumulative Carrying Charge	238,117	240,363	242,326	244,545	245,732	246,936	248,101	249,424	250,746	252,025	253,348	254,627	255,949	

*Includes Deferral Account adjustments for SCHUSI for the 59 day period January 1, 2005 to February 28, 2005 (Refer to Appendix C-3-5)

ATTACHMENT 2

Revised Tab 5 of Application

Allocation of Amounts in Account 1562

- Deferred PILs to Customer Classes for Recovery

Revised for Disposition Approved

Allocation of amounts in Account 1562 – Deferred PILs to customer classes for recovery

Customer Class	Distribution revenues derived by	2011 COS kWhs	2011 COS kW	2011 COS Distribution Revenue	Percentage of Total Revenue by Class	Allocation of recoveries to customer classes	Rate for collection over 14 months
Residential	\$/kWh	1,539,676,985		\$ 59,154,377	61.3%	\$ 2,038,566	\$ 0.0011
General Service Less Than 50 kW	\$/kWh	537,886,860		\$ 11,456,614	11.9%	\$ 394,815	\$ 0.0006
General Service 50 to 4,999 kW	\$/kW	1,745,006,174	4,758,680	\$ 16,036,353	16.6%	\$ 552,642	\$ 0.0995
Large Use	\$/kW	538,081,868	2,500,000	\$ 6,600,126	6.8%	\$ 227,452	\$ 0.0780
Unmetered Scattered Load	\$/kWh	12,541,586		\$ 529,235	0.5%	\$ 18,238	\$ 0.0012
Sentinel Lighting	\$/kW	502,459	1,421	\$ 43,849	0.0%	\$ 1,511	\$ 0.9115
Street Lighting	\$/kW	40,006,298	111,295	\$ 2,136,477	2.2%	\$ 73,627	\$ 0.5670
Standby Power	\$/kW		199,012	\$ 493,704	0.5%	\$ 17,014	\$ 0.0733
Total		4,413,702,230	7,570,408	\$ 96,450,735	100.0%	\$ 3,323,866	

Principal	\$ 2,039,038
Interest	\$ 1,284,828
Total	\$ 3,323,866

Customer Rate Impacts

Customer Class	Billing Units	Average Monthly Volume	Distribution Charges		Bill Impacts on Distribution Charges		Total Bill Charges		Total Bill Impact	
			Current	Proposed	\$	%	Current	Proposed	\$	%
Residential	kWh	800	\$ 26.23	\$ 27.11	\$ 0.88	3.36%	\$ 115.20	\$ 116.10	\$ 0.90	0.78%
General Service Less Than 50 kW	kWh	2,000	\$ 56.17	\$ 57.37	\$ 1.20	2.14%	\$ 276.21	\$ 277.43	\$ 1.22	0.44%
General Service 50 to 4,999 kW	kW	2,500	\$ 3,828.12	\$ 4,076.87	\$ 248.75	6.50%	\$ 28,237.33	\$ 28,490.31	\$ 252.98	0.90%
Large Use Greater Than 5,000 kW	kW	5,000	\$ 27,923.63	\$ 28,313.63	\$ 390.00	1.40%	\$ 295,174.54	\$ 295,571.17	\$ 396.63	0.13%

ATTACHMENT 3

Draft Tariff of Rates and Charges

Effective November 1, 2012

Horizon Utilities Corporation

PROPOSED TARIFF OF RATES AND CHARGES

Effective and Implementation Date November 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0172
EB-2011-0417
EB-2012-0005

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	14.53
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2013	\$	(0.61)
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	1.47
Rate Rider for Recovery of Green Energy Act related costs – effective until December 31, 2012	\$	0.04
Distribution Volumetric Rate	\$/kWh	0.0143
Low Voltage Service Rate	\$/kWh	0.00006
Rate Rider for Global Adjustment Sub-Account Disposition (2011) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kWh	0.0016
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until December 31, 2012	\$/kWh	(0.0003)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until December 31, 2012	\$/kWh	(0.0015)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until December 31, 2012	\$/kWh	0.0007
Rate Rider for Tax Change – effective until December 31, 2012	\$/kWh	(0.0001)
Rate Rider for Deferred Payments in Lieu of Taxes ("PILs") – effective until December 31, 2013	\$/kWh	0.0011
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0072
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0054

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Horizon Utilities Corporation

PROPOSED TARIFF OF RATES AND CHARGES

Effective and Implementation Date November 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0172
EB-2011-0417
EB-2012-0005

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	32.35
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2013	\$	7.61
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	3.62
Rate Rider for Recovery of Green Energy Act related costs – effective until December 31, 2012	\$	0.04
Distribution Volumetric Rate	\$/kWh	0.0084
Low Voltage Service Rate	\$/kWh	0.00006
Rate Rider for Global Adjustment Sub-Account Disposition (2011) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kWh	0.0017
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until December 31, 2012	\$/kWh	(0.0004)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until December 31, 2012	\$/kWh	(0.0015)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until December 31, 2012	\$/kWh	0.0004
Rate Rider for Tax Change – effective until December 31, 2012	\$/kWh	(0.0001)
Rate Rider for Deferred Payments in Lieu of Taxes ("PILs") – effective until December 31, 2013	\$/kWh	0.0006
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0062
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0049

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Horizon Utilities Corporation

PROPOSED TARIFF OF RATES AND CHARGES

Effective and Implementation Date November 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0172
EB-2011-0417
EB-2012-0005

GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	294.96
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2013	\$	10.63
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	5.40
Rate Rider for Recovery of Green Energy Act related costs – effective until December 31, 2012	\$	0.04
Distribution Volumetric Rate	\$/kW	2.0459
Low Voltage Service Rate	\$/kW	0.02169
Rate Rider for Global Adjustment Sub-Account Disposition (2011) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kW	0.6033
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kW	(0.3221)
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until December 31, 2012	\$/kW	(0.1636)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until December 31, 2012	\$/kW	(0.5502)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until December 31, 2012	\$/kW	0.0632
Rate Rider for Tax Change – effective until December 31, 2012	\$/kW	(0.0130)
Rate Rider for Deferred Payments in Lieu of Taxes ("PILs") – effective until December 31, 2013	\$/kW	0.0995
Retail Transmission Rate – Network Service Rate	\$/kW	2.4817
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.9492

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Horizon Utilities Corporation

PROPOSED TARIFF OF RATES AND CHARGES

Effective and Implementation Date November 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0172
EB-2011-0417
EB-2012-0005

LARGE USE SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	22,773.42
Rate Rider for Recovery of Green Energy Act related costs – effective until December 31, 2012	\$	0.04
Distribution Volumetric Rate	\$/kW	1.3436
Low Voltage Service Rate	\$/kW	0.02492
Rate Rider for Global Adjustment Sub-Account Disposition (2011) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kW	0.3387
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kW	(0.1891)
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until December 31, 2012	\$/kW	(0.0967)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until December 31, 2012	\$/kW	(0.3230)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery		
– effective until December 31, 2012	\$/kW	0.0075
Rate Rider for Tax Change – effective until December 31, 2012	\$/kW	(0.0092)
Rate Rider for Deferred Payments in Lieu of Taxes ("PILs") – effective until December 31, 2013	\$/kW	0.0780
Retail Transmission Rate – Network Service Rate	\$/kW	2.8349
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.2399

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Horizon Utilities Corporation

PROPOSED TARIFF OF RATES AND CHARGES

Effective and Implementation Date November 1, 2012

**This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors**

EB-2011-0172
EB-2011-0417
EB-2012-0005

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/ documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	9.16
Rate Rider for Recovery of Green Energy Act related costs – effective until December 31, 2012	\$	0.04
Distribution Volumetric Rate	\$/kWh	0.0142
Low Voltage Service Rate	\$/kWh	0.00006
Rate Rider for Global Adjustment Sub-Account Disposition (2011) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kWh	0.0016
Rate Rider for Global Adjustment Sub-Account Disposition (2011) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until December 31, 2012	\$/kWh	(0.0003)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until December 31, 2012	\$/kWh	(0.0015)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery		
– effective until December 31, 2012	\$/kWh	0.0003
Rate Rider for Tax Change – effective until December 31, 2012	\$/kWh	(0.0001)
Rate Rider for Deferred Payments in Lieu of Taxes ("PILs") – effective until December 31, 2013	\$/kWh	0.0012
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0063
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Horizon Utilities Corporation

PROPOSED TARIFF OF RATES AND CHARGES

Effective and Implementation Date November 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0172
EB-2011-0417
EB-2012-0005

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification applies to safety/security lighting with a Residential, General Service or Large Use customer. This is typically exterior lighting, and often unmetered. Consumption is estimated based on the equipment rating and estimated hours of use. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	4.45
Rate Rider for Recovery of Green Energy Act related costs – effective until December 31, 2012	\$	0.04
Distribution Volumetric Rate	\$/kW	12.2103
Low Voltage Service Rate	\$/kW	0.01745
Rate Rider for Global Adjustment Sub-Account Disposition (2011) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kW	0.5959
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kW	(0.3106)
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until December 31, 2012	\$/kW	0.0158
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until December 31, 2012	\$/kW	(0.5306)
Rate Rider for Tax Change – effective until December 31, 2012	\$/kW	(0.1078)
Rate Rider for Deferred Payments in Lieu of Taxes ("PILs") – effective until December 31, 2013	\$/kW	0.9115
Retail Transmission Rate – Network Service Rate	\$/kW	2.0622
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5685

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Horizon Utilities Corporation

PROPOSED TARIFF OF RATES AND CHARGES

Effective and Implementation Date November 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0172
EB-2011-0417
EB-2012-0005

STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	2.32
Rate Rider for Recovery of Green Energy Act related costs – effective until December 31, 2012	\$	0.04
Distribution Volumetric Rate	\$/kW	6.1961
Low Voltage Service Rate	\$/kW	0.01702
Rate Rider for Global Adjustment Sub-Account Disposition (2011) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kW	0.5621
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until December 31, 2012		
Applicable only for Non-RPP Customers	\$/kW	(0.3157)
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until December 31, 2012	\$/kW	(0.1694)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until December 31, 2012	\$/kW	(0.5394)
Rate Rider for Tax Change – effective until December 31, 2012	\$/kW	(0.0672)
Rate Rider for Deferred Payments in Lieu of Taxes ("PILs") – effective until December 31, 2013	\$/kW	0.5670
Retail Transmission Rate – Network Service Rate	\$/kW	1.9537
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5293

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Horizon Utilities Corporation

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STANDBY POWER SERVICE CLASSIFICATION

This classification refers to an account that has Load Displacement Generation and requires the distributor to provide back-up service. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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MONTHLY RATES AND CHARGES – APPROVED ON AN INTERIM BASIS

Standby Charge – for a month where standby power is not provided. The charge is applied to the amount of reserved load transfer capacity contracted or the amount of monthly peak load displaced by a generating facility.

Rate Rider for Deferral/Variance Account Disposition (2011) – effective until December 31, 2012

Rate Rider for Tax Change – effective until December 31, 2012

Rate Rider for Deferred Payments in Lieu of Taxes ("PILs") – effective until December 31, 2013

\$/kW	2.4952
\$/kW	(0.0013)
\$/kW	(0.0087)
\$/kW	0.0733

Horizon Utilities Corporation

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microFIT GENERATOR SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	5.25
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Horizon Utilities Corporation

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ALLOWANCES

Transformer Allowance for Ownership - General Service 50 to 4,999 kW customers - per kW of billing demand/month	\$/kW	(0.73)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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Customer Administration		
Arrears Certificate	\$	15.00
Statement of Account	\$	15.00
Pulling post-dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement Letter	\$	15.00
Income tax letter	\$	15.00
Notification Charge	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned Cheque charge (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Legal letter charge	\$	15.00
Account set up charge / change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special Meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Credit Card Convenience Charge	\$	15.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Collection of account charge – no disconnection – after regular hours	\$	165.00
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Disconnect/Reconnect at pole – after regular hours	\$	415.00
Install / remove load control device – during regular hours	\$	65.00

Horizon Utilities Corporation

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Install / remove load control device – after regular hours	\$	185.00
Service call – customer-owned equipment	\$	30.00
Service call – after regular hours	\$	165.00
Temporary service install and remove – overhead – no transformer	\$	500.00
Temporary service install and remove – underground – no transformer	\$	300.00
Temporary service install and remove – overhead – with transformer	\$	1,000.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
Administrative Billing Charge	\$	150.00

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EB-2012-0005

RETAIL SERVICE CHARGES (if applicable)

APPLICATION

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Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

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

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0407
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0179
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0303
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0078