



Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
TORONTO, ON M4P 1E4

November 5, 2012

Attention: Board Secretary

Re: Kenora Hydro Electric Corporation Ltd. (EB-2011-0177) 2012 IRM Application Draft Rate Order

Dear Ms. Walli:

Attached please find Kenora Hydro's Draft Rate Order including revised Excel Models and a proposed Tariff of Rates and Charges reflecting the Board's findings in the Decision and Order dated November 1, 2012.

Should you require additional information, please do not hesitate to contact us.

Sincerely,

A handwritten signature in purple ink, appearing to read "J. Robertson", is written over a horizontal line.

Janice Robertson, CA
Manager of Finance & Regulatory Affairs
Kenora Hydro Electric Corporation Ltd.
Ph (807) 467-2014
Fax (807) 467-2068
jrobertson@kenora.ca

Encls.

PRICE CAP INDEX ADJUSTMENT

Kenora Hydro has updated the Model to incorporate the 2.0% price escalator and a productivity factor of 0.72% and a stretch factor of 0.4%. The resulting price cap index adjustment is 0.88%. Updated IRM Model has been included as Appendix A.

RURAL OR REMOTE ELECTRICITY RATE PROTECTION

The final Tariff of Rates and Charges reflects the new RRRP charges of \$0.0011 per kWh. Updated IRM Model has been included as Appendix A.

REVENUE-TO-COST RATIO ADJUSTMENT

Kenora Hydro agrees that the revenue-to-cost ratio adjustments are in accordance with the Board's decision in Kenora Hydro's 2011 COS proceeding. Model has been included as Appendix B.

RETAIL TRANSMISSION SERVICE RATES

The 2012 UTR's effective January 1, 2012 have been incorporated into the Model, included as Appendix D.

Network Service Rate	\$3.57 per kW
Line Connection Service Rate	\$0.80 per kW
Transformation Connection Rate	\$1.86 per kW

DISPOSITION OF GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

Kenora Hydro has updated the carrying charges to October 31, 2012 on the approved Deferral and Variance accounts credit balance of \$134,080. The revised total for disposition is \$(134,225). Carrying charges were calculated at simple interest on principal at OEB annual rate of 1.47%. Updated Model has been included as Appendix E.

DISPOSITION OF GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS (Con't)

The updated summary of the Group 1 Accounts for disposition is presented below:

Account Name	Account #	Principal Balance	Interest Balance	Total Claim
RSVA – Wholesale Market Svc	1580	\$(117,269)	\$(6,025)	\$(123,294)
RSVA – Network Charge	1584	\$(11,266)	\$(274)	\$(11,541)
RSVA – Connection Charge	1586	\$30,643	\$(3,144)	\$27,500
RSVA – Power (excludes GA)	1588	\$(11,220)	\$849	\$(10,370)
RSVA – Global Adjustment	1588	\$(21,658)	\$(61)	\$(21,718)
Recovery of Reg. Asset Balances	1590	\$111,414	\$(106,217)	\$5,198
GROUP 1 TOTAL *				\$(134,225)

*(not including special purpose charge)

ACCOUNT 1521 – SPECIAL PURPOSE CHARGE

The carrying charges on Account 1521 in the Model were updated to reflect the carrying charges estimated to the implementation date of the Board Decision and Order. The final balance for disposition including carrying charges to October 31, 2012 is \$3,029.86.

ACCOUNT 1562 – DEFERRED PILS

The credit balance of \$ (245,521), consisting of \$ (188,270) principal and \$(57,251) carrying charges to October 31, 2012, disposed of over a 12 month period results in the following riders by class:

Rate Rider Calculation						
From	November 1, 2012					
To	October 31, 2013					
Months	12					
Rate Class	Vol Metric	Distribution Revenue	% Distribution Revenue	1562 PILs Allocation	kWh/kW Billed COS Forecast	1562 PILs Rate Rider
Residential	kWh	\$ 1,832,947	59.53%	-\$ 146,165	39,677,024	-\$ 0.0036
General Service Less Than 50 kW	kWh	\$ 538,556	17.49%	-\$ 42,946	24,025,485	-\$ 0.0017
General Service 50 to 4,999 kW	kW	\$ 644,245	20.92%	-\$ 51,374	112,043	-\$ 0.4585
Unmetered Scattered Load	kWh	\$ 6,857	0.22%	-\$ 547	145,633	-\$ 0.0037
Street Lighting	kW	\$ 56,299	1.83%	-\$ 4,489	5,775	-\$ 0.7773
		<u>\$ 3,078,904</u>	<u>100.00%</u>	<u>-\$ 245,521</u>		

The updated PILs Model has been included as Appendix F.

LRAM CLAIM

The carrying charges on the LRAM claim have been updated to reflect the November 1, 2012 implementation date of the Board's Decision and Order. The LRAM Model and the calculation of the carrying charges is provided in Appendix G. The resulting rate riders by class are as follows:

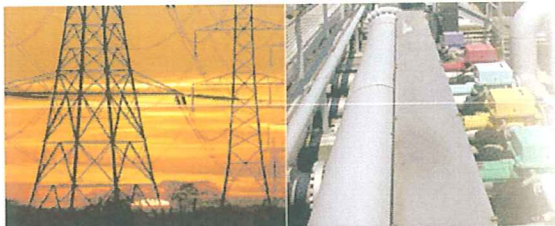
LRAM Rate Rider By Class One Year Disposition Beginning Nov 1, 2012				
Customer Class	Total LRAM + Carrying Charges	Unit	2011 OEB Approved kWh or kW	Proposed Rate Rider 1-Nov-12
Residential	\$ 77,903.23	kWh	39,677,024	\$ 0.001963
GS Under 50 kW	\$ 597.12	kWh	24,025,485	\$ 0.000025
GS Over 50 kW	\$ 2,575.00	kW	112,043	\$ 0.022982

EFFECTIVE DATE OF THE RATE CHANGE

Kenora Hydro agrees that new distribution rates will be effective November 1, 2012.

APPENDIX A

2012 IRM MODEL



Ontario Energy Board

3RD Generation Incentive Regulation Model

Choose Your Utility:

Application Type: IRM3

OEB Application #: EB-2011-0177

LDC Licence #: ED-2003-0030

Application Contact Information

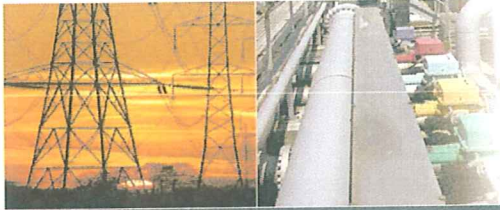
Name: Title: Phone Number: Email Address: We are applying for rates effective: Please indicate the version of Microsoft
Excel that you are currently using:

Legend

Copyright

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

While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on

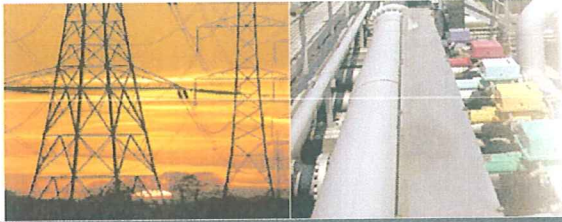


 Ontario Energy Board
**3RD Generation Incentive
Regulation Model**

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

Table of Contents

1. [Info](#)
2. [Table of Contents](#)
3. [Rate Classes](#)
4. [Current Monthly Fixed Charges](#)
5. [Current Distribution Volumetric Rates](#)
6. [Current Volumetric Rate Riders](#)
7. [Current RTSR-Network Rates](#)
8. [Current RTSR-Connection Rates](#)
9. [2012 Continuity Schedule for Deferral and Variance Accounts](#)
10. [Deferral/Variance Accounts - Billing Determinants](#)
11. [Deferral/Variance Accounts - Cost Allocation](#)
12. [Deferral/Variance Accounts - Calculation of Rate Riders](#)
13. [Proposed Monthly Fixed Charges](#)
14. [Proposed Volumetric Rate Riders](#)
15. [Proposed RTSR-Network Rates](#)
16. [Proposed RTSR-Connection Rates](#)
17. [Adjustments for Revenue/Cost Ratio and GDP-IPI - X](#)
18. [Loss Factors - Current and Proposed \(if applicable\)](#)
19. [Other Charges](#)
20. [2012 Final Tariff of Rates and Charges](#)
21. [Bill Impacts](#)



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3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

Select the appropriate rate classes as they appear on your most recent Board-Approved Tariff of Rates and Charges.

Note: The microFIT class does not exist in the drop-down menu below as it will automatically be inserted into your proposed Tariff Schedule.

Rate Class

Residential
General Service Less Than 50 kW
General Service 50 to 4,999 kW
Unmetered Scattered Load
Street Lighting
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
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Choose Rate Class
Choose Rate Class



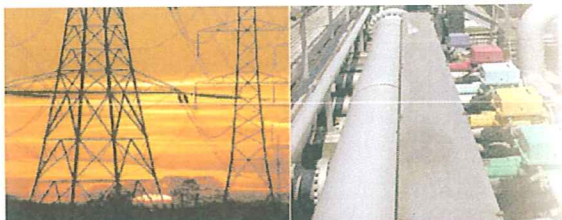
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Regulation Model**

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

Please note that unlike the Distribution Volumetric Rates, which will be entered in the following two tabs, all current Monthly Fixed Charges, including the base charges, must be entered on this tab. Please enter the descriptions of the current Monthly Fixed Charges exactly as they appear on your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct class exactly as it appears on the tariff. Once a description is selected or entered into the green cells, the input cells for the "Unit", "Amount", and "Effective Date" will appear. Please note that the base Monthly Fixed Charge is identified in the drop-down list as a "Service Charge" to coincide with the description on the tariff. Please do not enter more than one "Service Charge" for each class for which a base monthly fixed charge applies. **Note: Do not enter Standard Supply Service Rate. The rate will appear automatically on the final Tariff of Rates and Charges.

Rate Description	Unit	Amount	Effective Until Date
Residential			
Service Charge	\$	18.77	
Rate Rider for Smart Meter Variance Account Disposition	\$	3.55	April 30, 2012
Rate Rider for Recovery of Stranded Meter Assets	\$	3.12	April 30, 2012
Rate Rider for Recovery of Late Payment Penalty Litigation Costs (per customer)	\$	0.20	April 30, 2012
General Service Less Than 50 kW			
Service Charge	\$	36.86	
Rate Rider for Smart Meter Variance Account Disposition	\$	3.55	April 30, 2012
Rate Rider for Recovery of Stranded Meter Assets	\$	3.12	April 30, 2012
Rate Rider for Recovery of Late Payment Penalty Litigation Costs (per customer)	\$	0.37	April 30, 2012
General Service 50 to 4,999 kW			
Service Charge	\$	509.19	
Rate Rider for Smart Meter Variance Account Disposition	\$	3.55	April 30, 2012
Rate Rider for Recovery of Stranded Meter Assets	\$	3.12	April 30, 2012
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	\$	5.16	April 30, 2012
Unmetered Scattered Load			
Service Charge (per connection)	\$	15.60	
Street Lighting			
Service Charge (per connection)	\$	4.92	
Rate Rider for Recovery of Late Payment Penalty Litigation Costs (per connection)	\$	0.05	April 30, 2012



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3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

For each class, please enter the base Distribution Volumetric Rates ("DVR") from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus and input cells in columns labeled "Unit" and "Amount".

Rate Description	Unit	Amount
Residential	\$/kWh	0.01370
General Service Less Than 50 kW	\$/kWh	0.00570
General Service 50 to 4,999 kW	\$/kW	1.62240
Unmetered Scattered Load	\$/kWh	0.00490
Street Lighting	\$/kW	3.23430



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3RD Generation Incentive Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

Please enter the descriptions of all other current Variable Rates, including any applicable low voltage charges, rate riders, rate adders, etc. from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus located under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description of the associated rate in the green cells exactly as it appears on the tariff. Once a description is selected or entered into the green cells, the input cells for the "Unit", "Amount", and "Effective Date" will appear. **Note: Do not enter the WMSR or RRRP Rate below. These rates will appear automatically on the final Tariff of Rates and Charges.

[illegible]

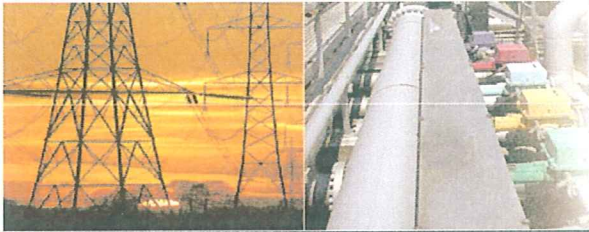
Street Lighting

Rate Rider for Deferral/Variance Account Disposition (2011)

\$/kW

(2.34720)

April 30, 2012

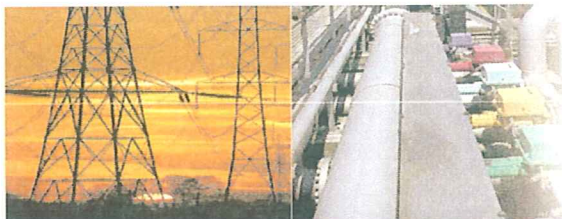


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3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

Please enter your RTS-Network Rates from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct classes exactly as it appears on the tariff.

Rate Description	Unit	Amount
Residential		
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00590
General Service Less Than 50 kW		
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00520
General Service 50 to 4,999 kW		
Retail Transmission Rate – Network Service Rate	\$/kW	2.16570
Unmetered Scattered Load		
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00520
Street Lighting		
Retail Transmission Rate – Network Service Rate	\$/kW	1.63300



Ontario Energy Board

3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

Please enter your RTS-Connection Rates from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct classes exactly as it appears on the tariff.

Rate Description	Unit	Amount
Residential		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00160
General Service Less Than 50 kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00140
General Service 50 to 4,999 kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.54340
Unmetered Scattered Load		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00140
Street Lighting		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.42000



Ontario Energy Board
3RD Generation Incentive
Regulation Model

Kemora Hydro Electric Corporation Ltd. - EB-2011-0177

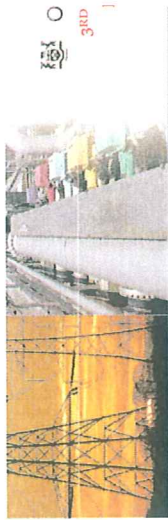
Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 and Account 1562. Enter information into green cells only. Lines 51-61 contain footnotes and further instructions.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DVA schedule below will be the balance sheet date as per your OIL for which you received approval. For example, if in the 2011 EDR process (CoS or RM) you received approval for the December 31, 2009 balances, the starting point for your entries below should be the adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 opening balance columns (for both principal and interest) without requiring entries dating back to the beginning of the continuity schedule (i.e. Jan 1, 2006).

		2005						
Account Number	Account Descriptions	Opening Principal Amounts as of Jan-1-05	Transactions Debit / Credit during 2005, excluding interest and adjustments ³	Board-Approved Disposition during 2005	Adjustments during 2005 - other ³	Closing Principal Balance as of Dec-31-05	Opening Interest Amounts as of Jan-1-05	Interest Jan-1 to Dec-31-05
1550	LV Variance Account							
1560	RSVA - Wholesale Market Service Charge							
1564	RSVA - Retail Transmission Network Charge							
1565	RSVA - Retail Transmission Connection Charge							
1568	RSVA - Power (excluding Global Adjustment)							
1588	RSVA - Power - Sub-Account - Global Adjustment							
1590	Recovery of Regulatory Asset Balances							
1595	Disposition and Recovery of Regulatory Balances (2009) ⁷							
1595	Disposition and Recovery of Regulatory Balances (2009) ⁷							
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - Power - Sub-Account - Global Adjustment		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Purpose Charge Assessment Variance Account								
Deferred Payments in Lieu of Taxes								
Group 1 Total + 1521 + 1562		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
The following is not included in the total claim but are included on a memo basis:								
Board-Approved CDM Variance Account								
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)								
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/VAT Input Tax Credits (ITCs)								
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/VAT Contra Account								
Disposition and Recovery of Regulatory Balances ⁸								
1567	Board-Approved CDM Variance Account							
1592	PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)							
1592	PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/VAT Input Tax Credits (ITCs)							
1592	PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/VAT Contra Account							
1595	Disposition and Recovery of Regulatory Balances ⁸							

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. debit balances are to have a positive figure and credit balance are to have a negative figure) as per the related Board decision.

- Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board
- Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write-off, etc.
- Adjustments instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the 2006 EDR and account 1595 during the 2008 EDR and subsequent years as ordered by the Board.
- Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved disposed balances, please provide amounts for adjustments and include supporting documentations.
- Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 and 29.
- For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transactions during the year.
- If the LDC's 2011 rate year started January 1, the projected interest is recorded on January 1, 2011 on the December 31, 2010 balance sheet adjusted for the disposed balances approved by the Board in the 2011 rate decision. If the LDC's 2011 rate year started April 1, the projected interest is recorded on April 1, 2011 on the December 31, 2010 balance sheet adjusted for the disposed balances approved by the Board in the 2011 rate decision.
- Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has been completed, and the audited financial statements support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include the balances in Account 1595 on a memo basis only (line 49).



Kenora Hydro Electric Corporation Ltd. - FY-2011-0177

lease complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 a

notes and further instructions.
you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DA

disposition column AV for principal and column BA for interest. This will allow for the correct starting point for t

ities dating back to the beginning of the continuity schedule ie: Jan 1, 2005.

Account Descriptions		2006									
Account Number		Opening Principal Amounts as of 1-06	Transactions Debit/ (Credit) during 2006 excluding interest and adjustments ⁵	Board-Approved Disposition during 2006 ^{3,4}	Adjustments during 2006 - other ³	Closing Principal Balance as of Dec-31-06	Opening Interest Amounts as of Jan-1-06	Interest Jan-1 to Dec-31-06	Board-Approved Disposition during 2006 ^{3,4}	Adjustments during 2006 - other ³	Closing Interest Amounts as of Dec-31-06
Group 1 Accounts											
1550	LV Variance Account	\$ -				\$ -	\$ -				\$ -
1580	RSVA - Wholesale Market Service Charge	\$ -				\$ -	\$ -				\$ -
1584	RSVA - Retail Transmission Network Charge	\$ -				\$ -	\$ -				\$ -
1586	RSVA - Retail Transmission Connection Charge	\$ -				\$ -	\$ -				\$ -
1588	RSVA - Power (excluding Global Adjustment)	\$ -				\$ -	\$ -				\$ -
1588	RSVA - Power - Sub-Account - Global Adjustment	\$ -				\$ -	\$ -				\$ -
1590	Recovery of Regulatory Asset Balances	\$ -				\$ -	\$ -				\$ -
1595	Disposition and Recovery of Regulatory Balances (2008) ⁷	\$ -				\$ -	\$ -				\$ -
1595	Disposition and Recovery of Regulatory Balances (2009) ⁷	\$ -				\$ -	\$ -				\$ -
1588	Group 1 Sub-Total (including Account 1588 - Global Adjustment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1588	Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1588	RSVA - Power - Sub-Account - Global Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1521	Special Purpose Charge Assessment Variance Account	\$ -				\$ -	\$ -				\$ -
1562	Deferred Payments in Lieu of Taxes	\$ -				\$ -	\$ -				\$ -
1562	Group 1 Total + 1521 + 1562	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1567	The following is not included in the total claim but are included on a memo basis:										
1592	Board-Approved CDM Variance Account										
1592	PIs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)										
1592	PIs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/IOVAT Input Tax Credits (ITCs)										
1592	PIs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/IOVAT Contra Account										
1595	Disposition and Recovery of Regulatory Balances ⁷	\$ -				\$ -	\$ -				\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (o

negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board

Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs wr

Adjustments instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved disc

Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 ar

For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transac

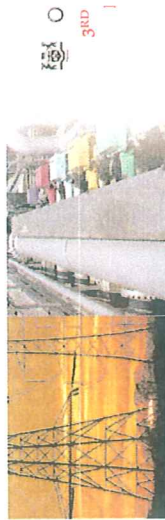
If the LDC's 2011 rate decision is recorded from January 1, 2011 to December 31, 2011, the projected interest is recorded from January 1, 2011 to December 31, 2011

Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January

recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances appr

Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has

support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, includ



Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

lease complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 a
volumes and further instructions.

you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DA
derived approval. Example: If the EDR for 2006 is approved for disposal, the starting point for entries in the 2012 DA
is the 2006 AV for the account and column 1521. This will allow for the correct starting point for t
entries dating back to the beginning of the continuity schedule ie: Jan 1, 2005.

Account Descriptions		2007											
Account Number		Opening Principal Amounts as of Jan-1-07	Transactions Debit/ (Credit) during 2007 excluding interest and adjustments ⁵	Board-Approved Disposition during 2007	Adjustments during 2007 - other ³	Closing Principal Balance as of Dec-31-07	Opening Interest Amounts as of Jan-1-07	Interest Jan-1 to Dec-31-07	Board-Approved Disposition during 2007	Adjustments during 2007 - other ³	Closing Interest Amounts as of Dec-31-07		
Group 1 Accounts													
1550	LV Variance Account	\$ -				\$ -	\$ -				\$ -		
1580	RSVA - Wholesale Market Service Charge	\$ -				\$ -	\$ -				\$ -		
1584	RSVA - Retail Transmission Network Charge	\$ -				\$ -	\$ -				\$ -		
1586	RSVA - Retail Transmission Connection Charge	\$ -				\$ -	\$ -				\$ -		
1588	RSVA - Power (excluding Global Adjustment)	\$ -				\$ -	\$ -				\$ -		
1588	RSVA - Power - Sub-Account - Global Adjustment	\$ -				\$ -	\$ -				\$ -		
1590	Recovery of Regulatory Asset Balances	\$ -				\$ -	\$ -				\$ -		
1595	Disposition and Recovery of Regulatory Balances (2009) ⁷	\$ -				\$ -	\$ -				\$ -		
1595	Disposition and Recovery of Regulatory Balances (2009) ⁷	\$ -				\$ -	\$ -				\$ -		
Group 1 Sub-Total (including Account 1588 - Global Adjustment)													
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)													
RSVA - Power - Sub-Account - Global Adjustment													
Special Purpose Charge Assessment Variance Account													
1521		\$ -				\$ -	\$ -				\$ -		
1562	Deferred Payments in Lieu of Taxes	\$ -				\$ -	\$ -				\$ -		
Group 1 Total + 1521 + 1562													
The following is not included in the total claim but are included on a memo basis:													
Board-Approved CDM Variance Account													
1567	PIs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)												
1592	PIs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/IOVAT Input Tax Credits (ITCs)												
1592	PIs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/IOVAT Contra Account												
1592	Disposition and Recovery of Regulatory Balances ⁷	\$ -				\$ -	\$ -				\$ -		
1595		\$ -				\$ -	\$ -				\$ -		

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board

Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs wr

Adjustments instructed by the Board include deferral/variance account balances moved to Account 1560 as a result of the

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved disc

Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 ar

For RSVA accounts only, report the net expense to the account during the year. For all other accounts, record the transac

If the DC's 2011 rate decision, the projected interest is recorded from January 1, 2011 to December 31, 2011

Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from Januar

recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances appr

Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has

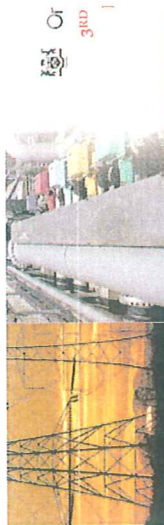
support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, includ



you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DVA is the ending balance from the prior year. For example, if in the 2011 EDR process (CoS or IRI) you received approval for the December 31, 2010 ending balance, then the starting point for entries in the 2012 DVA is the ending balance from the 2010 DVA. If you have not received approval for the December 31, 2010 ending balance, then the starting point for entries in the 2012 DVA is the ending balance from the 2009 DVA. This will allow for the correct starting point for the adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for the entries dating back to the beginning of the continuity schedule ie: Jan 1, 2005.

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g., negative) as per the related Board decision.

Sheet name 9, 2012 Cont. Sched. Def_Var



Kentura Hydro Electric Corporation Ltd. - EB-2011-0177

Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 a

notes and further instructions.
you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DA
adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for t
ntries dating back to the beginning of the continuity schedule ie. Jan 1, 2005.

Account Descriptions		2009									
Account Number		Opening Principal Amounts as of Jan-1-09	Transactions Debit / (Credit) during 2009 excluding interest and adjustments	Board-Approved Disposition during 2009	Adjustments during 2009 - other	Closing Principal Balance as of Dec-31-09	Opening Interest Amounts as of Jan-1-09	Interest Jan-1 to Dec-31-09	Board-Approved Disposition during 2009	Adjustments during 2009 - other	Closing Interest Amounts as of Dec-31-09
Group 1 Accounts											
1550	LV Variance Account	\$ -				\$ -	\$ -				\$ -
1580	RSVA - Wholesale Market Service Charge	\$ -				\$ 306,335	\$ -			\$ -	\$ 25,342
1584	RSVA - Retail Transmission Network Charge	\$ -				\$ 5,316	\$ -			\$ -	\$ 1,521
1586	RSVA - Retail Transmission Connection Charge	\$ -				\$ 488,795	\$ -			\$ -	\$ 48,237
1588	RSVA - Power (excluding Global Adjustment)	\$ -				\$ 76,710	\$ -			\$ -	\$ 13,842
1588	RSVA - Power - Sub-Account - Global Adjustment	\$ -				\$ 153,917	\$ -			\$ -	\$ 1,645
1590	Recovery of Regulatory Asset Balances	\$ -				\$ 111,414	\$ -			\$ -	\$ 110,046
1595	Disposition and Recovery of Regulatory Balances (2009) ¹	\$ -				\$ -	\$ -			\$ -	\$ -
1595	Disposition and Recovery of Regulatory Balances (2009) ²	\$ -				\$ -	\$ -			\$ -	\$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)											
1588	Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)	\$ -	\$ -	\$ -	\$ -	\$ 428,405	\$ -	\$ -	\$ -	\$ -	\$ 169,659
1588	RSVA - Power - Sub-Account - Global Adjustment	\$ -	\$ -	\$ -	\$ -	\$ 592,322	\$ -	\$ -	\$ -	\$ -	\$ 171,304
1521	Special Purpose Charge Assessment Variance Account	\$ -				\$ 153,917	\$ -			\$ -	\$ 1,645
1562	Deferred Payments in Lieu of Taxes	\$ -				\$ -	\$ -			\$ -	\$ -
Group 1 Total + 1521 + 1562											
1567	Board-Approved CDM Variance Account	\$ -				\$ 428,405	\$ -	\$ -	\$ -	\$ -	\$ 169,659
1592	PLTs and Tax Variance for 2006 and Subsequent Years (includes sub-account and contra account below)	\$ -				\$ -	\$ -			\$ -	\$ -
1592	PLTs and Tax Variance for 2006 and Subsequent Years - Sub-Account HISTOVAT Input Tax Credits (ITCs)	\$ -				\$ -	\$ -			\$ -	\$ -
1592	PLTs and Tax Variance for 2006 and Subsequent Years - Sub-Account HISTOVAT Contra Account	\$ -				\$ -	\$ -			\$ -	\$ -
1595	Disposition and Recovery of Regulatory Balances ³	\$ -				\$ -	\$ -			\$ -	\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board

Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs wr Adjustments instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved disc

Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 ar

For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transit

If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 20

Recorded in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from Januar

Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has

support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, includ



Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 a

you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DV received approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for all entries dating back to the beginning of the continuity schedule (i.e. Jan 1, 2005).

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g., negative) as per the Board's decision.

Applicants may wish to propose WMA as the allocator for account 1921 pending a final decision of the Board. Provide supporting statement indicating whether due to denial of costs in 2006 EOR by the Board, 10% transaction costs will be added to the total cost of the project. If so, please provide details of how the Board will allocate the adjustments. Instructions by the Board include differential value account balances moved to Account 1950 as a result of the adjustments. The purpose of the adjustments relates to previously Board Approved dispositions.

Please provide explanations for the nature of the adjustments.

Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 and 29 for RSNA accounts only, report the net revenue to the account during the year. For the year ended March 31, 2010, the LUCAS 2011 rate year started January 1, 2010. Projected interest income for the year ended March 31, 2010 is recorded from May 1, 2010. The projected interest is recorded from January 1, 2010 to December 31, 2010. A balance adjustment for the disposed balance approved for the year ended March 31, 2010 is recorded on the December 31, 2010 balance sheet adjusted for the disposed balance approved for the year ended March 31, 2010. On April 30, 2011, the balance sheet was updated for the year ended March 31, 2011. The balance sheet for the year ended March 31, 2011 is recorded from May 1, 2011 to April 30, 2011.

Include Account 1955 as one of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has expired. Please provide explanation for the recovery (or refund) period. Please provide supporting statement indicating how the underlying residual balance in account 1955. If the recovery (or refund) period has not yet expired, indicate the expected date of completion of the recovery (or refund) period.



Kemora Hydam Electric Corporation Ltd. - EB-2011-0177

Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 and subnotes and further instructions.

you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DA is the 2011 EDR process (CDS or full) you received approval for the December 31, 2011 balance. If you have received approval for the 2011 EDR process, the starting point for entries in the 2012 DA is the 2011 EDR process (CDS or full) you received approval for the December 31, 2011 balance. If you have received approval for the 2011 EDR process, the starting point for entries in the 2012 DA is the 2011 EDR process (CDS or full) you received approval for the December 31, 2011 balance.

Account Descriptions	Account Number	2011					Projected Interest on Dec-31-10 Balances		2.1.7 RRR	
		Principal Disposition during 2011 - instructed by Board	Interest Disposition during 2011 - instructed by Board	Closing Principal Balances as of Dec 31-10 Dispositions during 2011	Closing Interest Balances as of Dec 31-10 Dispositions during 2011	Projected Interest from Jan 1, 2011 to December 31, 2011 on Dec 31 -10 balance adjusted for disposition during 2011 ⁷	Projected Interest from January 1, 2012 to April 30, 2012 on Dec 31 -10 balance adjusted for disposition during 2011 ⁷	Total Claim	As of Dec 31-10 ⁴	Variance RRR vs. 2010 Balance (Principal + Interest)
Group 1 Accounts										
LV Variance Account	1550									
RSVA - Wholesale Market Service Charge	1580									
RSVA - Retail Transmission Network Charge	1584									
RSVA - Retail Transmission Connection Charge	1586									
RSVA - Power (excluding Global Adjustment)	1588									
RSVA - Sub-Account - Global Adjustment	1588									
Recovery of Regulatory Asset Balances	1590									
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595									
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595									
Group 1 Sub-Total (including Account 1588 - Global Adjustment)										
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)	1588									
RSVA - Power - Sub-Account - Global Adjustment										
Special Purpose Charge Assessment Variance Account										
Deferred Payments in Lieu of Taxes	1562									
Group 1 Total + 1521 + 1562										
The following is not included in the total claim but are included on a memo basis:										
Board-Approved CDM Variance Account	1567									
PLIs and Tax Variance for 2006 and Subsequent Years (includes sub-account and contra account below)	1592									
PLIs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592									
PLIs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592									
Disposition and Recovery of Regulatory Balances ⁷	1595									

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. negative figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board.

Provide supporting statement indicating whether due to denial of costs in 2008 EDR by the Board, 10% transition costs were allocated to the 2011 rate year.

Adjustments instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the Board's decision on the nature of the adjustments. If the adjustment relates to previously Board-Approved decisions, please provide explanations for the nature of the adjustments.

Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 or 29 for RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the net variance to the LDC's rate year.

The LDC's rate year for the 2011 rate period is 2011. The LDC's 2011 rate period started May 1, 2011 to December 31, 2011. The LDC's 2012 rate period started May 1, 2012 to April 30, 2012.

Adjustments instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the Board's decision on the nature of the adjustments. If the adjustment relates to previously Board-Approved decisions, please provide explanations for the nature of the adjustments.

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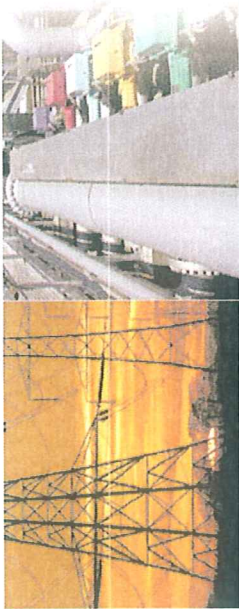
Adjustments instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the Board's decision on the nature of the adjustments. If the adjustment relates to previously Board-Approved decisions, please provide explanations for the nature of the adjustments.

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Ontario Energy Board
**3RD Generation Incentive
Regulation Model**

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

In the green shaded cells, enter the most recent Board Approved volumetric forecast. If there is a material difference between the latest Board-approved volumetric forecast and the

Rate Class	Unit	Metered kWh	Metered kW	Billed kWh for Non-RPP Customers	Estimated kW for Non-RPP Customers	Distribution Revenue ¹	1590 Recovery Share Proportion*	1595 Recovery Share Proportion (2008) ²	1595 Recovery Share Proportion (2009) ²
Residential	\$/kWh	39,677,024		7,098,219	-	1,606,740			
General Service Less Than 50 kW	\$/kWh	24,025,485		2,883,058	-	465,101			
General Service 50 to 4,999 kW	\$/kW	43,595,864	112,043	27,325,887	70,229	587,005			
Unmetered Scattered Load	\$/kWh	145,633		2,893	-	52,118			
Street Lighting	\$/kW	1,819,870	5,775		-	6,321			
Total		109,263,876	117,818	37,310,057	70,229	2,717,285	0%	0%	0%

Total Claim (including Accounts 1521 and 1562)	-\$	131,195
Total Claim for Threshold Test (All Group 1 Accounts)	-\$	134,224
Threshold Test ³ (Total Claim per kWh)	-	0.00123

¹ For Account 1562, the allocation to customer classes should be performed on the basis of the test year distribution revenue allocation to customer classes found in the Applicant's Cost of Service application that was most recently approved at the time of disposition of the 1562 account balance.
² Residual Account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.
³ The Threshold Test does not include the amount in 1521 nor 1562.



Ontario Energy Board
Deferral/Variance Account
Work Form

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

No input required. This worksheet allocates the deferral/variance account balances (Group 1, 1521, 1588 GA and 1562) to the appropriate classes.

Allocation of Group 1 Accounts (Excluding Account 1588 - Global Adjustment)

Rate Class	Units	Billed kWh	% kWh	1550	1580	1584	1586	1588*	1590	1595 (2008)	1595 (2009)	1521	Total
Residential	\$/kWh	39,677,024	36.31%	0	(44,772)	(4,191)	9,986	(3,766)	0	0	0	1,100	(41,642)
General Service Less Than 50 kW	\$/kWh	24,025,485	21.99%	0	(27,110)	(2,538)	6,047	(2,280)	0	0	0	666	(25,215)
General Service 50 to 4,999 kW	\$/kW	43,595,864	39.90%	0	(49,194)	(4,605)	10,972	(4,137)	0	0	0	1,209	(45,755)
Unmetered Scattered Load	\$/kWh	145,633	0.13%	0	(164)	(15)	37	(14)	0	0	0	4	(153)
Street Lighting	\$/kW	1,819,870	1.67%	0	(2,054)	(192)	458	(173)	0	0	0	50	(1,910)
Total		109,263,876	100.00%	0	(123,294)	(11,541)	27,500	(10,370)	5,198	0	0	3,029	(114,675)

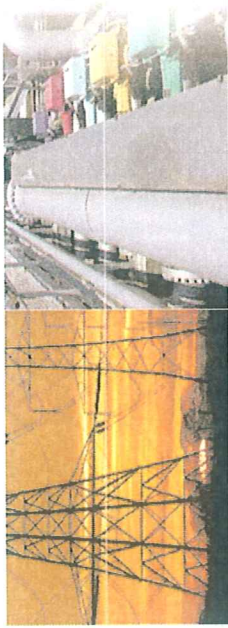
* RSVA - Power (Excluding Global Adjustment)

1588 RSVA - Power (Global Adjustment Sub-Account)

Rate Class	non-RPP kWh	% kWh	1588
Residential	7,098,219	19.02%	4,132
General Service Less Than 50 kW	2,883,058	7.73%	1,678
General Service 50 to 4,999 kW	27,325,887	73.24%	15,905
Unmetered Scattered Load	2,893	0.01%	2
Street Lighting	-	0.00%	-
Total	37,310,057	100.00%	(21,718)

Allocation of Account 1562

	% of Distribution Revenue	Allocation of Balance in Account 1562
Residential	59.1%	-
General Service Less Than 50 kW	17.1%	-
General Service 50 to 4,999 kW	21.6%	-
Unmetered Scattered Load	1.9%	-
Street Lighting	0.2%	-
Total	100.0%	-



Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

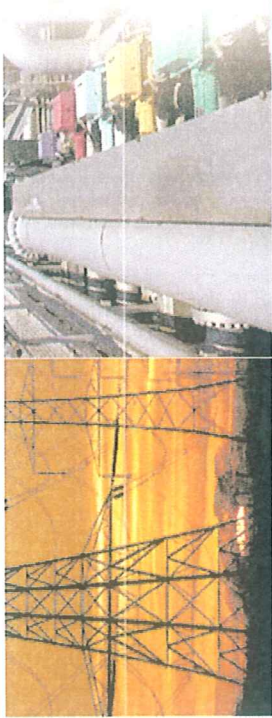
No input required. This worksheet calculates rate riders related to the Deferral/Variance Account Disposition (if applicable) and associated rate riders for the global adjustment sub-account.

Please indicate the Rate Rider Recovery Period

1

(in years)

Rate Class	Unit	Billed kWh	Billed kW	Accounts Allocated by kWh/kW (RPP) or Distribution Revenue	Deferral/Variance Account Rate Rider	Account 1588 Global Adjustment	Billed kWh or Estimated kW for Non-RPP	Global Adjustment Rate Rider
Residential	\$/kWh	39,677,024	-	41,642	(\$0.00105)	-\$	7,098,219	(\$0.00058)
General Service Less Than 50 kW	\$/kWh	24,025,485	-	25,215	(\$0.00105)	-\$	2,883,058	(\$0.00058)
General Service 50 to 4,999 kW	\$/kW	43,595,864	112,043	45,755	(\$0.40837)	-\$	70,229	(\$0.22649)
Unmetered Scattered Load	\$/kWh	145,633	-	153	(\$0.00105)	-\$	2,893	(\$0.00058)
Street Lighting	\$/kW	1,819,870	5,775	1,910	(\$0.33074)	\$	-	\$0.00000
Total		109,263,876	117,818	114,675		-\$	21,718	



Ontario Energy Board
3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

Below is a listing of the current Monthly Fixed Charges. All rates with expired effective dates have been removed. In columns "B", "K", and "M" (green cells), please enter all additional Monthly Fixed Charges you are proposing (eg: Smart Meter Funding Adder, etc). Please ensure that the word "Rider" or "Adder" is included in the description (as applicable).

Rate Description	Unit	Amount	Effective Until Date	Proposed Amount	Effective Until Date
Residential					
Service Charge	\$	18.77			
	\$				
	\$				
	\$				
General Service Less Than 50 kW					
Service Charge	\$	36.86			
	\$				
	\$				
	\$				
General Service 50 to 4,999 kW					
Service Charge	\$	509.19			
	\$				
	\$				
	\$				
Unmetered Scattered Load					
Service Charge (per connection)	\$	15.60			
	\$				
	\$				
	\$				
Street Lighting					
Service Charge (per connection)	\$	4.92			
	\$				
	\$				
	\$				



Below is a listing of the current Distribution Volumetric Rates other than the base rates. All rates with expired effective dates have been removed. In columns "B", "I", "K", and "M" (green cells), please enter all additional volumetric rates you are proposing (eg: LRAM/SSM, Tax Adjustments, etc.). Please ensure that the word "Rider" or "Adder" is included in the description (as applicable).

[illegible]

-0.77730

October 31, 2013

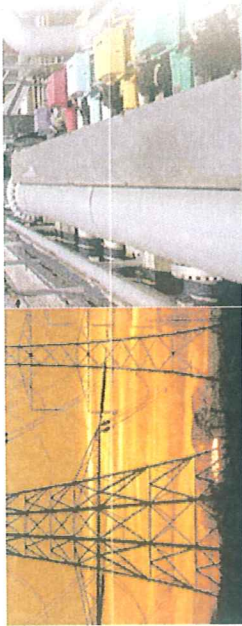


Ontario Energy Board
3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

Current RTSR-Network Rates are listed below. In column "K", please enter your proposed RTSR-Network Rates as per Sheet 13 of the Board's RTSR Workform.

Rate Description	Unit	Current Amount	% Adjustment	Proposed Amount
Residential				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00590	15.254%	0.00680
General Service Less Than 50 kW				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00520	15.385%	0.00600
General Service 50 to 4,999 kW				
Retail Transmission Rate – Network Service Rate	\$/kW	2.16570	14.873%	2.48780
Unmetered Scattered Load				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00520	15.385%	0.00600
Street Lighting				
Retail Transmission Rate – Network Service Rate	\$/kW	1.63300	14.874%	1.87590

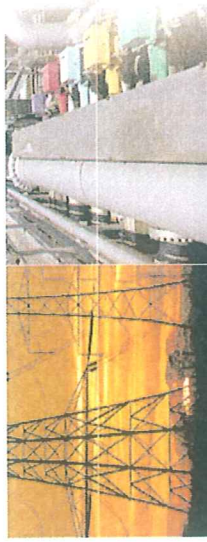


Ontario Energy Board
3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

Current RTSR-Connection Rates are listed below. In column "K", please enter your proposed RTSR-Connection Rates as per Sheet 13 of the Board's RTSR Workform.

Rate Description	Unit	Current Amount	% Adjustment	Proposed Amount
Residential				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00160	6.250%	0.00170
General Service Less Than 50 kW				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00140	7.143%	0.00150
General Service 50 to 4,999 kW				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.54340	3.699%	0.56350
Unmetered Scattered Load				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00140	7.143%	0.00150
Street Lighting				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.42000	3.714%	0.43560

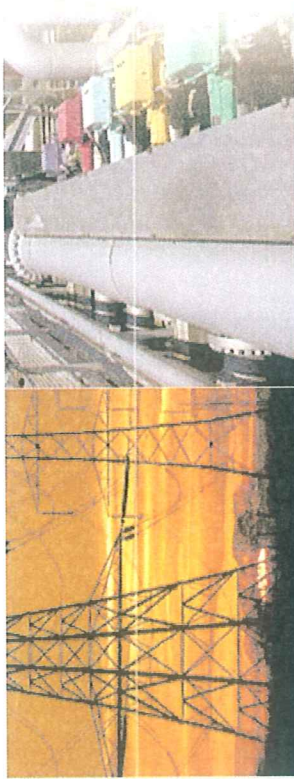


 Ontario Energy Board
3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

If applicable, please enter any adjustments related to the revenue to cost ratio model into columns H and K. The Price Escalator has been set at the 2011 values and will be updated by Board staff. The Stretch Factor Value will also be updated by Board staff.

Price Escalator	2.00%	Productivity Factor	0.72%	Price Cap Index	0.88%					
Choose Stretch Factor Group		II		Associated Stretch Factor Value		0.4%				
Rate Description	Unit	Current MFC	MFC Adjustment from R/C Model	Current Volumetric Charge	DVR Adjustment from R/C Model	Price Cap Index	Proposed MFC	Proposed Volumetric Charge		
Residential										
General Service Less Than 50 kW	\$	18.77		0.01370		0.880%	18.94	0.01382		
General Service 50 to 4,999 kW	\$	36.86		0.00570		0.880%	37.18	0.00575		
Unmetered Scattered Load	\$	509.19	0.38	1.62240	0.00120	0.880%	514.05	1.63789		
Street Lighting	\$	15.60	(1.13)	0.00490	(0.00040)	0.880%	14.60	0.00454		
	\$	4.92		3.23430		0.880%	4.96	3.26276		



Ontario Energy Board
3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

Please enter the descriptions of the current Loss Factors from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menu in the column labeled "Loss Factors". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct classes.

Loss Factors

Total Loss Factor - Secondary Metered Customer < 5,000 kW
Distribution Loss Factor - Primary Metered Customer < 5,000 kW

Current

1.0430
1.0325



Ontario Energy Board

3RD Generation Incentive Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177

The standard Allowance rates have been included as default entries. If you have different rates, please make the appropriate corrections in the below. As well, please enter the current Specific Service Charges below. The standard Retail Service Charges have been entered below. If you rates, please make the appropriate corrections in columns B, D or E as applicable (cells are unlocked).

UNIT CURRENT

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)

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

No 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.

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

Customer Administration

Arrears certificate
Statement of account
Duplicate invoices for previous billing
Request for other billing information
Easement letter
Income tax letter
Account history
Credit reference/credit check (plus credit agency costs)
Returned cheque charge (plus bank charges)
Legal letter charge
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)
Special meter reads
Meter dispute charge plus Measurement Canada fees (if meter found correct)

\$ 15.00
\$ 15.00
\$ 15.00
\$ 15.00
\$ 15.00
\$ 15.00
\$ 15.00
\$ 25.00
\$ 25.00
\$ 15.00
\$ 30.00
\$ 30.00
\$ 30.00

[illegible]

%	1.50
%	19.56
\$	65.00
\$	185.00
\$	185.00
\$	415.00

Install/Remove load control device - during regular hours
Install/Remove load control device - after regular hours
Owner Requested Disconnection/Reconnection - during regular hours
Service call - customer-owned equipment
Service Call - Customer-owned Equipment - After Regular Hours
Specific Charge for Access to the Power Poles \$/pole/year

\$	65.00
\$	185.00
\$	65.00
\$	65.00
\$	165.00
\$	22.35

RETAIL SERVICE CHARGES (if applicable)

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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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

Kenora Hydro Electric Corporation Ltd.

TARIFF OF RATES AND CHARGES

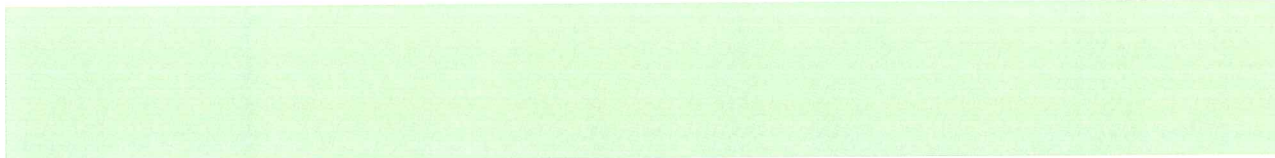
Effective Date November 1, 2012

Implementation Date November 1, 2012

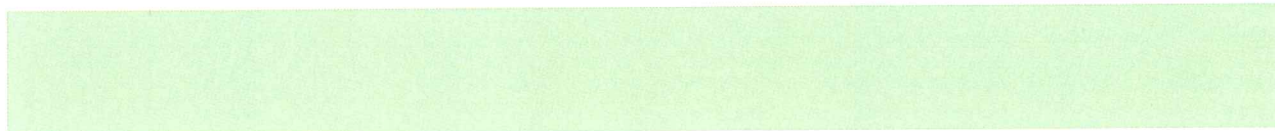
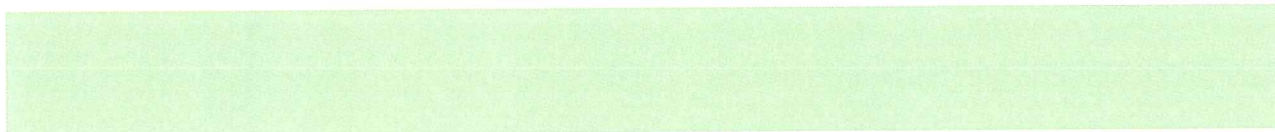
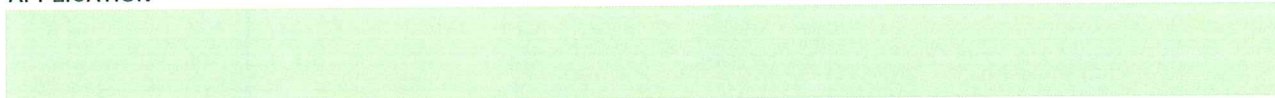
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0177

RESIDENTIAL SERVICE CLASSIFICATION



APPLICATION



MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	18.94
Distribution Volumetric Rate	\$/kWh	0.0138
LRAM Rate Rider - Effective Until October 31, 2013	\$/kWh	0.001963
PILs Rate Rider - Effective Until October 31, 2013	\$/kWh	-0.0036
Rate Rider for Deferral/Variance Account Disposition (2012)	\$/kWh	-0.001
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers	\$/kWh	-0.0006
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0068
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0017

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kenora Hydro Electric Corporation Ltd.

TARIFF OF RATES AND CHARGES

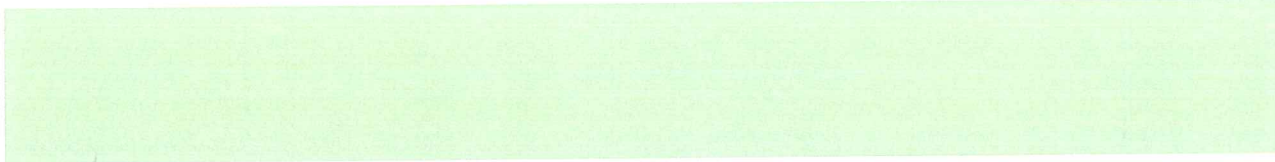
Effective Date November 1, 2012

Implementation Date November 1, 2012

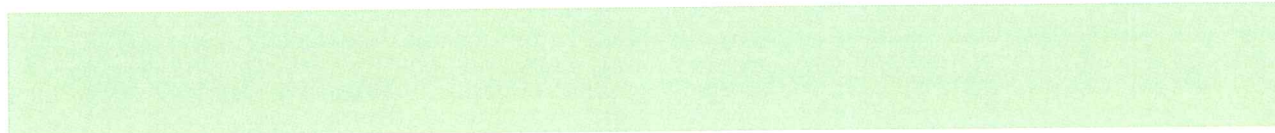
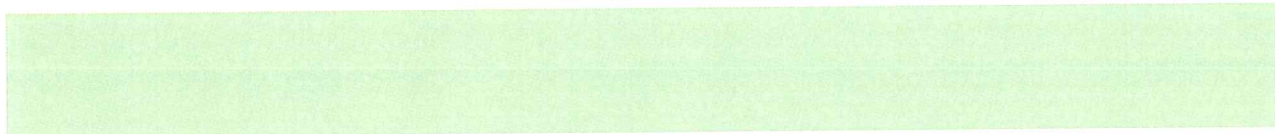
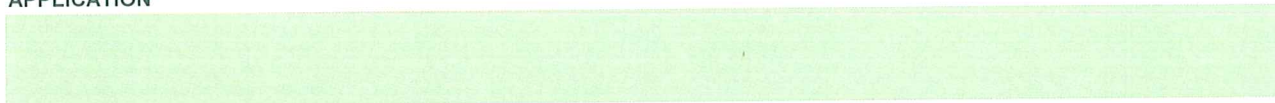
This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0177

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION



APPLICATION



MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	37.18
Distribution Volumetric Rate	\$/kWh	0.0058
LRAM Rate Rider - Effective Until October 31, 2013	\$/kWh	0.000025
PILs Rate Rider - Effective Until October 31, 2013	\$/kWh	-0.0017
Rate Rider for Deferral/Variance Account Disposition (2012)	\$/kWh	-0.001
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers	\$/kWh	-0.0006
Retail Transmission Rate – Network Service Rate	\$/kWh	0.006
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0015

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kenora Hydro Electric Corporation Ltd.

TARIFF OF RATES AND CHARGES

Effective Date November 1, 2012

Implementation Date November 1, 2012

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EB-2011-0177

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	514.05
Distribution Volumetric Rate	\$/kW	1.6379
LRAM Rate Rider - Effective Until October 31, 2013	\$/kW	0.022982
PILs Rate Rider - Effective Until October 31, 2013	\$/kW	-0.4585
Rate Rider for Deferral/Variance Account Disposition (2012)	\$/kW	-0.4084
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers	\$/kW	-0.2265
Retail Transmission Rate – Network Service Rate	\$/kW	2.4878
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.5635

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kenora Hydro Electric Corporation Ltd.

TARIFF OF RATES AND CHARGES

Effective Date November 1, 2012

Implementation Date November 1, 2012

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EB-2011-0177

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	14.60
Distribution Volumetric Rate	\$/kWh	0.0045
PILs Rate Rider - Effective Until October 31, 2013	\$/kWh	-0.0037
Rate Rider for Deferral/Variance Account Disposition (2012)	\$/kWh	-0.001
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers	\$/kWh	-0.0006
Retail Transmission Rate – Network Service Rate	\$/kWh	0.006
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0015

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kenora Hydro Electric Corporation Ltd.

TARIFF OF RATES AND CHARGES

Effective Date November 1, 2012

Implementation Date November 1, 2012

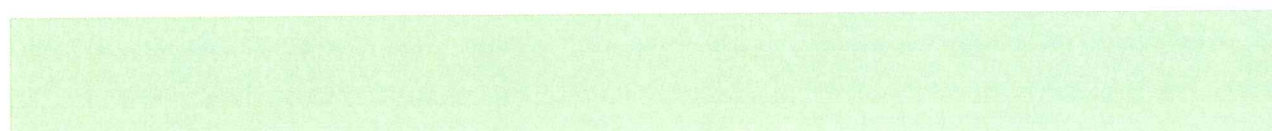
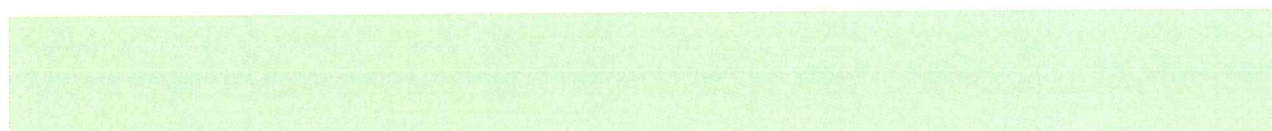
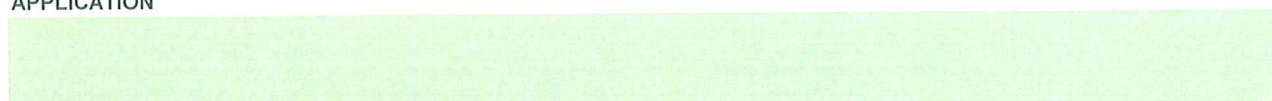
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EB-2011-0177

STREET LIGHTING SERVICE CLASSIFICATION



APPLICATION



MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	4.96
Distribution Volumetric Rate	\$/kW	3.2628
PILs Rate Rider - Effective Until October 31, 2013	\$/kW	-0.7773
Rate Rider for Deferral/Variance Account Disposition (2012)	\$/kW	-0.3307
Retail Transmission Rate – Network Service Rate	\$/kW	1.8759
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.4356

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Kenora Hydro Electric Corporation Ltd.

TARIFF OF RATES AND CHARGES

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Implementation Date November 1, 2012

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EB-2011-0177

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 Condition of Service.

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.25
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Kenora Hydro Electric Corporation Ltd.

TARIFF OF RATES AND CHARGES

Effective Date November 1, 2012

Implementation Date November 1, 2012

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EB-2011-0177

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 %		(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

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Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	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
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	25.00
Returned cheque charge (plus bank charges)	\$	25.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if appli	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
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
Install/Remove load control device - after regular hours	\$	185.00
Owner Requested Disconnection/Reconnection - during regular hours	\$	65.00
Service call - customer-owned equipment	\$	65.00
Service Call - Customer-owned Equipment - After Regular Hours	\$	165.00

Kenora Hydro Electric Corporation Ltd.

TARIFF OF RATES AND CHARGES

Effective Date November 1, 2012

Implementation Date November 1, 2012

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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 factor will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0430
Distribution Loss Factor - Primary Metered Customer < 5,000 kW	1.0325



Ontario Energy Board
3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177



Rate Class

Residential

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	18.77	18.94
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	6.87	-
Distribution Volumetric Rate	0.01370	0.01382
Distribution Volumetric Rate Rider(s)	(0.00740)	(0.00269)
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	0.00590	0.00680
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00160	0.00170
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0011	0.0011
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0430	1.0430

Consumption	800	kWh	kW
RPP Tier One	600	kWh	Load Factor

Current Loss Factor	1.0430
Proposed Loss Factor	1.0430

Residential	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	600.00	0.0680	40.80	600.00	0.0680	40.80	0.00	0.00%	34.27%
Energy Second Tier (kWh)	234.40	0.0790	18.52	234.40	0.0790	18.52	0.00	0.00%	15.55%
Sub-Total: Energy			59.32			59.32	0.00	0.00%	49.82%
Service Charge	1	18.77	18.77	1	18.94	18.94	0.17	0.88%	15.90%
Service Charge Rate Rider(s)	1	6.87	6.87	1	0.00	0.00	-6.87	(100.00)%	0.00%
Distribution Volumetric Rate	800	0.0137	10.96	800	0.0138	11.06	0.10	0.88%	9.29%
Low Voltage Volumetric Rate	800	0.0000	0.00	800	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	800	(0.0074)	(5.92)	800	(0.0027)	(2.15)	3.77	(63.70)%	(1.81)%
Total: Distribution			30.68			27.84	-2.84	(9.25)%	23.39%
Retail Transmission Rate – Network Service Rate	834.40	0.0059	4.92	834.40	0.0068	5.67	0.75	15.25%	4.77%
Retail Transmission Rate – Line and Transformation Connection Service Rate	834.40	0.0016	1.34	834.40	0.0017	1.42	0.08	6.25%	1.19%
Total: Retail Transmission			6.26			7.09	0.83	13.33%	5.96%
Sub-Total: Delivery (Distribution and Retail Transmission)			36.94			34.93	-2.00	(5.42)%	29.34%
Wholesale Market Service Rate	834.40	0.0052	4.34	834.40	0.0052	4.34	0.00	0.00%	3.64%
Rural Rate Protection Charge	834.40	0.0011	0.92	834.40	0.0011	0.92	0.00	0.00%	0.77%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.21%
Sub-Total: Regulatory			5.51			5.51			4.63%
Debt Retirement Charge (DRC)	800.00	0.00700	5.60	800	0.0070	5.60	0.00	0.00%	4.70%
Total Bill before Taxes			107.36			105.36	-2.00	(1.87)%	88.50%
HST		13%	13.96		13%	13.70	-0.26	(1.87)%	11.50%
Total Bill			121.32			119.06	-2.26	(1.87)%	100.00%
Ontario Clean Energy Benefit (OCEB)		(10%)	-12.13		(10%)	-11.91			
Total Bill (less OCEB)			109.19			107.15	(2.04)	(1.87)%	



Ontario Energy Board
3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177



Rate Class

General Service Less Than 50 kW

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	36.86	37.18
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	7.04	-
Distribution Volumetric Rate	0.00570	0.00575
Distribution Volumetric Rate Rider(s)	(0.00740)	(0.00272)
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	0.00520	0.00600
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00140	0.00150
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0011	0.0011
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0430	1.0430

Consumption	2,000	kWh		kW
RPP Tier One	600	kWh	Load Factor	

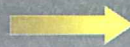
Current Loss Factor	1.0430
Proposed Loss Factor	1.0430

General Service Less Than 50 kW	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	600.00	0.0680	40.80	600.00	0.0680	40.80	0.00	0.00%	14.77%
Energy Second Tier (kWh)	1,486.00	0.0790	117.39	1,486.00	0.0790	117.39	0.00	0.00%	42.50%
Sub-Total: Energy			158.19			158.19	0.00	0.00%	57.27%
Service Charge	1	36.86	36.86	1	37.18	37.18	0.32	0.88%	13.46%
Service Charge Rate Rider(s)	1	7.04	7.04	1	0.00	0.00	-7.04	(100.00)%	0.00%
Distribution Volumetric Rate	2,000	0.0057	11.40	2,000	0.0058	11.50	0.10	0.88%	4.16%
Low Voltage Volumetric Rate	2,000	0.0000	0.00	2,000	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	2,000	(0.0074)	(14.80)	2,000	(0.0027)	(5.45)	9.35	(63.18)%	(1.97)%
Total: Distribution			40.50			43.24	2.74	6.75%	15.65%
Retail Transmission Rate – Network Service Rate	2,086.00	0.0052	10.85	2,086.00	0.0060	12.52	1.67	15.38%	4.53%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,086.00	0.0014	2.92	2,086.00	0.0015	3.13	0.21	7.14%	1.13%
Total: Retail Transmission			13.77			15.65	1.88	13.64%	5.66%
Sub-Total: Delivery (Distribution and Retail Transmission)			54.27			58.88	4.61	8.50%	21.31%
Wholesale Market Service Rate	2,086.00	0.0052	10.85	2,086.00	0.0052	10.85	0.00	0.00%	3.93%
Rural Rate Protection Charge	2,086.00	0.0011	2.29	2,086.00	0.0011	2.29	0.00	0.00%	0.83%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.09%
Sub-Total: Regulatory			13.39			13.39			4.85%
Debt Retirement Charge (DRC)	2,000.00	0.00700	14.00	2,000	0.0070	14.00	0.00	0.00%	5.07%
Total Bill before Taxes			239.85			244.47	4.61	1.92%	88.50%
HST		13%	31.18		13%	31.78	0.60	1.92%	11.50%
Total Bill			271.03			276.25	5.21	1.92%	100.00%
Ontario Clean Energy Benefit (OCEB)		(10%)	-27.10		(10%)	-27.62			
Total Bill (less OCEB)			243.93			248.62	4.69	1.92%	



Ontario Energy Board
3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177



Rate Class

General Service 50 to 4,999 kW

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	509.19	514.05
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	11.83	-
Distribution Volumetric Rate	1.62240	1.63789
Distribution Volumetric Rate Rider(s)	(2.89810)	(0.84389)
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	2.16570	2.48780
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.54340	0.56350
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0011	0.0011
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0430	1.0430

Consumption	43,800	kWh	100	kW
		kWh	Load Factor	60.0%

Current Loss Factor	1.0430
Proposed Loss Factor	1.0430

General Service 50 to 4,999 kW	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	45,683.40	0.0680	3,106.47	45,683	0.0680	3,106.47	0.00	0.00%	31.77%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			3,106.47			3,106.47	0.00	0.00%	31.77%
Service Charge	1	509.19	509.19	1	514.05	514.05	4.86	0.96%	5.26%
Service Charge Rate Rider(s)	1	11.83	11.83	1	0.00	0.00	-11.83	(100.00)%	0.00%
Distribution Volumetric Rate	100	1.6224	162.24	100	1.6379	163.79	1.55	0.95%	1.68%
Low Voltage Volumetric Rate	100	0.0000	0.00	100	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	100	(2.8981)	(289.81)	100	(0.8439)	(84.39)	205.42	(70.88)%	(0.86)%
Total: Distribution			393.45			593.45	200.00	50.83%	6.07%
Retail Transmission Rate – Network Service Rate	100.00	2.1657	216.57	100.00	2.4878	248.78	32.21	14.87%	2.54%
Retail Transmission Rate – Line and Transformation Connection Service Rate	100.00	0.5434	54.34	100.00	0.5635	56.35	2.01	3.70%	0.58%
Total: Retail Transmission			270.91			305.13	34.22	12.63%	3.12%
Sub-Total: Delivery (Distribution and Retail Transmission)			664.36			898.58	234.22	35.26%	9.19%
Wholesale Market Service Rate	45,683.40	0.0052	237.55	45,683.40	0.0052	237.55	0.00	0.00%	2.43%
Rural Rate Protection Charge	45,683.40	0.0011	50.25	45,683.40	0.0011	50.25	0.00	0.00%	0.51%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.00%
Sub-Total: Regulatory			288.06			288.06			2.95%
Debt Retirement Charge (DRC)	43,800.00	0.00700	306.60	43,800	0.0070	306.60	0.00	0.00%	3.14%
Total Bill before Taxes			4,365.49			4,599.71	234.22	5.37%	47.04%
HST		13%	567.51		13%	597.96	30.45	5.37%	6.12%
Total Bill			4,933.00			5,197.67	264.67	5.37%	53.16%
Ontario Clean Energy Benefit (OCEB)		(10%)	-493.30		(10%)	-519.77			
Total Bill (less OCEB)			4,439.70			4,677.91	238.21	5.37%	



Ontario Energy Board
3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177



Rate Class

Unmetered Scattered Load

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	15.60	14.60
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	-	-
Distribution Volumetric Rate	0.00490	0.00454
Distribution Volumetric Rate Rider(s)	(0.00740)	(0.00475)
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	0.00520	0.00600
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00140	0.00150
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0011	0.0011
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0430	1.0430

Consumption	12,500	kWh		kW
RPP Tier One	600	kWh	Load Factor	

Current Loss Factor	1.0430
Proposed Loss Factor	1.0430

Unmetered Scattered Load	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	600.00	0.0680	40.80	600.00	0.0680	40.80	0.00	0.00%	2.77%
Energy Second Tier (kWh)	12,437.50	0.0790	982.56	12,437.50	0.0790	982.56	0.00	0.00%	66.73%
Sub-Total: Energy			1,023.36			1,023.36	0.00	0.00%	69.50%
Service Charge	1	15.60	15.60	1	14.60	14.60	-1.00	(6.43)%	0.99%
Service Charge Rate Rider(s)	1	0.00	0.00	1	0.00	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate	12,500	0.0049	61.25	12,500	0.0045	56.75	-4.51	(7.36)%	3.85%
Low Voltage Volumetric Rate	12,500	0.0000	0.00	12,500	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	12,500	(0.0074)	(92.50)	12,500	(0.0047)	(59.37)	33.13	(35.82)%	(4.03)%
Total: Distribution			-15.65			11.97	27.62	(176.51)%	0.81%
Retail Transmission Rate – Network Service Rate	13,037.50	0.0052	67.80	13,037.50	0.0060	78.23	10.43	15.38%	5.31%
Retail Transmission Rate – Line and Transformation Connection Service Rate	13,037.50	0.0014	18.25	13,037.50	0.0015	19.56	1.30	7.14%	1.33%
Total: Retail Transmission			86.05			97.78	11.73	13.64%	6.64%
Sub-Total: Delivery (Distribution and Retail Transmission)			70.40			109.75	39.36	55.91%	7.45%
Wholesale Market Service Rate	13,037.50	0.0052	67.80	13,037.50	0.0052	67.80	0.00	0.00%	4.60%
Rural Rate Protection Charge	13,037.50	0.0011	14.34	13,037.50	0.0011	14.34	0.00	0.00%	0.97%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.02%
Sub-Total: Regulatory			82.39			82.39			5.60%
Debt Retirement Charge (DRC)	12,500.00	0.00700	87.50	12,500	0.0070	87.50	0.00	0.00%	5.94%
Total Bill before Taxes			1,263.65			1,303.00	39.36	3.11%	88.50%
HST		13%	164.27		13%	169.39	5.12	3.11%	11.50%
Total Bill			1,427.92			1,472.39	44.47	3.11%	100.00%
Ontario Clean Energy Benefit (OCEB)		(10%)	-142.79		(10%)	-147.24			
Total Bill (less OCEB)			1,285.13			1,325.15	40.03	3.11%	



Ontario Energy Board
3RD Generation Incentive
Regulation Model

Kenora Hydro Electric Corporation Ltd. - EB-2011-0177



Rate Class

Street Lighting

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	4.92	4.96
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	0.06	-
Distribution Volumetric Rate	3.23430	3.26276
Distribution Volumetric Rate Rider(s)	(2.34720)	(1.10804)
Low Voltage Volumetric Rate	0.00000	0.00000
Retail Transmission Rate – Network Service Rate	1.63300	1.87590
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.42000	0.43560
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0011	0.0011
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0430	1.0430

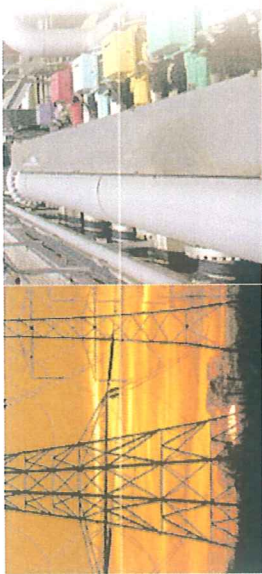
Consumption	137,000	kWh	428	kW
		kWh	Load Factor	

Current Loss Factor	1.0430
Proposed Loss Factor	1.0430

Street Lighting	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	142,891.00	0.0680	9,716.59	142,891	0.0680	9,716.59	0.00	0.00%	14.76%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			9,716.59			9,716.59	0.00	0.00%	14.76%
Service Charge	1	4.92	4.92	1	4.96	4.96	0.04	0.88%	0.01%
Service Charge Rate Rider(s)	1	0.06	0.06	1	0.00	0.00	-0.06	(100.00)%	0.00%
Distribution Volumetric Rate	428	3.2343	1,384.28	428	3.2628	1,396.46	12.18	0.88%	2.12%
Low Voltage Volumetric Rate	428	0.0000	0.00	428	0.0000	0.00	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	428	(2.3472)	(1,004.60)	428	(1.1080)	(474.24)	530.36	(52.79)%	(0.72)%
Total: Distribution			384.66			927.19	542.53	141.04%	1.41%
Retail Transmission Rate – Network Service Rate	428.00	1.6330	698.92	428.00	1.8759	802.89	103.96	14.87%	1.22%
Retail Transmission Rate – Line and Transformation Connection Service Rate	428.00	0.4200	179.76	428.00	0.4356	186.44	6.68	3.71%	0.28%
Total: Retail Transmission			878.68			989.32	110.64	12.59%	1.50%
Sub-Total: Delivery (Distribution and Retail Transmission)			1,263.34			1,916.51	653.17	51.70%	2.91%
Wholesale Market Service Rate	142,891.00	0.0052	743.03	142,891.00	0.0052	743.03	0.00	0.00%	1.13%
Rural Rate Protection Charge	142,891.00	0.0011	157.18	142,891.00	0.0011	157.18	0.00	0.00%	0.24%
Standard Supply Service – Administration Charge (if applicable)	1	0.2500	0.25	1	0.25	0.25	0.00	0.00%	0.00%
Sub-Total: Regulatory			900.46			900.46			1.37%
Debt Retirement Charge (DRC)	137,000.00	0.007	959.00	137,000	0.0070	959.00	0.00	0.00%	1.46%
Total Bill before Taxes			12,839.39			13,492.56	653.17	5.09%	20.49%
HST		13%	1,669.12		13%	1,754.03	84.91	5.09%	2.66%
Total Bill			14,508.52			15,246.59	738.08	5.09%	23.16%
Ontario Clean Energy Benefit (OCEB)		(10%)	-1,450.85		(10%)	-1,524.66			
Total Bill (less OCEB)			13,057.66			13,721.93	664.27	5.09%	

APPENDIX B

REVENUE-TO-COST RATIO MODEL



 Ontario Energy Board
**Revenue/Cost Ratio
Model**

Choose Your Utility:

Application ED-2003-0030
OEB Application IRM3
LDC Licence #: EB-2011-0177

Application Contact Information

Name:

Janice Robertson

Title:

**Manager of Finance & Regulatory
Affairs**

Phone Number:

807-467-2014

Email Address:

jrobertson@kenora.ca

We are applying for
rates effective:

May 1, 2012

Last COS Re-based Year

2011

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



Ontario Energy Board

**Revenue/Cost Ratio
Model**

Kenora Hydro Electric Corporation Ltd.

[1. Info](#)

[2. Table of Contents](#)

[3. Re-Based Bill Det & Rates](#)

[4. Removal of Rate Adders](#)

[5. Re-Based Rev From Rates](#)

[6. Decision Cost Revenue Adj](#)

[7. Revenue Offsets Allocation](#)

[8. Transformer Allowance](#)

[9. R C Ratio Revenue](#)

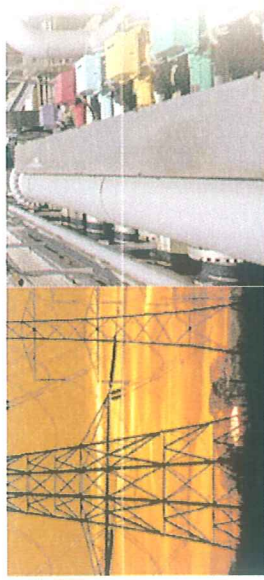
[10. Proposed R C Ratio Adj](#)

[11. Proposed Revenue](#)

[12. Proposed F V Rev Alloc](#)

[13. Proposed F V Rates](#)

[14. Adjust To Proposed Rates](#)

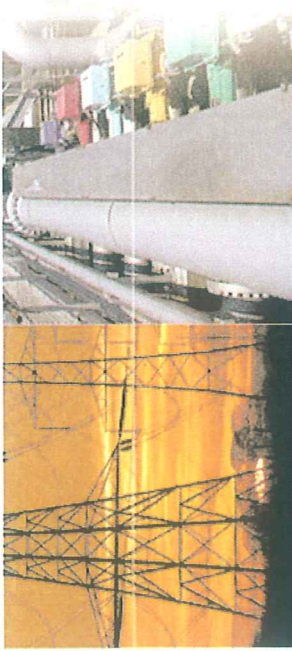


Ontario Energy Board Revenue/Cost Ratio Model

Kenora Hydro Electric Corporation Ltd.

The purpose of this sheet is to set up the rate classes, enter the re-based billing determinants from your last cost of service application and enter the current service charge and volumetric distribution rates as found on your May 1, 2011 (or subsequent) Tariff of rates and charges.

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billing Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Current Tariff Service Charge D	Current Tariff Distribution Volumetric Rate kWh E	Current Tariff Distribution Volumetric Rate kW F
RES	Residential	Customer	kWh	4,731	39,677,024		18.77	0.0137	
GSLT50	General Service Less Than 50 kW	Customer	kWh	736	24,025,485		36.86	0.0057	
GSGT50	General Service 50 to 4,999 kW	Customer	kW	70	43,595,864	112,043	509.19		1.6224
USL	Unmetered Scattered Load	Connection	kWh	30	145,633		15.60	0.0049	
SL	Street Lighting	Connection	kW	550	1,819,870	5,775	4.92		3.2343
NA	Rate Class 6	NA	NA						
NA	Rate Class 7	NA	NA						
NA	Rate Class 8	NA	NA						
NA	Rate Class 9	NA	NA						
NA	Rate Class 10	NA	NA						
NA	Rate Class 11	NA	NA						
NA	Rate Class 12	NA	NA						
NA	Rate Class 13	NA	NA						
NA	Rate Class 14	NA	NA						
NA	Rate Class 15	NA	NA						
NA	Rate Class 16	NA	NA						
NA	Rate Class 17	NA	NA						
NA	Rate Class 18	NA	NA						
NA	Rate Class 19	NA	NA						
NA	Rate Class 20	NA	NA						
NA	Rate Class 21	NA	NA						
NA	Rate Class 22	NA	NA						
NA	Rate Class 23	NA	NA						
NA	Rate Class 24	NA	NA						
NA	Rate Class 25	NA	NA						



Ontario Energy Board
Revenue/Cost Ratio
Model

Kenora Hydro Electric Corporation Ltd.

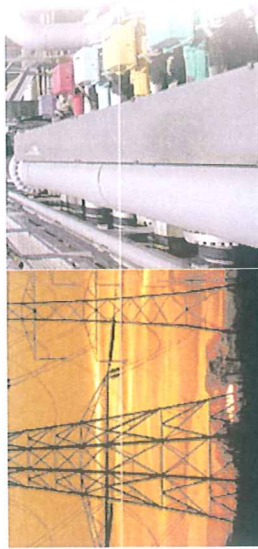
The purpose of this sheet is to remove any rate adders included in current rates. Most applicants will not need to make an entry on this sheet.

Rate Class	Current Tariff		Current Tariff		Current Tariff		Service		Distribution		Distribution		Distribution	
	Charge	Rate	Charge	Rate	Charge	Rate	Charge	Rate	Charge	Rate	Charge	Rate	Charge	Rate
		A			B				C				D	
		18.77			0.0137	0.0000								
Residential														
General Service Less Than 50 kW		36.86			0.0057	0.0000								
General Service 50 to 4,999 kW		509.19			0.0000	1.6224								
Unmetered Scattered Load		15.60			0.0049	0.0000								
Street Lighting		4.92			0.0000	3.2343								



Kenora Hydro Electric Corporation Ltd.

Rate Class	Re-based Billed Customers or Connections	Current				Distribution				Distribution			
		Base		Distribution		Base		Volumetric		Base		Volumetric	
		Re-based Billed kWh	Re-based Billed kW	Charge	Rate kWh	Charge	Rate kWh	Revenue	Rate kWh	Revenue	Rate kWh	Revenue	Requirement from Rates
A	B	C	D	E	F	H = B * E	I = C * F						
Residential	4,731	39,677,024	0	18.77	0.0137	0.0000	1,085,610	543,575	0	1,609,186			
General Service Less Than 50 kW	736	24,025,485	0	36.86	0.0057	0.0000	325,548	136,945	0	462,493			
General Service 50 to 4,999 kW	70	43,595,864	112,043	509.19	0.0000	1.6224	427,720	0	181,779	609,498			
Unmetered Scattered Load	30	145,633	0	15.60	0.0049	0.0000	5,616	714	0	6,330			
Street Lighting	550	1,819,870	5,775	4.92	0.0000	3.2343	32,472	0	18,678	51,150			
							1,856,966	681,234	200,457	2,738,656			



Ontario Energy Board

Revenue/Cost Ratio Model

Kenora Hydro Electric Corporation Ltd.



The purpose of this sheet is to enter the Revenue Cost Ratios as determined from column G on Sheet "C1.5 Proposed R C Ratio Adj" of the applicant's 2011 IRM3 Supplemental Filing Module or 2011 COS Decision and Order.

Under the column labeled "Direction", the applicant can choose "No Change" (i.e: no change in that rate class ratio), "Change" (i.e: Board ordered change from COS decision) or "Rebalance" (i.e: to apply any offset adjustments required).

Rate Class	Direction	Current Year 2011	Transitio n Year 1 2012	Transitio n Year 2 2013	Transitio n Year 3 2014	Transitio n Year 4 2015	Transitio n Year 5 2016
Residential	No Change	101.16%	101.16%	101.16%	101.16%	101.16%	101.16%
General Service Less Than 50 kW	No Change	80.00%	80.00%	80.00%	80.00%	80.00%	80.00%
General Service 50 to 4,999 kW	Rebalance	125.00%	tbd	tbd	tbd	tbd	tbd
Unmetered Scattered Load	Change	138.00%	129.00%	120.00%	120.00%	120.00%	120.00%
Street Lighting	No Change	76.63%	76.63%	76.63%	76.63%	76.63%	76.63%



Ontario Energy Board Revenue/Cost Ratio Model

Kenora Hydro Electric Corporation Ltd.

The purpose of this sheet is to allocate the Revenue Offsets (miscellaneous revenue, cell F47) found in the last COS to the various rate classes in proportion to the allocation from the Cost Allocation informational filing.

Rate Class	Informational Filing Revenue Offsets A	Percentage Split C = A / B	Allocated Revenue Offsets E = D * C
Residential	240,845	65.52%	235,817
General Service Less Than 50 kW	82,743	22.51%	81,016
General Service 50 to 4,999 kW	37,853	10.30%	37,063
Unmetered Scattered Load	721	0.20%	706
Street Lighting	5,428	1.48%	5,315
	367,590	100.00%	359,916
	B		D