FFPC

FORT FRANCES POWER CORPORATION

November 19, 2012

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

Dear Ms. Walli:

Re: Fort Frances Power Corporation –
Response to Board Decision - for 2012 Smart Meter Rate Application EB-2012-0327

This letter acknowledges receipt of the November 8, 2012 Board Decision in regards to Fort Frances Power Corporation (FFPC) rates related to Smart Meter deployment.

FFPC files this letter and attached documents as its draft Rate Order reflecting the Board's findings in its Decision and Order. This letter addresses matters relevant to the Boards findings in relation to:

- Prudence of Incurred Costs
- Costs Beyond Minimum Functionality
- Level of Audited Costs
- Cost Allocation
- Cost of Capital
- Implementation
- Accounting Matters

A copy of the submission has been electronically filed through the Board's RESS system. The original and two (2) copies have been couriered to the Board's offices. A copy of this submission has been sent via email to all interveners.

If you have any further questions, please do not hesitate to contact me at (807) 274-9291 or via email at ffpc@fort-frances.com.

Yours truly,

Jörg Ruppenstein

Joerg Ruppenstein
President and CEO

/LC

320 Portage Avenue, Fort Frances, Ontario P9A 3P9 Phone: 807-274-9291 Fax: 807-274-9375 email:ffpc@fort-frances.com

# Fort Frances Power Corporation
# Application for Smart Meter Cost Recovery
# OEB Application EB-2012-0327
# Effective December 1, 2012
# Response to Board Decision

**Fort Frances Power Corporation (FFPC) is providing this submission in response to the Board Decision dated November 8, 2012.**

## Costs Incurred with Respect to Smart Meter Deployment and Operation

FFPC agrees with the Boards finding that FFPC's documented costs related to smart meter procurement, installation and operation are reasonable. FFPC also agrees with the Board's approval for the disposition for recovery of the costs for smart meter deployment and operation by FFPC. FFPC therefore has no further comments to add in regards to the prudence of costs incurred.

## Costs Beyond Minimum Functionality

FFPC agrees with the Board Decision to approve the recovery of costs beyond minimum functionality for the deployment of smart meters for the GS>50 kW class, technological capabilities to perform remote disconnect, TOU rate implementation and web presentment.

No changes were required to the rate model in relation to Costs Beyond Minimum Functionality and FFPC has attached the rate model for convenience as Appendix A.

## SMDR Bump Up to Adjust for Lost SMIRR Revenue

FFPC seeks to recover SMIRR revenue for the seven month period of May 1, 2012 to November 30, 2012. FFPC completed the model 'FFPC_SMDR_BumpUp_20121119' as attached in Appendix C. The model calculates deferred SMIRR revenue for the seven month period to be $106,731.

The Guelph Model, Appendix D, was revised to include the additional revenue requirement to a total of $224,390. The model's 'Percentage of costs allocated to meter customer rate classes' was used to allocate the costs to the appropriate rate classes.

## Cost of Capital

FFPC agrees with the Board Decision approving a return on equity of 3% and the concomitant cost of capital of 4.95%. FFPC has revised the model to reflect the Board's decision and has attached the revised rate model as Appendix A in which the revisions can be found on Sheet 3, Cost_of_Service_Parameters.

## Implementation

FFPC will follow the Board Decision to implement new SMDR rates effective December 1, 2012 for a duration of one year and to implement the SMIRR rates effective December 1, 2012 until FFPC's next cost of service order that is anticipated to come into effect May 1, 2014.

FFPC has attached a proposed revised tariff sheet as Appendix B, a revised Cost Allocation Guelph Model as Appendix D and the following revised customer impact summary to this decision.

| SMIRR Rate Rider Calculation - Revised 2012/11/16 | | | |
|---|---|---|---|
| Effective November 1, 2012 - April 30, 2014 - 18 month period | | | |
| Amortization | | | $68,266 |
| OM&A (includes Web Presentment) | | | $72,800 |
| Interest Expense | | | $25,815 |
| PILs | | | $11,048 |
| **Incremental Revenue Requirement** | | | **$177,929** |
| | | **Costs Allocated % as per SMDR** | **Rate Rider/ Month /Until Rebasing** |
| **TOTAL CUSTOMERS** | 3777 | | |
| RES | 3308 | 76.93% | $3.45 |
| GS<50 kW | 422 | 20.00% | $7.03 |
| GS>50 kW | 47 | 3.08% | $9.72 |

| SMDR & SMIRR - Customer Impact- Revised November 19, 2012 | | | | | |
|---|---|---|---|---|---|
| SMDR Recovery over a one year- Dec 1, 2012 - Nov 30, 2013 | | | | SMIRR Recovery over 18 months | |
| | **SMDR** | **SMIRR** | **Typical Monthly Bill** | **Proposed Bill Total** | **Percentage Increase** |
| Residential | $3.64 | $3.45 | $84.80 | $91.89 | 8.36% |
| GS<50 kW | $13.47 | $7.03 | $221.76 | $242.26 | 9.24% |
| GS>50 kW | $20.87 | $9.72 | $16,816.00 | $16,846.59 | 0.18% |

# Appendix A

# Fort Frances Power Corporation, Revised Smart Meter Model

V 2.17

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# Smart Meter Model

**Choose Your Utility:**

Fort Albany Power Corporation
Fort Frances Power Corporation

## Application Contact Information

| | |
|---|---|
| Name: | Lori Cain |
| Title: | Finance & Regulatory Officer |
| Phone Number: | 807-274-9291 |
| Email Address: | lcain@fort-frances.com |
| We are applying for rates effective: | November 1/2012 |
| Last COS Re-based Year | 2006 |

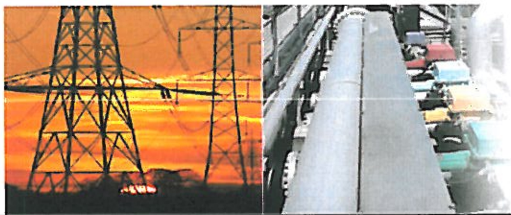
**Legend**

| |
|---|
| DROP-DOWN MENU |
| INPUT FIELD |
| CALCULATION FIELD |

## Copyright



***While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results. The use of any models and spreadsheets does not automatically imply Board approval. The onus is on the distributor to prepare, document and support its application. Board-issued Excel models and spreadsheets are offered to assist parties in providing the necessary information so as to facilitate an expeditious review of an application. The onus remains on the applicant to ensure the accuracy of the data and the results.***



Ontario Energy Board

**Smart Meter Model**

Fort Frances Power Corporation

**Distributors must enter all incremental costs related to their smart meter program and all revenues recovered to date in the applicable tabs except for those costs (and associated revenues) for which the Board has approved on a final basis, i.e. capital costs have been included in rate base and OM&A costs in revenue requirement.**

**For 2012, distributors that have completed their deployments by the end of 2011 are not expected to enter any capital costs. However, for OM&A, regardless of whether a distributor has deployments in 2012, distributors should enter the forecasted OM&A for 2012 for all smart meters in service.**

## art Meter Capital Cost and Operational Expense Data

### Smart Meter Installation Plan

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 and later | Total |
|---|---|---|---|---|---|---|---|---|
| | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Forecast | |
| **Actual/Planned number of Smart Meters installed during the Calendar Year** | | | | | | | | |
| Residential | 0 | 0 | 0 | 3,262 | 33 | 15 | | 3310 |
| General Service < 50 kW | | | | 257 | 126 | 37 | | 420 |
| Actual/Planned number of Smart Meters installed (Residential and GS < 50 kW only) | 0 | 0 | 0 | 3519 | 159 | 52 | 0 | 3730 |
| Percentage of Residential and GS < 50 kW Smart Meter Installations Completed | 0.00% | 0.00% | 0.00% | 94 34% | 98 61% | 100.00% | 0.00% | 100.00% |
| Actual/Planned number of GS > 50 kW meters installed | | | | | 45 | 2 | | 47 |
| Other (please identify) | | | | | | | | 0 |
| Total Number of Smart Meters installed or planned to be installed | 0 | 0 | 0 | 3519 | 204 | 54 | 0 | 3777 |

### Capital Costs

| | Asset Type (Asset type must be selected to enable calculations) | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 and later | Total |
|---|---|---|---|---|---|---|---|---|---|
| **1.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)** | | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Forecast | |
| 1.1.1 Smart Meters *(may include new meters and modules, etc.)* | Smart Meter | | | | 359,486 | 102,361 | | | $ 461,847 |
| 1.1.2 Installation Costs *(may include socket kits, labour, vehicle, benefits, etc.)* | Smart Meter | | | | 76,408 | 25,459 | 9,242 | | $ 111,109 |
| 1.1.3a Workforce Automation Hardware *(may include fieldwork handhelds, barcode hardware, etc.)* | Tools & Equipment | | | | 9,165 | | | | $ 9,165 |
| 1.1.3b Workforce Automation Software *(may include fieldwork handhelds, barcode hardware, etc.)* | Computer Software | | | | 3,049 | | | | $ 3,049 |
| **Total Advanced Metering Communications Devices (AMCD)** | | $ - | $ - | $ - | $ 448,109 | $ 127,820 | $ 9,242 | $ - | $ 585,170 |

| | Asset Type | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 and later | Total |
|---|---|---|---|---|---|---|---|---|---|
| **1.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)** | | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Forecast | |
| 1.2.1 Collectors | Smart Meter | | | | 19,409 | | | | $ 19,409 |
| 1.2.2 Repeaters *(may include radio licence, etc.)* | | | | | | | | | $ - |
| 1.2.3 Installation *(may include meter seals and rings, collector computer hardware, etc.)* | Other Equipment | | | | 373 | | | | $ 373 |
| **Total Advanced Metering Regional Collector (AMRC) (Includes LAN)** | | $ - | $ - | $ - | $ 19,782 | $ - | $ - | $ - | $ 19,782 |

| 1.3 ADVANCED METERING CONTROL COMPUTER (AMCC) | Asset Type | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Forecast | |
|---|---|---|---|---|---|---|---|---|---|
| 1.3.1 Computer Hardware | Computer Hardware | | | | 13,840 | | | | $ 13,840 |
| 1.3.2 Computer Software | Computer Software | | | | 28,940 | | | | $ 28,940 |
| 1.3.3 Computer Software Licences & Installation (includes hardware and software) *(may include AS/400 disk space backup and recovery computer, UPS, etc.)* | Computer Software | | | | 28,141 | | | | $ 28,141 |
| **Total Advanced Metering Control Computer (AMCC)** | | $ - | $ - | $ - | $ 70,921 | $ - | $ - | $ - | $ 70,921 |

| 1.4 WIDE AREA NETWORK (WAN) | Asset Type | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Forecast | |
|---|---|---|---|---|---|---|---|---|---|
| 1.4.1 Activiation Fees | Other Equipment | | | | 992 | | | | $ 992 |
| **Total Wide Area Network (WAN)** | | $ - | $ - | $ - | $ 992 | $ - | $ - | $ - | $ 992 |

| 1.5 OTHER AMI CAPITAL COSTS RELATED TO MINIMUM FUNCTIONALITY | Asset Type | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Forecast | |
|---|---|---|---|---|---|---|---|---|---|
| 1.5.1 Customer Equipment *(including repair of damaged equipment)* | Other Equipment | | | | 1,344 | | | | $ 1,344 |
| 1.5.2 AMI Interface to CIS | | | | | | | | | $ - |
| 1.5.3 Professional Fees | Smart Meter | | | 21,452 | 32,175 | 14,732 | 13,814 | | $ 82,173 |
| 1.5.4 Integration | Smart Meter | | | | 652 | | | | $ 652 |
| 1.5.5 Program Management | Smart Meter | | | 3,997 | 46,043 | 4,019 | 616 | | $ 54,675 |
| 1.5.6 Other AMI Capital | | | | | | | | | $ - |
| **Total Other AMI Capital Costs Related to Minimum Functionality** | | $ - | $ - | $ 25,449 | $ 80,214 | $ 18,751 | $ 14,430 | $ - | $ 138,844 |
| **Total Capital Costs Related to Minimum Functionality** | | $ - | $ - | $ 25,449 | $ 620,018 | $ 146,570 | $ 23,672 | $ - | $ 815,709 |

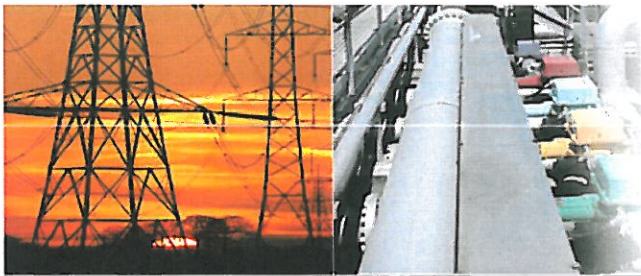
| 1.6 CAPITAL COSTS BEYOND MINIMUM FUNCTIONALITY *(Please provide a descriptive title and identify nature of beyond minimum functionality costs)* | Asset Type | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Forecast | |
|---|---|---|---|---|---|---|---|---|---|
| 1.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O Reg 425/06 | Smart Meter | | | | 18,523 | 10,176 | | | $ 28,699 |
| 1.6.2 Costs for deployment of smart meters to customers other than residential and small general service | Smart Meter | | | | | 25,703 | | | $ 25,703 |
| 1.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc | Computer Software | | | | | | | | $ - |
| **Total Capital Costs Beyond Minimum Functionality** | | $ - | $ - | $ - | $ 18,523 | $ 35,879 | $ - | $ - | $ 54,402 |
| **Total Smart Meter Capital Costs** | | $ - | $ - | $ 25,449 | $ 638,541 | $ 182,449 | $ 23,672 | $ - | $ 870,111 |

## OM&A Expenses

| | | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Forecast | |
|---|---|---|---|---|---|---|---|---|---|
| 2.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD) | | | | | | | | | |
| 2.1.1 Maintenance *(may include meter reverification costs, etc.)* | | | | | | | | | $ - |
| 2.1.2 Other *(please specify)* | Celluar Communication to AMI Network Fees | | | | 3,545 | 4,796 | 5,059 | 6,000 | $ 19,400 |
| **Total Incremental AMCD OM&A Costs** | | $ - | $ - | $ - | $ 3,545 | $ 4,796 | $ 5,059 | $ 6,000 | $ 19,400 |
| 2.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN) | | | | | | | | | |
| 2.2.1 Maintenance | | | | | | | | | $ - |
| 2.2.2 Other *(please specify)* | | | | | | | | | $ - |
| **Total Incremental AMRC OM&A Costs** | | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 2.3 ADVANCED METERING CONTROL COMPUTER (AMCC) | | | | | | | | | |
| 2.3.1 Hardware Maintenance *(may include server support, etc.)* | | | | | | | | | $ - |
| 2.3.2 Software Maintenance *(may include maintenance support, etc.)* | | | | | | 8,390 | 7,693 | 8,000 | $ 24,083 |
| 2.3.2 Other *(please specify)* | | | | | | | | | $ - |
| **Total Incremental AMCC OM&A Costs** | | $ - | $ - | $ - | $ - | $ 8,390 | $ 7,693 | $ 8,000 | $ 24,083 |
| **2.4 WIDE AREA NETWORK (WAN)** | | | | | | | | | |
| 2.4.1 WAN Maintenance | | | | | | | | | $ - |
| 2.4.2 Other *(please specify)* | | | | | | | | | $ - |
| **Total Incremental AMRC OM&A Costs** | | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **2.5 OTHER AMI OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY** | | | | | | | | | |
| 2.5.1 Business Process Redesign | | | | | | | | | $ - |
| 2.5.2 Customer Communication (may include project communication, etc.) | | | | | | | | | $ - |
| 2.5.3 Program Management | | | | | 18,252 | 29,896 | 30,301 | 30,600 | $ 109,049 |
| 2.5.4 Change Management (may include training, etc.) | | | | | | | | | $ - |
| 2.5.5 Administration Costs | | | | | | | | | $ - |
| 2.5.6 Other AMI Expenses *(please specify)* | | | | | | | 11,307 | 16,200 | $ 27,507 |
| **Total Other AMI OM&A Costs Related to Minimum Functionality** | | $ - | $ - | $ - | $ 18,252 | $ 29,896 | $ 41,608 | $ 46,800 | $ 136,557 |
| **TOTAL OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY** | | $ - | $ - | $ - | $ 21,797 | $ 43,082 | $ 54,360 | $ 60,800 | $ 180,039 |
| **2.6 OM&A COSTS RELATED TO BEYOND MINIMUM FUNCTIONALITY** *(Please provide a descriptive title and identify nature of beyond minimum functionality costs)* | | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | | |
| 2.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06 | | | | | | | | | $ - |
| 2.6.2 Costs for deployment of smart meters to customers other than residential and small general service | | | | | | | | | $ - |
| 2.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc. | | | | | | | 2,119 | 12,000 | $ 14,119 |
| **Total OM&A Costs Beyond Minimum Functionality** | | $ - | $ - | $ - | $ - | $ - | $ 2,119 | $ 12,000 | $ 14,119 |
| **Total Smart Meter OM&A Costs** | | $ - | $ - | $ - | $ 21,797 | $ 43,082 | $ 56,479 | $ 72,800 | $ 194,159 |

## Aggregate Smart Meter Costs by Category

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 3.1 | **Capital** | | | | | | | | |
| 3.1.1 | Smart Meter | $ - | $ - | $ 25,449 | $ 552,698 | $ 182,449 | $ 23,672 | $ - | $ 784,268 |
| 3.1.2 | Computer Hardware | $ - | $ - | $ - | $ 13,840 | $ - | $ - | $ - | $ 13,840 |
| 3.1.3 | Computer Software | $ - | $ - | $ - | $ 60,130 | $ - | $ - | $ - | $ 60,130 |
| 3.1.4 | Tools & Equipment | $ - | $ - | $ - | $ 9,165 | $ - | $ - | $ - | $ 9,165 |
| 3.1.5 | Other Equipment | $ - | $ - | $ - | $ 2,708 | $ - | $ - | $ - | $ 2,708 |
| 3.1.6 | Applications Software | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **3.1.7** | **Total Capital Costs** | **$ -** | **$ -** | **$ 25,449** | **$ 638,541** | **$ 182,449** | **$ 23,672** | **$ -** | **$ 870,111** |
| **3.2** | **OM&A Costs** | | | | | | | | |
| **3.2.1** | **Total OM&A Costs** | **$ -** | **$ -** | **$ -** | **$ 21,797** | **$ 43,082** | **$ 56,479** | **$ 72,800** | **$ 194,159** |



Ontario Energy Board

**Smart Meter Model**

## Fort Frances Power Corporation

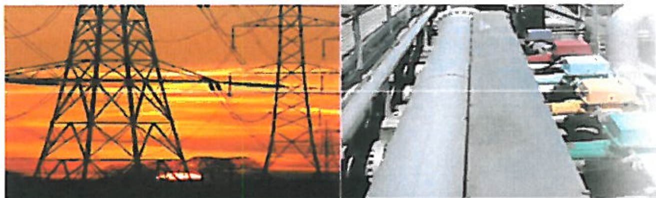
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 and later |
|---|---|---|---|---|---|---|---|
| **Cost of Capital** | | | | | | | |
| **Capital Structure**[1] | | | | | | | |
| Deemed Short-term Debt Capitalization | | | | | | | |
| Deemed Long-term Debt Capitalization | 50.0% | 50.0% | 53.3% | 56.7% | 60.0% | 60.0% | 60.0% |
| Deemed Equity Capitalization | 50.0% | 50.0% | 46.7% | 43.3% | 40.0% | 40.0% | 40.0% |
| Preferred Shares | | | | | | | |
| **Total** | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| **Cost of Capital Parameters** | | | | | | | |
| Deemed Short-term Debt Rate | | | | | | | |
| Long-term Debt Rate (actual/embedded/deemed)[2] | 6.25% | 6.25% | 6.25% | 6.25% | 6.25% | 6.25% | 6.25% |
| Target Return on Equity (ROE) | 3.0% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| Return on Preferred Shares | | | | | | | |
| **WACC** | 4.63% | 4.63% | 4.73% | 4.84% | 4.95% | 4.95% | 4.95% |
| **Working Capital Allowance** | | | | | | | |
| Working Capital Allowance Rate<br>*(% of the sum of Cost of Power + controllable expenses)* | 15.0% | 15.0% | 15.0% | 15.0% | 15.0% | 15.0% | 13.0% |
| **Taxes/PILs** | | | | | | | |
| Aggregate Corporate Income Tax Rate | 18.50% | 18.50% | 16.50% | 16.50% | 16.00% | 15.50% | 15.50% |
| Capital Tax (until July 1st, 2010) | 0.30% | 0.225% | 0.225% | 0.225% | 0.075% | 0.00% | 0.00% |
| **Depreciation Rates**<br>*(expressed as expected useful life in years)* | | | | | | | |
| Smart Meters - years | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| - rate (%) | 6.67% | 6.67% | 6.67% | 6.67% | 6.67% | 6.67% | 6.67% |
| Computer Hardware - years | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| - rate (%) | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% |
| Computer Software - years | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| - rate (%) | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% |
| Tools & Equipment - years | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| - rate (%) | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| Other Equipment - years | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| - rate (%) | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| **CCA Rates** | | | | | | | |
| Smart Meters - CCA Class | 47 | 47 | 47 | 47 | 47 | 47 | 47 |
| Smart Meters - CCA Rate | 8% | 8% | 8% | 8% | 8% | 8% | 8% |
| Computer Equipment - CCA Class | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| Computer Equipment - CCA Rate | 45% | 45% | 45% | 45% | 45% | 45% | 45% |
| General Equipment - CCA Class | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| General Equipment - CCA Rate | 20% | 20% | 20% | 20% | 20% | 20% | 20% |
| Applications Software - CCA Class | | | | | | | |
| Applications Software - CCA Rate | | | | | | | |

***Assumptions***

1 *Planned smart meter installations occur evenly throughout the year.*

2 *Fiscal calendar year (January 1 to December 31) used.*

3 *Amortization is done on a striaght line basis and has the "half-year" rule applied.*



Ontario Energy Board

**Smart Meter Model**

**Fort Frances Power Corporation**

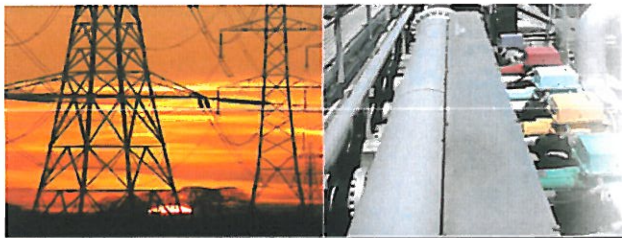
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 and later |
|---|---|---|---|---|---|---|---|
| **Net Fixed Assets - Smart Meters** | | | | | | | |
| **Gross Book Value** | | | | | | | |
| Opening Balance | | $ - | $ - | $ 25,449 | $ 578,147 | $ 760,596 | $ 784,268 |
| Capital Additions during year (from Smart Meter Costs) | $ - | $ - | $ 25,449 | $ 552,698 | $ 182,449 | $ 23,672 | $ - |
| Retirements/Removals (if applicable) | | | | | | | |
| Closing Balance | $ - | $ - | $ 25,449 | $ 578,147 | $ 760,596 | $ 784,268 | $ 784,268 |
| **Accumulated Depreciation** | | | | | | | |
| Opening Balance | $ - | $ - | $ - | -$ 848 | -$ 20,968 | -$ 65,593 | -$ 117,088 |
| Amortization expense during year | $ - | $ - | -$ 848 | -$ 20,120 | -$ 44,625 | -$ 51,495 | -$ 52,285 |
| Retirements/Removals (if applicable) | | | | | | | |
| Closing Balance | $ - | $ - | -$ 848 | -$ 20,968 | -$ 65,593 | -$ 117,088 | -$ 169,373 |
| **Net Book Value** | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ 24,601 | $ 557,179 | $ 695,003 | $ 667,180 |
| Closing Balance | $ - | $ - | $ 24,601 | $ 557,179 | $ 695,003 | $ 667,180 | $ 614,895 |
| Average Net Book Value | $ - | $ - | $ 12,300 | $ 290,890 | $ 626,091 | $ 681,091 | $ 641,037 |
| **Net Fixed Assets - Computer Hardware** | | | | | | | |
| **Gross Book Value** | | | | | | | |
| Opening Balance | | $ - | $ - | $ - | $ 13,840 | $ 13,840 | $ 13,840 |
| Capital Additions during year (from Smart Meter Costs) | $ - | $ - | $ - | $ 13,840 | $ - | $ - | $ - |
| Retirements/Removals (if applicable) | | | | | | | |
| Closing Balance | $ - | $ - | $ - | $ 13,840 | $ 13,840 | $ 13,840 | $ 13,840 |
| **Accumulated Depreciation** | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | -$ 1,384 | -$ 4,152 | -$ 6,920 |
| Amortization expense during year | $ - | $ - | $ - | -$ 1,384 | -$ 2,768 | -$ 2,768 | -$ 2,768 |
| Retirements/Removals (if applicable) | | | | | | | |
| Closing Balance | $ - | $ - | $ - | -$ 1,384 | -$ 4,152 | -$ 6,920 | -$ 9,688 |
| **Net Book Value** | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | $ 12,456 | $ 9,688 | $ 6,920 |
| Closing Balance | $ - | $ - | $ - | $ 12,456 | $ 9,688 | $ 6,920 | $ 4,152 |
| Average Net Book Value | $ - | $ - | $ - | $ 6,228 | $ 11,072 | $ 8,304 | $ 5,536 |
| **Net Fixed Assets - Computer Software (including Applications Software)** | | | | | | | |
| **Gross Book Value** | | | | | | | |
| Opening Balance | | $ - | $ - | $ - | $ 60,130 | $ 60,130 | $ 60,130 |
| Capital Additions during year (from Smart Meter Costs) | $ - | $ - | $ - | $ 60,130 | $ - | $ - | $ - |
| Retirements/Removals (if applicable) | | | | | | | |
| Closing Balance | $ - | $ - | $ - | $ 60,130 | $ 60,130 | $ 60,130 | $ 60,130 |
| **Accumulated Depreciation** | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | -$ 6,013 | -$ 18,039 | -$ 30,065 |
| Amortization expense during year | $ - | $ - | $ - | -$ 6,013 | -$ 12,026 | -$ 12,026 | -$ 12,026 |
| Retirements/Removals (if applicable) | | | | | | | |
| Closing Balance | $ - | $ - | $ - | -$ 6,013 | -$ 18,039 | -$ 30,065 | -$ 42,091 |
| **Net Book Value** | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | $ 54,117 | $ 42,091 | $ 30,065 |
| Closing Balance | $ - | $ - | $ - | $ 54,117 | $ 42,091 | $ 30,065 | $ 18,039 |
| Average Net Book Value | $ - | $ - | $ - | $ 27,058 | $ 48,104 | $ 36,078 | $ 24,052 |

**Net Fixed Assets - Tools and Equipment**

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Gross Book Value** | | | | | | | |
| Opening Balance | | $ - | $ - | $ - | $ 9,165 | $ 9,165 | $ 9,165 |
| Capital Additions during year (from Smart Meter Costs) | $ - | $ - | $ - | $ 9,165 | $ - | $ - | $ - |
| Retirements/Removals (if applicable) | | | | | | | |
| Closing Balance | $ - | $ - | $ - | $ 9,165 | $ 9,165 | $ 9,165 | $ 9,165 |
| **Accumulated Depreciation** | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | -$ 458 | -$ 1,375 | -$ 2,291 |
| Amortization expense during year | $ - | $ - | $ - | -$ 458 | -$ 917 | -$ 917 | -$ 917 |
| Retirements/Removals (if applicable) | | | | | | | |
| Closing Balance | $ - | $ - | $ - | -$ 458 | -$ 1,375 | -$ 2,291 | -$ 3,208 |
| **Net Book Value** | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | $ 8,707 | $ 7,790 | $ 6,874 |
| Closing Balance | $ - | $ - | $ - | $ 8,707 | $ 7,790 | $ 6,874 | $ 5,957 |
| Average Net Book Value | $ - | $ - | $ - | $ 4,353 | $ 8,249 | $ 7,332 | $ 6,416 |

**Net Fixed Assets - Other Equipment**

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Gross Book Value** | | | | | | | |
| Opening Balance | | $ - | $ - | $ - | $ 2,708 | $ 2,708 | $ 2,708 |
| Capital Additions during year (from Smart Meter Costs) | $ - | $ - | $ - | $ 2,708 | $ - | $ - | $ - |
| Retirements/Removals (if applicable) | | | | | | | |
| Closing Balance | $ - | $ - | $ - | $ 2,708 | $ 2,708 | $ 2,708 | $ 2,708 |
| **Accumulated Depreciation** | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | -$ 135 | -$ 406 | -$ 677 |
| Amortization expense during year | $ - | $ - | $ - | -$ 135 | -$ 271 | -$ 271 | -$ 271 |
| Retirements/Removals (if applicable) | | | | | | | |
| Closing Balance | $ - | $ - | $ - | -$ 135 | -$ 406 | -$ 677 | -$ 948 |
| **Net Book Value** | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | $ 2,573 | $ 2,302 | $ 2,031 |
| Closing Balance | $ - | $ - | $ - | $ 2,573 | $ 2,302 | $ 2,031 | $ 1,761 |
| Average Net Book Value | $ - | $ - | $ - | $ 1,287 | $ 2,438 | $ 2,167 | $ 1,896 |



Fort Frances Power Corporation

Ontario Energy Board

**Smart Meter Model**

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 and Later |
|---|---|---|---|---|---|---|---|
| **Average Net Fixed Asset Values (from Sheet 4)** | | | | | | | |
| Smart Meters | $ - | $ - | $ 12,300 | $ 290,890 | $ 626,091 | $ 681,091 | $ 641,037 |
| Computer Hardware | $ - | $ - | $ - | $ 6,228 | $ 11,072 | $ 8,304 | $ 5,536 |
| Computer Software | $ - | $ - | $ - | $ 27,058 | $ 48,104 | $ 36,078 | $ 24,052 |
| Tools & Equipment | $ - | $ - | $ - | $ 4,353 | $ 8,249 | $ 7,332 | $ 6,416 |
| Other Equipment | $ - | $ - | $ - | $ 1,287 | $ 2,438 | $ 2,167 | $ 1,896 |
| **Total Net Fixed Assets** | **$ -** | **$ -** | **$ 12,300** | **$ 329,816** | **$ 695,953** | **$ 734,972** | **$ 678,937** |
| **Working Capital** | | | | | | | |
| Operating Expenses (from Sheet 2) | $ - | $ - | $ - | $ 21,797 | $ 43,082 | $ 56,479 | $ 72,800 |
| Working Capital Factor (from Sheet 3) | 15% | 15% | 15% | 15% | 15% | 15% | 13% |
| Working Capital Allowance | $ - | $ - | $ - | $ 3,270 | $ 6,462 | $ 8,472 | $ 9,464 |
| **Incremental Smart Meter Rate Base** | **$ -** | **$ -** | **$ 12,300** | **$ 333,086** | **$ 702,415** | **$ 743,444** | **$ 688,401** |
| **Return on Rate Base** | | | | | | | |
| ***Capital Structure*** | | | | | | | |
| Deemed Short Term Debt | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Deemed Long Term Debt | $ - | $ - | $ 6,556 | $ 188,860 | $ 421,449 | $ 446,066 | $ 413,040 |
| Equity | $ - | $ - | $ 5,744 | $ 144,226 | $ 280,966 | $ 297,378 | $ 275,360 |
| Preferred Shares | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Total Capitalization | $ - | $ - | $ 12,300 | $ 333,086 | $ 702,415 | $ 743,444 | $ 688,401 |
| ***Return on*** | | | | | | | |
| Deemed Short Term Debt | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Deemed Long Term Debt | $ - | $ - | $ 410 | $ 11,804 | $ 26,341 | $ 27,879 | $ 25,815 |
| Equity | $ - | $ - | $ 172 | $ 4,327 | $ 8,429 | $ 8,921 | $ 8,261 |
| Preferred Shares | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Total Return on Capital** | $ - | $ - | $ 582 | $ 16,131 | $ 34,770 | $ 36,800 | $ 34,076 |
| **Operating Expenses** | $ - | $ - | $ - | $ 21,797 | $ 43,082 | $ 56,479 | $ 72,800 |
| **Amortization Expenses (from Sheet 4)** | | | | | | | |
| Smart Meters | $ - | $ - | $ 848 | $ 20,120 | $ 44,625 | $ 51,495 | $ 52,285 |
| Computer Hardware | $ - | $ - | $ - | $ 1,384 | $ 2,768 | $ 2,768 | $ 2,768 |
| Computer Software | $ - | $ - | $ - | $ 6,013 | $ 12,026 | $ 12,026 | $ 12,026 |
| Tools & Equipment | $ - | $ - | $ - | $ 458 | $ 917 | $ 917 | $ 917 |
| Other Equipment | $ - | $ - | $ - | $ 135 | $ 271 | $ 271 | $ 271 |
| **Total Amortization Expense in Year** | $ - | $ - | $ 848 | $ 28,111 | $ 60,606 | $ 67,477 | $ 68,266 |
| **Incremental Revenue Requirement before Taxes/PILs** | $ - | $ - | $ 1,430 | $ 66,039 | $ 138,458 | $ 160,756 | $ 175,142 |
| **Calculation of Taxable Income** | | | | | | | |
| Incremental Operating Expenses | $ - | $ - | $ - | $ 21,797 | $ 43,082 | $ 56,479 | $ 72,800 |
| Amortization Expense | $ - | $ - | $ 848 | $ 28,111 | $ 60,606 | $ 67,477 | $ 68,266 |
| Interest Expense | $ - | $ - | $ 410 | $ 11,804 | $ 26,341 | $ 27,879 | $ 25,815 |
| **Net Income for Taxes/PILs** | $ - | $ - | $ 172 | $ 4,327 | $ 8,429 | $ 8,921 | $ 8,261 |
| **Grossed-up Taxes/PILs (from Sheet 7)** | $ - | $ - | $ 0.53 | -$ 1,865.98 | -$ 1,988.29 | $ 886.95 | $ 2,787.59 |
| **Revenue Requirement, including Grossed-up Taxes/PILs** | $ - | $ - | $ 1,431 | $ 64,173 | $ 136,469 | $ 161,643 | $ 177,929 |

Fort Frances Power Corporation

Ontario Energy Board
**Smart Meter Model**

# For PILs Calculation

## UCC - Smart Meters

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Audited Actual | 2011 Audited Actual | 2012 and later Forecast |
|---|---|---|---|---|---|---|---|
| Opening UCC | $ - | $ - | $ - | $ 24,431.27 | $ 553,066.88 | $ 683,972.61 | $ 651,979.61 |
| Capital Additions | $ - | $ - | $ 25,449.24 | $ 552,698.03 | $ 182,449.04 | $ 23,671.68 | $ - |
| Retirements/Removals (if applicable) | | | | | | | |
| UCC Before Half Year Rule | $ - | $ - | $ 25,449.24 | $ 577,129.30 | $ 735,515.92 | $ 707,644.29 | $ 651,979.61 |
| Half Year Rule (1/2 Additions - Disposals) | $ - | $ - | $ 12,724.62 | $ 276,349.02 | $ 91,224.52 | $ 11,835.84 | $ - |
| Reduced UCC | $ - | $ - | $ 12,724.62 | $ 300,780.29 | $ 644,291.40 | $ 695,808.45 | $ 651,979.61 |
| CCA Rate Class | 47 | 47 | 47 | 47 | 47 | 47 | 47 |
| CCA Rate | 8% | 8% | 8% | 8% | 8% | 8% | 8% |
| CCA | $ - | $ - | $ 1,017.97 | $ 24,062.42 | $ 51,543.31 | $ 55,664.68 | $ 52,158.37 |
| Closing UCC | $ - | $ - | $ 24,431.27 | $ 553,066.88 | $ 683,972.61 | $ 651,979.61 | $ 599,821.24 |

## UCC - Computer Equipment

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Audited Actual | 2011 Audited Actual | 2012 and later Forecast |
|---|---|---|---|---|---|---|---|
| Opening UCC | $ - | $ - | $ - | $ - | $ 57,326.52 | $ 31,529.58 | $ 17,341.27 |
| Capital Additions Computer Hardware | $ - | $ - | $ - | $ 13,839.92 | $ - | $ - | $ - |
| Capital Additions Computer Software | $ - | $ - | $ - | $ 60,129.78 | $ - | $ - | $ - |
| Retirements/Removals (if applicable) | | | | | | | |
| UCC Before Half Year Rule | $ - | $ - | $ - | $ 73,969.70 | $ 57,326.52 | $ 31,529.58 | $ 17,341.27 |
| Half Year Rule (1/2 Additions - Disposals) | $ - | $ - | $ - | $ 36,984.85 | $ - | $ - | $ - |
| Reduced UCC | $ - | $ - | $ - | $ 36,984.85 | $ 57,326.52 | $ 31,529.58 | $ 17,341.27 |
| CCA Rate Class | 50 | 50 | 50 | 50 | 50 | 50 | 50 |
| CCA Rate | 45% | 45% | 45% | 45% | 45% | 45% | 45% |
| CCA | $ - | $ - | $ - | $ 16,643.18 | $ 25,796.93 | $ 14,188.31 | $ 7,803.57 |
| Closing UCC | $ - | $ - | $ - | $ 57,326.52 | $ 31,529.58 | $ 17,341.27 | $ 9,537.70 |

## UCC - General Equipment

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Audited Actual | 2011 Audited Actual | 2012 and later Forecast |
|---|---|---|---|---|---|---|---|
| Opening UCC | $ - | $ - | $ - | $ - | $ 10,686.12 | $ 8,548.90 | $ 6,839.12 |
| Capital Additions Tools & Equipment | $ - | $ - | $ - | $ 9,165.00 | $ - | $ - | $ - |
| Capital Additions Other Equipment | $ - | $ - | $ - | $ 2,708.47 | $ - | $ - | $ - |
| Retirements/Removals (if applicable) | | | | | | | |
| UCC Before Half Year Rule | $ - | $ - | $ - | $ 11,873.47 | $ 10,686.12 | $ 8,548.90 | $ 6,839.12 |
| Half Year Rule (1/2 Additions - Disposals) | $ - | $ - | $ - | $ 5,936.74 | $ - | $ - | $ - |
| Reduced UCC | $ - | $ - | $ - | $ 5,936.74 | $ 10,686.12 | $ 8,548.90 | $ 6,839.12 |
| CCA Rate Class | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| CCA Rate | 20% | 20% | 20% | 20% | 20% | 20% | 20% |
| CCA | $ - | $ - | $ - | $ 1,187.35 | $ 2,137.22 | $ 1,709.78 | $ 1,367.82 |
| Closing UCC | $ - | $ - | $ - | $ 10,686.12 | $ 8,548.90 | $ 6,839.12 | $ 5,471.29 |

## UCC - Applications Software

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Audited Actual | 2011 Audited Actual | 2012 and later Forecast |
|---|---|---|---|---|---|---|---|
| Opening UCC | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Capital Additions Applications Software | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Retirements/Removals (if applicable) | | | | | | | |
| UCC Before Half Year Rule | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Half Year Rule (1/2 Additions - Disposals) | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Reduced UCC | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| CCA Rate Class | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CCA Rate | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| CCA | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Closing UCC | $ - | $ - | $ - | $ - | $ - | $ - | $ - |

Fort Frances Power Corporation

Ontario Energy Board

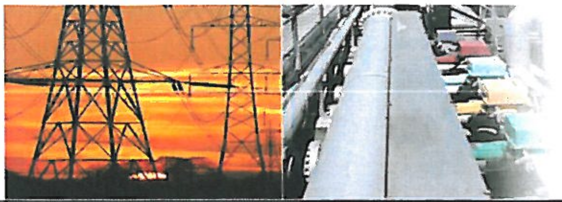
**Smart Meter Model**

# PILs Calculation

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Audited Actual | 2011 Audited Actual | 2012 and later Forecast |
|---|---|---|---|---|---|---|---|
| **INCOME TAX** | | | | | | | |
| Net Income | $ - | $ - | $ 172.33 | $ 4,326.79 | $ 8,428.98 | $ 8,921.33 | $ 8,260.81 |
| Amortization | $ - | $ - | $ 848.31 | $ 28,110.53 | $ 60,606.07 | $ 67,476.76 | $ 68,265.82 |
| CCA - Smart Meters | $ - | $ - | -$ 1,017.97 | -$ 24,062.42 | -$ 51,543.31 | -$ 55,664.68 | -$ 52,158.37 |
| CCA - Computers | $ - | $ - | $ - | -$ 16,643.18 | -$ 25,796.93 | -$ 14,188.31 | -$ 7,803.57 |
| CCA - Applications Software | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| CCA - Other Equipment | $ - | $ - | $ - | -$ 1,187.35 | -$ 2,137.22 | -$ 1,709.78 | -$ 1,367.82 |
| Change in taxable income | $ - | $ - | $ 2.67 | -$ 9,455.64 | -$ 10,442.41 | $ 4,835.32 | $ 15,196.86 |
| Tax Rate (from Sheet 3) | 18.50% | 18.50% | 16.50% | 16.50% | 16.00% | 15.50% | 15.50% |
| Income Taxes Payable | $ - | $ - | $ 0.44 | -$ 1,560.18 | -$ 1,670.79 | $ 749.47 | $ 2,355.51 |
| **ONTARIO CAPITAL TAX** | | | | | | | |
| Smart Meters | $ - | $ - | $ 24,600.93 | $ 557,179.08 | $ 695,003.33 | $ 667,179.54 | $ 614,895.00 |
| Computer Hardware | $ - | $ - | $ - | $ 12,455.93 | $ 9,687.94 | $ 6,919.96 | $ 4,151.98 |
| Computer Software (Including Application Software) | $ - | $ - | $ - | $ 54,116.80 | $ 42,090.85 | $ 30,064.89 | $ 18,038.93 |
| Tools & Equipment | $ - | $ - | $ - | $ 8,706.75 | $ 7,790.25 | $ 6,873.75 | $ 5,957.25 |
| Other Equipment | $ - | $ - | $ - | $ 2,573.05 | $ 2,302.20 | $ 2,031.35 | $ 1,760.51 |
| Rate Base | $ - | $ - | $ 24,600.93 | $ 635,031.60 | $ 756,874.57 | $ 713,069.49 | $ 644,803.67 |
| Less: Exemption | | | $ 24,600.93 | $ 633,920.96 | $ 755,880.84 | $ 717,233.13 | $ 648,736.61 |
| Deemed Taxable Capital | $ - | $ - | $ 0.00 | $ 1,110.64 | $ 993.73 | -$ 4,163.64 | -$ 3,932.94 |
| Ontario Capital Tax Rate (from Sheet 3) | 0.300% | 0.225% | 0.225% | 0.225% | 0.075% | 0.000% | 0.000% |
| Net Amount (Taxable Capital x Rate) | $ - | $ - | $ 0.00 | $ 2.50 | $ 0.75 | $ - | $ - |
| Change in Income Taxes Payable | $ - | $ - | $ 0.44 | -$ 1,560.18 | -$ 1,670.79 | $ 749.47 | $ 2,355.51 |
| Change in OCT | $ - | $ - | $ 0.00 | $ 2.50 | $ 0.75 | $ - | $ - |
| PILs | $ - | $ - | $ 0.44 | -$ 1,557.68 | -$ 1,670.04 | $ 749.47 | $ 2,355.51 |

## Gross Up PILs

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Audited Actual | 2011 Audited Actual | 2012 and later Forecast |
|---|---|---|---|---|---|---|---|
| Tax Rate | 18.50% | 18.50% | 16.50% | 16.50% | 16.00% | 15.50% | 15.50% |
| Change in Income Taxes Payable | $ - | $ - | $ 0.53 | -$ 1,868.48 | -$ 1,989.03 | $ 886.95 | $ 2,787.59 |
| Change in OCT | $ - | $ - | $ 0.00 | $ 2.50 | $ 0.75 | $ - | $ - |
| PILs | $ - | $ - | $ 0.53 | -$ 1,865.98 | -$ 1,988.29 | $ 886.95 | $ 2,787.59 |



Ontario Energy Board

**Smart Meter Model**

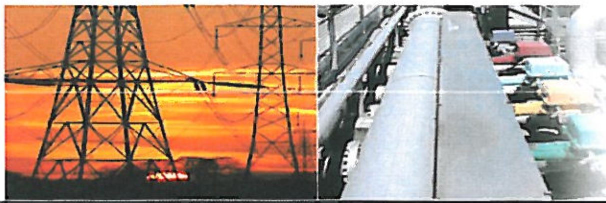
**Fort Frances Power Corporation**

**This worksheet calculates the funding adder revenues.**

**Account 1555 - Sub-account Funding Adder Revenues**

| Interest Rates | Approved Deferral and Variance Accounts | CWIP |
|---|---|---|
| 2006 Q1 | | |
| 2006 Q2 | 4.14% | 4.68% |
| 2006 Q3 | 4.59% | 5.05% |
| 2006 Q4 | 4.59% | 4.72% |
| 2007 Q1 | 4.59% | 4.72% |
| 2007 Q2 | 4.59% | 4.72% |
| 2007 Q3 | 4.59% | 5.18% |
| 2007 Q4 | 5.14% | 5.18% |
| 2008 Q1 | 5.14% | 5.18% |
| 2008 Q2 | 4.08% | 5.18% |
| 2008 Q3 | 3.35% | 5.43% |
| 2008 Q4 | 3.35% | 5.43% |
| 2009 Q1 | 2.45% | 6.61% |
| 2009 Q2 | 1.00% | 6.61% |
| 2009 Q3 | 0.55% | 5.67% |
| 2009 Q4 | 0.55% | 4.66% |
| 2010 Q1 | 0.55% | 4.34% |
| 2010 Q2 | 0.55% | 4.34% |
| 2010 Q3 | 0.89% | 4.66% |
| 2010 Q4 | 1.20% | 4.01% |
| 2011 Q1 | 1.47% | 4.29% |
| 2011 Q2 | 1.47% | 4.29% |
| 2011 Q3 | 1.47% | 4.29% |
| 2011 Q4 | 1.47% | 4.29% |
| 2012 Q1 | 1.47% | 4.29% |
| 2012 Q2 | 1.47% | 4.29% |
| 2012 Q3 | 1.47% | 4.29% |
| 2012 Q4 | | 4.29% |

| Date | Year | Quarter | Opening Balance (Principal) | Funding Adder Revenues | Interest Rate | Interest | Closing Balance | Annual amounts | Board Approved Smart Meter Funding Adder (from Tariff) |
|---|---|---|---|---|---|---|---|---|---|
| Jan-06 | 2006 | Q1 | $ - | $ - | 0.00% | $ - | $ - | | |
| Feb-06 | 2006 | Q1 | $ - | $ - | 0.00% | $ - | $ - | | |
| Mar-06 | 2006 | Q1 | $ - | $ - | 0.00% | $ - | $ - | | |
| Apr-06 | 2006 | Q2 | $ - | $ - | 4.14% | $ - | $ - | | |
| May-06 | 2006 | Q2 | $ - | $ 50.35 | 4.14% | $ - | $ 50.35 | | $ 0.26 |
| Jun-06 | 2006 | Q2 | $ 50.35 | $ 664.85 | 4.14% | $ 0.17 | $ 715.37 | | $ 0.26 |
| Jul-06 | 2006 | Q3 | $ 715.20 | $ 1,041.23 | 4.59% | $ 2.74 | $ 1,759.17 | | $ 0.26 |
| Aug-06 | 2006 | Q3 | $ 1,756.43 | $ 895.38 | 4.59% | $ 6.72 | $ 2,658.53 | | $ 0.26 |
| Sep-06 | 2006 | Q3 | $ 2,651.81 | $ 792.70 | 4.59% | $ 10.14 | $ 3,454.65 | | $ 0.26 |
| Oct-06 | 2006 | Q4 | $ 3,444.51 | $ 1,217.57 | 4.59% | $ 13.18 | $ 4,675.26 | | $ 0.26 |
| Nov-06 | 2006 | Q4 | $ 4,662.08 | $ 870.00 | 4.59% | $ 17.83 | $ 5,549.91 | | $ 0.26 |
| Dec-06 | 2006 | Q4 | $ 5,532.08 | $ 1,367.62 | 4.59% | $ 21.16 | $ 6,920.86 | $ 6,971.64 | $ 0.26 |
| Jan-07 | 2007 | Q1 | $ 6,899.70 | $ 979.90 | 4.59% | $ 26.39 | $ 7,905.99 | | $ 0.26 |
| Feb-07 | 2007 | Q1 | $ 7,879.60 | $ 979.49 | 4.59% | $ 30.14 | $ 8,889.23 | | $ 0.26 |
| Mar-07 | 2007 | Q1 | $ 8,859.09 | $ 906.78 | 4.59% | $ 33.89 | $ 9,799.76 | | $ 0.26 |
| Apr-07 | 2007 | Q2 | $ 9,765.87 | $ 1,050.99 | 4.59% | $ 37.35 | $ 10,854.21 | | $ 0.26 |
| May-07 | 2007 | Q2 | $ 10,816.86 | $ 912.11 | 4.59% | $ 41.37 | $ 11,770.34 | | $ 0.26 |
| Jun-07 | 2007 | Q2 | $ 11,728.97 | $ 906.25 | 4.59% | $ 44.86 | $ 12,680.08 | | $ 0.26 |
| Jul-07 | 2007 | Q3 | $ 12,635.22 | $ 1,046.61 | 4.59% | $ 48.33 | $ 13,730.16 | | $ 0.26 |
| Aug-07 | 2007 | Q3 | $ 13,681.83 | $ 911.08 | 4.59% | $ 52.33 | $ 14,645.24 | | $ 0.26 |
| Sep-07 | 2007 | Q3 | $ 14,592.91 | $ 843.52 | 4.59% | $ 55.82 | $ 15,492.25 | | $ 0.26 |
| Oct-07 | 2007 | Q4 | $ 15,436.43 | $ 1,148.18 | 5.14% | $ 66.12 | $ 16,650.73 | | $ 0.26 |
| Nov-07 | 2007 | Q4 | $ 16,584.61 | $ 1,960.89 | 5.14% | $ 71.04 | $ 18,616.54 | | $ 0.26 |
| Dec-07 | 2007 | Q4 | $ 18,545.50 | $ 1,078.88 | 5.14% | $ 79.44 | $ 19,703.82 | $ 13,311.76 | $ 0.26 |
| Jan-08 | 2008 | Q1 | $ 19,624.38 | $ 805.84 | 5.14% | $ 84.06 | $ 20,514.28 | | $ 0.26 |
| Feb-08 | 2008 | Q1 | $ 20,430.22 | $ 978.62 | 5.14% | $ 87.51 | $ 21,496.35 | | $ 0.26 |
| Mar-08 | 2008 | Q1 | $ 21,408.84 | -$ 44.14 | 5.14% | $ 91.70 | $ 21,456.40 | | $ 0.26 |
| Apr-08 | 2008 | Q2 | $ 21,364.70 | $ 836.89 | 4.08% | $ 72.64 | $ 22,274.23 | | $ 0.26 |
| May-08 | 2008 | Q2 | $ 22,201.59 | $ 781.99 | 4.08% | $ 75.49 | $ 23,059.07 | | $ 0.26 |
| Jun-08 | 2008 | Q2 | $ 22,983.58 | $ 1,259.23 | 4.08% | $ 78.14 | $ 24,320.95 | | $ 0.26 |
| Jul-08 | 2008 | Q3 | $ 24,242.81 | $ 888.88 | 3.35% | $ 67.68 | $ 25,199.37 | | $ 0.26 |
| Aug-08 | 2008 | Q3 | $ 25,131.69 | $ 976.15 | 3.35% | $ 70.16 | $ 26,178.00 | | $ 0.26 |
| Sep-08 | 2008 | Q3 | $ 26,107.84 | $ 1,120.62 | 3.35% | $ 72.88 | $ 27,301.34 | | $ 0.26 |
| Oct-08 | 2008 | Q4 | $ 27,228.46 | $ 978.78 | 3.35% | $ 76.01 | $ 28,283.25 | | $ 0.26 |
| Nov-08 | 2008 | Q4 | $ 28,207.24 | $ 921.85 | 3.35% | $ 78.75 | $ 29,207.84 | | $ 0.26 |
| Dec-08 | 2008 | Q4 | $ 29,129.09 | $ 2,324.21 | 3.35% | $ 81.32 | $ 31,534.62 | $ 12,765.26 | $ 0.26 |
| Jan-09 | 2009 | Q1 | $ 31,453.30 | -$ 314.12 | 2.45% | $ 64.22 | $ 31,203.40 | | $ 0.26 |
| Feb-09 | 2009 | Q1 | $ 31,139.18 | $ 1,033.82 | 2.45% | $ 63.58 | $ 32,236.58 | | $ 0.26 |
| Mar-09 | 2009 | Q1 | $ 32,173.00 | $ 1,152.30 | 2.45% | $ 65.69 | $ 33,390.99 | | $ 0.26 |
| Apr-09 | 2009 | Q2 | $ 33,325.30 | $ 920.53 | 1.00% | $ 27.77 | $ 34,273.60 | | $ 0.26 |
| May-09 | 2009 | Q2 | $ 34,245.83 | $ 972.65 | 1.00% | $ 28.54 | $ 35,247.02 | | $ 1.00 |
| Jun-09 | 2009 | Q2 | $ 35,218.48 | $ 4,041.20 | 1.00% | $ 29.35 | $ 39,289.03 | | $ 1.00 |
| Jul-09 | 2009 | Q3 | $ 39,259.68 | $ 3,427.15 | 0.55% | $ 17.99 | $ 42,704.82 | | $ 1.00 |
| Aug-09 | 2009 | Q3 | $ 42,686.83 | $ 4,597.64 | 0.55% | $ 19.56 | $ 47,304.03 | | $ 1.00 |
| Sep-09 | 2009 | Q3 | $ 47,284.47 | $ 3,422.65 | 0.55% | $ 21.67 | $ 50,728.79 | | $ 1.00 |
| Oct-09 | 2009 | Q4 | $ 50,707.12 | $ 3,749.66 | 0.55% | $ 23.24 | $ 54,480.02 | | $ 1.00 |
| Nov-09 | 2009 | Q4 | $ 54,456.78 | $ 4,273.21 | 0.55% | $ 24.96 | $ 58,754.95 | | $ 1.00 |
| Dec-09 | 2009 | Q4 | $ 58,729.99 | $ 3,757.54 | 0.55% | $ 26.92 | $ 62,514.45 | $ 31,447.72 | $ 1.00 |
| Jan-10 | 2010 | Q1 | $ 62,487.53 | $ 3,255.04 | 0.55% | $ 28.64 | $ 65,771.21 | | $ 1.00 |
| Feb-10 | 2010 | Q1 | $ 65,742.57 | $ 3,928.77 | 0.55% | $ 30.13 | $ 69,701.47 | | $ 1.00 |
| Mar-10 | 2010 | Q1 | $ 69,671.34 | $ 4,259.12 | 0.55% | $ 31.93 | $ 73,962.39 | | $ 1.00 |
| Apr-10 | 2010 | Q2 | $ 73,930.46 | $ 3,753.14 | 0.55% | $ 33.88 | $ 77,717.48 | | $ 1.00 |
| May-10 | 2010 | Q2 | $ 77,683.60 | $ 4,535.69 | 0.55% | $ 35.60 | $ 82,254.89 | | $ 1.00 |
| Jun-10 | 2010 | Q2 | $ 82,219.29 | $ 3,767.24 | 0.55% | $ 37.68 | $ 86,024.21 | | $ 1.00 |
| Jul-10 | 2010 | Q3 | $ 85,986.53 | $ 3,377.50 | 0.89% | $ 63.77 | $ 89,427.80 | | $ 1.00 |
| Aug-10 | 2010 | Q3 | $ 89,364.03 | $ 4,721.02 | 0.89% | $ 66.28 | $ 94,151.33 | | $ 1.00 |
| Sep-10 | 2010 | Q3 | $ 94,085.05 | $ 3,337.65 | 0.89% | $ 69.78 | $ 97,492.48 | | $ 1.00 |
| Oct-10 | 2010 | Q4 | $ 97,422.70 | $ 3,985.31 | 1.20% | $ 97.42 | $ 101,505.43 | | $ 1.00 |
| Nov-10 | 2010 | Q4 | $ 101,408.01 | $ 4,404.18 | 1.20% | $ 101.41 | $ 105,913.60 | | $ 1.00 |
| Dec-10 | 2010 | Q4 | $ 105,812.19 | $ 8,310.98 | 1.20% | $ 105.81 | $ 114,228.98 | $ 52,337.97 | $ 1.00 |
| Jan-11 | 2011 | Q1 | $ 114,123.17 | $ 3,962.71 | 1.47% | $ 139.80 | $ 118,225.68 | | $ 1.00 |
| Feb-11 | 2011 | Q1 | $ 118,085.88 | -$ 516.94 | 1.47% | $ 144.66 | $ 117,713.60 | | $ 1.00 |
| Mar-11 | 2011 | Q1 | $ 117,568.94 | $ 3,292.22 | 1.47% | $ 144.02 | $ 121,005.18 | | $ 1.00 |
| Apr-11 | 2011 | Q2 | $ 120,861.16 | $ 3,964.55 | 1.47% | $ 148.05 | $ 124,973.76 | | $ 1.00 |
| May-11 | 2011 | Q2 | $ 124,825.71 | $ 5,035.72 | 1.47% | $ 152.91 | $ 130,014.34 | | $ 2.50 |
| Jun-11 | 2011 | Q2 | $ 129,861.43 | $ 8,284.05 | 1.47% | $ 159.08 | $ 138,304.56 | | $ 2.50 |
| Jul-11 | 2011 | Q3 | $ 138,145.48 | $ 8,318.01 | 1.47% | $ 169.23 | $ 146,632.72 | | $ 2.50 |
| Aug-11 | 2011 | Q3 | $ 146,463.49 | $ 11,317.20 | 1.47% | $ 179.42 | $ 157,960.11 | | $ 2.50 |
| Sep-11 | 2011 | Q3 | $ 157,780.69 | $ 7,466.69 | 1.47% | $ 193.28 | $ 165,440.66 | | $ 2.50 |
| Oct-11 | 2011 | Q4 | $ 165,247.38 | $ 11,272.36 | 1.47% | $ 202.43 | $ 176,722.17 | | $ 2.50 |
| Nov-11 | 2011 | Q4 | $ 176,519.74 | $ 6,272.62 | 1.47% | $ 216.24 | $ 183,008.60 | | $ 2.50 |
| Dec-11 | 2011 | Q4 | $ 182,792.36 | $ 22,719.26 | 1.47% | $ 223.92 | $ 205,735.54 | $ 93,461.49 | $ 2.50 |
| Jan-12 | 2012 | Q1 | $ 205,511.62 | $ 8,710.51 | 1.47% | $ 251.75 | $ 214,473.88 | | $ 2.50 |
| Feb-12 | 2012 | Q1 | $ 214,222.13 | -$ 3,344.57 | 1.47% | $ 262.42 | $ 211,139.98 | | $ 2.50 |
| Mar-12 | 2012 | Q1 | $ 210,877.56 | $ 10,666.89 | 1.47% | $ 258.33 | $ 221,802.78 | | $ 2.50 |
| Apr-12 | 2012 | Q2 | $ 221,544.45 | $ 11,271.24 | 1.47% | $ 271.39 | $ 233,087.08 | | $ 2.50 |
| May-12 | 2012 | Q2 | $ 232,815.69 | $ 6,170.94 | 1.47% | $ 285.20 | $ 239,271.83 | | |
| Jun-12 | 2012 | Q2 | $ 238,986.63 | $ 3,572.56 | 1.47% | $ 292.76 | $ 242,851.95 | | |
| Jul-12 | 2012 | Q3 | $ 242,559.19 | $ 42.73 | 1.47% | $ 297.14 | $ 242,899.06 | | |
| Aug-12 | 2012 | Q3 | $ 242,601.92 | $ 0.42 | 1.47% | $ 297.19 | $ 242,899.53 | | |
| Sep-12 | 2012 | Q3 | $ 242,602.34 | $ - | 1.47% | $ 297.19 | $ 242,899.53 | | |
| Oct-12 | 2012 | Q4 | $ 242,602.34 | $ - | 0.00% | $ - | $ 242,602.34 | | |
| Nov-12 | 2012 | Q4 | $ 242,602.34 | $ - | 0.00% | $ - | $ 242,602.34 | | |
| Dec-12 | 2012 | Q4 | $ 242,602.34 | $ - | 0.00% | $ - | $ 242,602.34 | $ 39,604.09 | |
| **Total Funding Adder Revenues Collected** | | | | **$ 242,602.34** | | **$ 7,297.59** | **$ 249,899.93** | **$ 249,899.93** | |



Ontario Energy Board
Smart Meter Model

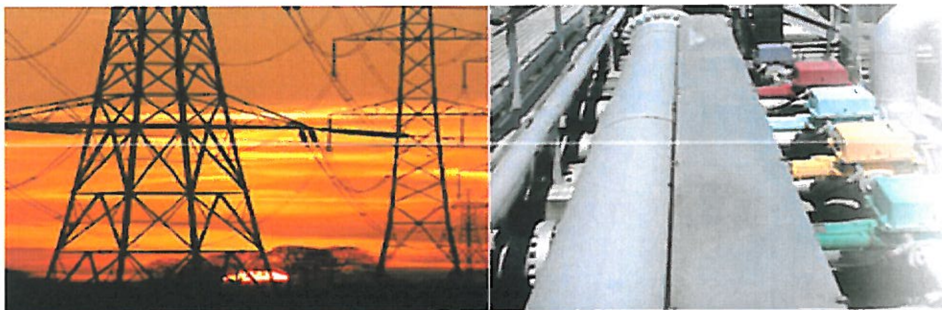
Fort Frances Power Corporation

This worksheet calculates the interest on OM&A and amortization/depreciation expense, based on monthly data.

| Prescribed Interest Rates | Approved Deferral and Variance Accounts | CWIP |
|---|---|---|
| 2006 Q1 | 0.00% | 0.00% |
| 2006 Q2 | 4.14% | 4.68% |
| 2006 Q3 | 4.59% | 5.05% |
| 2006 Q4 | 4.59% | 4.72% |
| 2007 Q1 | 4.59% | 4.72% |
| 2007 Q2 | 4.59% | 4.72% |
| 2007 Q3 | 4.59% | 5.18% |
| 2007 Q4 | 5.14% | 5.18% |
| 2008 Q1 | 5.14% | 5.18% |
| 2008 Q2 | 4.08% | 5.18% |
| 2008 Q3 | 3.35% | 5.43% |
| 2008 Q4 | 3.35% | 5.43% |
| 2009 Q1 | 2.45% | 6.61% |
| 2009 Q2 | 1.00% | 6.61% |
| 2009 Q3 | 0.55% | 5.67% |
| 2009 Q4 | 0.55% | 4.66% |
| 2010 Q1 | 0.55% | 4.34% |
| 2010 Q2 | 0.55% | 4.34% |
| 2010 Q3 | 0.89% | 4.66% |
| 2010 Q4 | 1.20% | 4.01% |
| 2011 Q1 | 1.47% | 4.29% |
| 2011 Q2 | 1.47% | 4.29% |
| 2011 Q3 | 1.47% | 4.29% |
| 2011 Q4 | 1.47% | 4.29% |
| 2012 Q1 | 1.47% | 4.29% |
| 2012 Q2 | 1.47% | 4.29% |
| 2012 Q3 | 1.47% | 4.29% |
| 2012 Q4 | 0.00% | 4.29% |

Account 1556 - Sub-accounts Operating Expenses, Amortization Expenses, Carrying Charges

| Date | Opening Balance (Principal) | OM&A Expenses | Amortization / Depreciation Expense | Closing Balance (Principal) | (Annual) Interest Rate | Interest (on opening balance) | Cumulative Interest |
|---|---|---|---|---|---|---|---|
| Jan-06 | $ - | | | - | 0.00% | - | - |
| Feb-06 | - | $ - | | - | 0.00% | - | - |
| Mar-06 | - | | | - | 0.00% | - | - |
| Apr-06 | - | | | - | 4.14% | - | - |
| May-06 | - | | | - | 4.14% | - | - |
| Jun-06 | - | | | - | 4.14% | - | - |
| Jul-06 | - | | | - | 4.59% | - | - |
| Aug-06 | - | | | - | 4.59% | - | - |
| Sep-06 | - | | | - | 4.59% | - | - |
| Oct-06 | - | | | - | 4.59% | - | - |
| Nov-06 | - | | | - | 4.59% | - | - |
| Dec-06 | - | $ - | | - | 4.59% | - | - |
| Jan-07 | - | | | - | 4.59% | - | - |
| Feb-07 | - | | | - | 4.59% | - | - |
| Mar-07 | - | | | - | 4.59% | - | - |
| Apr-07 | - | | | - | 4.59% | - | - |
| May-07 | - | | | - | 4.59% | - | - |
| Jun-07 | - | | | - | 4.59% | - | - |
| Jul-07 | - | | | - | 4.59% | - | - |
| Aug-07 | - | | | - | 4.59% | - | - |
| Sep-07 | - | | | - | 4.59% | - | - |
| Oct-07 | - | | | - | 5.14% | - | - |
| Nov-07 | - | | | - | 5.14% | - | - |
| Dec-07 | - | | | - | 5.14% | - | - |
| Jan-08 | - | | | - | 5.14% | - | - |
| Feb-08 | - | $ 1,285.71 | | 1,285.71 | 5.14% | - | - |
| Mar-08 | 1,285.71 | | | 1,285.71 | 5.14% | 5.51 | 5.51 |
| Apr-08 | 1,285.71 | | | 1,285.71 | 4.08% | 4.37 | 9.88 |
| May-08 | 1,285.71 | | | 1,285.71 | 4.08% | 4.37 | 14.25 |
| Jun-08 | 1,285.71 | | | 1,285.71 | 4.08% | 4.37 | 18.62 |
| Jul-08 | 1,285.71 | | | 1,285.71 | 3.35% | 3.59 | 22.21 |
| Aug-08 | 1,285.71 | | | 1,285.71 | 3.35% | 3.59 | 25.80 |
| Sep-08 | 1,285.71 | | | 1,285.71 | 3.35% | 3.59 | 29.39 |
| Oct-08 | 1,285.71 | | | 1,285.71 | 3.35% | 3.59 | 32.98 |
| Nov-08 | 1,285.71 | | | 1,285.71 | 3.35% | 3.59 | 36.57 |
| Dec-08 | 1,285.71 | $ 2,711.43 | | 3,997.14 | 3.35% | 3.59 | 40.16 |
| Jan-09 | 3,997.14 | $ 2,655.51 | | 6,652.65 | 2.45% | 8.16 | 48.32 |
| Feb-09 | 6,652.65 | $ 2,557.50 | | 9,210.15 | 2.45% | 13.58 | 61.90 |
| Mar-09 | 9,210.15 | $ 2,626.67 | | 11,836.82 | 2.45% | 18.80 | 80.70 |
| Apr-09 | 11,836.82 | $ 2,704.77 | | 14,541.59 | 1.00% | 9.86 | 90.57 |
| May-09 | 14,541.59 | $ 2,807.20 | | 17,348.79 | 1.00% | 12.12 | 102.69 |
| Jun-09 | 17,348.79 | $ 2,485.32 | | 19,834.11 | 1.00% | 14.46 | 117.14 |
| Jul-09 | 19,834.11 | $ 2,485.32 | | 22,319.43 | 0.55% | 9.09 | 126.23 |
| Aug-09 | 22,319.43 | $ 2,485.32 | | 24,804.75 | 0.55% | 10.23 | 136.46 |
| Sep-09 | 24,804.75 | $ 2,482.00 | | 27,286.75 | 0.55% | 11.37 | 147.83 |
| Oct-09 | 27,286.75 | $ 2,895.00 | | 30,181.75 | 0.55% | 12.51 | 160.34 |
| Nov-09 | 30,181.75 | $ 2,000.00 | | 32,181.75 | 0.55% | 13.83 | 174.17 |
| Dec-09 | 32,181.75 | $ 2,442.96 | $ 43,482.06 | 78,106.77 | 0.55% | 14.75 | 188.92 |
| Jan-10 | 78,106.77 | $ 2,473.76 | | 80,580.53 | 0.55% | 35.80 | 224.72 |
| Feb-10 | 80,580.53 | $ 951.43 | | 81,531.96 | 0.55% | 36.93 | 261.65 |
| Mar-10 | 81,531.96 | $ 2,793.89 | | 84,325.85 | 0.55% | 37.37 | 299.02 |
| Apr-10 | 84,325.85 | $ - | | 84,325.85 | 0.55% | 38.65 | 337.67 |
| May-10 | 84,325.85 | $ 3,128.41 | | 87,454.26 | 0.55% | 38.65 | 376.32 |
| Jun-10 | 87,454.26 | $ 3,359.15 | | 90,813.41 | 0.55% | 40.08 | 416.41 |
| Jul-10 | 90,813.41 | $ 3,290.76 | | 94,104.17 | 0.89% | 67.35 | 483.76 |
| Aug-10 | 94,104.17 | $ 2,000.00 | | 96,104.17 | 0.89% | 69.79 | 553.55 |
| Sep-10 | 96,104.17 | $ 3,622.34 | | 99,726.51 | 0.89% | 71.28 | 624.83 |
| Oct-10 | 99,726.51 | $ 2,740.07 | | 102,466.58 | 1.20% | 99.73 | 724.56 |
| Nov-10 | 102,466.58 | $ 2,993.36 | | 105,459.94 | 1.20% | 102.47 | 827.02 |
| Dec-10 | 105,459.94 | $ 12,309.85 | $ 54,091.36 | 171,861.15 | 1.20% | 105.46 | 932.48 |
| Jan-11 | 171,861.15 | $ 523.60 | | 172,384.75 | 1.47% | 210.53 | 1,143.01 |
| Feb-11 | 172,384.75 | $ 1,240.12 | | 173,624.87 | 1.47% | 211.17 | 1,354.18 |
| Mar-11 | 173,624.87 | $ 17,981.46 | | 191,606.33 | 1.47% | 212.69 | 1,566.87 |
| Apr-11 | 191,606.33 | $ 2,854.99 | | 194,461.32 | 1.47% | 234.72 | 1,801.59 |
| May-11 | 194,461.32 | $ 4,840.04 | | 199,301.36 | 1.47% | 238.22 | 2,039.81 |
| Jun-11 | 199,301.36 | $ 4,840.28 | | 204,141.64 | 1.47% | 244.14 | 2,283.95 |
| Jul-11 | 204,141.64 | $ 526.60 | | 204,668.24 | 1.47% | 250.07 | 2,534.02 |
| Aug-11 | 204,668.24 | $ 6,315.84 | | 210,984.08 | 1.47% | 250.72 | 2,784.74 |
| Sep-11 | 210,984.08 | $ 3,603.89 | | 214,587.97 | 1.47% | 258.46 | 3,043.20 |
| Oct-11 | 214,587.97 | $ 2,958.23 | | 217,546.20 | 1.47% | 262.87 | 3,306.07 |
| Nov-11 | 217,546.20 | $ 2,956.08 | | 220,502.28 | 1.47% | 266.49 | 3,572.56 |
| Dec-11 | 220,502.28 | $ 8,884.86 | $ 56,094.55 | 285,481.69 | 1.47% | 270.12 | 3,842.68 |
| Jan-12 | 285,481.69 | $ 525.76 | | 286,007.45 | 1.47% | 349.72 | 4,192.39 |
| Feb-12 | 286,007.45 | $ 525.88 | | 286,533.33 | 1.47% | 350.36 | 4,542.75 |
| Mar-12 | 286,533.33 | $ 6,530.50 | | 293,063.83 | 1.47% | 351.00 | 4,893.76 |
| Apr-12 | 293,063.83 | $ 6,833.33 | | 299,897.16 | 1.47% | 359.00 | 5,252.76 |
| May-12 | 299,897.16 | $ 10,315.69 | | 310,212.85 | 1.47% | 367.37 | 5,620.13 |
| Jun-12 | 310,212.85 | $ 3,779.52 | | 313,992.37 | 1.47% | 380.01 | 6,000.14 |
| Jul-12 | 313,992.37 | $ 5,407.15 | | 319,399.52 | 1.47% | 384.64 | 6,384.78 |
| Aug-12 | 319,399.52 | $ 3,400.00 | | 322,799.52 | 1.47% | 391.26 | 6,776.05 |
| Sep-12 | 322,799.52 | $ 3,400.00 | | 326,199.52 | 1.47% | 395.43 | 7,171.48 |
| Oct-12 | 326,199.52 | $ 3,400.00 | | 329,599.52 | 0.00% | - | 7,171.48 |
| Nov-12 | 329,599.52 | | | 329,599.52 | 0.00% | - | 7,171.48 |
| Dec-12 | 329,599.52 | | $ 57,000.00 | 386,599.52 | 0.00% | - | 7,171.48 |
| | | $ 175,931.55 | $ 210,667.97 | $ 386,599.52 | | | |



Ontario Energy Board

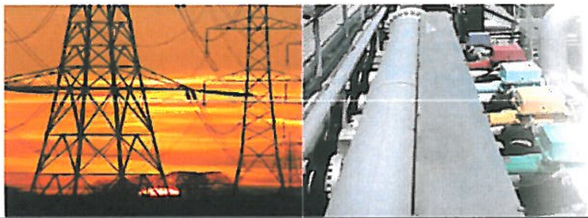
**Smart Meter Model**

Fort Frances Power Corporation

About the OEB — who we are, what we do | Media Room — news, publications | Regulatory Proceedings — hearings & consultations | Rules & Requirements — codes, forms, compliance, audit | Licences — application forms, licen

**This worksheet calculates the interest on OM&A and amortization/depreciation expense, in the absence of monthly data.**

| Year | OM&A (from Sheet 5) | Amortization Expense (from Sheet 5) | Cumulative OM&A and Amortization Expense | Average Cumulative OM&A and Amortization Expense | Average Annual Prescribed Interest Rate for Deferral and Variance Accounts (from Sheets 8A and 8B) | Simple Interest on OM&A and Amortization Expenses |
|---|---|---|---|---|---|---|
| 2006 | $ - | $ - | $ - | $ - | 4.37% | $ - |
| 2007 | $ - | $ - | $ - | $ - | 4.73% | $ - |
| 2008 | $ - | $ 848.31 | $ 848.31 | $ 424.15 | 3.98% | $ 16.88 |
| 2009 | $ 21,797.49 | $ 28,110.53 | $ 50,756.33 | $ 25,802.32 | 1.14% | $ 293.50 |
| 2010 | $ 43,082.12 | $ 60,606.07 | $ 154,444.52 | $ 102,600.42 | 0.80% | $ 818.24 |
| 2011 | $ 56,479.09 | $ 67,476.76 | $ 278,400.37 | $ 216,422.45 | 1.47% | $ 3,181.41 |
| 2012 | $ 72,800.00 | $ 68,265.82 | $ 419,466.19 | $ 348,933.28 | 1.47% | $ 5,129.32 |
| **Cumulative Interest to 2011** | | | | | | $ 4,310.03 |
| **Cumulative Interest to 2012** | | | | | | $ 9,439.35 |



Ontario Energy Board

**Smart Meter Model**

**Fort Frances Power Corporation**

**This worksheet calculates the Smart Meter Disposition Rider and the Smart Meter Incremental Revenue Requirement Rate Rider, if applicable. This worksheet also calculates any new Smart Meter Funding Adder that a distributor may wish to request. However, please note that in many 2011 IRM decisions, the Board noted that current funding adders will cease on April 30, 2011 and that the Board's expectation is that distributors will file for a final review of prudence at the earliest opportunity. The Board also noted that the SMFA is a tool designed to provide advance funding and to mitigate the anticipated rate impact of smart meter costs when recovery of those costs is approved by the Board. The Board observed that the SMFA was not intended to be compensatory (return on and of capital) on a cumulative basis over the term the SMFA was in effect. The SMFA was initially designed to fund future investment, and not fully fund prior capital investment. Distributors that seek a new SMFA should provide evidence to support its proposal. This would include documentation of where the distributor is with respect to its smart meter deployment program, and reasons as to why the distributor's circumstances are such that continuation of the SMFA is warranted. Press the "UPDATE WORKSHEET" button after choosing the applicable adders/riders.**

| Check if applicable | | |
|---|---|---|
| | Smart Meter Funding Adder (SMFA) | |
| X | Smart Meter Disposition Rider (SMDR) | **The SMDR is calculated based on costs to December 31, 2011** |
| X | Smart Meter Incremental Revenue Requirement Rate Rider (SMIRR) | **The SMIRR is calculated based on the incremental revenue requirement associated with the recovery of capital related costs to December 31, 2012 and associated OM&A.** |

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 and later | Total |
|---|---|---|---|---|---|---|---|---|
| Deferred and forecasted Smart Meter Incremental Revenue Requirement (from Sheet 5) | $ - | $ - | $ 1,430 92 | $ 64,172.55 | $ 136,469 47 | $ 161,643 28 | $ 177,929 24 | $ 541,645 46 |
| Interest on Deferred and forecasted OM&A and Amortization Expense (Sheet 8A/8B) (Check one of the boxes below) | $ - | $ - | $ 40.16 | $ 148 77 | $ 743 56 | $ 2,910 20 | | $ 3,842 68 |
| X Sheet 8A (Interest calculated on monthly balances) | $ - | $ - | $ 40 16 | $ 148 77 | $ 743 56 | $ 2,910 20 | | $ 3,842 68 |
| Sheet 8B (Interest calculated on average annual balances) | | | | | | | | $ - |
| SMFA Revenues (from Sheet 8) | $ 6,899.70 | $ 12,724 68 | $ 11,828 92 | $ 31,034 23 | $ 51,635.64 | $ 91,388.45 | $ 37,090.72 | $ 242,602.34 |
| SMFA Interest (from Sheet 8) | $ 71 94 | $ 587 08 | $ 936.34 | $ 413 49 | $ 702 33 | $ 2,073.04 | $ 2,513.37 | $ 7,297.59 |
| Net Deferred Revenue Requirement | -$ 6,971 64 | -$ 13,311 76 | -$ 11,294 18 | $ 32,873 60 | $ 84,875.06 | $ 71,091 98 | $ 138,325 15 | $ 295,588.21 |
| Number of Metered Customers (average for 2012 test year) | | | | | | | 3730 | |

**Calculation of Smart Meter Disposition Rider (per metered customer per month)**

| | | |
|---|---|---|
| Years for collection or refunding | | 1 |
| Deferred Incremental Revenue Requirement from 2006 to December 31, 2011 plus Interest on OM&A and Amortization | $ | 367,558 91 |
| SMFA Revenues collected from 2006 to 2012 test year (inclusive) Plus Simple Interest on SMFA Revenues | $ | 249,899 93 |
| Net Deferred Revenue Requirement | $ | 117,658 98 |
| SMDR — November 1, 2012 to October 31, 2013 | $ | 2 63 |
| Check: Forecasted SMDR Revenues | $ | 117,718.80 |

Match

**Calculation of Smart Meter Incremental Revenue Requirement Rate Rider (per metered customer per month)**

| | | |
|---|---|---|
| Incremental Revenue Requirement for 2012 | $ | 177,929 24 |
| SMIRR | $ | 3.98 |
| Check: Forecasted SMIRR Revenues | $ | 178,144 80 |

Match

# Appendix B

# Proposed Tariff Sheets

# Fort Frances Power Corporation
## TARIFF OF RATES AND CHARGES
### Effective Date December 1, 2012
### Implementation Date December 1, 2012

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

EB-2012-0327

## RESIDENTIAL SERVICE CLASSIFICATION

This section governs all services intended to supply electrical energy to buildings or sections of buildings devoted to living quarters such as houses, living accommodations at the rear of stores, self-contained and individually metered suites. These services are commonly referred to as Residential or Domestic Services. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|---|---|
| Service Charge | $ | 11.99 |
| Smart Meter Disposition Rider - Effective Until November 30, 2013 | $ | 3.64 |
| Smart Meter Incremental Rate Rider- Effective Until April 30, 2014 | $ | 3.45 |
| Distribution Volumetric Rate | $/kWh | 0.0088 |
| Rate Rider for Lost Revenue Adjustment (LRAM) - Effective Until April 30, 2013 | $/kWh | 0.0011 |
| Rate Rider for Deferral/Variance Account Disposition (2012)-effective until April 30, 2013 | $/kWh | (0.0048) |
| Rate Rider for Global Adjustment Sub-Account (2012) – Effective Until April 30, 2013 Applicable only for NonRPP Customers | $/kWh | (0.0015) |
| Retail Transmission Rate – Network Service Rate | $/kWh | 0.0067 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | $/kWh | 0.0016 |

### 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 |

# Fort Frances Power Corporation

## TARIFF OF RATES AND CHARGES

**Effective Date December 1, 2012**
**Implementation Date December 1, 2012**

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

EB-2012-0327

## GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This section governs small commercial services and includes small stores, small service stations, restaurants, churches, small offices and other establishments with similar loads and whose monthly average peak demand is less than, or forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|---|---|
| Service Charge | $ | 28.89 |
| Smart Meter Disposition Rider - Effective Until November 30, 2013 | $ | 13.47 |
| Smart Meter Incremental Rate Rider- Effective Until April 30, 2014 | $ | 7.03 |
| Distribution Volumetric Rate | $/kWh | 0.0066 |
| Rate Rider for Lost Revenue Adjustment (LRAM) - Effective Until April 30, 2013 | $/kWh | 0.0003 |
| Rate Rider for Deferral/Variance Account Disposition (2012)-effective until April 30, 2013 | $/kWh | (0.0047) |
| Rate Rider for Global Adjustment Sub-Account (2012) – Effective Until April 30, 2013 Applicable only for NonRPP Customers | $/kWh | (0.0015) |
| Retail Transmission Rate – Network Service Rate | $/kWh | 0.0061 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | $/kWh | 0.0014 |

### 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 |

# Fort Frances Power Corporation
## TARIFF OF RATES AND CHARGES
### Effective Date December 1, 2012
### Implementation Date December 1, 2012

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

EB-2012-0327

## GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This type of service will normally be applicable to small industry, departmental or larger stores such as supermarkets, shopping centres, storage buildings, large garages, restaurants, office buildings, institutions, hotels, hospitals, schools, colleges, arenas, apartment blocks or buildings and other comparable establishments and whose monthly average peak demand is equal to or greater than, or forecast to be equal to or greater than 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|---|---|
| Service Charge | $ | 240.90 |
| Smart Meter Disposition Rider - Effective Until November 30, 2013 | $ | 20.87 |
| Smart Meter Incremental Rate Rider- Effective Until April 30, 2014 | $ | 9.72 |
| Distribution Volumetric Rate | $/kW | 3.5771 |
| Rate Rider for Lost Revenue Adjustment (LRAM) - Effective Until April 30, 2013 | $/kW | 0.0584 |
| Rate Rider for Deferral/Variance Account Disposition (2012)-effective until April 30, 2013 | $/kW | (1.8508) |
| Rate Rider for Global Adjustment Sub-Account (2012) – Effective Until April 30, 2013 Applicable only for NonRPP Customers | $/kW | (0.6074) |
| Retail Transmission Rate – Network Service Rate | $/kW | 2.4942 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | $/kW | 0.5798 |

### 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 |

# Fort Frances Power Corporation
## TARIFF OF RATES AND CHARGES
### Effective Date December 1, 2012
### Implementation Date December 1, 2012

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

EB-2012-0327

## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

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

### APPLICATION

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

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

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

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

**MONTHLY RATES AND CHARGES - Delivery Component**

| | | |
|---|---|---|
| Service Charge (per customer) | $ | 28.89 |
| Distribution Volumetric Rate | $/kWh | 0.0066 |
| Rate Rider for Deferral/Variance Account Disposition (2012)-effective until April 30, 2013 | $/kWh | (0.0045) |
| Retail Transmission Rate – Network Service Rate | $/kWh | 0.0061 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | $/kWh | 0.0014 |

**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 |

# Fort Frances Power Corporation
## TARIFF OF RATES AND CHARGES
### Effective Date December 1, 2012
### Implementation Date December 1, 2012

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

EB-2012-0327

## STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality within the service boundaries. The consumption for these customers is based on the calculated load times the established hours of use in the OEB load shape template. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|---|---|
| Service Charge (per connection) | $ | 1.16 |
| Distribution Volumetric Rate | $/kW | 3.0363 |
| Rate Rider for Global Adjustment Sub-Account (2012) – Effective Until April 30, 2013 Applicable only for NonRPP Customers | $/kW | (0.4978) |
| Rate Rider for Deferral/Variance Account Disposition (2012)-effective until April 30, 2013 | $/kW | (1.5689) |
| Retail Transmission Rate – Network Service Rate | $/kW | 1.8812 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | $/kW | 0.4483 |

### 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 |

# Fort Frances Power Corporation
## TARIFF OF RATES AND CHARGES
### Effective Date December 1, 2012
### Implementation Date December 1, 2012

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

EB-2012-0327

## microFIT GENERATOR SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's micoFIT program and connected to the distribuor's distribution system. Further servicing details are available in the distributor's Condition 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 ofthe 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, beit under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

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

### MONTHLY RATES AND CHARGES - Delivery Component

| | | |
|---|---|---|
| Service Charge | $ | 5.25 |

## 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) |

# Fort Frances Power Corporation
## TARIFF OF RATES AND CHARGES
### Effective Date December 1, 2012
### Implementation Date December 1, 2012

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

EB-2012-0327

## SPECIFIC SERVICE CHARGES

**APPLICATION**

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

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

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

| | | |
|---|---|---|
| **Customer Administration** | | |
| Arrears certificate | $ | 15.00 |
| Statement of account | $ | 15.00 |
| Pulling post dated cheques | $ | 15.00 |
| Duplicate invoices for previous billing | $ | 15.00 |
| Request for other billing information | $ | 15.00 |
| Easement letter | $ | 15.00 |
| Income tax letter | $ | 15.00 |
| Notification Charge | $ | 15.00 |
| Account history | $ | 15.00 |
| Credit reference/credit check (plus credit agency costs) | $ | 15.00 |
| Returned cheque charge (plus bank charges) | $ | 15.00 |
| Charge to certify cheque | $ | 15.00 |
| Legal letter charge | $ | 15.00 |
| Account set up charge/change of occupancy charge (plus credit agency costs if applicable) | $ | 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 | $ | 30.00 |
| Collection of account charge - no disconnection - after regular hours | $ | 165.00 |
| Disconnect/Reconnect at meter - during regular hours | $ | 20.00 |
| Disconnect/Reconnect at meter - after regular hours | $ | 185.00 |
| Disconnect/Reconnect at pole - during regular hours | $ | 45.00 |
| Disconnect/Reconnect at pole - after regular hours | $ | 415.00 |
| Install/Remove load control device - during regular hours | $ | 65.00 |
| Install/Remove load control device - after regular hours | $ | 185.00 |
| 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 | $ | 1000.00 |
| Specific Charge for Access to the Power Poles $/pole/year | $ | 22.35 |

# Fort Frances Power Corporation
## TARIFF OF RATES AND CHARGES
### Effective Date December 1, 2012
### Implementation Date December 1, 2012

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

## RETAIL SERVICE CHARGES (if applicable)

**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, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

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

**LOSS FACTORS**

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

| | |
|---|---|
| Total Loss Factor – Secondary Metered Customer < 5,000 kW | 1.0406 |
| Total Loss Factor – Secondary Metered Customer > 5,000 kW | N/A |
| Total Loss Factor – Primary Metered Customer < 5,000 kW | 1.0302 |
| Total Loss Factor – Primary Metered Customer > 5,000 kW | N/A |

# Appendix C

# SMDR Bump Up Model

**SMDR Bump Up to Adjust for Lost SMIRR Revenue**
for FFPC from May 1, 2012 -November 30, 2012

| | | | | | |
|---|---|---|---|---|---|
| Deferred Revenue Requirement (2006 to 2011) | $ 363,716.23 | Sheet 9, Cells C30 to Q30) | | | |
| Interest on OM&A and Depreciation Expense | $ 3,842.68 | Sheet 9, Cells C32 to S32) | | | |
| | | | | | |
| Deferred SMIRR Revenues (May 1 to Dec. 31/2012) | $ 106,731.66 | SMIRR X No. of customers X No. of months | | | |
| *(SMIRR X No. of customers X No. of months)* | | | 3.98 | 3831 | 7 |
| | | | | | |
| SMFA Revenues (2006 to April 30, 2012) | $ 242,602.34 | Sheet 9, Cells G40 to S40 | | | |
| Interest on SMFA Revenues | $ 7,297.59 | Sheet 9, Cells G42 to S42 | | | |
| | | | | | |
| Net Deferred Revenue Requirement to be recovered | $ 224,390.64 | | | | |
| | | | | | |
| Period of be recovered over. (Years) | 1.00 | | | | |
| Number of customers | 3831 | | | | |
| Revised SMDR | $ 4.88 | | | | |
| | | | | | |
| Original Calculated as per Rate Model | $ 2.63 | | | | |

# Appendix D

# Cost Allocation 'Guelph Model'

SMDR'S

Fort Frances Power Corporation-Smart Meter Application

Revised November 16, 2012

**Appendix D**

**SPECIFIC SMDR'S - GUELPH MODEL ADAPTATION- BEYOND MINIMUM FUNCTIONALITY & GS>50 KW RATE CLASS ADDED**

| | 2008 | 2009 | 2010 | 2011 | Total 2009 to 2011 | Explanation Allocator | ID and Factors | Total | RES | GU<50kW | GU>50kW |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Revenue Requirement for the Historical Years Including Interest** | 1,471 | 64,321 | 137,213 | 164,553 | **367,559** | | | | | | |
| **Total Return on Capital** | 582 | 16,131 | 34,770 | 36,800 | **88,283** | Calculated Percentage of Meter Capital | CPMC | 100.00% | 71.13% | 24.77% | 4.10% |
| | | | | | **Allocated per Class** | | | $88,283.00 | $62,795.70 | $21,867.70 | $3,619.60 |
| **Amortization and Interest Expense** | 888 | 28,260 | 61,350 | 70,387 | **160,885** | Calculated Percentage of Meter Capital | CPMC | 100.00% | 71.13% | 24.77% | 4.10% |
| | | | | | **Allocated per Class** | | | $160,884.69 | $114,437.28 | $39,851.14 | $6,596.27 |
| **Operating Expenses (Note 1)** | | 21,797 | 43,082 | 56,479 | **121,358** | Number of Smart Meters Installed for each Class | | 3,832 | 3,350 | 435 | 47 |
| | | | | | **Allocated per Class** | | | $121,358.00 | $106,093.24 | $13,776.29 | $1,488.47 |
| **Grossed-up Taxes/PILs** | 1 | -1,866 | -1,988 | 887 | **-2,967** | Revenue Requirement allocated to each Class before PILs | | $370,525.69 | $283,326.22 | $75,495.12 | $11,704.35 |
| | | | | | **Allocated per Class** | | | -$2,966.76 | -$2,268.56 | -$604.48 | -$93.72 |
| | | | | | | | | **Total** | **RES** | **GU<50kW** | **GU>50kW** |
| **TOTAL REVENUE REQUIREMENT** | | | | | $367,559 | | | **$367,558.93** | **$281,057.66** | **$74,890.64** | **$11,610.63** |

| | | | Total | RES | GU<50kW | GU>50kW |
|---|---|---|---|---|---|---|
| | **Percentage of costs allocated to metered customer classes** | | 100.00% | **76.47%** | **20.38%** | **3.16%** |
| Revenue Generated from Smart Meter Funding Adder | **$249,899.93** | | | | | |
| | | SMFA Revenues directly attributable to class | | 87.35% | 11.37% | 1.28% |
| Revenues Generated from SMFA | **$249,899.93** | | | $ 218,279.94 | $28,410.80 | $3,209.18 |
| SMDR Bump-Up to Adjust for Lost SMIRR Revenue | **$106,731.66** | | | $81,613.44 | $21,746.72 | $3,371.49 |
| Net Deferred Revenue Requirement | **$224,390.66** | | | | | |
| | **Allocated per Class** | | $224,390.66 | $144,391.16 | $68,226.56 | $11,772.94 |
| | **Number of Metered Customers** | (2012) | | 3,305 | 422 | 47 |
| | **Smart Meter Disposition Rate Rider - 12 MONTH PERIOD** | | | **$3.64** | **$13.47** | **$20.87** |
| | | | Anticipated Revenue | **$144,391.16** | **$70,305.23** | **$11,594.02** |

Smart Meter Funding Adder Revenues

| | | Number of customers | | | Estimated SMFA Revenues | | | |
|---|---|---|---|---|---|---|---|---|
| | | Residential | GS < 50 kW | GS > 50 kW | Residential | GS < 50 kW | GS > 50 kW | Total |
| 2006 (May 1, 2006) | | 3,380 | 432 | 47 | $ 7,030.40 | $ 898.56 | $ 97.76 | $ **8,026.72** |
| 2007 | | 3,372 | 441 | 47 | $ 10,520.64 | $ 1,375.92 | $ 146.64 | $ **12,043.20** |
| 2008 | | 3,365 | 443 | 45 | $ 10,498.80 | $ 1,382.16 | $ 140.40 | $ **12,021.36** |
| 2009 | | 3,372 | 442 | 45 | $ 30,482.88 | $ 3,995.68 | $ 406.80 | $ **34,885.36** |
| 2010 | | 3,345 | 435 | 47 | $ 40,140.00 | $ 5,220.00 | $ 564.00 | $ **45,924.00** |
| 2011 | | 3,308 | 429 | 46 | $ 79,392.00 | $ 10,296.00 | $ 1,104.00 | $ **90,792.00** |
| 2012 (to June 30, 2012) | | 3,308 | 422 | 47 | $ 33,850.00 | $ 4,414.00 | $ 656.00 | $ **38,920.00** |
| **Average Customer Count** | **3,831** | **3,350** | **435** | **46** | **$ 211,914.72** | **$ 27,582.32** | **$ 3,115.60** | **$ 242,612.64** |
| Percentage of Customer Base | | 87.4% | 11.4% | 1.2% | **87.35%** | **11.37%** | **1.28%** | 100.00% |

| | | Residential | GS < 50 kW | GS > 50 kW | Total |
|---|---|---|---|---|---|
| **2006 EDR -Weighted Meter Capital** | **CWMC** | **52%** | 18% | 31% | 100% |
| Calculated Minimum Functionality Capital | **Remove GS>50 kW CWMC for calculating total capital cost** | **75%** | **25%** | | 100% |
| Smart Meter Capital Costs by Rate Class | Smart Meter + Install (RES & GS<50kW) | **$429,717.00** | **$143,239.00** | | **$572,956.00** |
| Beyond Minimum Functionality | RES & GS<50 kW Remote Disconnect Feature - 200 meters | **$16,663.47** | **$2,059.53** | | **$18,723.00** |
| Beyond Minimum Functionality | GS<50kW Upgrade to Demand | | **$10,176.00** | | **$10,176.00** |
| Beyond Minimum Functionality | GS>50kW Smart Meter Install- 47 meters | | | **$25,703.00** | **$25,703.00** |
| | | **$446,380.47** | **$155,474.53** | **$25,703.00** | **$627,558.00** |
| | **CPMC** **Calculated Percentage of Smart Meter Capital** | **71.13%** | **24.77%** | **4.10%** | 100.00% |

**SMDR Bump Up to Adjust for Lost SMIRR Revenue**

for FFPC from May 1, 2012 -November 30, 2012

| | | |
|---|---|---|
| Deferred Revenue Requirement (2006 to 2011) | $ | 363,716.23 |
| Interest on OM&A and Depreciation Expense | $ | 3,842.68 |
| Deferred SMIRR Revenues (May 1 to Dec. 31/2 | $ | **106,731.66** |
| *(SMIRR X No. of customers X No. of months)* | | |
| SMFA Revenues (2006 to April 30, 2012) | $ | 242,602.34 |
| Interest on SMFA Revenues | $ | 7,297.59 |
| Net Deferred Revenue Requirement to be reco | $ | 224,390.64 |
| Period of be recovered over. (Years) | | 1.00 |
| Number of customers | | 3831 |
| Revised SMDR | $ | 4.88 |
| Original Calculated as per Rate Model | $ | 2.63 |