

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c.15, (Schedule B);

AND IN THE MATTER OF an application by Canadian
Niagara Power Inc. ("CNPI") for an order approving just and
reasonable rates and other charges for electricity distribution
to be effective January 1, 2013.

**CANADIAN NIAGARA POWER INC.
PROPOSED SETTLEMENT AGREEMENT**

FILED: September 28, 2012

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IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, (Schedule B);

AND IN THE MATTER OF an application by Canadian Niagara Power Inc. for an order approving just and reasonable rates and other charges for electricity distribution to be effective January 1, 2013.

**CANADIAN NIAGARA POWER INC.
PROPOSED SETTLEMENT AGREEMENT
FILED: September 28, 2012**

INTRODUCTION:

Canadian Niagara Power Inc. ("CNPI") is a wholly-owned subsidiary of FortisOntario Inc. CNPI, an Ontario corporation with its head office in Fort Erie, Ontario carries on the business, among other things, of owning and operating electricity distribution facilities within Ontario. CNPI carries on its distribution business in the following three service territories: Fort Erie, Port Colborne and Gananoque/Eastern Ontario Power ("EOP").

CNPI filed an application (the "Application") with the Ontario Energy Board (the "Board") on May 11, 2012 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B), seeking approval for changes to the rates that CNPI charges for electricity distribution, to be effective January 1, 2013.

The Application was a single application for CNPI's service territories (Fort Erie, Port Colborne, and EOP). Rates were already harmonized for Fort Erie and EOP, and CNPI had proposed a plan to eventually lead to the harmonization of rates among CNPI's Fort Erie, Port Colborne and EOP service territories.

The Board assigned the application File Number EB-2012-0112.

Three parties requested and were granted intervenor status: the Vulnerable Energy Consumers' Coalition ("VECC"), the School Energy Coalition ("SEC"), and the Energy

Probe Research Foundation ("Energy Probe"). These parties are referred to collectively as the "Intervenors".

In Procedural Order No. 1, issued on June 21, 2012, the Board approved the Intervenors in this proceeding, set dates for interrogatories and interrogatory responses, a Technical Conference and Settlement Conference, and made its determination regarding the cost eligibility of the Intervenors. In Procedural Order No. 2, issued on July 6, 2012, the Board approved an Issues List.

On August 27, 2012, CNPI amended the Application by withdrawing its proposal to disburse a balance of \$1,119,031 from Account 1562 - Deferred PILs. The basis for CNPI's amendment was that Section 93 of the *Electricity Act, 1998* does not apply to CNPI. On September 6, 2012, Board staff notified the Parties that, according to the Board, the issue pertaining to the applicability of Account 1562 - PILs to CNPI were to be severed from the settlement negotiation. On September 12, 2012, the Board issued Procedural Order No. 4 in which it decided to hear the issue of whether CNPI was required to record PILs amounts in Account 1562. As such, that issue did not form part of the settlement discussions between the parties.

The evidence in this proceeding (referred to here as the "Evidence") consists of the Application, including any updates to the Application, CNPI's responses to the interrogatories, the transcript of the Technical Conference, and all undertakings given by CNPI. The Settlement Conference was duly convened in accordance with the Procedural Order No. 1, with Mr. Ken Rosenberg as facilitator. The Settlement Conference was held on September 6, 2012.

CNPI and the following Intervenors participated in the Settlement Conference:

- SEC;
- VECC; and
- Energy Probe.

CNPI and the Intervenors are collectively referred to below as the “Parties”.

These settlement proceedings are subject to the rules relating to confidentiality and privilege contained in the Board’s *Settlement Conference Guidelines* (the “Guidelines”). The Parties understand this to mean that the documents and other information provided, the discussion of each issue, the offers and counter-offers, and the negotiations leading to the settlement – or not – of each issue during the Settlement Conference are strictly confidential and without prejudice. None of the foregoing is admissible as evidence in this proceeding, or otherwise, with one exception: the need to resolve a subsequent dispute over the interpretation of any provision of this Settlement Agreement.

The role adopted by Board Staff in the Settlement Conference is set out in page 5 of the Guidelines. Although Board staff is not a party to this Agreement, as noted in the Guidelines, Board staff who did participate in the Settlement Conference are bound by the same confidentiality standards that apply to the Parties to the proceeding.

A COMPLETE SETTLEMENT HAS BEEN REACHED ON ALL ISSUES IN THIS PROCEEDING:

The Parties are pleased to advise the Board that, with the exception of the Account 1562 issue that was severed from the settlement negotiation by the Board, settlement has been reached on all issues eligible for settlement in this proceeding. This document comprises the Proposed Settlement Agreement, and it is presented jointly by CNPI, SEC, VECC and Energy Probe to the Board. It identifies the settled matters, and contains such references to the Evidence as are necessary to assist the Board in understanding the Agreement. The Parties confirm that the Evidence filed to date in respect of each settled issue, as supplemented in some instances by additional information recorded in this Agreement, supports the settlement of the matters identified in this Agreement. In addition, the Parties agree that the Evidence, supplemented

where necessary by the additional information appended to this Agreement, contains sufficient detail, rationale and quality of information to allow the Board to make findings in keeping with the settlement reached by the Parties.

The Parties explicitly request that the Board consider and accept this Settlement Agreement as a package. None of the matters in respect of which a settlement has been reached is severable. Numerous compromises were made by the Parties with respect to various matters to arrive at this comprehensive Agreement. The distinct issues addressed in this proposal are intricately interrelated, and reductions or increases to the agreed-upon amounts may have financial consequences in other areas of this proposal which may be unacceptable to one or more of the Parties. If the Board does not accept the Agreement in its entirety, then there is no Agreement unless the Parties agree that those portions of the Agreement that the Board does accept may continue as a valid settlement.

It is further acknowledged and agreed that none of the Parties will withdraw from this Agreement under any circumstances, except as provided under Rule 32.05 of the *Board's Rules of Practice and Procedure*.

It is also agreed that this Agreement is without prejudice to any of the Parties re-examining these issues in any subsequent proceeding and taking positions inconsistent with the resolution of these issues in this Agreement. However, none of the Parties will, in any subsequent proceeding, take the position that the resolution therein of any issue settled in this Agreement, if contrary to the terms of this Agreement, should be applicable for all or any part of the 2013 Test Year.

References to the Evidence supporting this Agreement on each issue are set out in each section of the Agreement. The Appendices to the Agreement provide further evidentiary support. The Parties agree that this Agreement and the Appendices form part of the record in EB-2012-0112. The Appendices were prepared by the Applicant.

The Intervenors are relying on the accuracy and completeness of the Appendices in entering into this Agreement. Appendix B to this Agreement – Proposed Schedule of 2013 Tariff of Rates and Charges (Updated) – is a proposed schedule of Rates and Charges that CNPI will use as the basis for its draft Rate Order following Board approval of this Agreement.

The Parties believe that the Agreement represents a balanced proposal that protects the interests of CNPI's customers, employees and shareholder and promotes economic efficiency and cost effectiveness. It also provides the resources which will allow CNPI to manage its assets so that the highest standards of performance are achieved and customers' expectations for the safe and reliable delivery of electricity at reasonable prices are met.

The Parties have agreed that the effective date of the rates resulting from this proposed Agreement is January 1, 2013 (referred to below as the "Effective Date"). The Parties agree that if necessary CNPI may establish a rate rider that would allow it to recover that portion of the Revenue Deficiency that would have been recovered between January 1, 2012 and the Board-Approved implementation date for CNPI's rates for the 2013 rate year.

ORGANIZATION AND SUMMARY OF THE SETTLEMENT AGREEMENT:

For the purposes of organizing this Agreement, the Parties have used the Board-approved Issues List in this proceeding.

The following Appendices accompany this Settlement Agreement:

Appendix A – Cost of Power

Appendix B – Proposed 2013 Tariff of Rates and Charges

Appendix C – Cost Allocation

Appendix D – Revenue Requirement

UNSETTLED MATTERS:

As set out above, on August 27, 2012, CNPI amended the Application by withdrawing its proposal to disburse a balance of \$1,119,031 from Account 1562 - Deferred PILs. On September 12, 2012, the Board issued Procedural Order No. 4 in which it decided to address the following threshold issue: “Should the Board’s findings and instructions from the Combined PILs Proceeding, and from other Board decisions pertaining to PILs, be applied to CNPI?” As such, the issue of Account 1562 - Deferred PILs is unsettled.

OVERVIEW OF THE SETTLED MATTERS:

This Agreement will allow CNPI to continue to make the necessary investments in maintenance and operation expenditures as well as capital investments to maintain the safety and reliability of the electricity distribution service that it provides.

This Agreement will also allow CNPI to: maintain current capital investment levels and, where required, appropriately increase capital investment levels in infrastructure to ensure a reliable distribution system; manage current and future staffing levels, skills and training to ensure regulatory compliance with Codes and Regulations; promote conservation programs including the Ministry of Energy directives as a condition of CNPI’s distribution licence; and continue to provide the high level of customer service that CNPI’s customers have come to expect.

The Parties agree that no rate classes face bill impacts in this proceeding that require mitigation efforts beyond those set out in this Agreement.

In this Agreement, except where otherwise expressly stated, all dollar figures are calculated and expressed using Accounting Standards for Private Enterprise (“ASPE”).

The revised Service Revenue Requirement for the 2013 Test Year for all three CNPI service territories is \$19,116,266 compared to \$19,494,443 in the Application. This reduction in revenue requirement of \$378,177 reflects an updated long-term debt rate of 5.85% and certain other adjustments to the original 2013 Application.

Through the settlement process, CNPI has agreed to certain adjustments from its original 2013 Application and subsequent updated Evidence. All such changes are described in the sections below.

1. GENERAL

- 1.1 Has CNPI responded appropriately to all relevant Board directions from previous proceedings?

Status: Complete Settlement

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 1, Tab 1, Schedule 17
Interrogatories: VECC #34

For the purposes of settlement the Parties accept the Evidence of the Applicant that there were no outstanding obligations or orders from previous Board decisions.

- 1.2 Are CNPI's economic and business planning assumptions for 2013 appropriate?

Status: Complete Settlement

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 1
Interrogatories: VECC #35

For the purposes of settlement, the Parties accept CNPI's economic and business planning assumptions for 2013.

1.3 Is service quality, based on the Board specified performance assumptions for 2013, appropriate?

Status: **Complete Settlement**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 2, Tab 6, Schedule 1
Exhibit 2, Tab 6, Schedule 2

For the purposes of settlement, the Parties accept CNPI's evidence with respect to the acceptability of its service quality, based on the Board-specified indicators.

1.4 Is the proposal to align the rate year with CNPI's fiscal year, and for rates effective January 1, 2013 appropriate?

Status: **Complete Settlement**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 1, Tab 1, Schedule 4
Exhibit 8, Tab 1, Schedule 1

For the purpose of settlement, the Parties accept that it is appropriate for CNPI to align its rate year with its fiscal year, and for rates to be effective January 1, 2013. The Parties accept that in the event that CNPI's final rate order is not available in time for January 1st implementation, it would be appropriate to implement a rate rider over the remainder of the Test Year that will enable CNPI to recover or refund, as the case may

be, the difference between its incremental Board-approved revenue, and its revenue at existing rates, for the month(s) in 2013 in which its new rates are not in effect.

2. RATE BASE

- 2.1 Is the proposed CNPI - Fort Erie/Gananoque rate base for the test year appropriate?
- 2.2 Is the proposed CNPI - Port Colborne rate base for the test year appropriate?

Status: Complete Settlement (on both Issues 2.1 and 2.2)

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 1, Tab 2, Schedule 1
Exhibit 2, Tab 1, Schedule 3
Exhibit 2, Tab 1, Schedule 4
Exhibit 2, Tab 2, Schedule 1
Exhibit 2, Tab 2, Schedule 4
Exhibit 2, Tab 2, Schedule 10

Interrogatories: Board Staff #7

EP #1 – #21

VECC #36, #37, #38

For the purposes of settlement, the Parties have agreed that CNPI's Rate Base is \$73,497,788 for the 2013 Test Year. A full calculation of this agreed Rate Base is set out in Appendix D of this Proposed Settlement Agreement.

Rate Base				
	Original as per Application (A)	Settlement Submission (B)	Adjustment (C = B - A)	Notes
Net Assets				
Distribution Plant - Gross	101,503,621	101,453,621	(50,000)	A
General Plant - Gross	14,937,434	14,937,434	-	
Accumulated Depreciation	(40,773,069)	(40,773,069)	-	
Capital Contribution	(10,022,899)	(10,217,899)	(195,000)	B
Total Net Plant	65,645,087	65,400,087	(245,000)	
Cost of Power (COP)	50,247,280	52,454,045	2,206,765	C
OM&A Expenses	9,885,961	9,835,961	(50,000)	D
Directly Allocated Expense	-	-	-	
Subtotal	60,133,240	62,290,006	2,156,765	
Working Capital (13%)	7,817,321	8,097,701	280,380	
Total Rate Base	73,462,409	73,497,788	35,380	
Notes:				
A Refer to issue 2.5/2.6 of settlement agreement				
B Refer to issue 2.5/2.6 of settlement agreement				
C Refer to issue 2.3/2.4 of settlement agreement				
D Refer to issue 2.3/2.4 of settlement agreement				

The revised Rate Base value reflects the following:

- The Parties have agreed that CNPI's total 2012 forecasted contributions in aid of construction ("CIAC") for all of its service areas in the amount of \$517,034 should increased by \$100,000 to \$617,034.
- The Parties have agreed that CNPI's total 2013 forecasted CIAC for all of its service areas in the amount of \$425,000 should increased by \$190,000 to \$615,000.

- The Parties have agreed that \$100,000 of capital expenditures (net of contributions) in 2012 will be deferred to 2013.
- The Parties have agreed that CNPI's proposed working capital allowance of \$7,817,321 will be increased by \$280,380 to \$8,097,701 as described in sections 2.3 and 2.4 below.

2.3 Is the CNPI - Fort Erie/Gananoque working capital allowance for the test year appropriate?

2.4 Is the CNPI - Port Colborne working capital allowance for the test year appropriate?

Status: Complete Settlement (on both Issues 2.3 and 2.4)

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 1, Tab 2, Schedule 1
Exhibit 2, Tab 1, Schedule 3
Exhibit 2, Tab 1, Schedule 4
Exhibit 2, Tab 1, Schedule 9
Exhibit 2, Tab 1, Schedule 11
Exhibit 2, Tab 1, Schedule 12

Interrogatories: EP #26 - #29

For the purposes of settlement, the Parties agree that the Cost of Power will be an RPP price of \$80.69/MWh and a Non-RPP price of \$78.77/MWh based on the April 2, 2012 *Regulated Price Plan Price Report* for May 1, 2012 to April 30, 2013. Table 2 on page 22, Average RPP Supply Cost Summary, specifies the following:

Forecast Wholesale Electricity Price	\$21.05 per MWh
Impact of Global Adjustment	<u>\$57.72 per MWh</u>
Average Supply Cost for Non-RPP Consumers	\$78.77 per MWh
Average Supply Cost for RPP Consumers	\$80.69 per MWh

Appendix C details the changes to the Cost of Power. If the Board updates the Cost of Power before CNPI's rates are approved, CNPI will update its working capital allowance accordingly.

For the purposes of settlement, the Parties also agree to the following Working Capital Allowance calculated based on 13% of the total OM&A expenses for all service areas of \$9,835,961 and COP of \$52,454,045 for a total working capital of \$62,290,006. The Parties have agreed that the following adjustments, reflecting the settled matters, will be made to CNPI's Working Capital Allowance calculation:

Allowance for Working Capital			
	Original as per Application (A)	Settlement Submission (B)	Difference (C = B - A)
OM&A Expenses	9,885,961	9,835,961	(50,000)
Cost of Power	50,247,280	52,454,045	2,206,765
Working Capital	60,133,240	62,290,006	2,156,765
Working Capital Rate %	13%	13%	13%
Working Capital Allowance	7,817,321	8,097,701	280,380

Appendix D, an excerpt from the Revenue Requirement Workform, outlines an adjustment to the application for the settlement agreement.

2.5 Is the CNPI - Fort Erie/Gananoque capital expenditure forecast for the test year appropriate?

2.6 Is the CNPI - Port Colborne capital expenditure forecast for the test year appropriate?

Status: Complete Settlement (on both Issues 2.5 and 2.6)

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 2, Tab 2, Schedule 5
Exhibit 2, Tab 2, Schedule 6
Exhibit 2, Tab 2, Schedule 7
Exhibit 2, Tab 2, Schedule 8
Exhibit 2, Tab 2, Schedule 9
Exhibit 2, Tab 2, Schedule 10
Exhibit 2, Tab 2, Schedule 11
Exhibit 2, Tab 2, Schedule 12

Interrogatories: Board Staff #8 - #14

EP #30 - #33

SEC #1 - #6

For the purposes of settlement, the Parties agree that the deferral of \$100,000 in capital expenditures from 2012 to 2013 along with the increase in contributions-in-aid of construction of \$100,000 in 2012 and another \$190,000 in 2013 results in a net increase in average gross fixed assets of \$245,000 for rate base calculation purposes.

3. LOAD FORECAST AND OPERATING REVENUE

3.1 Is the load forecast methodology including weather normalization appropriate?

Status: Complete Settlement

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 3, Tab 1, Schedule 1
Exhibit 3, Tab 1, Schedule 2
Exhibit 3, Tab 2, Schedule 1
Exhibit 3, Tab 2, Schedule 2

Interrogatories: Board Staff #15 - #20
EP #34
VECC #1 - #5

For the purposes of settlement, the Parties accept CNPI's load forecast including weather normalization as contained in its Application and set out below:.

Average Annual Customer Connections Forecast							
	2007	2008	2009	2010	2011	2012	2013
By Class							
Residential	25,219	25,369	25,478	25,526	25,582	25,636	25,689
General Service < 50 kW	2,514	2,502	2,507	2,511	2,511	2,518	2,521
General Service > 50 kW	250	256	251	240	231	228	228
Street Lights	5,644	5,659	5,705	5,728	5,696	5,696	5,696
Sentinel Lights	1,087	1,088	1,088	1,028	961	961	961
Unmetered Loads	0	7	20	39	39	39	39
Total	34,714	34,881	35,049	35,072	35,020	35,078	35,134

3.2 Are the proposed customers/connections and load forecasts (both kWh and kW) for the test year appropriate?

Status: Complete Settlement

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 3, Tab 1, Schedule 1
 Exhibit 3, Tab 2, Schedule 1
 Exhibit 3, Tab 2, Schedule 2

Interrogatories: Board Staff #15 - #20
 EP #35 - #36
 VECC #6 - #8

For the purposes of settlement, the Parties agree with CNPI's customers/connections and load forecasts (both kWh and kW) for the 2013 test year as set out below:.

CNPI Normalized and Forecast by Class kWh and kW for 2013 Rate Application							
	2007	2008	2009	2010	2011	2012	2013
By Class							
Residential							
kWh	204,542,148	205,592,563	206,602,429	206,984,125	207,429,801	207,866,358	208,287,976
General Service < 50 kW							
kWh	73,223,833	72,887,787	71,951,000	72,080,343	72,087,771	72,348,044	72,454,602
General Service > 50 kW							
kWh	264,712,431	259,449,794	246,386,272	249,400,831	255,376,178	250,534,246	224,300,691
kW	815,637	866,865	779,571	806,437	765,246	757,050	691,366
Street Lights							
kWh	4,476,837	4,515,394	4,543,568	3,872,999	4,475,403	4,475,403	4,475,403
kW	13,754	14,709	14,328	14,484	11,789	11,789	11,789
Sentinel Lights							
kWh	882,292	853,921	767,005	789,879	761,037	761,037	761,037
kW	2,693	2,778	2,527	2,795	2,334	2,334	2,334
Unmetered Loads							
kWh	0	1,584,932	1,604,330	1,524,248	1,527,929	1,527,929	1,527,929
kW							
Total kWh	547,837,541	544,884,391	531,854,604	534,652,425	541,658,119	537,513,017	511,807,638
Total kW from applicable classes	832,084	884,352	796,426	823,716	779,369	771,173	705,489

3.3 Is the impact of CDM appropriately reflected in the load forecast?

Status: Complete Settlement

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 3, Tab 2, Schedule 2

Exhibit 3, Tab 3, Schedule 1

Interrogatories: Board Staff #21

EP #37

VECC #9

Reference: Guidelines for Electricity Distributor Conservation

and Demand Management (EB-2012-0003)

For purposes of the settlement, the Parties agree that CNPI has not included any impacts from 2012 or 2013 CDM programs in its 2013 load forecast. The Parties agree that CNPI may apply in a future proceeding to recover any lost revenues in accordance with any Board requirements regarding such an application.

3.4 Is the test year forecast of other revenues appropriate?

Status: **Complete Settlement**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 3, Tab 3, Schedule 1
Exhibit 3, Tab 3, Schedule 2
Exhibit 3, Tab 3, Schedule 3
Exhibit 3, Tab 3, Schedule 4
Exhibit 3, Tab 4, Schedule 1
Exhibit 3, Tab 4, Schedule 2
Exhibit 3, Tab 4, Schedule 3

Interrogatories: Board Staff #22 - #24
EP #38 - #39
SEC #7 - #9
VECC #10 - #13

For the purposes of settlement, the Parties accept CNPI's test year forecast of a total of \$1,403,184 in Other Distribution Revenue, as set out in the Application.

For the Board's reference, CNPI has reproduced its forecast of Other Operating Revenue below:

Other Operating Revenue

OEB Account	Description	2009 Board Approved	2009 Actual	2010 Actual	2011 Actual	2012 Bridge	2013 Test
4080	Distribution Services Revenue (SSS Revenue)	72,500	71,095	76,364	77,243	79,261	79,562
4082	Retail Services Revenues	59,050	47,098	48,251	35,213	33,500	33,500
4084	Service Transactions Requests Revenues	2,700	1,143	2,395	1,415	1,400	1,400
4210	Rent from Electric Property	317,000	315,979	315,311	315,312	316,010	317,100
4215	Other Utility Operating Income	-	-	-	-	-	-
4220	Other Electric Revenues	6,000	8,665	9,427	17,195	8,512	9,873
4225	Late Payment Charges	334,000	335,802	352,462	359,447	356,696	361,102
4235	Misc. Service Revenues	171,000	168,665	169,325	150,736	170,373	151,355
4325	Revenue from Merchandise, Jobbing, etc.	4,088	683,001	1,688,261	2,338,378	589,569	556,692
4330	Costs and Expenses of Merchandise, Jobbing, etc.	- 4,457	- 603,264	- 1,604,896	- 2,218,966	- 268,990	- 137,400
4360	Loss on Disposition of Utility and Other Property	-	51,467	39,553	25,266	15,968	-
4375	Revenues from Non-Utility Operations	-	631,953	257,540	320,625	-	-
4380	Expenses of Non-Utility Operations	-	- 631,940	- 257,489	- 320,625	-	-
4398	Foreign Exchange Gains and Losses, Including Amortization	-	- 4,279	- 41,838	- 13,443	-	-
4405	Interest and Dividend Income	35,000	9,632	12,618	34,865	30,000	30,000
	Other Operating Revenue	996,881	1,085,018	1,067,283	1,122,661	1,300,363	1,403,184

These are the combined amounts presented in the Application at Exhibit 3, Tab 3, Schedule 1 and Exhibit 3, Tab 4, Schedule 1.

4. OPERATING COSTS

- 4.1 Is the proposed CNPI - Fort Erie/Gananoque forecast for total OM&A for the test year appropriate?
- 4.2 Is the proposed CNPI - Port Colborne forecast for total OM&A for the test year appropriate?

Status: Complete Settlement (on both Issues 4.1 and 4.2)

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 4, Tab 1, Schedule 1
Exhibit 4, Tab 1, Schedule 2
Exhibit 4, Tab 2, Schedule 1
Exhibit 4, Tab 2, Schedule 2
Exhibit 4, Tab 2, Schedule 3
Exhibit 4, Tab 2, Schedule 4
Exhibit 4, Tab 2, Schedule 5
Exhibit 4, Tab 2, Schedule 10
Exhibit 4, Tab 2, Schedule 11
Exhibit 4, Tab 2, Schedule 12
Exhibit 4, Tab 2, Schedule 13
Exhibit 4, Tab 2, Schedule 14

Interrogatories: Board Staff #25 - #40

EP #40 - #60

SEC #10 - #11

VECC #39 - #47

For the purposes of settlement, the Parties agree that the total 2013 OM&A for all of CNPI's service areas for the Test Year should be \$9,719,260 exclusive of property taxes in the amount of \$116,700. The Parties rely on CNPI's view that it can safely and reliably operate the distribution system based on the total OM&A budget proposed. The Parties have agreed that the adjustment, a \$50,000 decrease in OM&A in the Test Year, will be based on an "envelope" approach, so that any determination of potential budget reductions to reflect the Board-approved 2013 OM&A will be at the discretion of CNPI.

4.3 Are the methodologies used to allocate shared services and other costs appropriate?

Status:	Complete Settlement
Supporting Parties:	CNPI, SEC, VECC, Energy Probe
Evidence:	Application: Exhibit 4, Tab 5, Schedule 1 Exhibit 4, Tab 5, Schedule 2 Exhibit 4, Tab 6, Schedule 1
	Interrogatories: EP #61 SEC #12 VECC #48

For the purposes of settlement, the Parties accept the methodology used by CNPI to allocate shared services and other costs.

4.4 Is CNPI - Fort Erie/Gananoque's proposed level of depreciation/amortization expense for the test year appropriate?

4.5 Is CNPI - Port Colborne's proposed level of depreciation/amortization expense for the test year appropriate?

Status: **Complete Settlement (on both Issues 4.4 and 4.5)**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 4, Tab 7, Schedule 1
Exhibit 4, Tab 7, Schedule 2
Exhibit 4, Tab 7, Schedule 3

Interrogatories: Board Staff #41 - #42

EP #62 - #63

In reference to Board Staff interrogatory #5, CNPI reduced its Depreciation Expense by \$25,505 as a result of an error in the FE and EOP 2013 depreciation expense due to the pre 1999 CIAC depreciation expense of \$25,505 that was not deducted. This change has only been reflected in depreciation expense.

4.6 Is the proposed CNPI - Fort Erie/Gananoque forecast for Income Taxes for the test year appropriate?

4.7 Is the proposed CNPI - Port Colborne forecast for Income Taxes for the test year appropriate?

Status: **Complete Settlement (on both Issues 4.6 and 4.7)**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 4, Tab 8, Schedule 1
Exhibit 4, Tab 8, Schedule 2
Exhibit 4, Tab 8, Schedule 3
Exhibit 4, Tab 8, Schedule 4

Interrogatories: Board Staff #43 - #44

EP #64 - #66

For the purposes of settlement, the Parties agree that CNPI's income taxes should be reduced by \$12,500 in the 2013 Test Year to reflect tax credits, approximating the 2011 tax credits claimed. The grossed up income taxes has changed from \$641,705 to \$632,755 for the 2013 Test Year, primarily reflecting the increase of the apprentice tax credit of \$12,500 as a result of all of the changes noted in this settlement agreement that have impacted taxable income.

4.8 Are the 2013 compensation costs and employee levels appropriate?

Status: **Complete Settlement**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 4, Tab 4, Schedule 1
Exhibit 4, Tab 4, Schedule 2

Interrogatories: Board Staff #45 - #47

SEC #13 - #18

For the purpose of settlement, and subject to the overall reduction in 2013 Test Year OM&A discussed above, the Parties accept CNPI's forecast 2013 Test Year compensation costs and employee levels.

4.9 Is the test year forecast of property taxes appropriate?

Status: **Complete Settlement**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 1, Tab 2, Schedule 1
Exhibit 1, Tab 2, Schedule 4
Exhibit 1, Tab 2, Schedule 6

CNPI has forecasted a total amount of \$116,700 in property taxes that will be payable in the 2013 Test Year.

For the purposes of settlement, the Parties have accepted CNPI's 2013 total Test Year forecast of property taxes.

5. CAPITAL STRUCTURE AND COST OF CAPITAL

5.1 Is the proposed capital structure, rate of return on equity and short-term and long-term debt rate appropriate?

Status: Complete Settlement

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 5, Tab 1, Schedule 1
Exhibit 5, Tab 1, Schedule 2
Exhibit 5, Tab 1, Schedule 3
Exhibit 5, Tab 1, Schedule 4
Exhibit 5, Tab 1, Schedule 5

Interrogatories: Board Staff #48 - #50
EP #67
SEC #19 - #20
VECC #49

For the purposes of settlement, the Parties have agreed that CNPI's proposed capital structure of 56% long term debt, 4% short term debt, and 40% equity is appropriate.

For the purposes of settlement, the Parties have agreed that the Board's most current Cost of Capital Parameters for ROE, short-term debt, and long-term debt for cost of service applications will apply.

For the purposes of this Proposed Settlement Agreement, the Parties have agreed that CNPI will use the Board's deemed long-term debt rate to calculate the regulatory cost of its affiliate debt. Based on the deemed long-term debt rate of 4.41% set out in the

Board's Cost of Capital Parameters for rates effective May 1, 2012, CNPI's long-term debt rate would be calculated as follows:

(\$'000)	<u>Coupon Rate</u>	<u>Balance 31-Dec</u>	<u>Monthly Average</u>	<u>Interest</u>	<u>Debt Issue costs</u>	<u>Total Cost</u>	<u>Effective Rate</u>
<u>2013 Test Year Cost of Long-term Debt</u>							
Third party debt	7.092%	30,000	30,000	2,128	32	2,160	7.20%
Affiliated debt	4.41%	15,000	15,000	662	0	662	4.41%
Affiliated debt	4.41%	5,000	5,000	221	0	221	4.41%
Affiliated debt	<u>4.41%</u>	<u>8,000</u>	<u>8,000</u>	<u>353</u>	<u>0</u>	<u>353</u>	<u>4.41%</u>
		<u>58,000</u>	<u>58,000</u>	<u>3,362</u>	<u>32</u>	<u>3,394</u>	<u>5.85%</u>

For greater clarity, the Parties agree that CNPI's cost of capital will be based on the Board's Cost of Capital Parameters for rates effective January 1, 2013 as updated by the Board prior to CNPI's rates becoming effective. The updated parameters will be incorporated into the Draft Rate Order to be prepared following the issuance of the Board's Decision on the Settlement Agreement.

As a placeholder, the following 2013 test year cost of capital of 7.01% based on the Cost of Capital Parameters for rates effective May 1, 2012, results in a return on capital of \$5,150,000.

	Amount	%	Cost Rate	Return
Long-term Debt	41,159	56.00%	5.85%	2,408
Short-term Debt	2,940	4.00%	2.08%	61
Common Equity	29,399	40.00%	9.12%	2,681
Total	73,498	100%	7.01%	5,150

6. SMART METERS

6.1 Are the proposed quanta and nature of smart meter costs, including the allocation and recovery methodologies appropriate?

Status: Complete Settlement

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 10, Tab 1, Schedule 1
Exhibit 10, Tab 1, Schedule 2
Exhibit 10, Tab 1, Schedule 3
Exhibit 10, Tab 1, Schedule 4
Exhibit 10, Tab 1, Schedule 5
Exhibit 10, Tab 1, Schedule 6
Exhibit 10, Tab 1, Schedule 7
Exhibit 10, Tab 1, Schedule 8

Interrogatories: Board Staff #51 - #54
VECC #14

For the purposes of settlement, the Parties accept CNPI's proposed quanta of smart meter costs included in the 2013 Test Year, as well as CNPI's proposed allocation, and 2 year recovery period as appropriate.

6.2 Is the proposed treatment of stranded meter costs appropriate?

Status: Complete Settlement

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 10, Tab 1, Schedule 8

For the purposes of settlement, the Parties accept the total stranded meter value of \$1,169,579, as requested per Exhibit 10, Tab 1, Schedule 8 of the Application. The Parties accept the proposal for recovery of that amount through rate riders calculated by rate class, over a two year period, from January 1, 2013 to December 31, 2014.

7. COST ALLOCATION

7.1 Is the proposed CNPI - Fort Erie/Gananoque cost allocation appropriate?

7.2 Is the proposed CNPI - Port Colborne cost allocation appropriate?

Status: **Complete Settlement (on both Issues 7.1 and 7.2)**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 7, Tab 1, Schedule 1
Exhibit 7, Tab 1, Schedule 2
Exhibit 7, Tab 1, Schedule 3
Exhibit 7, Tab 2, Schedule 1
Exhibit 7, Tab 2, Schedule 2
Exhibit 7, Tab 2, Schedule 3
Exhibit 7, Tab 3, Schedule 1
Exhibit 7, Tab 3, Schedule 2

Interrogatories: VECC #15 - 19

The Parties have agreed for the purposes of settlement that the cost allocation for the 2013 Test Year shown in the following table is appropriate for the 2013 Revenue Requirement and will be used to establish the target revenue to cost ratios for the 2013 rate design as well as subsequent rate designs for the rate years 2014, 2015 and 2016.

Test Year Revenue to Cost Ratios						
as Determined in the Cost Allocation Study						
Customer Class	Allocation of Revenue Requirement including Net Income	Deficiency Factor	Distribution Revenue at Status Quo Rates	Misc. Revenue	Revenue to Cost Ratio	Board's 2011 Policy Range
Residential	11,959,720	1.11880	10,012,615	887,427	91.14%	85% - 115%
GS Less Than 50 kW	2,395,011	1.11880	2,446,814	171,803	109.34%	80% - 120%
GS 50 to 4,999 kW	4,132,293	1.11880	4,647,757	297,618	119.68%	80% - 120%
USL	37,273	1.11880	94,061	3,257	261.10%	80% - 120%
Sentinel Lighting	83,224	1.11880	60,460	5,731	79.53%	80% - 120%
Street Lighting	508,745	1.11880	451,374	37,349	96.06%	70% - 120%
Total	\$ 19,116,266		\$ 17,713,081	\$ 1,403,185		

The highlighted cells in the “Revenue to Cost Ratio” column show the customer classes whose revenue to cost ratio is not within the Board’s 2011 Policy Range.

For the purposes of settlement, the Parties have accepted that the cost allocation results arising from the accepted harmonized revenue requirement for CNPI will serve as the basis for 2013 distribution rates.

For the purposes of settlement, the Parties have also accepted that during the subsequent IRM period, 2014 through 2016, CNPI will systematically, as accepted, adjust the revenue to cost ratio of the USL and Sentinel Lighting customer classes to the nearest boundary of the Board’s 2011 Policy Range. These accepted adjustments are detailed in the discussion of sections 7.3 and 7.4.

For the purposes of settlement, the Parties accept that the existing divergence of the fixed to variable splits of the individual rate classes of Fort Erie/EOP and Port Colborne make it impractical to achieve harmonized distribution rates in 2013. The parties accept that CNPI will adjust the fixed to variable ratios of distribution rates in Fort Erie/EOP and Port Colborne to achieve harmonized rates on or before 2016. These adjustments are shown in detail in Section 8, Rate Design.

The significant difference between this Proposed Settlement Agreement is the acceptance of the harmonized revenue requirement as the basis for rate design. The original Application used the individual service area revenue requirements (which summate to the harmonized revenue requirement) to develop area specific distribution rates during the IRM period. In the original Application, CNPI proposed final harmonization in the next cost of service proceeding. The Proposed Settlement Agreement, using the harmonized revenue requirement, will fully harmonize rates by the end of the IRM period.

Appendix C contains the Cost Allocation Output Sheets O1 and O2.

7.3 Are the proposed revenue-to-cost ratios for each of CNPI - Fort Erie/Gananoque classes appropriate?

7.4 Are the proposed revenue-to-cost ratios for each of CNPI - Port Colborne classes appropriate?

Status: **Complete Settlement (on both Issues 7.3 and 7.4)**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 7, Tab 1, Schedule 1
Exhibit 7, Tab 1, Schedule 2
Exhibit 7, Tab 1, Schedule 3
Exhibit 7, Tab 2, Schedule 1
Exhibit 7, Tab 2, Schedule 2

Exhibit 7, Tab 2, Schedule 3

Exhibit 7, Tab 3, Schedule 1

Exhibit 7, Tab 3, Schedule 2

Interrogatories: Board Staff #55

EP #68 - #71

SEC #21

VECC #20 - #21

The Parties have agreed for the purposes of settlement that the Revenue to Cost Ratios set out for the rate years 2013 to 2016 are based on the 2013 Cost Allocation. The parties also agreed that for the purposes of settlement that the Revenue to Cost Ratios for each rate year, 2013 to 2016 inclusive, are those set out in the following series of tables. The highlighted cells in the "Target Revenue to Cost Ratio" column is intended to draw attention to the customer classes whose revenue to cost ratios will continue to change throughout the subsequent IRM period. The USL customer class is targeted to decrease to 120% by 2016. The adjusted distribution revenue resulting from the decreased revenue to cost ratio for the USL customer class will be allocated to those customer classes with the lowest revenue to cost ratios; the Residential and Sentinel Lighting classes.

2013 Target Revenue to Cost Ratios						
Customer Class	Allocation of Revenue Requirement including Net Income	Misc. Revenue	Allocation of Distribution Revenue Requirement including Net Income	Distribution Revenue at Status Quo Rates	Target Revenue to Cost Ratio	Adjusted Distribution Revenue
Residential	11,959,720	887,427	11,072,293	10,012,615	91.17%	10,016,079
GS Less Than 50 kW	2,395,011	171,803	2,223,208	2,446,814	109.34%	2,446,814
GS 50 to 4,999 kW	4,132,293	297,618	3,834,675	4,647,757	119.68%	4,647,757
USL	37,273	3,257	34,016	94,061	225.82%	80,913
Sentinel Lighting	83,224	5,731	77,493	60,460	91.17%	70,144
Street Lighting	508,745	37,349	471,396	451,374	96.06%	451,374
Total	\$ 19,116,266	\$ 1,403,185	\$17,713,081	\$17,713,081		\$ 17,713,081

2014 Target Revenue to Cost Ratios						
Customer Class	Allocation of Revenue Requirement including Net Income	Misc. Revenue	Allocation of Distribution Revenue Requirement including Net Income	Distribution Revenue at Status Quo Rates	Target Revenue to Cost Ratio	Adjusted Distribution Revenue
Residential	11,959,720	887,427	11,072,293	10,012,615	91.28%	10,029,186
GS Less Than 50 kW	2,395,011	171,803	2,223,208	2,446,814	109.34%	2,446,814
GS 50 to 4,999 kW	4,132,293	297,618	3,834,675	4,647,757	119.68%	4,647,757
USL	37,273	3,257	34,016	94,061	190.41%	67,715
Sentinel Lighting	83,224	5,731	77,493	60,460	91.28%	70,236
Street Lighting	508,745	37,349	471,396	451,374	96.06%	451,374
Total	\$ 19,116,266	\$ 1,403,185	\$17,713,081	\$17,713,081		\$ 17,713,081

2015 Target Revenue to Cost Ratios						
Customer Class	Allocation of Revenue Requirement including Net Income	Misc. Revenue	Allocation of Distribution Revenue Requirement including Net Income	Distribution Revenue at Status Quo Rates	Target Revenue to Cost Ratio	Adjusted Distribution Revenue
Residential	11,959,720	887,427	11,072,293	10,012,615	91.39%	10,042,214
GS Less Than 50 kW	2,395,011	171,803	2,223,208	2,446,814	109.34%	2,446,814
GS 50 to 4,999 kW	4,132,293	297,618	3,834,675	4,647,757	119.68%	4,647,757
USL	37,273	3,257	34,016	94,061	155.21%	54,594
Sentinel Lighting	83,224	5,731	77,493	60,460	91.39%	70,327
Street Lighting	508,745	37,349	471,396	451,374	96.06%	451,374
Total	\$ 19,116,266	\$ 1,403,185	\$17,713,081	\$17,713,081		\$ 17,713,081

2016 Target Revenue to Cost Ratios						
Customer Class	Allocation of Revenue Requirement including Net Income	Misc. Revenue	Allocation of Distribution Revenue Requirement including Net Income	Distribution Revenue at Status Quo Rates	Target Revenue to Cost Ratio	Adjusted Distribution Revenue
Residential	11,959,720	887,427	11,072,293	10,012,615	91.50%	10,055,246
GS Less Than 50 kW	2,395,011	171,803	2,223,208	2,446,814	109.34%	2,446,814
GS 50 to 4,999 kW	4,132,293	297,618	3,834,675	4,647,757	119.68%	4,647,757
USL	37,273	3,257	34,016	94,061	120.00%	41,471
Sentinel Lighting	83,224	5,731	77,493	60,460	91.50%	70,419
Street Lighting	508,745	37,349	471,396	451,374	96.06%	451,374
Total	\$ 19,116,266	\$ 1,403,185	\$17,713,081	\$17,713,081		\$ 17,713,081

8. RATE DESIGN

8.1 Are the fixed to variable splits for each class appropriate?

Status: **Complete Settlement**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 8

Interrogatories: Board Staff #56 - #57

VECC #22 - #24

For purposes of settlement, the parties agree that beginning with the 2013 rate design, CNPI shall adjust the fixed to variable splits of each customer class to achieve fully harmonized rates by the 2016 rate year. The rates set out below would recover CNPI's revenue requirement as per the 2013 Test Year, and are expected to be adjusted through the Incentive Rate Mechanism annually. For purposes of settlement, the parties have agreed to a target monthly service charge for each of the customer classes. The targeted monthly service charge and annual adjustment to the fixed and variable components is shown in the following table.

Customer Class	Target MSC	Existing		2013		2014		2015		2016	
		VSC	MSC	VSC	MSC	VSC	MSC	VSC	MSC	VSC	MSC
Residential - FE/EOP	19.41	0.0152	18.17	0.0202	18.48	0.0201	18.79	0.0199	19.10	0.0196	19.41
Residential - PC		0.0220	15.57	0.0249	16.53	0.0228	17.49	0.0210	18.45	0.0196	19.41
GS Less Than 50 kW - FE/EOP	27.38	0.0226	20.98	0.0250	22.58	0.0240	24.18	0.0231	25.78	0.0223	27.38
GS Less Than 50 kW - PC		0.0145	30.89	0.0195	30.01	0.0208	29.13	0.0218	28.26	0.0223	27.38
GS 50 to 4,999 kW - FE/EOP	145.84	7.2561	133.68	7.4650	137.73	6.8985	141.79	6.4819	145.84	6.4819	145.84
GS 50 to 4,999 kW - PC		2.7712	557.90	4.4952	420.55	5.5799	283.19	6.4819	145.84	6.4819	145.84
USL - FE/EOP	32.00	0.0413	70.07	0.0404	60.55	0.0323	51.04	0.0246	41.52	0.0173	32.00
USL - PC		0.0263	51.63	0.0286	46.72	0.0254	41.82	0.0217	36.91	0.0173	32.00
Sentinel Lighting - FE/EOP	4.95	4.2722	3.79	5.3489	5.00	5.2893	5.02	5.1803	5.05	5.7330	4.95
Sentinel Lighting - PC		7.0224	4.30	5.3489	5.00	5.2893	5.02	5.1803	5.05	5.7330	4.95
Street Lighting - FE/EOP	4.80	9.6594	4.95	10.1338	5.53	10.2413	5.29	10.3875	4.96	10.4595	4.80
Street Lighting - PC		8.7698	3.07	10.1338	3.61	10.2413	4.00	10.3875	4.54	10.4595	4.80

8.2 Are the proposed retail transmission service rates appropriate?

Status: **Complete Settlement**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 8, Tab 2, Schedule 3

Exhibit 8, Tab 3, Schedule 3

Exhibit 8, Tab 4, Schedule 2

Interrogatories: VECC #25

For the purposes of settlement the Parties have agreed that the following combined Retail Transmission Service Rates (“RTSRs”), are appropriate.

Combined - CNPI

Network	kWh	kWh	Recovery Amount	Rate
Residential	215,763,445	-	1,425,464	0.0066
General Service Less Than 50 kW	74,656,461	-	426,757	0.0057
General Service 50 to 4,999 kW	255,376,181	765,246	1,842,128	2.4072
Sentinel Lighting	761,035	2,334	4,788	2.0514
Street Lighting	4,475,402	11,789	21,004	1.7817
Unmetered Scattered Load	1,592,312	-	9,446	0.0059

Connection

Residential	215,763,445	-	1,137,285	0.0053
General Service Less Than 50 kW	74,656,461	-	342,392	0.0046
General Service 50 to 4,999 kW	255,376,181	765,246	1,458,877	1.9064
Sentinel Lighting	761,035	2,334	3,632	1.5559
Street Lighting	4,475,402	11,789	17,149	1.4547
Unmetered Scattered Load	1,592,312	-	7,464	0.0047

8.3 Are the proposed LV rates appropriate?

Status: **Complete Settlement**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 8, Tab 2, Schedule 4
Exhibit 8, Tab 3, Schedule 4
Exhibit 8, Tab 4, Schedule 3

Interrogatories: Board Staff #58
EP #72
VECC #26 - #28

For the purposes of settlement, the Parties have agreed on the combined LV rates as outlined below. Two of the tables below are taken from Exhibit 8 of the original Application. The third table outlines the combined LV rates.

Determination of Low Voltage Rates in Gananoque					
Low Voltage Revenue Requirement for 2013			\$ 82,329		
Customer Class	2012 RTSR Connection Rate	Test Year Billing Determinant		RTSR Connection Revenue	RTSR Revenue Distribution
		Volume	UOM		
Residential	0.0035	29,354,957	kWh	\$ 102,742	48.2%
GS Less Than 50 kW	0.0033	12,578,164	kWh	\$ 41,508	19.5%
GS 50 to 4,999 kW	1.3742	48,371	kW	\$ 66,471	31.2%
Unmetered Scattered Load	0.0033	157,458	kWh	\$ 520	0.2%
Sentinel Lighting	1.0168	184	kW	\$ 187	0.1%
Street Lighting	0.9958	1,674	kW	\$ 1,667	0.8%
	Low Voltage Revenue Distribution	Test Year Billing Determinant		Proposed Low Voltage Distribution Rates	
		Volume	UOM	Rate	UOM
	\$ 39,694	29,354,957	kWh	0.0014	kWh
	\$ 16,037	12,578,164	kWh	0.0013	kWh
	\$ 25,681	48,371	kW	0.5309	kW
	\$ 201	157,458	kWh	0.0013	kWh
	\$ 72	184	kW	0.3928	kW
	\$ 644	1,674	kW	0.3847	kW
	Proposed Low Voltage Rates	Existing Low Voltage Rates	UOM		
Residential	0.0014	0.0016	kWh		
GS Less Than 50 kW	0.0013	0.0013	kWh		
GS 50 to 4,999 kW	0.5309	0.5826	kW		
Unmetered Scattered Load	0.0013	0.0013	kWh		
Sentinel Lighting	0.3928	0.4311	kW		
Street Lighting	0.3847	0.4222	kW		

Determination of Low Voltage Rates in Port Colborne					
Low Voltage Revenue Requirement for 2013		\$ 20,979			
Customer Class	2012 RTSR Connection Rate	Test Year Billing Determinant		RTSR Connection Revenue	RTSR Revenue Distribution
		Volume	UOM		
Residential	0.0051	64,161,933	kWh	\$ 327,226	32.6%
GS Less Than 50 kW	0.0045	23,558,821	kWh	\$ 106,015	10.5%
GS 50 to 4,999 kW	1.8077	311,664	kW	\$ 563,395	56.0%
Unmetered Scattered Load	0.0045	581,815	kWh	\$ 2,618	0.3%
Sentinel Lighting	1.4247	40	kW	\$ 57	0.0%
Street Lighting	1.4266	4,119	kW	\$ 5,876	0.6%
	Low Voltage Revenue Distribution	Test Year Billing Determinant		Proposed Low Voltage Distribution Rates	
		Volume	UOM	Rate	UOM
Residential	\$ 6,829	64,161,933	kWh	0.0001	kWh
GS Less Than 50 kW	\$ 2,213	23,558,821	kWh	0.0001	kWh
GS 50 to 4,999 kW	\$ 11,758	311,664	kW	0.0377	kW
Unmetered Scattered Load	\$ 55	581,815	kWh	0.0001	kWh
Sentinel Lighting	\$ 1	40	kW	0.0297	kW
Street Lighting	\$ 123	4,119	kW	0.0298	kW
	Proposed Low Voltage Rates	Existing Low Voltage Rates	UOM		
Residential	0.0001	0.0001	kWh		
GS Less Than 50 kW	0.0001	0.0001	kWh		
GS 50 to 4,999 kW	0.0377	0.0324	kW		
Unmetered Scattered Load	0.0001	0.0001	kWh		
Sentinel Lighting	0.0297	0.0101	kW		
Street Lighting	0.0298	0.0083	kW		

Determination of Low Voltage Rates in CNPI					
Low Voltage Revenue Requirement for 2013			\$ 103,308		
Customer Class	2012 RTSR Connection Rate	Test Year Billing Determinant		RTSR Connection Revenue	RTSR Revenue Distribution
		Volume	UOM		
Residential	0.0035	208,287,976	kWh	\$ 1,137,285	38.3%
GS Less Than 50 kW	0.0033	72,454,602	kWh	\$ 342,392	11.5%
GS 50 to 4,999 kW	1.3742	691,366	kW	\$ 1,458,877	49.2%
Unmetered Scattered Load	0.0033	1,527,929	kWh	\$ 7,464	0.3%
Sentinel Lighting	1.0168	2,334	kW	\$ 3,632	0.1%
Street Lighting	0.9958	11,789	kW	\$ 17,149	0.6%
	Low Voltage Revenue Distribution	Test Year Billing Determinant		Proposed Low Voltage Distribution Rates	
		Volume	UOM	Rate	UOM
Residential	\$ 39,602	208,287,976	kWh	0.0002	kWh
GS Less Than 50 kW	\$ 11,923	72,454,602	kWh	0.0002	kWh
GS 50 to 4,999 kW	\$ 50,800	691,366	kW	0.0735	kW
Unmetered Scattered Load	\$ 260	1,527,929	kWh	0.0002	kWh
Sentinel Lighting	\$ 126	2,334	kW	0.0542	kW
Street Lighting	\$ 597	11,789	kW	0.0507	kW

8.4 Are the proposed loss factors appropriate?

Status: Complete Settlement

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 8, Tab 2, Schedule 6

Exhibit 8, Tab 3, Schedule 7

Exhibit 8, Tab 4, Schedule 6

Interrogatories: Board Staff #59 - #60

EP #73

For the purposes of settlement, the Parties have agreed with the loss factors outlined in CNPI's Application. Appendix 2-P tables from the Application, along with a combined table are outlined below:

**CNPI - Fort Erie
Loss Factors**

		2007	2008	2009	2010	2011	5 Year Average
Losses in Distributor's System							
A1	"Wholesale" kWh delivered to distributor (higher value)	309,102,483	304,053,868	289,901,604	296,450,876	291,405,709	298,182,908
A2	"Wholesale" kWh delivered to distributor (lower value)	308,113,038	303,055,000	288,969,756	295,471,194	290,459,287	297,213,655
B	Portion "Wholesale" kWh delivered to distributor for Large Use Customer(s)	-	-	-	-	-	-
C	Net "Wholesale" kWh delivered to distributor (A2) - (B)	308,113,038	303,055,000	288,969,756	295,471,194	290,459,287	297,213,655
D	"Retail" kWh delivered by distributor	297,196,147	287,832,998	276,124,116	282,006,978	277,229,591	284,077,966
E	Portion of "Retail" kWh delivered by distributor for Large Use Customer(s)	-	-	-	-	-	-
F	Net "Retail" kWh delivered by distributor (D) - (E)	297,196,147	287,832,998	276,124,116	282,006,978	277,229,591	284,077,966
G	Loss Factor in distributor's system [(C)/(F)]	1.0367	1.0529	1.0465	1.0477	1.0477	1.0462
Losses Upstream of Distributor's System							
H	Supply Facility Loss factor	1.0032	1.0033	1.0032	1.0033	1.0033	1.0033
Total Losses							
I	Total Loss Factor [(G)x(H)]	1.0401	1.0564	1.0499	1.0512	1.0511	1.0497

Eastern Ontario Power
Loss Factors

		2007	2008	2009	2010	2011	5 Year Average
Losses in Distributor's System							
A1	"Wholesale" kWh delivered to distributor (higher value)	73,844,146	69,666,558	67,036,128	66,356,414	65,886,085	68,557,866
A2	"Wholesale" kWh delivered to distributor (lower value)	71,833,039	68,191,072	65,433,305	64,807,650	64,340,230	66,921,059
B	Portion "Wholesale" kWh delivered to distributor for Large Use Customer(s)	-	-	-	-	-	-
C	Net "Wholesale" kWh delivered to distributor (A2) - (B)	71,833,039	68,191,072	65,433,305	64,807,650	64,340,230	66,921,059
D	"Retail" kWh delivered by distributor	66,086,049	62,983,629	60,765,744	59,021,309	59,594,935	61,690,333
E	Portion of "Retail" kWh delivered by distributor for Large Use Customer(s)	-	-	-	-	-	-
F	Net "Retail" kWh delivered by distributor (D) - (E)	66,086,049	62,983,629	60,765,744	59,021,309	59,594,935	61,690,333
G	Loss Factor in distributor's system [(C)/(F)]	1.0870	1.0827	1.0768	1.0980	1.0796	1.0848
Losses Upstream of Distributor's System							
H	Supply Facility Loss factor	1.0280	1.0216	1.0245	1.0239	1.0240	1.0235
Total Losses							
I	Total Loss Factor [(G)x(H)]	1.1174	1.1061	1.1032	1.1243	1.1056	1.1103

CNPI - Port Colborne
Loss Factors

		2007	2008	2009	2010	2011	5 Year Average
Losses in Distributor's System							
A1	"Wholesale" kWh delivered to distributor (higher value)	202,203,643	206,228,897	194,250,783	202,766,669	213,665,156	203,823,030
A2	"Wholesale" kWh delivered to distributor (lower value)	201,584,864	205,167,974	193,252,103	201,725,426	212,603,910	202,866,856
B	Portion "Wholesale" kWh delivered to distributor for Large Use Customer(s)	-	-	-	-	-	-
C	Net "Wholesale" kWh delivered to distributor (A2) - (B)	201,584,864	205,167,974	193,252,103	201,725,426	212,603,910	202,866,856
D	"Retail" kWh delivered by distributor	199,276,154	192,894,441	190,210,936	191,474,574	203,577,228	195,486,667
E	Portion of "Retail" kWh delivered by distributor for Large Use Customer(s)	-	-	-	-	-	-
F	Net "Retail" kWh delivered by distributor (D) - (E)	199,276,154	192,894,441	190,210,936	191,474,574	203,577,228	195,486,667
G	Loss Factor in distributor's system [(C)/(F)]	1.0116	1.0636	1.0160	1.0535	1.0443	1.0378
Losses Upstream of Distributor's System							
H	Supply Facility Loss factor	1.0031	1.0052	1.0052	1.0052	1.0050	1.0051
Total Losses							
I	Total Loss Factor [(G)x(H)]	1.0147	1.0691	1.0212	1.0590	1.0496	1.0431

**CNPI - Combined
Loss Factors**

		2007	2008	2009	2010	2011	5 Year Average
Losses in Distributor's System							
A1	"Wholesale" kWh delivered to distributor (higher value)	585,150,273	579,949,323	551,188,515	565,573,959	570,956,950	570,563,804
A2	"Wholesale" kWh delivered to distributor (lower value)	581,530,941	576,414,046	547,655,164	562,004,269	567,403,427	567,001,570
B	Portion "Wholesale" kWh delivered to distributor for Large Use Customer(s)	-	-	-	-	-	-
C	Net "Wholesale" kWh delivered to distributor (A2) - (B)	581,530,941	576,414,046	547,655,164	562,004,269	567,403,427	567,001,570
D	"Retail" kWh delivered by distributor	562,558,350	543,711,068	527,100,796	532,502,861	540,401,754	541,254,966
E	Portion of "Retail" kWh delivered by distributor for Large Use Customer(s)	-	-	-	-	-	-
F	Net "Retail" kWh delivered by distributor (D) - (E)	562,558,350	543,711,068	527,100,796	532,502,861	540,401,754	541,254,966
G	Loss Factor in distributor's system [(C)/(F)]	1.0337	1.0601	1.0390	1.0554	1.0500	1.0476
Losses Upstream of Distributor's System							
H	Supply Facility Loss factor	1.0062	1.0061	1.0065	1.0064	1.0063	1.0063
Total Losses							
I	Total Loss Factor [(G)x(H)]	1.0402	1.0666	1.0457	1.0621	1.0565	1.0542

8.5 Is CNPI's proposal to continue with its approved Transformer Ownership Allowance appropriate?

Status: Complete Settlement

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 8, Tab 2, Schedule 2

Exhibit 8, Tab 3, Schedule 2

Interrogatories: VECC #29

For the purposes of settlement, the Parties have agreed that the Transformer Ownership Allowance is appropriate.

9. RATE HARMONIZATION

All aspects of rate harmonization are discussed in Sections 7 and 8.

10. DEFERRAL AND VARIANCE ACCOUNTS

10.1 Are the account balances, cost allocation methodology and disposition period appropriate?

Status: **Complete Settlement**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 9, Tab 1, Schedule 1
Exhibit 9, Tab 2, Schedule 1
Exhibit 9, Tab 3, Schedule 1

Interrogatories: Board Staff #66

The Parties have agreed for the purposes of settlement that the following Group 1 and Group 2 balances are approved for disposition through rate riders calculated by rate class, over a two year period, from January 1, 2013 to December 31, 2014:

Fort Erie

Group 1 and Group 2 Balances Requested for Disposition

RSVA - Wholesale Market Service Charge	1580	\$ (217,569)	\$ 3,222	\$ (3,198)	\$ (217,545)
RSVA - Retail Transmission Network Charge	1584	\$ 98,830	\$ 2,763	\$ 1,453	\$ 103,046
RSVA - Retail Transmission Connection Charge	1586	\$ 65,881	\$ 113	\$ 968	\$ 66,963
RSVA - Power excluding Global Adjustment	1588	\$ 122,456	\$ (9,485)	\$ 1,800	\$ 114,770
Disposition and Recovery/Refund of Regulatory Balances (2010)	1595	\$ 50,099	\$ 24,722	\$ 736	\$ 75,557
Sub-Totals		\$ 119,697	\$ 21,335	\$ 1,760	\$ 142,792
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	\$ 9,834	\$ 8,414	\$ 145	\$ 18,392
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$ 85,421	\$ 1,839	\$ 1,256	\$ 88,515
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	\$ (38,183)	\$ (416)	\$ (561)	\$ (39,160)
Sub-Totals		\$ 57,072	\$ 9,837	\$ 839	\$ 67,748
Totals per column		\$ 176,768	\$ 31,172	\$ 2,598	\$ 210,539

Rate Rider Calculations - Group 1 and Group 2 Balances

Class	# years	Service <50 kW		General Service >50 kW		Sentinel Lighting	Unmetered Load
		Residential	kWh	kWh	Street Lighting	kWh	kWh
Regulatory Asset Rate Riders	2	\$ 0.0005	\$ 0.0002	\$ 0.1182	\$ 0.1365	\$ 0.1493	\$ 0.0003
Billing Determinants		kWh	kWh	kWh	kWh	kWh	kWh

RSVA – Power_{GA} Balance Requested for Disposition

Account Description	Account Number	Closing Principal Amounts as of Dec 31, 2011 Adj for Dispositions During 2012	Interest to Dec 31, 2011	Interest Jan 1, 2012 to Dec 31, 2012	Total Claim
RSVA - Power - Sub-account - Global Adjustment	1588	\$ 445,134	\$ 12,022	\$ 6,543	\$ 463,700
Sub-Totals		\$ 445,134	\$ 12,022	\$ 6,543	\$ 463,700
Totals per column		\$ 445,134	\$ 12,022	\$ 6,543	\$ 463,700

Rate Rider Calculations – RSVA – Power_{GA}

Class	# years	Residential	Service <50 kW	General Service >50 kW	Street Lighting	Sentinel Lighting	Unmetered Load
Regulatory Asset Rate Riders	2	\$ 0.0017	\$ 0.0017	\$ 0.6281	\$ 0.6132	\$ 0.5606	\$ 0.0017
Billing Determinants		kWh	kWh	kW	kW	kW	kWh

Eastern Ontario Power

Group 1 and Group 2 Balances Requested for Disposition

Account Description	Account Number	Closing Principal Amounts as of Dec 31, 2011 Adj for Dispositions During 2012	Interest to Dec 31, 2011	Interest Jan 1, 2012 to Dec 31, 2012	Total Claim
LV Variance Account	1550	\$ (19,577)	\$ (1,802)	\$ (288)	\$ (21,667)
RSVA - Wholesale Market Service Charge	1580	\$ (213,475)	\$ (3,381)	\$ (3,138)	\$ (219,994)
RSVA - Retail Transmission Network Charge	1584	\$ (15,027)	\$ (556)	\$ (221)	\$ (15,804)
RSVA - Retail Transmission Connection Charge	1586	\$ (132,793)	\$ (2,295)	\$ (1,952)	\$ (137,040)
RSVA - Power excluding Global Adjustment	1588	\$ 293,029	\$ (6,524)	\$ 4,308	\$ 290,813
Sub-Totals		\$ (87,842)	\$ (14,558)	\$ (1,291)	\$ (103,691)
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	\$ 2,063	\$ 2,197	\$ 30	\$ 4,291
PLs and Tax Variance for 2006 and Subsequent Years - Sub-Account	1592	\$ (8,707)	\$ (95)	\$ (128)	\$ (8,930)
Sub-Totals		\$ (6,644)	\$ 2,102	\$ (98)	\$ (4,639)
Totals per column		\$ (94,486)	\$ (12,456)	\$ (1,389)	\$ (108,331)

Rate Rider Calculations - Group 1 and Group 2 Balances

Class	# years	Residential	Service <50 kW	General Service >50 kW	Street Lighting	Sentinel Lighting	Unmetered Load
Regulatory Asset Rate Riders	2	\$ (0.0009)	\$ (0.0009)	\$ (0.3137)	\$ (0.2909)	\$ (0.4014)	\$ (0.0009)
Billing Determinants		kWh	kWh	kW	kW	kW	kWh

RSVA – Power_{GA} Balance Requested for Disposition

Account Description	Account Number	Closing Principal Amounts as of Dec 31, 2011 Adj for Dispositions During 2012	Interest to Dec 31, 2011	Interest Jan 1, 2012 to Dec 31, 2012	Total Claim
RSVA - Power - Sub-account - Global Adjustment	1588	\$ 68,687	\$ 12,048	\$ 1,010	\$ 81,745
Sub-Totals		\$ 68,687	\$ 12,048	\$ 1,010	\$ 81,745
Totals per column		\$ 68,687	\$ 12,048	\$ 1,010	\$ 81,745

Rate Rider Calculations – RSVA – Power_{GA}

Class	# years	Residential		Service <50 kW	General Service >50 kW	Street Lighting	Sentinel Lighting	Unmetered Load					
				kWh	kW	kW	kW	kWh					
Regulatory Asset Rate Riders	2	\$	0.0021	\$	0.0021	\$	0.7727	\$	0.7068	\$	-	\$	-
Billing Determinants			kWh		kWh		kW		kW				kWh

Port Colborne

Group 1 and Group 2 Balances Requested for Disposition

Account Description	Account Number	Closing Principal Amounts as of Dec 31, 2011 Adj for Dispositions During 2012	Interest to Dec 31, 2011	Interest Jan 1, 2012 to Dec 31, 2012	Total Claim
LV Variance Account	1550	\$ 1,434	\$ 19	\$ 21	\$ 1,474
RSVA - Wholesale Market Service Charge	1580	\$ (163,468)	\$ (3,101)	\$ (2,403)	\$ (168,972)
RSVA - Retail Transmission Network Charge	1584	\$ 183,685	\$ 4,485	\$ 2,700	\$ 190,870
RSVA - Retail Transmission Connection Charge	1586	\$ 148,131	\$ 3,427	\$ 2,178	\$ 153,736
RSVA - Power excluding Global Adjustment	1588	\$ 256,873	\$ (13,377)	\$ 3,776	\$ 247,272
Disposition and Recovery/Refund of Regulatory Balances (2010)	1595	\$ (187,152)	\$ 202,187	\$ (2,751)	\$ 12,284
Sub-Totals		\$ 239,504	\$ 193,640	\$ 3,521	\$ 436,665
Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	\$ 10,552	\$ 4,755	\$ 155	\$ 15,462
PLs and Tax Variance for 2006 and Subsequent Years - Sub-Account					
HST/OVAT Input Tax Credits (ITCs)	1592	\$ (22,330)	\$ (244)	\$ (328)	\$ (22,902)
Sub-Totals		\$ (11,778)	\$ 4,511	\$ (173)	\$ (7,440)
Totals per column		\$ 227,726	\$ 198,151	\$ 3,348	\$ 429,225

Rate Rider Calculations - Group 1 and Group 2 Balances

Class	# years	Residential		Service <50 kW	General Service >50 kW	Street Lighting	Sentinel Lighting	Unmetered Load					
				kWh	kW	kW	kW	kWh					
Regulatory Asset Rate Riders	2	\$	0.0010	\$	0.0011	\$	0.3241	\$	0.4664	\$	0.3685	\$	0.0011
Billing Determinants			kWh		kWh		kW		kW		kW		kWh

RSVA – Power_{GA} Balance Requested for Disposition

Account Description	Account Number	Closing Principal Amounts as of Dec 31, 2011 Adj for Dispositions During 2012	Interest to Dec 31, 2011	Interest Jan 1, 2012 to Dec 31, 2012	Total Claim
RSVA - Power - Sub-account - Global Adjustment	1588	\$ 295,414	\$ 19,848	\$ 4,343	\$ 319,605
Sub-Totals		\$ 295,414	\$ 19,848	\$ 4,343	\$ 319,605
Totals per column		\$ 295,414	\$ 19,848	\$ 4,343	\$ 319,605

Rate Rider Calculations – RSVA – Power_{GA}

Class	# years	Residential		Service <50 kW	General Service >50 kW	Street Lighting	Sentinel Lighting	Unmetered Load					
				kWh	kW	kW	kW	kWh					
Regulatory Asset Rate Riders	2	\$	0.0013	\$	0.0013	\$	0.4062	\$	0.5841	\$	-	\$	0.0013
Billing Determinants			kWh		kWh		kW		kW				kWh

10.2 Are the proposed rate riders to dispose of the account balances
appropriate?

Status: **Complete Settlement**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 9, Tab 1, Schedule 3
Exhibit 9, Tab 2, Schedule 3
Exhibit 9, Tab 3, Schedule 3
Interrogatories: Board Staff #67 - 72

For the purposes of settlement, the Parties accept the proposed rate riders to dispose the account balanced as described in 10.1.

11. ACCOUNTING STANDARDS FOR PRIVATE ENTERPRISE ("ASPE")

11.1 Is the use of Accounting Standards for Private Enterprise ("ASPE") appropriate for the purpose of CNPI's distribution rate application?

Status: Complete Settlement

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 11, Tab 1, Schedule 2
Interrogatories: SEC #22 - #23

For the purposes of settlement, the Parties accept that the use of Accounting Standards for Private Enterprise ("ASPE") for the purpose of CNPI's distribution rate application is appropriate. Effective January 1, 2013, CNPI has changed its accounting estimate for the useful lives of its assets and its accounting policy for the capitalization of overhead costs. CNPI is not transitioning to IFRS but has used the IFRS standards as a guideline in implementing the above noted changes.

11.2 Are the proposed Revenue Requirements determined using ASPE appropriate?

Status: Complete Settlement

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 11, Tab 1, Schedule 3
Interrogatories: Board Staff #73

For the purposes of settlement, the Parties accept that the proposed Revenue Requirements determined using ASPE are appropriate.

11.3 Is the proposed change in accounting policy regarding the capitalization of overhead costs appropriate?

Status: **Complete Settlement**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 9, Tab 1, Schedule 4

For the purposes of settlement, the Parties accept that the proposed change in accounting policy regarding the capitalization of overhead costs is appropriate.

11.4 Is the treatment of property, plant & equipment due to the transition to new accounting standard appropriate?

Status: **Complete Settlement**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 9, Tab 1, Schedule 4

For the purposes of settlement, the Parties accept that the treatment of property, plant & equipment due to the transition to new accounting standard is appropriate.

12. GREEN ENERGY ACT PLAN

12.1 Is CNPI's proposed Green Energy Act Plan appropriate?

Status: **Complete Settlement**

Supporting Parties: CNPI, SEC, VECC, Energy Probe

Evidence: Application: Exhibit 2, Tab 4, Schedule 1

For the purposes of settlement, the Parties accept CNPI's basic Green Energy Act Plan. CNPI notes that its Green Energy Act Plan does not affect rates in the Test Year.

Appendix A – Cost of Power

	Per Application Exhibit 2 Tab 1 Schedule 13	Per Proposed Settlement Agreement	
Transmission - Network Service	Cost	Cost	
Residential	1,437,731	1,437,731	
General Service Less Than 50 kW	435,924	435,924	
General Service 50 to 4,999 kW	1,670,851	1,670,851	
Unmetered Scattered Load	9,495	9,495	
Sentinel Lighting	4,788	4,788	
Street Lighting	20,944	20,944	
	\$ 3,579,733	\$ 3,579,733	No Change
Transmission - Connection Service	Cost	Cost	
Residential	1,139,395	1,139,395	
General Service Less Than 50 kW	347,022	347,022	
General Service 50 to 4,999 kW	1,319,662	1,319,662	
Unmetered Scattered Load	7,450	7,450	
Sentinel Lighting	3,631	3,631	
Street Lighting	17,276	17,276	
	\$ 2,834,437	\$ 2,834,437	No Change
Wholesale Market Service	Cost	Cost	
Residential	1,130,092	1,130,092	
General Service Less Than 50 kW	393,504	393,504	
General Service 50 to 4,999 kW	1,214,322	1,214,322	
Unmetered Scattered Load	8,280	8,280	
Sentinel Lighting	4,122	4,122	
Street Lighting	24,390	24,390	
	\$ 2,774,711	\$ 2,774,711	No Change
Rural Rate Assistance	Cost	Cost	
Residential	239,058	239,058	
General Service Less Than 50 kW	83,241	83,241	
General Service 50 to 4,999 kW	256,876	256,876	
Unmetered Scattered Load	1,751	1,751	
Sentinel Lighting	872	872	
Street Lighting	5,384	5,384	
	\$ 587,183	\$ 587,183	No Change

Appendix A – Cost of Power (cont.)

Low Voltage		Cost		Cost¹	
Residential		50,511		39,602	
General Service Less Than 50 kW		19,571		11,923	
General Service 50 to 4,999 kW		41,420		50,800	
Unmetered Scattered Load		273		260	
Sentinel Lighting		83		126	
Street Lighting		830		597	
		\$ 112,688		\$ 103,308	See Note No. 1
Cost of Energy - RPP		Cost		Cost	
Residential		16,440,666		15,431,667	
General Service Less Than 50 kW		5,724,731		5,556,576	
General Service 50 to 4,999 kW		17,666,054		1,472,966	
Unmetered Scattered Load		120,454		3,677	
Sentinel Lighting		59,971		63,338	
Street Lighting		346,653		376,552	
		\$ 40,358,528		\$ 22,904,776	See Note No. 2
Cost of Energy - Non-RPP		Cost		Cost	
Residential		-		2,054,247	
General Service Less Than 50 kW		-		536,475	
General Service 50 to 4,999 kW		-		16,956,730	
Unmetered Scattered Load		-		121,832	
Sentinel Lighting		-		614	
Street Lighting		-		-	
		\$ -		\$ 19,669,897	See Note No. 2
Total Cost of Power		\$ 50,247,280		\$ 52,454,045	
Notes:					
1. In response to Board Staff Interrogatory No. 58, CNPI revised its Low Voltage Forecast in Gananoque by \$9,380.					
2. In response to Energy Probe Interrogatories No. 27 and No. 29, CNPI revised its Cost of Power. CNPI has used the Regulated Price Plan Report, May 1, 2012 to April 30, 2012.					

Appendix B – Proposed 2013 Tariff of Rates and Charges (Updated)

Canadian Niagara Power Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2013

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

EB-2012-0112

Fort Erie Service Area

RESIDENTIAL SERVICE CLASSIFICATION

The Residential Class (Regular) refers to a service taking electricity normally at 750 volts or less where the electricity is used for domestic and household purposes in a single family unit. A single family unit being a permanent structure located on a single parcel of land and approved by a civic authority as a dwelling and occupied for that purpose by a single customer. Residential rates are also applied to apartment buildings with 6 units or less that are bulk metered. Apartment buildings with more than 6 units that are bulk metered are deemed to be General Service. 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, 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, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	18.48
Distribution Volumetric Rate	\$/kWh	0.0202
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0007)
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kWh	0.0005
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2013 Applicable only for Non-RPP Customers	\$/kWh	0.0017
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0005)
Rate Rider for Stranded Meters – effective until December 31, 2013	\$	1.50
Rate Rider for Smart Meter Disposition – effective until December 31, 2013	\$	0.45
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0053

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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

EB-2012-0112

Fort Erie Service Area

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to single commercial or industrial customer and whose average peak demand is (or is forecasted to be) less than 50 kW. Single commercial or industrial customers are interpreted as a structure or structures on a single parcel of land occupied by one customer. An apartment building with more than 6 units that is bulk metered and has an average peak demand less than 50 kW is deemed to be General Service less than 50 kW. The common area of a separately metered apartment building having a demand less than 50 kW is also deemed to be General Service 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.

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, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	22.58
Distribution Volumetric Rate	\$/kWh	0.0250
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0007)
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kWh	0.0002
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2013		
Applicable only for Non-RPP Customers	\$/kWh	0.0017
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0004)
Rate Rider for Stranded Meters – effective until December 31, 2013	\$	3.04
Rate Rider for Smart Meter Disposition – effective until December 31, 2013	\$	1.96
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0046

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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

EB-2012-0112

Fort Erie Service Area

GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to single commercial or industrial customer and whose average peak demand is (or is forecasted to be) equal to or greater than 50 kW but less than 5000 kW. Single commercial or industrial customers are interpreted as a structure or structures on a single parcel of land occupied by one customer. 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, 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, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	137.73
Distribution Volumetric Rate	\$/kW	7.4650
Low Voltage Service Rate	\$/kW	0.0735
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(0.2478)
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kW	0.1182
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kW	(0.3209)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2014 Applicable only for Non-RPP Customers	\$/kW	0.6281
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.0941)
Retail Transmission Rate – Network Service Rate	\$/kW	2.4072
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.9064

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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

EB-2012-0112

Fort Erie Service Area

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to the supply of electrical service to a customer that is deemed to have a constant load over a billing period, normally with minimum electrical consumption and the consumption is unmetered. Energy consumption is based on connected wattage and calculated hours of use. Examples of unmetered scattered load are cable television amplifiers, billboards, area lighting. 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, 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, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per customer)	\$	60.55
Distribution Volumetric Rate	\$/kWh	0.0404
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0007)
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kWh	0.0003
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2014 Applicable only for Non-RPP Customers	\$/kWh	0.0017
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0011)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0047

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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

EB-2012-0112

Fort Erie Service Area

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to all services required to supply sentinel lighting equipment. 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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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	5.00
Distribution Volumetric Rate	\$/kW	5.3489
Low Voltage Service Rate	\$/kW	0.0542
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(0.2204)
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kW	0.1493
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2014 Applicable only for Non-RPP Customers	\$/kWh	0.5606
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.2651)
Retail Transmission Rate – Network Service Rate	\$/kW	2.0514
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5559

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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Fort Erie Service Area

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to the supply of electrical service for roadway lighting. Energy consumption is based on connected wattage and calculated hours of use. Customers are usually a Municipality, Region or the Ministry of Transportation. 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)	\$	5.53
Distribution Volumetric Rate	\$/kW	10.1338
Low Voltage Service Rate	\$/kW	0.0507
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(0.2204)
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kW	0.1366
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kW	(0.2853)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2014 Applicable only for Non-RPP Customers	\$/kW	0.6133
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.4273)
Retail Transmission Rate – Network Service Rate	\$/kW	1.7817
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4547

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0112

Fort Erie Service Area

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

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	\$	5.40
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Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0112

Eastern Ontario Power Service Area

RESIDENTIAL SERVICE CLASSIFICATION

The Residential Class (Regular) refers to a service taking electricity normally at 750 volts or less where the electricity is used for domestic and household purposes in a single family unit. A single family unit being a permanent structure located on a single parcel of land and approved by a civic authority as a dwelling and occupied for that purpose by a single customer. Residential rates are also applied to apartment buildings with 6 units or less that are bulk metered. Apartment buildings with more than 6 units that are bulk metered are deemed to be General Service. 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, 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, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	18.48
Distribution Volumetric Rate	\$/kWh	0.0202
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kWh	(0.0010)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0022
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0005)
Rate Rider for Stranded Meters – effective until December 31, 2013	\$	1.50
Rate Rider for Smart Meter Disposition – effective until December 31, 2013	\$	1.04
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0053

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0112

Eastern Ontario Power Service Area

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to single commercial or industrial customer and whose average peak demand is (or is forecasted to be) less than 50 kW. Single commercial or industrial customers are interpreted as a structure or structures on a single parcel of land occupied by one customer. An apartment building with more than 6 units that is bulk metered and has an average peak demand less than 50 kW is deemed to be General Service less than 50 kW. The common area of a separately metered apartment building having a demand less than 50 kW is also deemed to be General Service 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.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	22.58
Distribution Volumetric Rate	\$/kWh	0.0250
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kWh	(0.0009)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0022
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0004)
Rate Rider for Stranded Meters – effective until December 31, 2013	\$	3.04
Rate Rider for Smart Meter Disposition – effective until December 31, 2013	\$	3.38
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0046

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0112

Eastern Ontario Power Service Area

GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to single commercial or industrial customer and whose average peak demand is (or is forecasted to be) equal to or greater than 50 kW but less than 5000 kW. Single commercial or industrial customers are interpreted as a structure or structures on a single parcel of land occupied by one customer. 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	\$	137.73
Distribution Volumetric Rate	\$/kW	7.4650
Low Voltage Service Rate	\$/kW	0.0735
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	1.3007
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kW	(0.3137)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2014 Applicable only for Non-RPP Customers	\$/kW	0.7727
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.0941)
Retail Transmission Rate – Network Service Rate	\$/kW	2.4072
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.9064

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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

EB-2012-0112

Eastern Ontario Power Service Area

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to the supply of electrical service to a Customer that is deemed to have a constant load over a billing period, normally with minimum electrical consumption. Energy consumption is based on connected wattage and calculated hours of use. Examples of unmetered scattered load are cable television amplifiers billboards, area lighting. 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 customer)	\$	60.55
Distribution Volumetric Rate	\$/kWh	0.0404
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kWh	(0.0009)
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0011)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0047

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0112

Eastern Ontario Power Service Area

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to dusk to dawn lighting to residential and general service customers. 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)	\$	5.00
Distribution Volumetric Rate	\$/kW	5.3489
Low Voltage Service Rate	\$/kW	0.0542
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kW	(0.4014)
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.2651)
Retail Transmission Rate – Network Service Rate	\$/kW	2.0514
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5559

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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Eastern Ontario Power Service Area

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to the supply of electrical service for roadway lighting. Energy consumption is based on connected wattage and calculated hours of use. Customers are usually a Municipality, Region or the Ministry of Transportation. 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)	\$	5.53
Distribution Volumetric Rate	\$/kW	10.1338
Low Voltage Service Rate	\$/kW	0.0507
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kW	(0.2909)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2014 Applicable only for Non-RPP Customers	\$/kW	0.7069
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.4273)
Retail Transmission Rate – Network Service Rate	\$/kW	1.7817
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4547

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
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approved schedules of Rates, Charges and Loss Factors

EB-2012-0112

Eastern Ontario Power Service Area

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

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, 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, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	5.40
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Canadian Niagara Power Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2013

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EB-2012-0112

Port Colborne Service Area

RESIDENTIAL SERVICE CLASSIFICATION

The Residential Class (Regular) refers to a service taking electricity normally at 750 volts or less where the electricity is used for domestic and household purposes in a single family unit. A single family unit being a permanent structure located on a single parcel of land and approved by a civic authority as a dwelling and occupied for that purpose by a single customer. Residential rates are also applied to apartment buildings with 6 units or less that are bulk metered. Apartment buildings with more than 6 units that are bulk metered are deemed to be General Service. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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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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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	16.53
Distribution Volumetric Rate	\$/kWh	0.0249
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0029)
Rate Rider for Deferral/Variance Account Disposition (2013) - effective until December 31, 2014	\$/kWh	0.0010
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013		
Applicable only for Non-RPP Customers	\$/kWh	0.0069
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0014
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0007)
Rate Rider for Stranded Meters – effective until December 31, 2013	\$	1.72
Rate Rider for Smart Meter Disposition – effective until December 31, 2013	\$	0.84
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0053

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0112

Port Colborne Service Area

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to single commercial or industrial customer and whose average peak demand is (or is forecasted to be) less than 50 kW. Single commercial or industrial customers are interpreted as a structure or structures on a single parcel of land occupied by one customer. An apartment building with more than 6 units that is bulk metered and has an average peak demand less than 50 kW is deemed to be General Service less than 50 kW. The common area of a separately metered apartment building having a demand less than 50 kW is also deemed to be General Service 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.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	30.01
Distribution Volumetric Rate	\$/kWh	0.0195
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0029)
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kWh	0.0011
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kWh	0.0069
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2014 Applicable only for Non-RPP Customers	\$/kWh	0.0014
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0004)
Rate Rider for Stranded Meters – effective until December 31, 2013	\$	3.89
Rate Rider for Smart Meter Disposition – effective until December 31, 2013	\$	3.57
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0046

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0112

Port Colborne Service Area

GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to single commercial or industrial customer and whose average peak demand is (or is forecasted to be) equal to or greater than 50 kW but less than 5000 kW. Single commercial or industrial customers are interpreted as a structure or structures on a single parcel of land occupied by one customer. 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	\$	420.55
Distribution Volumetric Rate	\$/kW	4.4952
Low Voltage Service Rate	\$/kW	0.0735
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(0.3873)
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kW	0.6482
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kW	0.9129
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2014 Applicable only for Non-RPP Customers	\$/kW	0.8123
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.0630)
Retail Transmission Rate – Network Service Rate	\$/kW	2.4072
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.9064

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0112

Port Colborne Service Area

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to the supply of electrical service to a customer that is deemed to have a constant load over a billing period, normally with minimum electrical consumption and the consumption is unmetered. Energy consumption is based on connected wattage and calculated hours of use. Examples of unmetered scattered load are cable television amplifiers, billboards, area lighting. 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 customer)	\$	46.72
Distribution Volumetric Rate	\$/kWh	0.0286
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0029)
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kWh	0.0011
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0014
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0007)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0047

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0112

Port Colborne Service Area

STANDBY POWER SERVICE CLASSIFICATION

The Standby subclass charge is applied to a customer with load displacement facilities behind its meter but is dependent on Canadian Niagara Power Inc. to supply a minimum amount of electricity in the event the customer's own facilities are out of service. The minimum amount of supply that Canadian Niagara Power Inc. must supply is a contracted amount agreed upon between the customer and Canadian Niagara Power Inc. 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 contracted amount (e.g. nameplate rating of generation facility)

\$/kW 1.1676

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0112

Port Colborne Service Area

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to all services required to supply sentinel lighting equipment. 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 (per connection)	\$	5.00
Distribution Volumetric Rate	\$/kW	5.3489
Low Voltage Service Rate	\$/kW	0.0542
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(0.9864)
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kW	0.3685
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.8578)
Retail Transmission Rate – Network Service Rate	\$/kW	2.0514
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5559

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0112

Port Colborne Service Area

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to the supply of electrical service for roadway lighting. Energy consumption is based on connected wattage and calculated hours of use. Customers are usually a Municipality, Region or the Ministry of Transportation. 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 (per connection)	\$	3.61
Distribution Volumetric Rate	\$/kW	10.1338
Low Voltage Service Rate	\$/kW	0.0507
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(0.9719)
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until December 31, 2014	\$/kW	0.4664
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kW	2.2907
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until December 31, 2014 Applicable only for Non-RPP Customers	\$/kW	0.5841
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.3334)
Retail Transmission Rate – Network Service Rate	\$/kW	1.7817
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4547

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

Canadian Niagara Power Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0112

Port Colborne Service Area

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

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	\$	5.40
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Canadian Niagara Power Inc. **TARIFF OF RATES AND CHARGES** **Effective and Implementation Date January 1, 2013**

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EB-2012-0112

Canadian Niagara Power Inc. (All Service Areas)

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.

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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
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheques	\$	15.00
Legal letter charge	\$	15.00
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
Collection of account charge – no disconnection – during regular hours	\$	30.00
Collection of account charge – no disconnection – after regular hours	\$	165.00
Disconnect/Reconnect Charges at meter - during regular hours	\$	65.00
Disconnect/Reconnect Charges 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

Canadian Niagara Power Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2013

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

EB-2012-0112

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 & remove – overhead – no transformer	\$	500.00
Temporary service install & remove – underground – no transformer	\$	300.00
Temporary service install & remove – overhead – with transformer	\$	1,000.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35

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 monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly 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	1.0542
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0437

Appendix C – Cost Allocation Sheet O1 & O2



2013 COST ALLOCATION
Canadian Niagara Power Inc.
EB-2012-0112
September-05-12

Sheet O1 Revenue to Cost Summary Worksheet - 2013 Rate Application

Instructions:

Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base		Total	1	2	3	7	8	9	11
Assets			Residential	GS <50	GS>50-Regular	Street Light	Sentinel	Unmetered Scattered Load	Back-up/Standby Power
crev	Distribution Revenue at Existing Rates	\$15,831,758	\$8,949,166	\$2,186,935	\$4,154,114	\$403,433	\$54,039	\$84,071	\$0
mi	Miscellaneous Revenue (mi)	\$1,403,184	\$887,427	\$171,803	\$297,618	\$37,349	\$5,731	\$3,257	\$0
		Miscellaneous Revenue Input equals Output							
Total Revenue at Existing Rates		\$17,234,942	\$9,836,592	\$2,358,738	\$4,451,733	\$440,782	\$59,770	\$87,328	\$0
Factor required to recover deficiency (1 + D)		1.1188							
Distribution Revenue at Status Quo Rates		\$17,713,082	\$10,012,615	\$2,446,814	\$4,647,757	\$451,374	\$60,460	\$94,061	\$0
Miscellaneous Revenue (mi)		\$1,403,184	\$887,427	\$171,803	\$297,618	\$37,349	\$5,731	\$3,257	\$0
Total Revenue at Status Quo Rates		\$19,116,266	\$10,900,042	\$2,618,617	\$4,945,376	\$488,723	\$66,191	\$97,318	\$0
Expenses									
di	Distribution Costs (di)	\$2,614,768	\$1,499,405	\$315,068	\$681,764	\$96,240	\$15,592	\$6,700	\$0
cu	Customer Related Costs (cu)	\$2,823,310	\$2,262,247	\$344,808	\$197,928	\$11,737	\$3,470	\$3,120	\$0
ad	General and Administration (ad)	\$4,397,883	\$3,017,548	\$534,517	\$732,009	\$90,026	\$15,770	\$8,015	\$0
dep	Depreciation and Amortization (dep)	\$3,497,413	\$1,986,107	\$469,346	\$903,293	\$113,869	\$17,636	\$7,163	\$0
INPUT	PILs (INPUT)	\$632,755	\$349,528	\$80,015	\$176,962	\$21,542	\$3,365	\$1,343	\$0
INT	Interest	\$2,468,938	\$1,363,818	\$312,208	\$690,487	\$84,053	\$13,131	\$5,241	\$0
Total Expenses		\$16,435,067	\$10,478,652	\$2,055,962	\$3,382,443	\$417,466	\$68,964	\$31,581	\$0
Direct Allocation		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NI	Allocated Net Income (NI)	\$2,681,199	\$1,481,069	\$339,049	\$749,850	\$91,279	\$14,260	\$5,691	\$0
Revenue Requirement (includes NI)		\$19,116,266	\$11,959,720	\$2,395,011	\$4,132,293	\$508,745	\$83,224	\$37,273	\$0
		Revenue Requirement Input equals Output							
Rate Base Calculation									
Net Assets									
dp	Distribution Plant - Gross	\$101,453,621	\$57,792,281	\$12,722,077	\$26,456,123	\$3,669,265	\$575,303	\$238,572	\$0
gp	General Plant - Gross	\$14,937,434	\$8,484,266	\$1,871,530	\$3,933,301	\$529,340	\$84,019	\$34,978	\$0
accum dep	Accumulated Depreciation	(\$40,773,069)	(\$23,086,728)	(\$5,136,684)	(\$10,729,160)	(\$1,498,037)	(\$229,333)	(\$93,127)	\$0
co	Capital Contribution	(\$10,217,899)	(\$6,980,207)	(\$1,193,003)	(\$1,457,098)	(\$466,647)	(\$80,516)	(\$40,428)	\$0
Total Net Plant		\$65,400,087	\$36,209,612	\$8,263,919	\$18,203,167	\$2,233,921	\$349,473	\$139,995	\$0
Directly Allocated Net Fixed Assets		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
COP	Cost of Power (COP)	\$52,454,045	\$21,346,979	\$7,425,714	\$22,988,087	\$458,674	\$77,997	\$156,594	\$0
OM&A Expenses		\$9,835,961	\$6,779,199	\$1,194,393	\$1,611,701	\$198,003	\$34,831	\$17,834	\$0
Directly Allocated Expenses		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal		\$62,290,006	\$28,126,178	\$8,620,106	\$24,599,788	\$656,677	\$112,828	\$174,428	\$0
Working Capital		\$8,097,701	\$3,656,403	\$1,120,614	\$3,197,972	\$85,368	\$14,668	\$22,676	\$0
Total Rate Base		\$73,497,788	\$39,866,015	\$9,384,533	\$21,401,139	\$2,319,289	\$364,141	\$162,671	\$0
		Rate Base Input equals Output							
Equity Component of Rate Base		\$29,399,115	\$15,946,406	\$3,753,813	\$8,560,456	\$927,716	\$145,656	\$65,068	\$0
Net Income on Allocated Assets		\$2,681,199	\$421,390	\$562,655	\$1,562,932	\$71,257	(\$2,772)	\$65,737	\$0
Net Income on Direct Allocation Assets		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income		\$2,681,199	\$421,390	\$562,655	\$1,562,932	\$71,257	(\$2,772)	\$65,737	\$0
RATIOS ANALYSIS									
REVENUE TO EXPENSES STATUS QUO%		100.00%	91.14%	109.34%	119.68%	96.06%	79.53%	261.10%	0.00%
EXISTING REVENUE MINUS ALLOCATED COSTS		(\$1,881,324)	(\$2,123,128)	(\$36,273)	\$319,439	(\$67,963)	(\$23,454)	\$50,055	\$0
		Deficiency Input Does Not Equal Output							
STATUS QUO REVENUE MINUS ALLOCATED COSTS		\$0	(\$1,059,678)	\$223,606	\$813,082	(\$20,022)	(\$17,033)	\$60,045	\$0
RETURN ON EQUITY COMPONENT OF RATE BASE		9.12%	2.64%	14.99%	18.26%	7.68%	-1.90%	101.03%	0.00%



2013 COST ALLOCATION
Canadian Niagara Power Inc.
EB-2012-0112
September-05-12

Sheet 02 Monthly Fixed Charge Min. & Max. Worksheet - 2013 Rate Application

Output sheet showing minimum and maximum level for Monthly Fixed Charge

Summary

	1	2	3	7	8	9	11
	Residential	GS <50	GS>50-Regular	Street Light	Sentinel	Unmetered Scattered Load	Back-up/Standby Power
Customer Unit Cost per month - Avoided Cost	\$5.22	\$11.23	\$52.80	\$0.12	\$0.29	\$0.42	0
Customer Unit Cost per month - Directly Related	\$9.01	\$18.44	\$106.49	\$0.30	\$0.65	\$1.08	0
Customer Unit Cost per month - Minimum System with PLCC Adjustment	\$24.17	\$35.59	\$145.84	\$11.17	\$10.22	\$11.16	0
Existing Approved Fixed Charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Information to be Used to Allocate PILS, ROD, ROE and A&G

	1	2	3	7	8	9	11	
Total	Residential	GS <50	GS>50-Regular	Street Light	Sentinel	Unmetered Scattered Load	Back-up/Standby Power	
General Plant - Gross Assets	\$14,937,434	\$8,484,266	\$1,871,530	\$3,933,301	\$529,340	\$84,019	\$34,978	\$0
General Plant - Accumulated Depreciation	(\$9,601,067)	(\$5,453,280)	(\$1,202,930)	(\$2,528,138)	(\$340,235)	(\$54,003)	(\$22,482)	\$0
General Plant - Net Fixed Assets	\$5,336,367	\$3,030,986	\$668,600	\$1,405,164	\$189,106	\$30,015	\$12,496	\$0
General Plant - Depreciation	\$1,023,257	\$581,197	\$128,205	\$269,442	\$36,261	\$5,756	\$2,396	\$0
Total Net Fixed Assets Excluding General Plant	\$60,063,721	\$33,178,626	\$7,595,319	\$16,798,003	\$2,044,815	\$319,457	\$127,499	\$0
Total Administration and General Expense	\$4,397,883	\$3,017,548	\$534,517	\$732,009	\$90,026	\$15,770	\$8,015	\$0
Total O&M	\$5,435,078	\$3,759,576	\$659,512	\$879,207	\$107,917	\$19,051	\$9,814	\$0

Appendix D – Revenue Requirement

	Initial Application	Adjustments	Settlement Agreement	(6)	Adjustments	Per Board Decision
1	Rate Base					
	\$106,418,156	(\$230,706)	\$ 106,187,450			\$106,187,450
	(\$40,773,069)	(\$14,294)	(\$40,787,363)			(\$40,787,363)
	Allowance for Working Capital:					
	\$9,885,960	(\$50,000)	\$ 9,835,960			\$9,835,960
	\$50,247,280	\$2,206,765	\$ 52,454,045			\$52,454,045
	13.00%		13.00%			13.00%
2	Utility Income					
	Operating Revenues:					
	\$15,842,218	\$0	\$15,842,218		\$0	\$15,842,218
	\$18,091,256	(\$378,175)	\$17,713,081			\$17,713,081
	Other Revenue:					
	\$151,355	\$0	\$151,355		\$0	\$151,355
	\$361,102	\$0	\$361,102		\$0	\$361,102
	\$441,435	\$0	\$441,435		\$0	\$441,435
	\$449,292	\$0	\$449,292		\$0	\$449,292
	Total Revenue Offsets					
	\$1,403,184	(7)	\$1,403,184		\$0	\$1,403,184
	Operating Expenses:					
	\$9,769,260	(\$50,000)	\$ 9,719,260			\$9,719,260
	\$3,522,917	(\$25,505)	\$ 3,497,412			\$3,497,412
	\$116,700		\$ 116,700			\$116,700
3	Taxes/PILs					
	Taxable Income:					
	(\$900,085)	(3)	(\$926,244)			(\$926,244)
	Adjustments required to arrive at taxable income					
	Utility Income Taxes and Rates:					
	\$471,653		\$465,075			\$465,075
	\$641,705		\$632,755			\$632,755
	15.00%		15.00%			15.00%
	11.50%		11.50%			11.50%
	Income Tax Credits					
4	Capitalization/Cost of Capital					
	Capital Structure:					
	56.0%		56.0%			56.0%
	4.0%	(2)	4.0%	(2)		4.0%
	40.0%		40.0%			40.0%
	100.0%		100.0%			100.0%
	Cost of Capital					
	6.57%		5.85%			5.85%
	2.08%		2.08%			2.08%
	9.12%		9.12%			9.12%

Rate Base and Working Capital

Rate Base						
Line No.	Particulars	Initial Application	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
1	Gross Fixed Assets (average) (3)	\$106,418,156	(\$230,706)	\$106,187,450	\$ -	\$106,187,450
2	Accumulated Depreciation (average) (3)	(\$40,773,069)	(\$14,294)	(\$40,787,363)	\$ -	(\$40,787,363)
3	Net Fixed Assets (average) (3)	\$65,645,087	(\$245,000)	\$65,400,087	\$ -	\$65,400,087
4	Allowance for Working Capital (1)	\$7,817,321	\$280,379	\$8,097,701	\$ -	\$8,097,701
5	Total Rate Base	\$73,462,408	\$35,379	\$73,497,788	\$ -	\$73,497,788

(1) **Allowance for Working Capital - Derivation**

6	Controllable Expenses	\$9,885,960	(\$50,000)	\$9,835,960	\$ -	\$9,835,960
7	Cost of Power	\$50,247,280	\$2,206,765	\$52,454,045	\$ -	\$52,454,045
8	Working Capital Base	\$60,133,240	\$2,156,765	\$62,290,005	\$ -	\$62,290,005
9	Working Capital Rate % (2)	13.00%	0.00%	13.00%	0.00%	13.00%
10	Working Capital Allowance	\$7,817,321	\$280,379	\$8,097,701	\$ -	\$8,097,701

Notes

- (2) Some Applicants may have a unique rate as a result of a lead-lag study.
 (3) Average of opening and closing balances for the year.

Utility Income

Line No.	Particulars	Initial Application	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
	Operating Revenues:					
1	Distribution Revenue (at Proposed Rates)	\$18,091,256	(\$378,175)	\$17,713,081	\$ -	\$17,713,081
2	Other Revenue	(1) \$1,403,184	\$ -	\$1,403,184	\$ -	\$1,403,184
3	Total Operating Revenues	<u>\$19,494,440</u>	<u>(\$378,175)</u>	<u>\$19,116,265</u>	<u>\$ -</u>	<u>\$19,116,265</u>
	Operating Expenses:					
4	OM+A Expenses	\$9,769,260	(\$50,000)	\$9,719,260	\$ -	\$9,719,260
5	Depreciation/Amortization	\$3,522,917	(\$25,505)	\$3,497,412	\$ -	\$3,497,412
6	Property taxes	\$116,700	\$ -	\$116,700	\$ -	\$116,700
7	Capital taxes	\$ -	\$ -	\$ -	\$ -	\$ -
8	Other expense	\$ -	\$ -	\$ -	\$ -	\$ -
9	Subtotal (lines 4 to 8)	<u>\$13,408,877</u>	<u>(\$75,505)</u>	<u>\$13,333,372</u>	<u>\$ -</u>	<u>\$13,333,372</u>
10	Deemed Interest Expense	<u>\$2,763,950</u>	<u>(\$295,012)</u>	<u>\$2,468,938</u>	<u>\$ -</u>	<u>\$2,468,938</u>
11	Total Expenses (lines 9 to 10)	<u>\$16,172,827</u>	<u>(\$370,517)</u>	<u>\$15,802,310</u>	<u>\$ -</u>	<u>\$15,802,310</u>
12	Utility income before income taxes	<u>\$3,321,613</u>	<u>(\$7,658)</u>	<u>\$3,313,955</u>	<u>\$ -</u>	<u>\$3,313,955</u>
13	Income taxes (grossed-up)	<u>\$641,705</u>	<u>(\$8,950)</u>	<u>\$632,755</u>	<u>\$ -</u>	<u>\$632,755</u>
14	Utility net income	<u>\$2,679,909</u>	<u>\$1,292</u>	<u>\$2,681,200</u>	<u>\$ -</u>	<u>\$2,681,200</u>
Notes						
	Other Revenues / Revenue Offsets					
(1)	Specific Service Charges	\$151,355	\$ -	\$151,355	\$ -	\$151,355
	Late Payment Charges	\$361,102	\$ -	\$361,102	\$ -	\$361,102
	Other Distribution Revenue	\$441,435	\$ -	\$441,435	\$ -	\$441,435
	Other Income and Deductions	\$449,292	\$ -	\$449,292	\$ -	\$449,292
	Total Revenue Offsets	<u>\$1,403,184</u>	<u>\$ -</u>	<u>\$1,403,184</u>	<u>\$ -</u>	<u>\$1,403,184</u>

Taxes

Line No.	Particulars	Application	Settlement Agreement	Per Board Decision
	<u>Determination of Taxable Income</u>			
1	Utility net income before taxes	\$2,679,909	\$2,681,199	\$2,681,199
2	Adjustments required to arrive at taxable utility income	(\$900,085)	(\$926,244)	(\$926,244)
3	Taxable income	<u>\$1,779,824</u>	<u>\$1,754,955</u>	<u>\$1,754,955</u>
	<u>Calculation of Utility income Taxes</u>			
4	Income taxes	\$471,653	\$465,075	\$465,075
6	Total taxes	<u>\$471,653</u>	<u>\$465,075</u>	<u>\$465,075</u>
7	Gross-up of Income Taxes	\$170,052	\$167,680	\$167,680
8	Grossed-up Income Taxes	<u>\$641,705</u>	<u>\$632,755</u>	<u>\$632,755</u>
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	<u>\$641,705</u>	<u>\$632,755</u>	<u>\$632,755</u>
10	Other tax Credits	\$ -	\$ -	\$ -
	<u>Tax Rates</u>			
11	Federal tax (%)	15.00%	15.00%	15.00%
12	Provincial tax (%)	11.50%	11.50%	11.50%
13	Total tax rate (%)	<u>26.50%</u>	<u>26.50%</u>	<u>26.50%</u>

Capitalization/ Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
Initial Application					
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$41,138,949	6.57%	\$2,702,829
2	Short-term Debt	4.00%	\$2,938,496	2.08%	\$61,121
3	Total Debt	60.00%	\$44,077,445	6.27%	\$2,763,950
	Equity				
4	Common Equity	40.00%	\$29,384,963	9.12%	\$2,679,909
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$29,384,963	9.12%	\$2,679,909
7	Total	100.00%	\$73,462,408	7.41%	\$5,443,858
Settlement Agreement					
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$41,158,761	5.85%	\$2,407,788
2	Short-term Debt	4.00%	\$2,939,912	2.08%	\$61,150
3	Total Debt	60.00%	\$44,098,673	5.60%	\$2,468,938
	Equity				
4	Common Equity	40.00%	\$29,399,115	9.12%	\$2,681,199
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$29,399,115	9.12%	\$2,681,199
7	Total	100.00%	\$73,497,788	7.01%	\$5,150,137
Per Board Decision					
		(%)	(\$)	(%)	(\$)
	Debt				
8	Long-term Debt	56.00%	\$41,158,761	5.85%	\$2,407,788
9	Short-term Debt	4.00%	\$2,939,912	2.08%	\$61,150
10	Total Debt	60.00%	\$44,098,673	5.60%	\$2,468,938
	Equity				
11	Common Equity	40.00%	\$29,399,115	9.12%	\$2,681,199
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	Total Equity	40.00%	\$29,399,115	9.12%	\$2,681,199
14	Total	100.00%	\$73,497,788	7.01%	\$5,150,137

Notes

(1)

4.0% unless an Applicant has proposed or been approved for another amount.

Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application		Settlement Agreement		Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$2,249,038		\$1,870,846		\$1,870,846
2	Distribution Revenue	\$15,842,218	\$15,842,218	\$15,842,218	\$15,842,235	\$15,842,218	\$15,842,235
3	Other Operating Revenue	\$1,403,184	\$1,403,184	\$1,403,184	\$1,403,184	\$1,403,184	\$1,403,184
	Offsets - net						
4	Total Revenue	\$17,245,402	\$19,494,440	\$17,245,402	\$19,116,265	\$17,245,402	\$19,116,265
5	Operating Expenses	\$13,408,877	\$13,408,877	\$13,333,372	\$13,333,372	\$13,333,372	\$13,333,372
6	Deemed Interest Expense	\$2,763,950	\$2,763,950	\$2,468,938	\$2,468,938	\$2,468,938	\$2,468,938
	Total Cost and Expenses	\$16,172,827	\$16,172,827	\$15,802,310	\$15,802,310	\$15,802,310	\$15,802,310
7	Utility Income Before Income Taxes	\$1,072,575	\$3,321,613	\$1,443,092	\$3,313,955	\$1,443,092	\$3,313,955
8		(\$900,085)	(\$900,085)	(\$926,244)	(\$926,244)	(\$926,244)	(\$926,244)
9	Taxable Income	\$172,490	\$2,421,528	\$516,848	\$2,387,711	\$516,848	\$2,387,711
10	Income Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
11		\$45,710	\$641,705	\$136,965	\$632,743	\$136,965	\$632,743
12	Income Tax on Taxable Income						
12	Income Tax Credits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Utility Net Income	\$1,026,865	\$2,679,909	\$1,306,128	\$2,681,200	\$1,306,128	\$2,681,200
14	Utility Rate Base	\$73,462,408	\$73,462,408	\$73,497,788	\$73,497,788	\$73,497,788	\$73,497,788
	Deemed Equity Portion of Rate Base	\$29,384,963	\$29,384,963	\$29,399,115	\$29,399,115	\$29,399,115	\$29,399,115
15	Income/(Equity Portion of Rate Base)	3.49%	9.12%	4.44%	9.12%	4.44%	9.12%
16	Target Return - Equity on Rate Base	9.12%	9.12%	9.12%	9.12%	9.12%	9.12%
17	Deficiency/Sufficiency in Return on Equity	-5.63%	0.00%	-4.68%	0.00%	-4.68%	0.00%
18	Indicated Rate of Return	5.16%	7.41%	5.14%	7.01%	5.14%	7.01%
19	Requested Rate of Return on Rate Base	7.41%	7.41%	7.01%	7.01%	7.01%	7.01%
20	Deficiency/Sufficiency in Rate of Return	-2.25%	0.00%	-1.87%	0.00%	-1.87%	0.00%
21	Target Return on Equity	\$2,679,909	\$2,679,909	\$2,681,199	\$2,681,199	\$2,681,199	\$2,681,199
22	Revenue Deficiency/(Sufficiency)	\$1,653,043	(\$0)	\$1,375,072	\$1	\$1,375,072	\$1
23	Gross Revenue Deficiency/(Sufficiency)	\$2,249,038 (1)	(\$0)	\$1,870,846 (1)	\$1	\$1,870,846 (1)	\$1

Notes:

(1) Revenue Deficiency/Sufficiency divided by (1 - Tax Rate)

Revenue Requirement

Line No.	Particulars	Application	Settlement Agreement	Per Board Decision
1	OM&A Expenses	\$9,769,260	\$9,719,260	\$9,719,260
2	Amortization/Depreciation	\$3,522,917	\$3,497,412	\$3,497,412
3	Property Taxes	\$116,700	\$116,700	\$116,700
5	Income Taxes (Grossed up)	\$641,705	\$632,755	\$632,755
6	Other Expenses	\$ -		
7	Return			
	Deemed Interest Expense	\$2,763,950	\$2,468,938	\$2,468,938
	Return on Deemed Equity	\$2,679,909	\$2,681,199	\$2,681,199
8	Service Revenue Requirement (before Revenues)	<u>\$19,494,440</u>	<u>\$19,116,264</u>	<u>\$19,116,264</u>
9	Revenue Offsets	\$1,403,184	\$1,403,184	\$1,403,184
10	Base Revenue Requirement	<u>\$18,091,256</u>	<u>\$17,713,080</u>	<u>\$17,713,080</u>
11	Distribution revenue	\$18,091,256	\$17,713,081	\$17,713,081
12	Other revenue	\$1,403,184	\$1,403,184	\$1,403,184
13	Total revenue	<u>\$19,494,440</u>	<u>\$19,116,265</u>	<u>\$19,116,265</u>
14	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	<u>(\$0) (1)</u>	<u>\$1 (1)</u>	<u>\$1 (1)</u>

Notes

(1) Line 11 - Line 8

**Selected Delivery Charge and Bill Impacts Per Application
Gananoque 2013**

Customer Classification and Billing Type	Energy kWh	Demand kW	Monthly Delivery Charge			
			Current	Per Application	Change	
					\$	%
Residential	800		\$ 37.90	\$ 46.21	\$ 8.31	21.9%
Residential Non-RPP	800		\$ 37.90	\$ 47.93	\$ 10.03	26.5%
GS<50 kW	2,000		\$ 82.56	\$ 98.51	\$ 15.95	19.3%
GS<50 kW Non-RPP	2,000		\$ 82.56	\$ 102.81	\$ 20.25	24.5%
GS>50 kW	68,620	200	\$ 2,550.00	\$ 2,686.74	\$ 136.74	5.4%
GS>50 kW Non-RPP	68,620	200	\$ 2,550.00	\$ 2,841.28	\$ 291.28	11.4%
USL	800		\$ 109.53	\$ 100.37	-\$ 9.17	-8.4%
Sentinel Lighting	60	0	\$ 5.13	\$ 6.67	\$ 1.54	30.1%
Street Lighting	46,000	129	\$ 5,986.20	\$ 6,615.65	\$ 629.45	10.5%
Street Lighting Non-RPP	46,000	129	\$ 5,986.20	\$ 6,706.84	\$ 720.63	12.0%
Total Bill						
Customer Classification and Billing Type	Energy kWh	Demand kW	Total Bill			
			Current	Per Application	Change	
					\$	%
Residential	800		\$ 115.32	\$ 122.33	\$ 7.01	6.1%
Residential Non-RPP	800		\$ 126.55	\$ 136.50	\$ 9.96	7.9%
GS<50 kW	2,000		\$ 290.29	\$ 303.06	\$ 12.77	4.4%
GS<50 kW Non-RPP	2,000		\$ 302.07	\$ 321.65	\$ 19.58	6.5%
GS>50 kW	68,620	200	\$ 9,993.66	\$ 10,016.20	\$ 22.54	0.2%
GS>50 kW Non-RPP	68,620	200	\$10,034.57	\$ 10,252.10	\$ 217.53	2.2%
USL	800		\$ 188.17	\$ 177.41	-\$ 10.76	-5.7%
Sentinel Lighting	60	0	\$ 11.07	\$ 12.56	\$ 1.49	13.4%
Street Lighting	46,000	129	\$11,274.16	\$ 11,836.25	\$ 562.09	5.0%
Street Lighting Non-RPP	46,000	129	\$11,813.54	\$ 12,553.08	\$ 739.54	6.3%

**Selected Delivery Charge and Bill Impacts Per Application
Fort Erie 2013**

Customer Classification and Billing Type	Energy kWh	Demand kW	Monthly Delivery Charge			
			Current	Per Application	Change	
					\$	%
Residential	800		\$ 39.67	\$ 46.22	\$ 6.55	16.5%
Residential Non-RPP	800		\$ 38.95	\$ 46.86	\$ 7.91	20.3%
GS<50 kW	2,000		\$ 87.05	\$ 97.89	\$ 10.85	12.5%
GS<50 kW Non-RPP	2,000		\$ 85.25	\$ 99.49	\$ 14.25	16.7%
GS>50 kW	68,620	200	\$ 2,424.28	\$ 2,463.41	\$ 39.13	1.6%
GS>50 kW Non-RPP	68,620	200	\$ 2,360.10	\$ 2,524.84	\$ 164.74	7.0%
USL	800		\$ 110.89	\$ 102.09	-\$ 8.81	-7.9%
Sentinel Lighting	60	0	\$ 5.27	\$ 6.85	\$ 1.58	30.0%
Street Lighting	172,000	490	\$23,930.99	\$ 26,233.78	\$2,302.79	9.6%
Street Lighting Non-RPP	172,000	490	\$23,791.19	\$ 26,394.47	\$2,603.28	10.9%

Customer Classification and Billing Type	Energy kWh	Demand kW	Total Bill			
			Current	Per Application	Change	
					\$	%
Residential	800		\$ 110.38	\$ 118.19	\$ 7.81	7.1%
Residential Non-RPP	800		\$ 120.64	\$ 130.68	\$ 10.04	8.3%
GS<50 kW	2,000		\$ 278.15	\$ 292.06	\$ 13.91	5.0%
GS<50 kW Non-RPP	2,000		\$ 287.51	\$ 306.37	\$ 18.85	6.6%
GS>50 kW	68,620	200	\$ 9,294.01	\$ 9,433.16	\$ 139.15	1.5%
GS>50 kW Non-RPP	68,620	200	\$ 9,217.73	\$ 9,499.06	\$ 281.33	3.1%
USL	800		\$ 182.81	\$ 175.01	-\$ 7.81	-4.3%
Sentinel Lighting	60	0	\$ 10.74	\$ 12.43	\$ 1.69	15.7%
Street Lighting	172,000	490	\$42,383.48	\$ 44,974.48	\$2,591.00	6.1%
Street Lighting Non-RPP	172,000	490	\$44,320.33	\$ 47,500.63	\$3,180.29	7.2%

**Selected Delivery Charge and Bill Impacts Per Application
Port Colborne 2013**

Customer Classification and Billing Type	Energy kWh	Demand kW	Monthly Delivery Charge			
			Current	Per Application	Change	
					\$	%
Residential	800		\$ 40.01	\$ 47.12	\$ 7.11	17.8%
Residential Non-RPP	800		\$ 45.53	\$ 53.72	\$ 8.19	18.0%
GS<50 kW	2,000		\$ 74.25	\$ 94.08	\$ 19.83	26.7%
GS<50 kW Non-RPP	2,000		\$ 88.05	\$ 110.58	\$ 22.53	25.6%
GS>50 kW	68,620	200	\$ 1,750.44	\$ 2,236.59	\$ 486.15	27.8%
GS>50 kW Non-RPP	68,620	200	\$ 2,115.60	\$ 2,581.63	\$ 466.03	22.0%
USL	800		\$ 78.18	\$ 77.74	-\$ 0.44	-0.6%
Sentinel Lighting	60	0	\$ 5.95	\$ 6.51	\$ 0.55	9.3%
Street Lighting	155,000	445	\$10,811.65	\$ 12,818.99	\$2,007.34	18.6%
Street Lighting Non-RPP	155,000	445	\$11,831.02	\$ 14,098.28	\$2,267.26	19.2%

Customer Classification and Billing Type	Energy kWh	Demand kW	Total Bill			
			Current	Per Application	Change	
					\$	%
Residential	800		\$ 116.42	\$ 124.80	\$ 8.38	7.2%
Residential Non-RPP	800		\$ 134.40	\$ 144.76	\$ 10.36	7.7%
GS<50 kW	2,000		\$ 279.18	\$ 302.42	\$ 23.24	8.3%
GS<50 kW Non-RPP	2,000		\$ 306.32	\$ 334.72	\$ 28.40	9.3%
GS>50 kW	68,620	200	\$ 9,091.27	\$ 9,690.99	\$ 599.72	6.6%
GS>50 kW Non-RPP	68,620	200	\$ 9,478.53	\$ 10,106.02	\$ 627.49	6.6%
USL	800		\$ 155.24	\$ 155.94	\$ 0.70	0.5%
Sentinel Lighting	60	0	\$ 11.86	\$ 12.51	\$ 0.64	5.4%
Street Lighting	155,000	445	\$28,030.30	\$ 30,309.60	\$2,279.30	8.1%
Street Lighting Non-RPP	155,000	445	\$29,943.75	\$ 32,733.59	\$2,789.84	9.3%