November 27, 2012

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

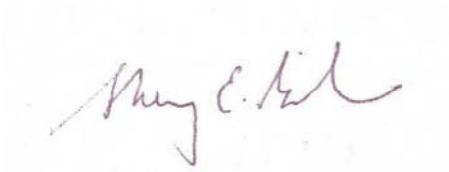
Dear Ms. Walli,

**Re: 2013 Smart Meter Cost Recovery Application EB-2012-0310**
**Kingston Hydro Corporation Reply Submission**

Attached please find Kingston Hydro's Reply Submission relating to Kingston Hydro's Smart Meter Application EB-2012-0310 proceeding.

A complete copy of the Reply Submission and a Smart Meter Model Update (in working Microsoft Excel format) have been filed through the Board's RESS filing system, and two hard copies along with a CD of materials have been sent to the Board via courier.

Respectfully submitted,



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# Kingston Hydro Corporation Reply Submission

## 2013 Smart Meter Cost Recovery Application
## EB-2012-0310

## Introduction

Kingston Hydro filed its smart meter cost recovery application pursuant to section 78 of the *Ontario Energy Board Act, 1998* (the "OEB Act"). Since Kingston Hydro is not required to file a Cost of Service application until 2014 for rates effective in 2015, Kingston filed a stand- alone application for recovery of costs incurred as part of the Smart Meter and Time of Use Pricing Implementation. Kingston filed its application August 24, 2012 for smart meter cost recovery based on actual audited costs incurred to December 31, 2011 and forecasted costs to December 31, 2013.

The Board issued its Letter of Direction and Notice of Application and Hearing (the "Notice") with regard to the application on September 11, 2012. Board-approved intervenor Vulnerable Energy Consumers Coalition ("VECC") and Board staff intervened on the proceeding.

Written interrogatories were filed with the Board and delivered to Kingston by October 15, 2012, and Kingston filed with the Board responses to all interrogatories by the October 29, 2012 Notice deadline.

Per the Notice, written final submissions by Board staff were to be filed with the Board, and copied to all other parties, by November 12, 2012. Written final submissions by an intervenor were to be filed with the Board, and copied to all other parties by November 15, 2012. Board staff communicated to Kingston on November 12, 2012, a delay with their final submissions due to a power outage and office closure. Kingston received Board staff's submissions on November 13, 2012. VECC submitted its final submissions on November 16, 2012, and then subsequently submitted revised submissions on November 20, 2012.

Kingston has reviewed VECC's revised November 20, 2012 submissions in comparison to the initial November 16, 2012 submissions and notes that the difference between the

two submissions appears specific to page 5 with regard to VECCs submission on prudence review of smart meter costs and average cost per meter. Further Kingston notes that on page 9, the revised submission indicates all of which is submitted the 15th day of November 2012 whereas it should read the 20th day of November 2012.

**Kingston will address the following matters in its Reply submissions:**

- **Installed Smart Meters**
- **Smart Meter Capital Cost Recognition**
- **Prudence of Smart Meter Costs and Capital Cost per Meter**
- **Taxes**
- **Cost Allocation, SMFA Revenue Allocation, Smart Meter Rate Riders**

## 1. Installed Smart Meters

### VECC submission

In VECC's revised reply submission, p. 2, VECC states that, "Kingston's original application reflects a total of 26,385 installed smart meters as at December 31, 2011: 23,244 residential and 3,141 GS<50 kW.[1] VECC notes Kingston's updated smart meter model shows 20 less residential smart meters installations as at December 31, 2011: 23,225 residential and 3,140 GS<50 kW, for a total of 26,365 installed smart meters."[2]

### Kingston response to VECC submission

Kingston's application smart meter model Sheet 2 and updated smart meter model Sheet 2 are consistent with respect to the total number of installed smart meters as at December 31, 2011.

[1] VECC reference: Application, Page 9
[2] VECC reference: Updated Smart Meter Recovery Model, Sheet 2, 20121029

Excerpts from Sheet 2 of the Application Smart Meter Model and from Sheet 2 of the IRR Update Smart Meter Model are provided as follows:

**SHEET 2 Smart Meter Model**
**ORIGINAL APPLICATION**

| Smart Meter Capital Cost and Operational | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Audited Actual | 2011 Audited Actual | 2012 Forecast | 2013 Forecast | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Smart Meter Installation Plan** | | | | | | | | | |
| **Actual/Planned number of Smart Meters installed during the Calendar Year** | | | | | | | | | |
| Residential | | | | | 22,822 | 403 | 19 | | 23244 |
| General Service < 50 kW | | | | | 3,066 | 74 | 1 | | 3141 |
| Actual/Planned number of Smart Meters ins | 0 | 0 | 0 | 0 | 25888 | 477 | 20 | 0 | 26385 |

**SHEET 2 Smart Meter Model**
**IRR UPDATE**

| Smart Meter Capital Cost and Operational | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Audited Actual | 2011 Audited Actual | 2012 Forecast | 2013 Forecast | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Smart Meter Installation Plan** | | | | | | | | | |
| **Actual/Planned number of Smart Meters installed during the Calendar Year** | | | | | | | | | |
| Residential | | | | | 22,822 | 403 | 219 | 540 | 23984 |
| General Service < 50 kW | | | | | 3,066 | 74 | 29 | 60 | 3229 |
| Actual/Planned number of Smart Meters ins | 0 | 0 | 0 | 0 | 25888 | 477 | 248 | 600 | 27213 |

**Original Application:** The installed smart meters as at December 31, 2011 total 26,365 (23,225 residential and 3,140 GS < 50 kW)

**Updated IRR Model:** The installed smart meters as at December 31, 2011 total 26,365 (23,225 residential and 3,140 GS < 50 kW)

In both Sheet 2 of the Application Smart Meter Model and in Sheet 2 of the Updated Smart Meter Model, the installed smart meters as at December 31, 2011 total 26,365 (23,255 residential and 3,140 GS < 50 kW).

Kingston states in its Application on page 9, that "A total of 26,385 meters were installed for 23,244 Residential customers and 3,141 General Service < 50 customers." To clarify, the installed smart meter numbers on page 9 of the Application reflect the total cumulative smart meters installed as filed with the OEB March 9, 2012, not the number of smart meters installed at December 31, 2011. Kingston's IRR Updated Smart Meter

Model does not show 20 less residential meters installed as at December 31, 2011 in comparison to the application.

## 2. Smart Meter Capital Cost Recognition

### Board staff submission

Board staff submitted that there appeared to be some issues with Kingston's recognition of capital costs, as a result of Kingston's responses to Board staff # 2 a), b), c) and VECC interrogatory # 12 a) and b). Kingston had in response noted that the 477 smart meters installed in 2011 were part of the bulk purchases that were made during 2009 and 2010, and hence the reason for smart meter installation costs incurred in 2011 but no meter costs. Also in 2011 there are 1.1.2 installation costs of $229,779 but no 1.1.1 smart meter capital costs recorded. Board staff submitted that the capital cost is not recognized until the meters are in-service and used and useful, and invited Kingston to update the smart meter model version 3.00 accordingly. [3]

### VECC submission

VECC agreed with Board staff's submission that the number of meters installed should be matched to the capital costs and installation in the year the meters are installed, not purchased to ensure that the capital cost is not recognized until the meters are in-service and used and useful. [4]

### Kingston Hydro response to Board staff and VECC submissions

As part of this smart meter cost recovery application **Kingston used its normal capitalization policy in the accounting treatment of meters; account 1860 Meters are capitalized and amortized when available for use.** This follows guidance from several sources through the years:

- Article *510 of the Ontario Energy Board Accounting Procedures Handbook for Electric Distribution Utilities*, effective prior to the current accounting procedures handbook, **indicates that meters are treated as property, plant and equipment and amortized when available for use.** [5]

[3] Board Staff Submission, Page 8
[4] VECC Revised Submission, Page 5
[5] Ontario Energy Board Accounting Procedures Handbook for Electric Distribution Utilities, effective January 1, 2000, revised July 31, 2007, Article 510, Pages 9-10

- The Board *Guideline G-2008-0002 Smart Meter Funding and Cost Recovery ("Guideline G-2008-0002")* issued October 22, 2008, indicates that "the distributor's normal capitalization policies should be followed". [6]

- The *Ontario Energy Board Accounting Procedures Handbook Frequently asked Questions* issued December 23, 2010, in response to Q.10, states that "the distributor's standard capitalization policy should apply." [7]

- The current Board *Guideline G-2011-0001: Smart Meter Funding and Cost Recovery – Final Disposition* Guideline ("Guideline G-2011-0001"), issued December 15, 2011, which supersedes Guideline G-2008-002, is silent on this issue.

- In the current *Accounting Procedures Handbook for Electricity Distributors,* effective January 1, 2012, the definition of account 1555 Smart Meter Capital and Recovery Offset Variance Account indicates distributor's normal capitalization policies from its last cost of service proceeding should be applied to capital asset expenditures recorded in this account. [8] **Kingston capitalization policy as indicated above was used as part of Kingston's 2011 cost of service application (EB-2010-0136) and is provided in Appendix A of this reply submission.**

Kingston submits that its recognition of smart meter capital costs is consistent with its capitalization policy and complies with relevant guidelines and with the Accounting Procedures Handbook, both past and current.

[6] G-2008-0002 Guideline Smart Meter Funding and Cost Recovery, issued October 22, 2008, Page 7
[7] Ontario Energy Board Accounting Procedures Handbook Frequently Asked Questions December 23, 2010, Q. & A. 10, Page 13
[8] Ontario Energy Board Accounting Procedures Handbook for Distributors, issued December 2011, effective January 1, 2012, Article 220, Page 27.

## 3. Prudence of Smart Meter Costs and Capital Cost Per Meter

### Board staff submission

Board staff submitted that it considered Kingston's documented costs reasonable based upon the costs provided by Kingston in the revised smart meter model. Board staff noted that Kingston's total cost per meter worked out to an average of $214.11 (capital and OM&A) which is below the provincial average of $226.92 or $194.80 (capital only). [9]

### VECC submission

VECC submitted in its revised submission that it had no issue with one-time expenses in 2013. However that VECC did have concerns regarding the difference average procurement cost per meter in 2011 compared to 2012 and 2013: $121, $536, and $255, respectively. VECC indicated that Kingston had noted in an interrogatory response to Board staff IR #3 b) that the economies of scale seen in earlier installations were not available going forward. VECC had concerns regarding the high smart meter procurement costs in 2012 compared to 2011 and asked that Kingston include in its reply submission an explanation for the higher capital costs per meter in 2012. Otherwise, only audited costs to the end of 2011 should be included in this application for recovery. [10]

### Kingston Hydro response to Board staff and VECC submission

Kingston has calculated the average procurement capital cost per meter for each year, 2010 – 2013 inclusively, as well as the overall procurement average cost per meter, based upon the calculation [Line 1.1.1 / installed smart meters] provided by VECC in its revised submission. [11] Kingston disagrees with VECC's 2011 procurement cost per meter of $121. Kingston did not record any capital costs on Line 1.1.1 for the 2011 year and hence no procurement average cost per meter can be calculated for the 2011 year if one is deriving the average cost per meter using data from Line 1.1.1 of the model. For years 2012 and 2013 Kingston's calculated average capital cost per meter using data from Line 1.1.1 agrees with VECCs average procurement capital cost per meter using data from Line 1.1.1.

[9] Board staff Submission, Pages 3- 4
[10] VECC Revised Submission, Page 7
[11] VECC Revised Submission, Page 7

In the following table Kingston has provided its calculation of average capital cost per meter (based on Line 1.1.1) as compared to VECCs calculated procurement average capital cost per meter:

**FROM SHEET 2**
**IRR Updated Smart Meter Model**

| | 2009 | 2010 | 2011 | 2012 | 2013 | Total |
|---|---|---|---|---|---|---|
| Smart Meters Installed | | 25,888 | 477 | 248 | 600 | 27,213 |
| Line 1.1.1 | 1,276,224 | 1,917,732 | | 133,103 | 153,000 | 3,480,059 |
| Average Capital Cost per Meter | | $ 74.08 | $ - | $ 536.71 | $ 255.00 | $ 127.88 |
| **VECC Revised Submission** | | | | | | |
| VECC Average Capital Cost per Meter | | | $ 121.00 | $ 536.00 | $ 255.00 | |

Kingston submits that based on Kingston's capitalization policy, the average capital cost per meter would fluctuate from year to year. Kingston recorded smart meter capital costs in the year that smart meters were procured rather than in service, and as a result the number of meters installed does not necessarily match to the capital costs and installation in the year meters are installed.

Kingston notes that in fall 2011, when Kingston moved accounts to TOU billing, a number of installed smart meters were identified as failures for TOU billing purposes due to various communication issues and to bill TOU it was necessary to replace these meters. Of these, 380 smart meters that failed were off-warranty. Kingston procured and installed 380 replacements in 2012 and the cost of these 380 smart meter start-up replacements is included in 2012 Line 1.1.1. As a result the 2012 average procurement cost per meter that VECC calculated is skewed since the 380 replacement meters do not change the total number of smart meters installed in 2012. If these replacement meters are included in the 2012 installed smart meter total for purposes of VECC's calculation then the 2012 average procurement cost per meter (based on Line 1.1.1 subset of 2012 capital costs) is $211.75 and more consistent with the 2013 average cost per meter (based on Line 1.1.1 subset of 2013 capital costs) of $255.

Kingston submits that it is the overall average cost per meter that is of importance in the determination of reasonableness of Kingston's smart meter costs. The smart meter capital cost that VECC has calculated is a subset of Kingston's overall average cost per meter since VECC calculated based solely on procurement capital costs from Line 1.1.1 of Sheet 2.

Kingston submits that its costs based on actual audited costs incurred to December 31, 2011 and forecasted costs to December 31, 2013 are reasonable and hence should be included in this application for recovery. And Board staff has in its submission stated that Kingston's documented costs are reasonable citing that Kingston's total cost per meter of $214.11 (capital and OM&A) is below the provincial average of $226.92 or $194.80 (capital only).

## 4. Taxes

### Board staff submission

Board staff indicates in its taxes submission that there appears to be some issues with the tax rates for 2010 and 2011 that Kingston has used in its application. Board staff asks that Kingston confirm in its reply submission that 2010 and 2011 tax rates correspond with what has been reflected in Kingston's Board approved rates and not the actual tax rate and to update the smart meter model accordingly. [12]

### Kingston Hydro response to Board staff submission

Kingston filed its smart meter cost recovery application in accordance with the filing guidelines. For the Board's information, Kingston has updated the Smart Meter model to include the Board approved tax rates that Board staff requested in its argument. **Kingston reaffirms that it is applying for PILS recovery that are based on its actual tax rates for 2010 and 2011.**

Kingston used its actual tax rates for each of the periods 2010 and 2011 as that was what the OEB model instructed distributors to use. This note was inserted in the OEB's model by Keith C. Ritchie. Kingston agrees with the instructions in the OEB's model that this is the most appropriate rate to use as it is the rate whereby Kingston paid tax and received the benefits of the CCA write-offs. To use any other tax rate, would result in a PILs recovery in the revenue requirement calculation which did not reflect Kingston's actual tax situation and therefore result in an inappropriate recovery of Kingston's costs. **Kingston urges the Board to allow Kingston to use its actual tax rates in 2010 and 2011 to ensure a PILS recovery consistent with the intent and spirit of the PILS recovery mechanism.**

[12] Board staff Submission, Page 8

## 5. (a) Cost Allocation, (b) SMFA Revenue Allocation, and (c) Calculation of Smart Meter Rate Riders

### Board staff submission

On the issue of cost allocation, Board staff expressed concern regarding Kingston's explanations for not having information on the costs of meters of different types of meters by customer class and that in the majority of smart meter applications, distributors have been able to provide suitable data of sufficient quality. Board staff noted that the matter of cost allocation was first raised in two PowerStream applications, and that a methodology was developed in Guelph-Hydro Electric System Ltd.'s 2012 cost of service application to get a suitable proxy cost allocation, and that the more exacting method of class-specific Smart Meter Models proposed by VECC has been used in some applications. And that through either approach, distributors have been able to come up with adequate data for a reasonable approximation for allocating costs. [13]

Board staff raised the issue that Kingston's proposed GS < 50kW SMDR rider is less than the residential SMDR rider which is "counterintuitive", since as has been the general experience in the majority of smart meter applications to date, the average installed cost per meter for a GS < 50kW customer is higher than that for Residential smart meters, due to a higher relative proportion of poly-phase smart meters for GS < 50 kW customers. And by extension, Board staff contended that the SMIRR for the GS < 50 kW customer should also be higher than that for a Residential customer whereas Kingston has proposed an identical SMIRR for both Residential and GS < 50kW customers. Board staff noted that while this situation had been observed in other applications, the issue has been traced back to a misallocation of smart meter costs and/or SMFA revenues. Board staff submitted that the SMDRs and SMIRRs should not be approved as proposed. [14]

### VECC submission

VECC in its submission shared the same concerns as Board staff and supported Board staff's submissions on cost allocation and smart meter rate riders and that Kingston

[13] Board Staff Submission, Pages 5-6
[14] Board Staff Submission, Page 7

should re-calculate class-specific SMDRs and SMIRRs in line with approaches approved by the Board in recent smart meter cost disposition and recovery applications. [15]

**Kingston Hydro responses to Board staff and VECC submissions**

Kingston offers the following responses to Board staff and VECC submissions on **(a)** cost allocation, **(b)** SMFA revenue allocation, and **(c)** calculation of the SMFA rate riders.

**(a) Smart Meter Capital Costs Allocator**

Kingston has reviewed the submissions of Board staff and VECC on this issue and agrees with Board staff and VECC on the suitability of the cost allocator for smart meter capital costs. As explained in Kingston's response to VECC interrogatory #11 d), Kingston does not have readily available the smart meter cost information by rate class. Kingston was not required to have detailed tracking of smart meter costs by rate class and Kingston appropriately tracked its costs as efficiently and cost effectively as possible.

Kingston in its smart meter application used Residential and GS < 50 kW rate class customer numbers as a proxy to allocate costs. A more suitable allocator Kingston could use in its methodology for a proxy allocation of costs is readily available from Kingston's 2011 cost of service ("COS") Board-approved Cost Allocation ("CA") model. The use of the 2011 CA Model allocations for USoA account 1860 in Kingston's calculation of SMDR and SMIRR rate riders results in riders that more intuitively reflect expected outcomes of a lesser rate rider for Residential in comparison to GS < 50kW rate classes.

Kingston proposes to update its smart meter capital cost allocation in the Smart Meter Rate Model. Kingston has recalculated the smart meter disposition rider using the following cost allocation methodology that is based on the methodology developed in Guelph-Hydro Electric System Ltd.'s 2012 cost of service application (EB-2011-0123) to get a suitable proxy cost for it smart meter capital costs for calculation of its SMDRs. The revenue requirement is allocated as follows:

[15] VECC Revised Submission, Page 8

- On the basis of Kingston's 2011 Cost Allocation Model allocation of Account 1860 (CWMC in the cost allocation model), take the allocation of Account 1860 costs specific to Residential and GS<50 from the 2011 CA Model, and calculate the percentage split between these two classes. Since in Kingston's smart meter application, the allocation of smart meter capital costs is for Residential and GS < 50kW rate classes only, Kingston proposes to take resulting split to be used as the proxy for smart meter capital cost allocation between the Residential and GS < 50kW. The Return (deemed interest plus return on equity) and Amortization are allocated between the Residential and GS < 50 kW customer classes on the basis of the proxy for smart meter capital costs of meters installed for each class.
- The OM&A is allocated based on the number of meters installed for Residential and GS < 50kW.
- PILS is allocated based on the revenue requirement allocated to each class before PILs.
- Allocated amounts are summed and the percentages of costs calculated that are allocated to customer rate classes.

In the tables below, the CWMC Allocator used to allocate costs for USoA Account 1860 and resulting allocation to all metered rate classes in Kingston's 2011 CA Model are provided. In **Appendix B** the relevant sheets from Kingston's 2011 approved CA Model are provided.

**From 2011 CA Model: Allocator and Allocation of Costs to Classes for USoA Account 1860**

| USoA Account 1860 Meters | Total | Residential | GS <50 | GS>50 | Large Use >5MW | Street Light | Unmetered Scattered Load |
|---|---|---|---|---|---|---|---|
| CWMC Allocator: | 100.00% | 75.81% | 16.05% | 8.03% | 0.11% | 0.00% | 0.00% |
| Allocation to Classes: | $4,555,263 | $3,453,457 | $731,236 | $365,612 | $4,958 | $0 | $0 |

**Allocator for Smart Meter - Capital Costs**

| USoA Account 1860 Meters | Total | Residential | GS <50 |
|---|---|---|---|
| Residential & GS < 50 Costs from CA Model: | $4,184,693 | $3,453,457 | $731,236 |
| Weighted Smart Meter Cost Allocator: | 100.00% | **82.53%** | **17.47%** |

Kingston proposes to update the smart meter cost allocator in the Smart Meter Model to reflect 82.53% for Residential and 17.47% to GS < 50 kW rate classes.

## (b) SMFA Revenue Allocation

Board staff had noted in its submission that the situation observed in Kingston's application with regard to the resulting riders had been observed in other applications, however that the anomaly had been traced back to a misallocation of costs and/or SMFA revenues, and had been easily corrected. Kingston is satisfied that the proposed update to the weighted smart meter cost allocator in this reply submission eradicates the anomaly however as a result of the note, Kingston has re-examined its allocation of SMFA revenues to ensure correctness.

Kingston in its interrogatory response to Board staff #13 a) 2) provided an explanation of Kingston's SMFA revenue allocation and that Kingston had used RRR filed customer numbers as a proxy to allocate SMFA revenues. The resulting total SMFA by Class and percentages (allocator) were provided in response to VECC # 11 c) interrogatory. In the following table further detail of the SMFA revenue allocation used in the smart meter application is provided:

**Application: SMFA Revenue Allocation by Class**

**** Number of Customers**

| Customer Class Name | May-06 | Dec-06 | Dec-07 | Dec-08 | Dec-09 | Dec-10 | Dec-11 | Jul-12 |
|---|---|---|---|---|---|---|---|---|
| Residential | 22,409 | 22,738 | 22,818 | 23,142 | 23,223 | 23,357 | 23,258 | 23,070 |
| General Service Less Than 50 kW | 3,259 | 3,385 | 3,445 | 3,264 | 3,255 | 3,262 | 3,223 | 3,199 |
| General Service 50 to 4,999 kW | 426 | 276 | 347 | 366 | 351 | 342 | 358 | 360 |
| Large Use | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |

***These December balances above are based on what was filed in 2.1.2 with the OEB*

**Average Number of Customers**

| Customer Class Name | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|---|---|---|---|---|---|---|---|
| Residential | | 22,574 | 22,778 | 22,980 | 23,183 | 23,290 | 23,308 | 23,164 |
| General Service Less Than 50 kW | | 3,322 | 3,415 | 3,355 | 3,260 | 3,259 | 3,243 | 3,211 |
| General Service 50 to 4,999 kW | | 351 | 312 | 357 | 359 | 347 | 350 | 359 |
| Large Use | | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| **TOTAL** | | **26,250** | **26,508** | **26,694** | **26,804** | **26,898** | **26,903** | **26,737** |

**SMFA Allocators**

| Customer Class Name | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|---|---|---|---|---|---|---|---|
| Residential | | 86.00% | 85.93% | 86.09% | 86.49% | 86.59% | 86.64% | 86.64% |
| General Service Less Than 50 kW | | 12.66% | 12.88% | 12.57% | 12.16% | 12.11% | 12.05% | 12.01% |
| General Service 50 to 4,999 kW | | 1.34% | 1.18% | 1.34% | 1.34% | 1.29% | 1.30% | 1.34% |
| Large Use | | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% |
| **TOTAL** | | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** |

| | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | Total |
|---|---|---|---|---|---|---|---|---|---|
| **SMFA Revenues Collected** | | $ 54,394.08 | $ 87,845.90 | $ 91,089.18 | $ 86,301.05 | $ 221,930.94 | $ 329,797.83 | $ 153,612.67 | **$ 1,024,971.65** |

**SMFA Revenue Allocation to Classes**

| Customer Class Name | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | Total SMFA by Class | Percentages |
|---|---|---|---|---|---|---|---|---|---|---|
| Residential | | $ 46,776.69 | $ 75,486.33 | $ 78,415.72 | $ 74,642.27 | $ 192,161.93 | $ 285,721.40 | $ 133,084.64 | **$ 886,288.99** | **86.47%** |
| General Service Less Than 50 kW | | $ 6,883.83 | $ 11,317.32 | $ 11,446.72 | $ 10,494.83 | $ 26,885.34 | $ 39,749.08 | $ 18,448.23 | **$ 125,225.35** | **12.22%** |
| General Service 50 to 4,999 kW | | $ 727.34 | $ 1,032.31 | $ 1,216.50 | $ 1,154.29 | $ 2,858.91 | $ 4,290.57 | $ 2,062.57 | **$ 13,342.50** | **1.30%** |
| Large Use | | $ 6.22 | $ 9.94 | $ 10.24 | $ 9.66 | $ 24.75 | $ 36.78 | $ 17.24 | **$ 114.82** | **0.01%** |
| TOTAL | | $ 54,394.08 | $ 87,845.90 | $ 91,089.18 | $ 86,301.05 | $ 221,930.94 | $ 329,797.83 | $ 153,612.67 | **$1,024,971.65** | **100.00%** |

Kingston used RRR filed customer counts in the smart meter application however Kingston also has available as the result of its 2011 COS application proceeding, customer counts that underpin the Board-approved 2011 load forecast.

In Kingston's re-examination of its allocation of SMFA revenues, Kingston has for comparison calculated the SMFA customer class allocator using these Board-approved numbers that are average annual customer counts. For 2012 customer counts which were not part of the COS proceeding, Kingston has used an average of available year to date monthly actual counts.

The customer counts and resulting SMFA revenue customer class allocator using 2011 Approved COS customer counts is provided in the following table:

SMFA Revenues allocated using 2011 Approved COS customer counts

**Kingston Hydro Corporation (ED-2003-0057)**
**2011 EDR Application (EB-2010-0136) version: 18 "Draft Rate Order"**

**C2 Load Data and Forecast**
*Enter historical volume data and projections for 2010-2011*

*** CUSTOMERS**

| Customer Class Name | 2006 Actual | 2007 Actual | 2008 Actual | 2009 Actual | 2010 Normalized | 2011 COS Test Yr | 2012 Average (Jan to Oct) |
|---|---|---|---|---|---|---|---|
| Residential | 22,481 | 22,591 | 22,938 | 23,107 | 23,246 | 23,386 | 23,243 |
| General Service Less Than 50 kW | 3,254 | 3,214 | 3,269 | 3,266 | 3,249 | 3,244 | 3,204 |
| General Service 50 to 4,999 kW | 428 | 413 | 354 | 348 | 347 | 347 | 359 |
| Large Use | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| **TOTAL** | **26,166** | **26,221** | **26,564** | **26,724** | **26,845** | **26,980** | **26,809** |

* COS Rate Application: 3.1.2 Actuals reflect Average Annual Customer Counts

**SMFA Allocators**

| Customer Class Name | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---|---|---|---|---|---|---|---|
| Residential | 85.92% | 86.16% | 86.35% | 86.47% | 86.59% | 86.68% | 86.70% |
| General Service Less Than 50 kW | 12.44% | 12.26% | 12.31% | 12.22% | 12.10% | 12.02% | 11.95% |
| General Service 50 to 4,999 kW | 1.64% | 1.58% | 1.33% | 1.30% | 1.29% | 1.29% | 1.34% |
| Large Use | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% | 0.01% |
| **TOTAL** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** | **100.00%** |

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | Total |
|---|---|---|---|---|---|---|---|---|
| **SMFA Revenues** | $ 54,394.08 | $ 87,845.90 | $ 91,089.18 | $ 86,301.05 | $ 221,930.94 | $ 329,797.83 | $ 153,612.67 | **$ 1,024,971.65** |

**SMFA Revenue Allocation**

| Customer Class Name | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | Total | % Split |
|---|---|---|---|---|---|---|---|---|---|
| Residential | $ 46,733.67 | $ 75,684.63 | $ 78,655.46 | $ 74,620.50 | $ 192,177.56 | $ 285,865.53 | $ 133,179.88 | **$ 886,917.24** | **86.53%** |
| General Service Less Than 50 kW | $ 6,764.44 | $ 10,767.58 | $ 11,209.55 | $ 10,547.04 | $ 26,859.89 | $ 39,653.97 | $ 18,358.57 | **$ 124,161.05** | **12.11%** |
| General Service 50 to 4,999 kW | $ 889.73 | $ 1,383.64 | $ 1,213.88 | $ 1,123.81 | $ 2,868.69 | $ 4,241.65 | $ 2,057.03 | **$ 13,778.44** | **1.34%** |
| Large Use | $ 6.24 | $ 10.05 | $ 10.29 | $ 9.69 | $ 24.80 | $ 36.67 | $ 17.19 | **$ 114.92** | **0.01%** |
| TOTAL | $ 54,394.08 | $ 87,845.90 | $ 91,089.18 | $ 86,301.05 | $ 221,930.94 | $ 329,797.83 | $ 153,612.67 | **$1,024,971.65** | **100.00%** |

Provided in **Appendix C** is the final customer counts sheet taken directly from Kingston's 2011 COS Rate Maker Model as approved for Kingston's 2011 rates.

The following table provides a summary the SMFA allocators using RRR filed customer counts available from the smart meter application in comparison to SFMA allocators that would result using 2011 COS customer counts that underpin the approved 2011 load forecast.

**SMFA Revenue Allocation to Classes - Comparison of two Methodologies**

| | Application - using RRR counts | | Reply Sub - using COS counts | | Difference (COS - RRR) | |
|---|---|---|---|---|---|---|
| **Customer Class Name** | Total SMFA by Class | Percentages | Total SMFA by Class | Percentages | **$** | **%** |
| Residential | $ 886,288.99 | 86.47% | $ 886,917.24 | 86.53% | **$ 628.25** | **0.06%** |
| General Service Less Than 50 kW | $ 125,225.35 | 12.22% | $ 124,161.05 | 12.11% | **-$ 1,064.30** | **-0.10%** |
| General Service 50 to 4,999 kW | $ 13,342.50 | 1.30% | $ 13,778.44 | 1.34% | **$ 435.94** | **0.04%** |
| Large Use | $ 114.82 | 0.01% | $ 114.92 | 0.01% | **$ 0.10** | **0.00%** |
| TOTAL | $ 1,024,971.65 | 100.00% | $ 1,024,971.65 | 100.00% | | |

The comparison shows the two methodologies yield similar SMFA allocators and SMFA revenue allocations and that there does not appear to be a misallocation of SMFA revenues. Since though the COS customer counts have underwent the rigor of the COS proceeding and are Board-approved, Kingston proposes to update the Smart Meter Model to reflect the SMFA allocators that are based on the COS customer counts.

## (c) Smart Meter Rate Riders

Updates to Kingston's Smart Meter Model proposed in Kingston's reply submissions have resulted in changes to calculated SMDRs and SMIRRs. More specifically, Kingston has updated in the Smart Meter Model the capital costs allocation and the revenue allocation which results in riders that more intuitively reflect expected outcomes of a Residential SMDR and SMIRR that are less than the GS < 50 kW SMDR and SMIRR riders.

With regard to the tax issue addressed in this reply submission, Kingston has argued that Kingston's actual tax rates in 2010 and 2011 should be used to ensure a PILS recovery consistent with the intent and spirit of the PILS recovery mechanism.

In the tables below, Kingston provides the Application smart meter rate riders, the updated rate riders that resulted from interrogatory responses, and then smart meter rate riders that result from Kingston's reply submission using actual tax rates (Table 1) and then using tax rates that Board staff requested in its argument (Table 2). These are provided to show the effect that actual tax rates and Board approved tax rates have on the resulting rate riders.

In the following Table 1, the Reply Submission Update rate riders reflect update to capital costs allocation, update to revenue allocation, and **Actual tax rates**:

**Table 1:** Smart Meter Rate Riders – Reply submission reflects actual tax rates

| **SMDR** | **January 1, 2013 to December 31, 2014** | APPLICATION | IRR UPDATE | **REPLY Submission UPDATE *with Actual Tax Rates*** |
|---|---|---|---|---|
| Residential | | $0.80 | $1.12 | **$0.97** |
| GS< 50 kW | | $0.65 | $0.97 | **$2.10** |
| **SMIRR** | **January 1, 2013 until the effective date of rates from Kingston's next cost of service application** | APPLICATION | IRR UPDATE | **REPLY Submission UPDATE *with Actual Tax Rates*** |
| Residential | | $2.22 | $2.79 | **$2.67** |
| GS< 50 kW | | $2.22 | $2.79 | **$3.70** |

In the Table 2 below, the Reply Submission Update rate riders reflect update to capital costs allocation, update to revenue allocation, and **tax rates that correspond with what has been reflected in Kingston's Board approved rates**:

**Table 2:** Smart Meter Rate Riders –Reply Submission - tax rates reflected in Kingston's Board approved rates

| **SMDR** | **January 1, 2013 to December 31, 2014** | APPLICATION | IRR UPDATE | **REPLY Submission UPDATE - *Tax Rates reflect Board approved rates*** |
|---|---|---|---|---|
| Residential | | $0.80 | $1.12 | **$0.88** |
| GS< 50 kW | | $0.65 | $0.97 | **$1.98** |
| **SMIRR** | **January 1, 2013 until the effective date of rates from Kingston's next cost of service application** | APPLICATION | IRR UPDATE | **REPLY Submission UPDATE - *Tax Rates reflect Board approved rates*** |
| Residential | | $2.22 | $2.79 | **$2.67** |
| GS< 50 kW | | $2.22 | $2.79 | **$3.70** |

As indicated in Kingston's reply submission regarding taxes, Kingston has updated the working Smart Meter Model version 3.00 being filed to reflect Board staff's argument however Kingston submits that it should use actual tax rates. In **Appendix D**, a PDF of this updated Reply Submission Smart Meter Model using tax rates that correspond with what has been reflected in Kingston's Board approved rates is provided as well.

- Respectfully submitted. –

Attachments

# Appendix A

## Kingston Capitalization Policy

# CAPITALIZATION POLICY

## 1. Introduction

Kingston Hydro Corporation ("KHC" or the "Company") has established a capitalization policy regarding the methodology that it employs to identify, recognize and measure those expenditures that meet the criteria for categorization of property and equipment on its balance sheet based on guidance in section 3061, Property, Plant and Equipment, of the CICA Handbook and the Ontario Energy Board's Accounting Procedures Handbook.

## 2. Reference Documents

This policy was established in consultation with the following standards:

a. OEB Accounting Procedures Handbook for Electric Distribution Utilities, Article 410 – Property, Plant and Equipment

b. Canadian Institute of Chartered Accountants ("CICA") Handbook, section 3061 – *Property, Plant and Equipment*

c. CICA Handbook, section 3063 – *Impairment of Long-Lived Assets*

d. CICA Handbook, section 3064 – *Goodwill and Intangible Assets*

The capitalization policy does not incorporate any changes in accounting policies that may arise as a result of the implementation of International Financial Reporting Standards.

## 3. Definitions

a. Asset

Assets are economic resources controlled by an entity as a result of past

transactions or events and from which future economic benefits may be obtained.[1]

Assets have three essential characteristics:[2]

i. they embody a future benefit that involves a capacity, singly or in combination with other assets, in the case of profit-oriented enterprises, to contribute directly or indirectly to future net cash flows, and, in the case of not-for-profit organizations, to provide services;

ii. the entity can control access to the benefit; and

iii. the transaction or event giving rise to the entity's right to, or control of, the benefit has already occurred.

b. Betterment

The cost incurred to enhance the service potential of an item of property, plant and equipment is a betterment. Service potential may be enhanced when there is an increase in the previously assessed physical output or service capacity, associated operating costs are lowered, the life or useful life is extended, or the quality of output is improved. [3]

c. Cost

Cost is the amount of consideration given up to acquire, construct, develop, or better an item of property, plant and equipment and includes all costs directly attributable to the acquisition, construction, development or betterment of the

[1] From CICA Handbook, section 3061 – *Property, Plant and Equipment*

[2] Ibid

[3] Ibid

asset including installing it at the location and in the condition necessary for its intended use.[4]

d. Intangible Asset

An intangible asset is an identifiable non-monetary asset without physical substance.[5] It would include such assets as patents, trademarks, copyrights, land rights and software.

e. Maintenance Expenses

Also referred to as a repair expense. The cost incurred in the maintenance of the service potential of an item of property, plant and equipment is a repair or maintenance expense, not a betterment. If a cost has the attributes of both a repair and a betterment, the portion considered to be a betterment is included in the cost of the asset.

f. Property, Plant and Equipment

Property, plant and equipment are identifiable tangible assets that meet all of the following criteria:

i. are held for use in the production or supply of goods and services, for rental to others, for administrative purposes or for the development, construction, maintenance or repair of other property, plant and equipment;

ii. have been acquired, constructed or developed with the intention of being used on a continuing basis; and

iii. are not intended for sale in the ordinary course of business.[6]

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[4] Ibid

[5] CICA Handbook, section 3064 – *Goodwill and Intangible Assets*

g. Distribution Asset

Per the OEB Act, 1998, a distribution asset is used to distribute electricity; includes any system, structure, equipment or other things used for that purpose.

h. Service Potential

Service potential is used to describe the output or service capacity of an item of property, plant and equipment and is normally determined by reference to attributes such as physical output capacity, associated operating costs, useful life and quality of output.[7]

i. Useful Life

Useful life is the period over which an asset, singly or in combination with other assets, is expected to contribute directly or indirectly to the future cash flows of an enterprise.[8]

## 4. Policies

Kingston Hydro has adopted the following policies regarding the recognition and measurement of its property and equipment.

a. Allowance for Funds Used During Construction ("AFUDC")

The Accounting Policy Handbook promulgated by the OEB requires local distribution companies to apply an AFUDC to all capital projects exceeding twelve months in duration. The AFUDC is calculated using the costs incurred on a project and a quarterly rate established by the OEB.

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[6] Ibid

[7] Ibid

[8] Ibid

b. Amortization Expense

The Company has established an accounting policy detailing the amortization method and useful life for each class of capital assets.

c. Asset Pools

Similar assets are grouped by their nature for amortization purposes. The amortization method allocates the combined cost of the assets over their estimated useful life on a rational and systematic basis. The useful life of the asset pool is the estimated average life of the individual assets in the pool.

d. Capitalization Threshold

In its determination of which expenditures get classified as capital additions and which get classified as repairs and maintenance expenses, Kingston Hydro Corporation considers the criteria in sections 3(a) and 3(b) of this policy in addition to the dollar amount of the expenditure. Generally, expenditures less than $1,000 are classified as repairs and maintenance expenses regardless of whether they meet the definition of assets.

This policy stems from the recognition that the administrative costs involved in capitalizing, tracking and depreciating capital assets may outweigh the benefits inherent in the accuracy of the Company's financial information. The Company notes that the use of a capitalization threshold is common in both the utility sector and industry in general, and the Company has considered the materiality thresholds established by organizations of like size.

e. Costs

For greater clarity, the Company shall include the following in the cost of construction of its property and equipment, where applicable:

i. the cost of direct labour incurred on the project ;

ii. materials and supplies used on the project;

iii. installation costs including design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, insurance costs, testing and preparation charges;

iv. amounts paid to external contractors in respect of the project;

v. construction or building permits;

vi. allowance for funds used during construction;

vii. and internal equipment charges;

The labour costs include the estimated benefits attributed to the hours that the individuals work on the project.

Internal equipment usage costs are calculated for each vehicle or piece of equipment in the fleet, and include the costs associated with usage (maintenance, insurance, fuel and depreciation).

The Company does not allocate the costs of indirect overhead or general administrative overhead to its property and equipment.

f. Major Spare Equipment

Spare transformers and meters are accounted for as property, plant and equipment. Spares are held and dedicated for the specific purpose of backing up plant in service. It is expected that these items are not intended for resale, have a longer period of future benefit compared to inventory items, are an integral part of the distribution plant, and are expected to be placed in service. Transformers and meters held in reserve or as spares are to receive the same treatment as the related assets in service.

Attachments

# Appendix B

## Kingston 2011 Cost Allocation Model

## Sheets E2 and O4

# 2006 Cost Allocation Information Filing

Kingston Electricty Distribution Limited

EB-2005-0385 EB-2006-0247

January 15, 2007

## Sheet E2 Allocator Worksheet - Second Run

**Details:**
**The worksheet below details how allocators are derived.**

| | Explanation | ID and Factors | Total | 1 Residential | 2 GS <50 | 3 GS>50-Regular | 6 Large Use >5MW | 7 Street Light | 9 Unmetered Scattered Load |
|---|---|---|---|---|---|---|---|---|---|
| | Demand Allocators | | | | | | | | |
| | 1 cp | | | | | | | | |
| | Transformation CP | TCP1 | 100.00% | 36.11% | 12.70% | 37.56% | 12.73% | 0.71% | 0.19% |
| | Bulk Delivery (SubTransmission) CP | BCP1 | 100.00% | 36.11% | 12.70% | 37.56% | 12.73% | 0.71% | 0.19% |
| | Distribution CP (Total System) | DCP1 | 100.00% | 36.11% | 12.70% | 37.56% | 12.73% | 0.71% | 0.19% |
| | 4 cp | | | | | | | | |
| | Transformation CP | TCP4 | 100.00% | 39.43% | 11.20% | 34.07% | 14.45% | 0.63% | 0.21% |
| | Bulk Delivery (SubTransmission) CP | BCP4 | 100.00% | 39.43% | 11.20% | 34.07% | 14.45% | 0.63% | 0.21% |
| | Distribution CP (Total System) | DCP4 | 100.00% | 39.43% | 11.20% | 34.07% | 14.45% | 0.63% | 0.21% |
| | 12 cp | | | | | | | | |
| | Transformation CP | TCP12 | 100.00% | 31.79% | 12.66% | 36.07% | 18.93% | 0.31% | 0.25% |
| | Bulk Delivery (SubTransmission) CP | BCP12 | 100.00% | 31.79% | 12.66% | 36.07% | 18.93% | 0.31% | 0.25% |
| | Distribution CP (Total System) | DCP12 | 100.00% | 31.79% | 12.66% | 36.07% | 18.93% | 0.31% | 0.25% |
| | NON CO_INCIDENT PEAK | | | | | | | | |
| | 1 NCP | | | | | | | | |
| | Distribution NCP ( Total System) | DNCP1 | 100.00% | 33.32% | 14.36% | 34.38% | 17.35% | 0.46% | 0.13% |
| | Primary NCP | PNCP1 | 100.00% | 29.45% | 14.56% | 36.88% | 18.47% | 0.49% | 0.14% |
| | Line Transformer NCP | LTNCP1 | 100.00% | 36.47% | 18.11% | 44.63% | 0.00% | 0.61% | 0.17% |
| | Secondary NCP | SNCP1 | 100.00% | 49.82% | 18.55% | 30.56% | 0.00% | 0.83% | 0.24% |
| | 4 NCP | | | | | | | | |
| | Distribution NCP ( Total System) | DNCP4 | 100.00% | 35.65% | 13.39% | 32.35% | 17.96% | 0.50% | 0.14% |
| | Primary NCP | PNCP4 | 100.00% | 31.59% | 13.53% | 34.93% | 19.26% | 0.54% | 0.15% |
| | Line Transformer NCP | LTNCP4 | 100.00% | 39.54% | 17.01% | 42.58% | 0.00% | 0.68% | 0.19% |
| | Secondary NCP | SNCP4 | 100.00% | 53.01% | 17.11% | 28.72% | 0.00% | 0.91% | 0.25% |
| | 12 NCP | | | | | | | | |
| | Distribution NCP ( Total System) | DNCP12 | 100.00% | 32.42% | 13.52% | 33.74% | 19.56% | 0.60% | 0.16% |
| | Primary NCP | PNCP12 | 100.00% | 27.10% | 13.70% | 37.04% | 21.32% | 0.66% | 0.18% |
| | Line Transformer NCP | LTNCP12 | 100.00% | 34.73% | 17.68% | 46.52% | 0.00% | 0.85% | 0.23% |
| | Secondary NCP | SNCP12 | 100.00% | 47.98% | 18.31% | 32.22% | 0.00% | 1.18% | 0.31% |
| | Demand Allocators - Composite | | | | | | | | |
| | DEMAND 1815-1855 | 1815-1855 D | 100.00% | 45.27% | 16.01% | 31.90% | 5.83% | 0.78% | 0.21% |
| | DEMAND 1808 | 1808 D | 100.00% | 39.43% | 11.20% | 34.07% | 14.45% | 0.63% | 0.21% |
| | DEMAND 1815 | 1815 D | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | DEMAND 1820 | 1820 D | 100.00% | 31.59% | 13.53% | 34.93% | 19.26% | 0.54% | 0.15% |
| | DEMAND 1815 & 1820 | 1815 & 1820 D | 100.00% | 31.59% | 13.53% | 34.93% | 19.26% | 0.54% | 0.15% |
| | DEMAND 1830 | 1830 D | 100.00% | 50.66% | 16.71% | 29.40% | 2.12% | 0.87% | 0.24% |
| | DEMAND 1835 | 1835 D | 100.00% | 48.51% | 16.35% | 30.03% | 4.04% | 0.83% | 0.23% |
| | DEMAND 1830 & 1835 | 1830 & 1835 D | 100.00% | 50.15% | 16.63% | 29.55% | 2.58% | 0.86% | 0.24% |
| | DEMAND 1840 | 1840 D | 100.00% | 51.51% | 16.86% | 29.16% | 1.35% | 0.88% | 0.24% |
| | DEMAND 1845 | 1845 D | 100.00% | 52.03% | 16.94% | 29.01% | 0.89% | 0.89% | 0.25% |
| | DEMAND 1840 & 1845 | 1840 & 1845 D | 100.00% | 51.75% | 16.89% | 29.09% | 1.14% | 0.89% | 0.24% |
| | DEMAND 1850 | 1850 D | 100.00% | 39.54% | 17.01% | 42.58% | 0.00% | 0.68% | 0.19% |
| | DEMAND 1855 | 1855 D | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| | DEMAND 1860 | 1860 D | - | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

| | A | B | C | D | E | F | I | J | L | X |
|---|---|---|---|---|---|---|---|---|---|---|
| 70 | CUSTOMER ALLOCATORS | | | | | | | | | |
| 71 | | | | | | | | | | |
| 72 | Billing Data | | | | | | | | | |
| 73 | kWh | **CEN** | **100.00%** | **27.58%** | **13.19%** | **36.79%** | **21.54%** | **0.57%** | **0.32%** | |
| 74 | kW | **CDEM** | **100.00%** | **0.00%** | **0.00%** | **69.43%** | **29.45%** | **1.12%** | **0.00%** | |
| 75 | kWh - Excl WMP | **CEN EWMP** | **100.00%** | **27.58%** | **13.19%** | **36.79%** | **21.54%** | **0.57%** | **0.32%** | |
| 76 | | | | | | | | | | |
| 77 | Dollar Billed (per 2006 EDR) | **CREV** | **100.00%** | **54.99%** | **18.87%** | **21.24%** | **3.40%** | **1.02%** | **0.48%** | |
| 78 | Bad Debt 3 Year Historical Average | **BDHA** | **100.00%** | **77.61%** | **9.20%** | **13.20%** | **0.00%** | **0.00%** | **0.00%** | |
| 79 | Late Payment 3 Year Historical Average | **LPHA** | **100.00%** | **60.00%** | **30.00%** | **10.00%** | **0.00%** | **0.00%** | **0.00%** | |
| 80 | | | | | | | | | | |
| 81 | Number of Bills | **CNB** | **100.00%** | **86.15%** | **11.95%** | **1.28%** | **0.01%** | **0.00%** | **0.60%** | |
| 82 | Number of Connections (Unmetered) | **CCON** | **100.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **75.86%** | **24.14%** | |
| 83 | | | | | | | | | | |
| 85 | | | | | | | | | | |
| 86 | Total Number of Customer | **CCA** | **100.00%** | **84.55%** | **11.73%** | **1.25%** | **0.01%** | **1.86%** | **0.59%** | |
| 87 | Subtransmission Customer Base | **CCB** | **100.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **75.86%** | **24.14%** | |
| 88 | Primary Feeder Customer Base | **CCP** | **100.00%** | **84.55%** | **11.73%** | **1.25%** | **0.01%** | **1.86%** | **0.59%** | |
| 89 | Line Transformer Customer Base | **CCLT** | **100.00%** | **84.59%** | **11.73%** | **1.22%** | **0.00%** | **1.86%** | **0.59%** | |
| 90 | Secondary Feeder Customer Base | **CCS** | **100.00%** | **87.70%** | **9.12%** | **0.63%** | **0.00%** | **1.93%** | **0.61%** | |
| 91 | | | | | | | | | | |
| 92 | Weighted - Services | **CWCS** | **100.00%** | **76.38%** | **15.89%** | **5.51%** | **0.00%** | **1.68%** | **0.54%** | |
| 93 | Weighted Meter -Capital | **CWMC** | **100.00%** | **75.81%** | **16.05%** | **8.03%** | **0.11%** | **0.00%** | **0.00%** | |
| 94 | Weighted Meter Reading | **CWMR** | **100.00%** | **67.51%** | **15.13%** | **16.66%** | **0.70%** | **0.00%** | **0.00%** | |
| 95 | Weighted Bills | **CWNB** | **100.00%** | **70.51%** | **19.56%** | **7.32%** | **0.14%** | **0.00%** | **2.47%** | |
| 96 | | | | | | | | | | |
| 97 | CUSTOMER ALLOCATORS - Composite | | | | | | | | | |
| 98 | | | | | | | | | | |
| 99 | CUSTOMER 1815-1855 | **1815-1855 C** | **100.00%** | **83.74%** | **10.67%** | **2.52%** | **0.63%** | **1.84%** | **0.59%** | |
| 100 | CUSTOMER 1808 | **1808 C** | **-** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | |
| 101 | CUSTOMER 1815 | **1815 C** | **-** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | **0.00%** | |
| 102 | CUSTOMER 1820 | **1820 C** | **100.00%** | **27.58%** | **13.19%** | **36.79%** | **21.54%** | **0.57%** | **0.32%** | |
| 103 | CUSTOMER 1815 & 1820 | **1815 & 1820 C** | **100.00%** | **27.58%** | **13.19%** | **36.79%** | **21.54%** | **0.57%** | **0.32%** | |
| 104 | CUSTOMER 1830 | **1830 C** | **100.00%** | **87.35%** | **9.41%** | **0.70%** | **0.00%** | **1.93%** | **0.61%** | |
| 105 | CUSTOMER 1835 | **1835 C** | **100.00%** | **87.04%** | **9.67%** | **0.76%** | **0.00%** | **1.92%** | **0.61%** | |
| 106 | CUSTOMER 1830 & 1835 | **1830 & 1835 C** | **100.00%** | **87.28%** | **9.47%** | **0.72%** | **0.00%** | **1.92%** | **0.61%** | |
| 107 | CUSTOMER 1840 | **1840 C** | **100.00%** | **87.48%** | **9.31%** | **0.68%** | **0.00%** | **1.93%** | **0.61%** | |
| 108 | CUSTOMER 1845 | **1845 C** | **100.00%** | **87.55%** | **9.24%** | **0.66%** | **0.00%** | **1.93%** | **0.61%** | |
| 109 | CUSTOMER 1840 & 1845 | **1840 & 1845 C** | **100.00%** | **87.51%** | **9.28%** | **0.67%** | **0.00%** | **1.93%** | **0.61%** | |
| 110 | CUSTOMER 1850 | **1850 C** | **100.00%** | **84.59%** | **11.73%** | **1.22%** | **0.00%** | **1.86%** | **0.59%** | |
| 111 | CUSTOMER 1855 | **1855 C** | **100.00%** | **76.38%** | **15.89%** | **5.51%** | **0.00%** | **1.68%** | **0.54%** | |
| 112 | CUSTOMER 1860 | **1860 C** | **100.00%** | **75.81%** | **16.05%** | **8.03%** | **0.11%** | **0.00%** | **0.00%** | |
| 113 | | | | | | | | | | |
| 114 | **Composite Allocators** | | | | | | | | | |
| 115 | Net Fixed Assets | **NFA** | **100.00%** | **58.69%** | **14.32%** | **21.37%** | **4.32%** | **1.00%** | **0.30%** | |
| 116 | Net Fixed Assets Excluding Capital Contribution | **NFA ECC** | **100.00%** | **58.69%** | **14.32%** | **21.37%** | **4.32%** | **1.00%** | **0.30%** | |
| 117 | 5005-5340 | **O&M** | **100.00%** | **61.78%** | **14.47%** | **18.51%** | **3.83%** | **0.88%** | **0.52%** | |
| 118 | | | | | | | | | | |
| 119 | | | | | | | | | | |
| 120 | | | | | | | | | | |
| 121 | | | | | | | | | | |
| 122 | | | | | | | | | | |
| 123 | | | | | | | | | | |
| 124 | | | | | | | | | | |
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2006 Cost Allocation Information Filing
Kingston Electricty Distribution Limited
EB-2005-0385 EB-2006-0247
January 15, 2007
**Sheet O4 Summary of Allocators by Class & Accounts - Second Run**

**ALLOCATION BY RATE CLASSIFICATION**

| USoA Account # | Accounts | O1 Grouping | Total | 1 Residential | 2 GS <50 | 3 GS>50-Regular | 6 Large Use >5MW | 7 Street Light | 9 Unmetered Scattered Load |
|---|---|---|---|---|---|---|---|---|---|
| 1565 | Conservation and Demand Management Expenditures and Recoveries | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1608 | Franchises and Consents | gp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1805 | Land | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1805-1 | Land Station >50 kV | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1805-2 | Land Station <50 kV | dp | $197,343 | $77,808 | $22,105 | $67,242 | $28,520 | $1,246 | $421 |
| 1806 | Land Rights | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1806-1 | Land Rights Station >50 kV | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1806-2 | Land Rights Station <50 kV | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1808 | Buildings and Fixtures | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1808-1 | Buildings and Fixtures > 50 kV | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1808-2 | Buildings and Fixtures < 50 KV | dp | $547,108 | $215,714 | $61,284 | $186,421 | $79,067 | $3,453 | $1,168 |
| 1810 | Leasehold Improvements | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1810-1 | Leasehold Improvements >50 kV | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1810-2 | Leasehold Improvements <50 kV | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1815 | Transformer Station Equipment - Normally Primary above 50 kV | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1820 | Distribution Station Equipment - Normally Primary below 50 kV | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1820-1 | Distribution Station Equipment - Normally Primary below 50 kV (Bulk) | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1820-2 | Distribution Station Equipment - Normally Primary below 50 kV (Primary) | dp | $6,383,521 | $2,016,283 | $863,612 | $2,229,951 | $1,229,444 | $34,663 | $9,568 |
| 1820-3 | Distribution Station Equipment - Normally Primary below 50 kV (Wholesale Meters) | dp | $387,290 | $106,811 | $51,097 | $142,489 | $83,436 | $2,209 | $1,249 |
| 1825 | Storage Battery Equipment | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1825-1 | Storage Battery Equipment > 50 kV | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1825-2 | Storage Battery Equipment <50 kV | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1830 | Poles, Towers and Fixtures | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1830-3 | Poles, Towers and Fixtures - Subtransmission Bulk Delivery | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1830-4 | Poles, Towers and Fixtures - Primary | dp | $1,280,979 | $642,066 | $165,229 | $296,489 | $160,411 | $12,877 | $3,906 |
| 1830-5 | Poles, Towers and Fixtures - Secondary | dp | $10,364,281 | $6,752,566 | $1,483,307 | $1,957,800 | $0 | $131,406 | $39,203 |
| 1835 | Overhead Conductors and Devices | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1835-3 | Overhead Conductors and Devices - Subtransmission Bulk Delivery | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1835-4 | Overhead Conductors and Devices - Primary | dp | $763,768 | $382,824 | $98,516 | $176,778 | $95,643 | $7,678 | $2,329 |
| 1835-5 | Overhead Conductors and Devices - Secondary | dp | $2,873,222 | $1,871,970 | $411,207 | $542,748 | $0 | $36,429 | $10,868 |
| 1840 | Underground Conduit | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1840-3 | Underground Conduit - Bulk Delivery | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1840-4 | Underground Conduit - Primary | dp | $477,657 | $239,417 | $61,611 | $110,556 | $59,815 | $4,802 | $1,457 |
| 1840-5 | Underground Conduit - Secondary | dp | $6,346,016 | $4,134,574 | $908,224 | $1,198,755 | $0 | $80,460 | $24,004 |
| 1845 | Underground Conductors and Devices | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1845-3 | Underground Conductors and Devices - Bulk Delivery | dp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1845-4 | Underground Conductors and Devices - Primary | dp | $267,777 | $134,218 | $34,540 | $61,978 | $33,533 | $2,692 | $817 |
| 1845-5 | Underground Conductors and Devices - Secondary | dp | $5,553,470 | $3,618,212 | $794,797 | $1,049,044 | $0 | $70,411 | $21,006 |
| 1850 | Line Transformers | dp | $3,603,993 | $1,912,046 | $556,038 | $1,087,501 | $0 | $37,276 | $11,132 |
| 1855 | Services | dp | $1,998,352 | $1,526,261 | $317,542 | $110,202 | $0 | $33,644 | $10,703 |
| 1860 | Meters | dp | $4,555,263 | $3,453,457 | $731,236 | $365,612 | $4,958 | $0 | $0 |
| 1905 | Land | gp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1906 | Land Rights | gp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1908 | Buildings and Fixtures | gp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1910 | Leasehold Improvements | gp | $296,062 | $173,745 | $42,407 | $63,263 | $12,789 | $2,967 | $890 |
| 1915 | Office Furniture and Equipment | gp | $1,887 | $1,107 | $270 | $403 | $82 | $19 | $6 |
| 1920 | Computer Equipment - Hardware | gp | $108,239 | $63,521 | $15,504 | $23,129 | $4,676 | $1,085 | $325 |
| 1925 | Computer Software | gp | $246,910 | $144,901 | $35,367 | $52,760 | $10,666 | $2,474 | $742 |
| 1930 | Transportation Equipment | gp | $73,317 | $43,026 | $10,502 | $15,666 | $3,167 | $735 | $220 |
| 1935 | Stores Equipment | gp | $56,201 | $32,982 | $8,050 | $12,009 | $2,428 | $563 | $169 |
| 1940 | Tools, Shop and Garage Equipment | gp | $962,887 | $565,076 | $137,923 | $205,750 | $41,595 | $9,649 | $2,895 |
| 1945 | Measurement and Testing Equipment | gp | $53,929 | $31,649 | $7,725 | $11,524 | $2,330 | $540 | $162 |
| 1950 | Power Operated Equipment | gp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1955 | Communication Equipment | gp | $73,375 | $43,061 | $10,510 | $15,679 | $3,170 | $735 | $221 |
| 1960 | Miscellaneous Equipment | gp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1970 | Load Management Controls - Customer Premises | gp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1975 | Load Management Controls - Utility Premises | gp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 1980 | System Supervisory Equipment | gp | $2,287,895 | $1,342,664 | $327,715 | $488,878 | $98,834 | $22,926 | $6,878 |
| 1990 | Other Tangible Property | gp | $248,597 | $145,891 | $35,609 | $53,120 | $10,739 | $2,491 | $747 |
| 1995 | Contributions and Grants - Credit | co | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2005 | Property Under Capital Leases | gp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2010 | Electric Plant Purchased or Sold | gp | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 2105 | Accum. Amortization of Electric Utility Plant - Property, Plant, & Equipment | accum dep | ($17,357,924) | ($10,510,182) | ($2,514,984) | ($3,548,784) | ($554,804) | ($176,243) | ($52,928) |
| 2120 | Accumulated Amortization of Electric Utility Plant - Intangibles | accum dep | ($18,562) | ($10,893) | ($2,659) | ($3,966) | ($802) | ($186) | ($56) |
| 3046 | Balance Transferred From Income | NI | ($1,653,565) | ($970,404) | ($236,854) | ($353,334) | ($71,432) | ($16,570) | ($4,971) |
| 4080 | Distribution Services Revenue | CREV | ($9,540,656) | ($5,246,403) | ($1,800,772) | ($2,026,633) | ($324,062) | ($97,102) | ($45,684) |
| 4082 | Retail Services Revenues | mi | ($28,610) | ($20,172) | ($5,596) | ($2,095) | ($39) | ($1) | ($707) |
| 4084 | Service Transaction Requests (STR) Revenues | mi | ($1,707) | ($1,204) | ($334) | ($125) | ($2) | ($0) | ($42) |
| 4090 | Electric Services Incidental to Energy Sales | mi | ($75,229) | ($53,040) | ($14,715) | ($5,509) | ($102) | ($2) | ($1,860) |
| 4205 | Interdepartmental Rents | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4210 | Rent from Electric Property | mi | ($158,219) | ($92,852) | ($22,663) | ($33,808) | ($6,835) | ($1,585) | ($476) |
| 4215 | Other Utility Operating Income | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4220 | Other Electric Revenues | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4225 | Late Payment Charges | mi | ($37,901) | ($22,741) | ($11,370) | ($3,790) | $0 | $0 | $0 |
| 4235 | Miscellaneous Service Revenues | mi | ($109,812) | ($77,424) | ($21,480) | ($8,042) | ($149) | ($3) | ($2,715) |
| 4240 | Provision for Rate Refunds | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4245 | Government Assistance Directly Credited to Income | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4305 | Regulatory Debits | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 4310 | Regulatory Credits | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4315 | Revenues from Electric Plant Leased to Others | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4320 | Expenses of Electric Plant Leased to Others | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4325 | Revenues from Merchandise, Jobbing, Etc. | mi | ($131,998) | ($77,464) | ($18,907) | ($28,205) | ($5,702) | ($1,323) | ($397) |
| 4330 | Costs and Expenses of Merchandising, Jobbing, Etc. | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4335 | Profits and Losses from Financial Instrument Hedges | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4340 | Profits and Losses from Financial Instrument Investments | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4345 | Gains from Disposition of Future Use Utility Plant | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4350 | Losses from Disposition of Future Use Utility Plant | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4355 | Gain on Disposition of Utility and Other Property | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4360 | Loss on Disposition of Utility and Other Property | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4365 | Gains from Disposition of Allowances for Emission | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4370 | Losses from Disposition of Allowances for Emission | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4390 | Miscellaneous Non-Operating Income | mi | ($57,359) | ($33,661) | ($8,216) | ($12,256) | ($2,478) | ($575) | ($172) |
| 4395 | Rate-Payer Benefit Including Interest | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4398 | Foreign Exchange Gains and Losses, Including Amortization | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4405 | Interest and Dividend Income | mi | ($82,761) | ($48,569) | ($11,855) | ($17,684) | ($3,575) | ($829) | ($249) |
| 4415 | Equity in Earnings of Subsidiary Companies | mi | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4705 | Power Purchased | cop | $51,348,135 | $14,161,334 | $6,774,571 | $18,891,647 | $11,062,193 | $292,836 | $165,553 |
| 4708 | Charges-WMS | cop | $3,782,539 | $1,043,189 | $499,046 | $1,391,645 | $814,892 | $21,572 | $12,195 |
| 4710 | Cost of Power Adjustments | cop | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4712 | Charges-One-Time | cop | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4714 | Charges-NW | cop | $4,098,104 | $1,130,219 | $540,680 | $1,507,746 | $882,876 | $23,371 | $13,213 |
| 4715 | System Control and Load Dispatching | cop | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 4716 | Charges-CN | cop | $3,578,881 | $987,022 | $472,177 | $1,316,717 | $771,017 | $20,410 | $11,539 |
| 4730 | Rural Rate Assistance Expense | cop | $945,635 | $260,797 | $124,762 | $347,911 | $203,723 | $5,393 | $3,049 |
| 4750 | Charges-LV | cop | $463,000 | $127,691 | $61,086 | $170,344 | $99,746 | $2,640 | $1,493 |
| 5005 | Operation Supervision and Engineering | di | $770,377 | $452,466 | $108,952 | $166,510 | $30,917 | $8,865 | $2,667 |
| 5010 | Load Dispatching | di | $369,514 | $217,027 | $52,259 | $79,867 | $14,829 | $4,252 | $1,279 |
| 5012 | Station Buildings and Fixtures Expense | di | $72,828 | $28,715 | $8,158 | $24,815 | $10,525 | $460 | $155 |
| 5014 | Transformer Station Equipment - Operation Labour | di | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5015 | Transformer Station Equipment - Operation Supplies and Expenses | di | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5016 | Distribution Station Equipment - Operation Labour | di | $51,003 | $16,110 | $6,900 | $17,817 | $9,823 | $277 | $76 |
| 5017 | Distribution Station Equipment - Operation Supplies and Expenses | di | $66,140 | $20,891 | $8,948 | $23,105 | $12,738 | $359 | $99 |
| 5020 | Overhead Distribution Lines and Feeders - Operation Labour | di | $342,229 | $216,088 | $48,332 | $66,595 | $5,734 | $4,219 | $1,261 |
| 5025 | Overhead Distribution Lines & Feeders - Operation Supplies and Expenses | di | $110,733 | $69,918 | $15,638 | $21,548 | $1,855 | $1,365 | $408 |
| 5030 | Overhead Subtransmission Feeders - Operation | di | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5035 | Overhead Distribution Transformers- Operation | di | $1,442 | $765 | $222 | $435 | $0 | $15 | $4 |
| 5040 | Underground Distribution Lines and Feeders - Operation Labour | di | $17,478 | $11,233 | $2,487 | $3,345 | $129 | $219 | $65 |
| 5045 | Underground Distribution Lines & Feeders - Operation Supplies & Expenses | di | $31,130 | $20,006 | $4,429 | $5,959 | $230 | $390 | $116 |
| 5050 | Underground Subtransmission Feeders - Operation | di | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5055 | Underground Distribution Transformers - Operation | di | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5065 | Meter Expense | cu | $254,394 | $192,862 | $40,837 | $20,418 | $277 | $0 | $0 |
| 5070 | Customer Premises - Operation Labour | cu | $100,759 | $85,191 | $11,817 | $1,264 | $11 | $1,878 | $597 |
| 5075 | Customer Premises - Materials and Expenses | cu | $45,939 | $38,842 | $5,388 | $576 | $5 | $856 | $272 |
| 5085 | Miscellaneous Distribution Expense | di | $168,086 | $98,722 | $23,772 | $36,330 | $6,746 | $1,934 | $582 |
| 5090 | Underground Distribution Lines and Feeders - Rental Paid | di | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5095 | Overhead Distribution Lines and Feeders - Rental Paid | di | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5096 | Other Rent | di | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5105 | Maintenance Supervision and Engineering | di | $100,193 | $58,847 | $14,170 | $21,656 | $4,021 | $1,153 | $347 |
| 5110 | Maintenance of Buildings and Fixtures - Distribution Stations | di | $28,152 | $11,100 | $3,153 | $9,593 | $4,069 | $178 | $60 |
| 5112 | Maintenance of Transformer Station Equipment | di | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5114 | Maintenance of Distribution Station Equipment | di | $223,241 | $70,512 | $30,202 | $77,984 | $42,995 | $1,212 | $335 |
| 5120 | Maintenance of Poles, Towers and Fixtures | di | $30,871 | $19,603 | $4,370 | $5,976 | $425 | $382 | $114 |
| 5125 | Maintenance of Overhead Conductors and Devices | di | $190,114 | $117,863 | $26,644 | $37,611 | $5,000 | $2,306 | $690 |
| 5130 | Maintenance of Overhead Services | di | $39,617 | $30,258 | $6,295 | $2,185 | $0 | $667 | $212 |
| 5135 | Overhead Distribution Lines and Feeders - Right of Way | di | $62,162 | $39,250 | $8,779 | $12,096 | $1,042 | $766 | $229 |
| 5145 | Maintenance of Underground Conduit | di | $76,251 | $48,877 | $10,837 | $14,631 | $668 | $953 | $285 |
| 5150 | Maintenance of Underground Conductors and Devices | di | $128,364 | $82,745 | $18,288 | $24,499 | $739 | $1,612 | $481 |
| 5155 | Maintenance of Underground Services | di | $63,275 | $48,327 | $10,054 | $3,489 | $0 | $1,065 | $339 |
| 5160 | Maintenance of Line Transformers | di | $2,315 | $1,228 | $357 | $699 | $0 | $24 | $7 |
| 5175 | Maintenance of Meters | cu | $24,207 | $18,352 | $3,886 | $1,943 | $26 | $0 | $0 |
| 5305 | Supervision | cu | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5310 | Meter Reading Expense | cu | $54,350 | $36,691 | $8,221 | $9,057 | $380 | $0 | $0 |
| 5315 | Customer Billing | cu | $332,893 | $234,708 | $65,115 | $24,378 | $452 | $10 | $8,230 |
| 5320 | Collecting | cu | $86,300 | $60,846 | $16,881 | $6,320 | $117 | $3 | $2,134 |
| 5325 | Collecting- Cash Over and Short | cu | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5330 | Collection Charges | cu | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5335 | Bad Debt Expense | cu | $170,000 | $131,932 | $15,636 | $22,433 | $0 | $0 | $0 |
| 5340 | Miscellaneous Customer Accounts Expenses | cu | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5405 | Supervision | ad | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5410 | Community Relations - Sundry | ad | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5415 | Energy Conservation | ad | $59,981 | $37,055 | $8,682 | $11,104 | $2,297 | $529 | $314 |
| 5420 | Community Safety Program | ad | $2,482 | $1,457 | $356 | $530 | $107 | $25 | $7 |
| 5425 | Miscellaneous Customer Service and Informational Expenses | ad | $201,029 | $124,191 | $29,096 | $37,214 | $7,700 | $1,774 | $1,054 |
| 5505 | Supervision | ad | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5510 | Demonstrating and Selling Expense | ad | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5515 | Advertising Expense | ad | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5520 | Miscellaneous Sales Expense | ad | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5605 | Executive Salaries and Expenses | ad | $68,437 | $42,279 | $9,905 | $12,669 | $2,621 | $604 | $359 |
| 5610 | Management Salaries and Expenses | ad | $109,874 | $67,878 | $15,903 | $20,340 | $4,208 | $969 | $576 |
| 5615 | General Administrative Salaries and Expenses | ad | $338,410 | $209,062 | $48,981 | $62,646 | $12,961 | $2,986 | $1,774 |
| 5620 | Office Supplies and Expenses | ad | $56,968 | $35,194 | $8,245 | $10,546 | $2,182 | $503 | $299 |

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 5625 | Administrative Expense Transferred Credit | ad | ($64,556) | ($39,881) | ($9,344) | ($11,951) | ($2,473) | ($570) | ($338) |
| 5630 | Outside Services Employed | ad | $531,855 | $328,567 | $76,980 | $98,457 | $20,371 | $4,693 | $2,788 |
| 5635 | Property Insurance | ad | $156,241 | $91,691 | $22,380 | $33,386 | $6,749 | $1,566 | $470 |
| 5640 | Injuries and Damages | ad | $12,485 | $7,713 | $1,807 | $2,311 | $478 | $110 | $65 |
| 5645 | Employee Pensions and Benefits | ad | $164,372 | $101,545 | $23,791 | $30,428 | $6,296 | $1,450 | $862 |
| 5650 | Franchise Requirements | ad | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5655 | Regulatory Expenses | ad | $218,354 | $134,894 | $31,604 | $40,422 | $8,363 | $1,927 | $1,145 |
| 5660 | General Advertising Expenses | ad | $14,358 | $8,870 | $2,078 | $2,658 | $550 | $127 | $75 |
| 5665 | Miscellaneous General Expenses | ad | $123,435 | $76,255 | $17,866 | $22,850 | $4,728 | $1,089 | $647 |
| 5670 | Rent | ad | $180,010 | $111,206 | $26,054 | $33,323 | $6,895 | $1,588 | $944 |
| 5675 | Maintenance of General Plant | ad | $39,409 | $24,346 | $5,704 | $7,295 | $1,509 | $348 | $207 |
| 5680 | Electrical Safety Authority Fees | ad | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5685 | Independent Market Operator Fees and Penalties | cop | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5705 | Amortization Expense - Property, Plant, and Equipment | dep | $2,006,000 | $1,206,139 | $289,439 | $413,668 | $70,144 | $20,470 | $6,140 |
| 5710 | Amortization of Limited Term Electric Plant | dep | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5715 | Amortization of Intangibles and Other Electric Plant | dep | $6,215 | $3,647 | $890 | $1,328 | $268 | $62 | $19 |
| 5720 | Amortization of Electric Plant Acquisition Adjustments | dep | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5730 | Amortization of Unrecovered Plant and Regulatory Study Costs | dep | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5735 | Amortization of Deferred Development Costs | dep | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 5740 | Amortization of Deferred Charges | dep | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 6005 | Interest on Long Term Debt | INT | $1,252,762 | $735,191 | $179,444 | $267,691 | $54,118 | $12,553 | $3,766 |
| 6105 | Taxes Other Than Income Taxes | ad | $130,000 | $76,291 | $18,621 | $27,778 | $5,616 | $1,303 | $391 |
| 6110 | Income Taxes | Input | $568,985 | $333,912 | $81,501 | $121,581 | $24,579 | $5,702 | $1,710 |
| 6205 | Donations | ad | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 6210 | Life Insurance | ad | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 6215 | Penalties | ad | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| 6225 | Other Deductions | ad | $0 | $0 | $0 | $0 | $0 | $0 | $0 |
| | | | **$95,162,795** | **$36,414,567** | **$12,464,854** | **$30,096,935** | **$15,223,790** | **$670,460** | **$292,189** |
| | | | | **$95,162,795** | | | | | |

| Grouping by Allocator | Total | Residential | GS <50 | GS>50-Regular | Large Use >5MW | Street Light | Unmetered Scattered Load |
|---|---|---|---|---|---|---|---|
| **1808** | $ 100,980 | $ 39,815 | $ 11,311 | $ 34,408 | $ 14,594 | $ 637 | $ 216 |
| **1815** | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **1820** | $ 340,384 | $ 107,513 | $ 46,050 | $ 118,906 | $ 65,557 | $ 1,848 | $ 510 |
| **1830** | $ 30,871 | $ 19,603 | $ 4,370 | $ 5,976 | $ 425 | $ 382 | $ 114 |
| **1835** | $ 190,114 | $ 117,863 | $ 26,644 | $ 37,611 | $ 5,000 | $ 2,306 | $ 690 |
| **1840** | $ 76,251 | $ 48,877 | $ 10,837 | $ 14,631 | $ 668 | $ 953 | $ 285 |
| **1845** | $ 128,364 | $ 82,745 | $ 18,288 | $ 24,499 | $ 739 | $ 1,612 | $ 481 |
| **1850** | $ 3,757 | $ 1,993 | $ 580 | $ 1,134 | $ - | $ 39 | $ 12 |
| **1855** | $ 102,892 | $ 78,585 | $ 16,350 | $ 5,674 | $ - | $ 1,732 | $ 551 |
| **1860** | $ 24,207 | $ 18,352 | $ 3,886 | $ 1,943 | $ 26 | $ - | $ - |
| **1815-1855** | $ 1,408,171 | $ 827,061 | $ 199,153 | $ 304,364 | $ 56,513 | $ 16,205 | $ 4,874 |
| **1830 & 1835** | $ 515,124 | $ 325,257 | $ 72,749 | $ 100,239 | $ 8,631 | $ 6,350 | $ 1,898 |
| **1840 & 1845** | $ 48,608 | $ 31,239 | $ 6,916 | $ 9,304 | $ 359 | $ 609 | $ 182 |
| **BCP** | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **BDHA** | $ 170,000 | $ 131,932 | $ 15,636 | $ 22,433 | $ - | $ - | $ - |
| **Break Out** | -$ 15,364,271 | -$ 9,311,288 | -$ 2,227,314 | -$ 3,137,754 | -$ 485,193 | -$ 155,897 | -$ 46,825 |
| **CCA** | $ 146,698 | $ 124,033 | $ 17,205 | $ 1,840 | $ 16 | $ 2,734 | $ 870 |
| **CDMPP** | $ 59,981 | $ 37,055 | $ 8,682 | $ 11,104 | $ 2,297 | $ 529 | $ 314 |
| **CEN** | $ 8,064,275 | $ 2,224,052 | $ 1,063,953 | $ 2,966,952 | $ 1,737,328 | $ 45,990 | $ 26,000 |
| **CEN EWMP** | $ 56,076,309 | $ 15,465,320 | $ 7,398,379 | $ 20,631,204 | $ 12,080,808 | $ 319,801 | $ 180,797 |
| **CREV** | -$ 9,540,656 | -$ 5,246,403 | -$ 1,800,772 | -$ 2,026,633 | -$ 324,062 | -$ 97,102 | -$ 45,684 |
| **CWCS** | $ 1,998,352 | $ 1,526,261 | $ 317,542 | $ 110,202 | $ - | $ 33,644 | $ 10,703 |
| **CWMC** | $ 4,809,657 | $ 3,646,319 | $ 772,073 | $ 386,030 | $ 5,235 | $ - | $ - |
| **CWMR** | $ 54,350 | $ 36,691 | $ 8,221 | $ 9,057 | $ 380 | $ - | $ - |
| **CWNB** | $ 203,835 | $ 143,715 | $ 39,871 | $ 14,927 | $ 277 | $ 6 | $ 5,039 |
| **DCP** | $ 744,451 | $ 293,522 | $ 83,389 | $ 253,664 | $ 107,587 | $ 4,699 | $ 1,590 |
| **LPHA** | -$ 37,901 | -$ 22,741 | -$ 11,370 | -$ 3,790 | $ - | $ - | $ - |
| **LTNCP** | $ 3,603,993 | $ 1,912,046 | $ 556,038 | $ 1,087,501 | $ - | $ 37,276 | $ 11,132 |
| **NFA** | -$ 132,154 | -$ 77,555 | -$ 18,930 | -$ 28,239 | -$ 5,709 | -$ 1,324 | -$ 397 |
| **NFA ECC** | $ 4,568,021 | $ 2,680,769 | $ 654,317 | $ 976,096 | $ 197,333 | $ 45,774 | $ 13,732 |
| **O&M** | $ 1,994,439 | $ 1,232,117 | $ 288,671 | $ 369,209 | $ 76,389 | $ 17,598 | $ 10,456 |
| **PNCP** | $ 9,173,702 | $ 3,414,808 | $ 1,223,507 | $ 2,875,752 | $ 1,578,846 | $ 62,712 | $ 18,077 |
| **SNCP** | $ 25,136,989 | $ 16,377,322 | $ 3,597,535 | $ 4,748,347 | $ - | $ 318,706 | $ 95,080 |
| **TCP** | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Total** | **$ 94,699,795** | **$ 36,286,875** | **$ 12,403,769** | **$ 29,926,592** | **$ 15,124,043** | **$ 667,820** | **$ 290,696** |

Attachments

# Appendix C

## 2011 COS Approved

## Load Forecast Customer Counts

## From 2011 COS Rate Maker Model

# Kingston Hydro Corporation (ED-2003-0057)

**2011 EDR Application (EB-2010-0136) version: 18 "Draft Rate Order"**
**August 20, 2010**

## C2 Load Data and Forecast

*Enter historical volume data and projections for 2010-2011*

**CUSTOMERS (CONNECTIONS)**

| Customer Class Name | 2005 Actual | 2006 EDR Approved | 2006 Actual | 2007 Actual | 2008 Actual |
|---|---|---|---|---|---|
| Residential | 22,338 | 22,553 | 22,481 | 22,591 | 22,938 |
| General Service Less Than 50 kW | 3,322 | 3,351 | 3,254 | 3,214 | 3,269 |
| General Service 50 to 4,999 kW | 418 | 411 | 428 | 413 | 354 |
| Large Use | 3 | 3 | 3 | 3 | 3 |
| Unmetered Scattered Load | 160 | 159 | 167 | 162 | 164 |
| Street Lighting | 5,039 | 5,019 | 5,087 | 5,082 | 5,091 |
| **TOTAL** | **31,280** | **31,496** | **31,420** | **31,465** | **31,819** |

**METERED KILOWATT-HOURS (kWh)**

| Customer Class Name | 2005 Actual | 2006 EDR Approved | 2006 Actual | 2007 Actual | 2008 Actual |
|---|---|---|---|---|---|
| Residential | 213,231,097 | 199,916,887 | 203,419,312 | 205,361,403 | 197,176,338 |
| General Service Less Than 50 kW | 92,393,785 | 89,765,114 | 87,257,190 | 87,931,681 | 93,970,050 |
| General Service 50 to 4,999 kW | 280,428,685 | 279,868,148 | 281,992,976 | 275,557,420 | 274,569,665 |
| Large Use | 152,356,156 | 130,112,634 | 152,420,284 | 150,723,902 | 150,640,722 |
| Unmetered Scattered Load | 2,247,498 | 2,521,588 | 2,200,491 | 2,202,849 | 2,262,490 |
| Street Lighting | 3,886,472 | 3,716,955 | 3,992,890 | 3,972,085 | 4,009,437 |
| **TOTAL** | **744,543,693** | **705,901,326** | **731,283,143** | **725,749,340** | **722,628,702** |

**KILOWATTS (kW)**

| Customer Class Name | 2005 Actual | 2006 EDR Approved | 2006 Actual | 2007 Actual | 2008 Actual |
|---|---|---|---|---|---|
| Residential | | | | | |
| General Service Less Than 50 kW | | | | | |
| General Service 50 to 4,999 kW | 504,537 | 672,053 | 553,210 | 668,428 | 688,735 |
| Large Use | | 245,089 | | | |
| Unmetered Scattered Load | | | | | |
| Street Lighting | 11,038 | 11,323 | 11,150 | 11,141 | 11,195 |
| **TOTAL** | **515,575** | **928,465** | **564,360** | **679,569** | **699,930** |

| Customer Class Name | Loss Factor |
|---|---|
| Residential | 1.0344 |
| General Service Less Than 50 kW | 1.0344 |
| General Service 50 to 4,999 kW | 1.0344 |
| Large Use | 1.0180 |
| Unmetered Scattered Load | 1.0344 |
| Street Lighting | 1.0344 |

# Kingston Hydro Corpo

**2011 EDR Application (EB-20**
**August 20, 2010**

## C2 Load Data and Fo

*Enter historical volume da*

**CUSTOMERS (CONNECTIONS)**

| Customer Class Name | 2009 Actual | 2009 Normalized | 2010 Normalized | 2010 Estimated | 2011 Normalized |
|---|---|---|---|---|---|
| Residential | 23,107 | 23,107 | 23,246 | 23,246 | 23,386 |
| General Service Less Than 50 kW | 3,266 | 3,266 | 3,249 | 3,249 | 3,244 |
| General Service 50 to 4,999 kW | 348 | 348 | 347 | 347 | 347 |
| Large Use | 3 | 3 | 3 | 3 | 3 |
| Unmetered Scattered Load | 163 | 163 | 163 | 163 | 164 |
| Street Lighting | 5,114 | 5,114 | 5,134 | 5,134 | 5,155 |
| **TOTAL** | **32,001** | **32,001** | **32,142** | **32,142** | **32,299** |

**METERED KILOWATT-HOURS (kW**

| Customer Class Name | 2009 Actual | 2009 Normalized | 2010 Normalized | 2010 Estimated | 2011 Normalized |
|---|---|---|---|---|---|
| Residential | 196,461,750 | 197,832,202 | 195,694,457 | 195,694,457 | 194,606,362 |
| General Service Less Than 50 kW | 93,350,687 | 92,095,753 | 91,746,575 | 91,746,575 | 93,096,784 |
| General Service 50 to 4,999 kW | 270,117,290 | 266,919,070 | 262,053,951 | 262,053,951 | 259,610,762 |
| Large Use | 148,002,869 | 151,046,565 | 153,430,724 | 153,430,724 | 152,017,673 |
| Unmetered Scattered Load | 2,256,949 | 2,256,949 | 2,265,977 | 2,265,977 | 2,275,040 |
| Street Lighting | 3,992,185 | 3,992,185 | 4,008,153 | 4,008,153 | 4,024,186 |
| **TOTAL** | **714,181,730** | **714,142,724** | **709,199,837** | **709,199,837** | **705,630,807** |

**KILOWATTS (kW)**

| Customer Class Name | 2009 Actual | 2009 Normalized | 2010 Normalized | 2010 Estimated | 2011 Normalized |
|---|---|---|---|---|---|
| Residential | | | | | |
| General Service Less Than 50 kW | | | | | |
| General Service 50 to 4,999 kW | 730,263 | 721,617 | 708,464 | 708,464 | 701,859 |
| Large Use | 289,874 | 295,835 | 300,505 | 300,505 | 297,737 |
| Unmetered Scattered Load | | | | | |
| Street Lighting | 11,246 | 11,246 | 11,291 | 11,291 | 11,336 |
| **TOTAL** | **1,031,383** | **1,028,698** | **1,020,260** | **1,020,260** | **1,010,932** |

**WHOLESALE kWh's [1]**

| Customer Class Name | 2010 Normalized | 2010 Estimated | 2011 Normalized |
|---|---|---|---|
| Residential | 202,426,346 | 202,426,346 | 201,300,821 |
| General Service Less Than 50 kW | 94,902,657 | 94,902,657 | 96,299,313 |
| General Service 50 to 4,999 kW | 271,068,607 | 271,068,607 | 268,541,372 |
| Large Use | 156,192,477 | 156,192,477 | 154,753,991 |
| Unmetered Scattered Load | 2,343,927 | 2,343,927 | 2,353,301 |
| Street Lighting | 4,146,033 | 4,146,033 | 4,162,618 |

*[1] Metered kWh's multiplied by Loss Factor*

Attachments

# Appendix D

## Reply Submission Updated 2013 Smart Meter Model

**(-with Board approved tax rates)**

# Smart Meter Model for Electricity Distributors (2013 Filers)

**Version** 3.00

| | |
|---|---|
| **Utility Name** | Kingston Hydro Corporation |
| **Assigned EB Number** | EB-2012-0310 |
| **Name and Title** | Sherry Gibson, Senior Advisor, Rates and Regulatory Affairs |
| **Phone Number** | 613-546-1181 x 2383 |
| **Email Address** | sgibson@kingstonhydro.com |
| **Date** | 27/11/2012 16:13 |
| **Last COS Re-based Year** | **2011** |

**Note: Drop-down lists are shaded blue; Input cells are shaded green.**



**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.**


**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.**

| Smart Meter Capital Cost and Operational Expense Data | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Forecast | Forecast | |
| **Smart Meter Installation Plan** | | | | | | | | | | |
| **Actual/Planned number of Smart Meters installed during the Calendar Year** | | | | | | | | | | |
| Residential | | | | | | 22,822 | 403 | 219 | 540 | 23984 |
| General Service < 50 kW | | | | | | 3,066 | 74 | 29 | 60 | 3229 |
| Actual/Planned number of Smart Meters installed (Residential and GS < 50 kW only) | | 0 | 0 | 0 | 0 | 25888 | 477 | 248 | 600 | 27213 |
| Percentage of Residential and GS < 50 kW Smart Meter Installations Completed | | 0.00% | 0.00% | 0.00% | 0.00% | 95.13% | 96.88% | 97.80% | 100.00% | 100.00% |
| Actual/Planned number of GS > 50 kW meters installed | | | | | | | | | | 0 |
| Other (please identify) | | | | | | | | | | 0 |
| Total Number of Smart Meters installed or planned to be installed | | 0 | 0 | 0 | 0 | 25888 | 477 | 248 | 600 | 27213 |
| **1 Capital Costs** | | | | | | | | | | |
| **1.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)** | **Asset Type** (Asset type must be selected to enable calculations) | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Forecast | Forecast | |
| 1.1.1 Smart Meters *(may include new meters and modules, etc.)* | Smart Meter | | | | 1,276,224 | 1,917,732 | | 133,103 | 153,000 | $ 3,480,059 |
| 1.1.2 Installation Costs *(may include socket kits, labour, vehicle, benefits, etc.)* | Smart Meter | | | | 89,563 | 614,876 | 229,779 | 4,506 | | $ 938,724 |
| 1.1.3a Workforce Automation Hardware *(may include fieldwork handhelds, barcode hardware, etc.)* | | | | | | | | | | $ - |
| 1.1.3b Workforce Automation Software *(may include fieldwork handhelds, barcode hardware, etc.)* | | | | | | | | | | $ - |
| **Total Advanced Metering Communications Devices (AMCD** | | $ - | $ - | $ - | $ 1,365,788 | $ 2,532,607 | $ 229,779 | $ 137,609 | $ 153,000 | $ 4,418,783 |
| **1.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)** | **Asset Type** | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Forecast | Forecast | |
| 1.2.1 Collectors | Smart Meter | | | | 125,509 | 121,935 | | | | $ 247,444 |
| 1.2.2 Repeaters *(may include radio licence, etc.)* | | | | | | | | | | $ - |
| 1.2.3 Installation *(may include meter seals and rings, collector computer hardware, etc.)* | | | | | | | | | | $ - |
| **Total Advanced Metering Regional Collector (AMRC) (Includes LAN** | | $ - | $ - | $ - | $ 125,509 | $ 121,935 | $ - | $ - | $ - | $ 247,444 |

| 1.3 ADVANCED METERING CONTROL COMPUTER (AMCC) | Asset Type | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Forecast | Forecast | |
|---|---|---|---|---|---|---|---|---|---|---|
| 1.3.1 Computer Hardware | Computer Hardware | | | | | 120,584 | 6,000 | 10,000 | 93,000 | $ 229,584 |
| 1.3.2 Computer Software | Computer Software | | | | | | 29,511 | 6,000 | | $ 35,511 |
| 1.3.3 Computer Software Licences & Installation (includes hardware and software) *(may include AS/400 disk space, backup and recovery computer, UPS, etc.)* | | | | | | | | | | $ - |
| **Total Advanced Metering Control Computer (AMCC)** | | $ - | $ - | $ - | $ - | $ 120,584 | $ 35,511 | $ 16,000 | $ 93,000 | $ 265,095 |

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

| 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 | Forecast | |
|---|---|---|---|---|---|---|---|---|---|---|
| 1.5.1 Customer Equipment *(including repair of damaged equipment)* | Smart Meter | | | | | 40,460 | 7,558 | | | $ 48,018 |
| 1.5.2 AMI Interface to CIS | | | | | | | | | | $ - |
| 1.5.3 Professional Fees | Smart Meter | | | | 10,137 | 34,631 | 41,427 | | | $ 86,195 |
| 1.5.4 Integration | | | | | | | | | | $ - |
| 1.5.5 Program Management | | | | | | | | | | $ - |
| 1.5.6 Other AMI Capital | | | | | | | | | | $ - |
| **Total Other AMI Capital Costs Related to Minimum Functionality** | | $ - | $ - | $ - | $ 10,137 | $ 75,091 | $ 48,985 | $ - | $ - | $ 134,213 |
| **Total Capital Costs Related to Minimum Functionality** | | $ - | $ - | $ - | $ 1,501,434 | $ 2,850,217 | $ 314,275 | $ 153,609 | $ 246,000 | $ 5,065,535 |

| 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 | 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 | | | | | | | | | | $ - |
| 1.6.2 Costs for deployment of smart meters to customers other than residential and small general service | | | | | | | | | | $ - |
| 1.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc. | Computer Software | | | | | 4,525 | | 42,732 | | $ 47,257 |
| **Total Capital Costs Beyond Minimum Functionality** | | $ - | $ - | $ - | $ - | $ 4,525 | $ - | $ 42,732 | $ - | $ 47,257 |
| **Total Smart Meter Capital Costs** | | $ - | $ - | $ - | $ 1,501,434 | $ 2,854,742 | $ 314,275 | $ 196,341 | $ 246,000 | $ 5,112,792 |

## 2 OM&A Expenses

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 2.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD) | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Audited Actual | Forecast | Forecast | | |
| 2.1.1 Maintenance *(may include meter reverification costs, etc.)* | | | | | 53,415 | | | | $ | 53,415 |
| 2.1.2 Other *(please specify)* Labour and Security | | | | | | | | 169,830 | $ | 169,830 |
| **Total Incremental AMCD OM&A Costs** | $ - | $ - | $ - | $ - | $ 53,415 | $ - | $ - | $ 169,830 | $ | 223,245 |
| 2.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN) | | | | | | | | | | |
| 2.2.1 Maintenance | | | | | 23,369 | 46,503 | 80,207 | 85,134 | $ | 235,213 |
| 2.2.2 Other *(please specify)* | | | | | | | | | $ | - |
| **Total Incremental AMRC OM&A Costs** | $ - | $ - | $ - | $ - | $ 23,369 | $ 46,503 | $ 80,207 | $ 85,134 | $ | 235,213 |
| 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.)* | | | | | | | 5,400 | 5,508 | $ | 10,908 |
| 2.3.2 Other *(please specify)* | | | | | | | | | $ | - |
| **Total Incremental AMCC OM&A Costs** | $ - | $ - | $ - | $ - | $ - | $ - | $ 5,400 | $ 5,508 | $ | 10,908 |
| **2.4 WIDE AREA NETWORK (WAN)** | | | | | | | | | | |
| 2.4.1 WAN Maintenance | | | | | 9,048 | 8,700 | 8,700 | 8,700 | $ | 35,148 |
| 2.4.2 Other *(please specify)* | | | | | | | | | $ | - |
| **Total Incremental AMRC OM&A Costs** | $ - | $ - | $ - | $ - | $ 9,048 | $ 8,700 | $ 8,700 | $ 8,700 | $ | 35,148 |
| **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 | | | | | | | | | $ | - |
| 2.5.4 Change Management (may include training, etc.) | | | | | | | | | $ | - |
| 2.5.5 Administration Costs | | | | | | | | | $ | - |
| 2.5.6 Other AMI Expenses *(please specify)* | | | | | | | | | $ | - |
| **Total Other AMI OM&A Costs Related to Minimum Functionality** | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ | - |
| **TOTAL OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY** | $ - | $ - | $ - | $ - | $ 85,832 | $ 55,203 | $ 94,307 | $ 269,172 | $ | 504,514 |
| **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. | | | | | | | 686 | 4,350 | $ | 5,036 |
| **Total OM&A Costs Beyond Minimum Functionality** | $ - | $ - | $ - | $ - | $ - | $ - | $ 686 | $ 4,350 | $ | 5,036 |
| **Total Smart Meter OM&A Costs** | $ - | $ - | $ - | $ - | $ 85,832 | $ 55,203 | $ 94,993 | $ 273,522 | $ | 509,550 |

**3 Aggregate Smart Meter Costs by Category**

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **3.1** | **Capital** | | | | | | | | | | | |
| 3.1.1 | Smart Meter | $ - | $ - | $ - | $ 1,501,434 | $ 2,729,633 | $ 278,764 | $ 137,609 | $ 153,000 | $ 4,800,440 | | |
| 3.1.2 | Computer Hardware | $ - | $ - | $ - | $ - | $ 120,584 | $ 6,000 | $ 10,000 | $ 93,000 | $ 229,584 | | |
| 3.1.3 | Computer Software | $ - | $ - | $ - | $ - | $ 4,525 | $ 29,511 | $ 48,732 | $ - | $ 82,768 | | |
| 3.1.4 | Tools & Equipment | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | | |
| 3.1.5 | Other Equipment | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | | |
| 3.1.6 | Applications Software | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | | |
| **3.1.7** | **Total Capital Costs** | **$ -** | **$ -** | **$ -** | **$ 1,501,434** | **$ 2,854,742** | **$ 314,275** | **$ 196,341** | **$ 246,000** | **$ 5,112,792** | | |
| **3.2** | **OM&A Costs** | | | | | | | | | | | |
| **3.2.1** | **Total OM&A Costs** | **$ -** | **$ -** | **$ -** | **$ -** | **$ 85,832** | **$ 55,203** | **$ 94,993** | **$ 273,522** | **$ 509,550** | | |

# Smart Meter Model for Electricity Distributors (2013 Filers)

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---|---|---|---|---|---|---|---|
| **Cost of Capital** | | | | | | | | |
| **Capital Structure**[1] | | | | | | | | |
| Deemed Short-term Debt Capitalization | | | | 0.0% | 0.0% | 4.0% | 4.0% | 4.0% |
| Deemed Long-term Debt Capitalization | 50.0% | 50.0% | 53.3% | 56.7% | 60.0% | 56.0% | 56.0% | 56.0% |
| Deemed Equity Capitalization | 50.0% | 50.0% | 46.7% | 43.3% | 40.0% | 40.0% | 40.0% | 40.0% |
| Preferred Shares | | | | | | | | |
| **Total** | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| **Cost of Capital Parameters** | | | | | | | | |
| Deemed Short-term Debt Rate | | | | 0.00% | 0.00% | 2.46% | 2.46% | 2.46% |
| Long-term Debt Rate (actual/embedded/deemed)[2] | 6.57% | 6.57% | 6.57% | 6.57% | 6.57% | 5.01% | 5.01% | 5.01% |
| Target Return on Equity (ROE) | 9.0% | 9.00% | 9.00% | 9.00% | 9.00% | 9.58% | 9.58% | 9.58% |
| Return on Preferred Shares | | | | | | | | |
| **WACC** | 7.79% | 7.79% | 7.70% | 7.62% | 7.54% | 6.74% | 6.74% | 6.74% |
| **Working Capital Allowance** | | | | | | | | |
| Working Capital Allowance Rate | 15.0% | 15.0% | 15.0% | 15.0% | 15.0% | 15.0% | 15.0% | 15.0% |
| *(% of the sum of Cost of Power + controllable expenses)* | | | | | | | | |
| **Taxes/PILs** | | | | | | | | |
| Aggregate Corporate Income Tax Rate | 36.12% | 36.12% | 33.50% | 33.00% | 31.00% | 28.25% | 26.25% | 25.50% |
| Capital Tax (until July 1st, 2010) | 0.30% | 0.225% | 0.225% | 0.225% | 0.075% | 0.00% | 0.00% | 0.00% |

**Depreciation Rates**

*(expressed as expected useful life in years)*

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Smart Meters - years | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| - rate (%) | 6.67% | 6.67% | 6.67% | 6.67% | 6.67% | 6.67% | 6.67% | 6.67% |
| Computer Hardware - years | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| - rate (%) | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% |
| Computer Software - years | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| - rate (%) | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% |
| Tools & Equipment - years | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| - rate (%) | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |
| Other Equipment - years | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| - rate (%) | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% |

**CCA Rates**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Smart Meters - CCA Class | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Smart Meters - CCA Rate | 20% | 20% | 20% | 20% | 20% | 20% | 20% | 20% |
| | | | | | | | | |
| Computer Equipment - CCA Class | 46 | 46 | 46 | 46 | 46 | 46 | 46 | 46 |
| Computer Equipment - CCA Rate | 30% | 30% | 30% | 30% | 30% | 30% | 30% | 30% |
| | | | | | | | | |
| General Equipment - CCA Class | | | | | | | | |
| General Equipment - CCA Rate | | | | | | | | |
| | | | | | | | | |
| 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.*

# Smart Meter Model for Electricity Distributors (2013 Filers)

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---|---|---|---|---|---|---|---|
| **Net Fixed Assets - Smart Meters** | | | | | | | | |
| **Gross Book Value** | | | | | | | | |
| Opening Balance | | $ - | $ - | $ - | $ 1,501,434 | $ 4,231,067 | $ 4,509,831 | $ 4,647,440 |
| Capital Additions during year (from Smart Meter Costs) | $ - | $ - | $ - | $ 1,501,434 | $ 2,729,633 | $ 278,764 | $ 137,609 | $ 153,000 |
| Retirements/Removals (if applicable) | | | | | | | | |
| Closing Balance | $ - | $ - | $ - | $ 1,501,434 | $ 4,231,067 | $ 4,509,831 | $ 4,647,440 | $ 4,800,440 |
| **Accumulated Depreciation** | | | | | | | | |
| Opening Balance | | $ - | $ - | $ - | -$ 50,048 | -$ 241,131 | -$ 532,494 | -$ 837,737 |
| Amortization expense during year | $ - | $ - | $ - | -$ 50,048 | -$ 191,083 | -$ 291,363 | -$ 305,242 | -$ 314,929 |
| Retirements/Removals (if applicable) | | | | | | | | |
| Closing Balance | $ - | $ - | $ - | -$ 50,048 | -$ 241,131 | -$ 532,494 | -$ 837,737 | -$ 1,152,666 |
| **Net Book Value** | | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | $ 1,451,386 | $ 3,989,936 | $ 3,977,336 | $ 3,809,703 |
| Closing Balance | $ - | $ - | $ - | $ 1,451,386 | $ 3,989,936 | $ 3,977,336 | $ 3,809,703 | $ 3,647,774 |
| Average Net Book Value | $ - | $ - | $ - | $ 725,693 | $ 2,720,661 | $ 3,983,636 | $ 3,893,520 | $ 3,728,738 |
| **Net Fixed Assets - Computer Hardware** | | | | | | | | |
| **Gross Book Value** | | | | | | | | |
| Opening Balance | | $ - | $ - | $ - | $ - | $ 120,584 | $ 126,584 | $ 136,584 |
| Capital Additions during year (from Smart Meter Costs) | $ - | $ - | $ - | $ - | $ 120,584 | $ 6,000 | $ 10,000 | $ 93,000 |
| Retirements/Removals (if applicable) | | | | | | | | |
| Closing Balance | $ - | $ - | $ - | $ - | $ 120,584 | $ 126,584 | $ 136,584 | $ 229,584 |
| **Accumulated Depreciation** | | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | $ - | -$ 12,058 | -$ 36,775 | -$ 63,092 |
| Amortization expense during year | $ - | $ - | $ - | $ - | -$ 12,058 | -$ 24,717 | -$ 26,317 | -$ 36,617 |
| Retirements/Removals (if applicable) | | | | | | | | |
| Closing Balance | $ - | $ - | $ - | $ - | -$ 12,058 | -$ 36,775 | -$ 63,092 | -$ 99,709 |
| **Net Book Value** | | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | $ - | $ 108,526 | $ 89,809 | $ 73,492 |
| Closing Balance | $ - | $ - | $ - | $ - | $ 108,526 | $ 89,809 | $ 73,492 | $ 129,875 |
| Average Net Book Value | $ - | $ - | $ - | $ - | $ 54,263 | $ 99,167 | $ 81,650 | $ 101,684 |

**Net Fixed Assets - Computer Software (including Applications Software)**

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Gross Book Value** | | | | | | | | | |
| Opening Balance | | $ - | $ - | $ - | $ - | $ - | $ 4,525 | $ 34,036 | $ 82,768 |
| Capital Additions during year (from Smart Meter Costs) | $ - | $ - | $ - | $ - | $ 4,525 | $ 29,511 | $ 48,732 | $ - | |
| Retirements/Removals (if applicable) | | | | | | | | | |
| Closing Balance | $ - | $ - | $ - | $ - | $ 4,525 | $ 34,036 | $ 82,768 | $ 82,768 | |
| **Accumulated Depreciation** | | | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | $ - | -$ 453 | -$ 4,309 | -$ 15,989 | |
| Amortization expense during year | $ - | $ - | $ - | $ - | -$ 453 | -$ 3,856 | -$ 11,680 | -$ 16,554 | |
| Retirements/Removals (if applicable) | | | | | | | | | |
| Closing Balance | $ - | $ - | $ - | $ - | -$ 453 | -$ 4,309 | -$ 15,989 | -$ 32,543 | |
| **Net Book Value** | | | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | $ - | $ 4,073 | $ 29,727 | $ 66,779 | |
| Closing Balance | $ - | $ - | $ - | $ - | $ 4,073 | $ 29,727 | $ 66,779 | $ 50,225 | |
| Average Net Book Value | $ - | $ - | $ - | $ - | $ 2,036 | $ 16,900 | $ 48,253 | $ 58,502 | |

**Net Fixed Assets - Tools and Equipment**

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Gross Book Value** | | | | | | | | | |
| Opening Balance | | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Capital Additions during year (from Smart Meter Costs) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| Retirements/Removals (if applicable) | | | | | | | | | |
| Closing Balance | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| **Accumulated Depreciation** | | | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| Amortization expense during year | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| Retirements/Removals (if applicable) | | | | | | | | | |
| Closing Balance | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| **Net Book Value** | | | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| Closing Balance | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| Average Net Book Value | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |

**Net Fixed Assets - Other Equipment**

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Gross Book Value** | | | | | | | | | |
| Opening Balance | | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Capital Additions during year (from Smart Meter Costs) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| Retirements/Removals (if applicable) | | | | | | | | | |
| Closing Balance | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| **Accumulated Depreciation** | | | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| Amortization expense during year | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| Retirements/Removals (if applicable) | | | | | | | | | |
| Closing Balance | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| **Net Book Value** | | | | | | | | | |
| Opening Balance | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| Closing Balance | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |
| Average Net Book Value | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | |

# Smart Meter Model for Electricity Distributors (2013 Filers)

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---|---|---|---|---|---|---|---|
| **Average Net Fixed Asset Values (from Sheet 4)** | | | | | | | | |
| Smart Meters | $ - | $ - | $ - | $ 725,693 | $ 2,720,661 | $ 3,983,636 | $ 3,893,520 | $ 3,728,738 |
| Computer Hardware | $ - | $ - | $ - | $ - | $ 54,263 | $ 99,167 | $ 81,650 | $ 101,684 |
| Computer Software | $ - | $ - | $ - | $ - | $ 2,036 | $ 16,900 | $ 48,253 | $ 58,502 |
| Tools & Equipment | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Other Equipment | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Total Net Fixed Assets** | **$ -** | **$ -** | **$ -** | **$ 725,693** | **$ 2,776,960** | **$ 4,099,703** | **$ 4,023,423** | **$ 3,888,924** |
| **Working Capital** | | | | | | | | |
| Operating Expenses (from Sheet 2) | $ - | $ - | $ - | $ - | $ 85,832 | $ 55,203 | $ 94,993 | $ 273,522 |
| Working Capital Factor (from Sheet 3) | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% |
| Working Capital Allowance | $ - | $ - | $ - | $ - | $ 12,875 | $ 8,280 | $ 14,249 | $ 41,028 |
| **Incremental Smart Meter Rate Base** | **$ -** | **$ -** | **$ -** | **$ 725,693** | **$ 2,789,835** | **$ 4,107,984** | **$ 4,037,672** | **$ 3,929,953** |
| **Return on Rate Base** | | | | | | | | |
| ***Capital Structure*** | | | | | | | | |
| Deemed Short Term Debt | $ - | $ - | $ - | $ - | $ - | $ 164,319 | $ 161,507 | $ 157,198 |
| Deemed Long Term Debt | $ - | $ - | $ - | $ 411,468 | $ 1,673,901 | $ 2,300,471 | $ 2,261,097 | $ 2,200,773 |
| Equity | $ - | $ - | $ - | $ 314,225 | $ 1,115,934 | $ 1,643,193 | $ 1,615,069 | $ 1,571,981 |
| Preferred Shares | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Total Capitalization | $ - | $ - | $ - | $ 725,693 | $ 2,789,835 | $ 4,107,984 | $ 4,037,672 | $ 3,929,953 |
| ***Return on*** | | | | | | | | |
| Deemed Short Term Debt | $ - | $ - | $ - | $ - | $ - | $ 4,042 | $ 3,973 | $ 3,867 |
| Deemed Long Term Debt | $ - | $ - | $ - | $ 27,033 | $ 109,975 | $ 115,254 | $ 113,281 | $ 110,259 |
| Equity | $ - | $ - | $ - | $ 28,280 | $ 100,434 | $ 157,418 | $ 154,724 | $ 150,596 |
| Preferred Shares | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Total Return on Capital** | $ - | $ - | $ - | $ 55,314 | $ 210,409 | $ 276,714 | $ 271,978 | $ 264,722 |
| **Operating Expenses** | $ - | $ - | $ - | $ - | $ 85,832 | $ 55,203 | $ 94,993 | $ 273,522 |
| **Amortization Expenses (from Sheet 4)** | | | | | | | | |
| Smart Meters | $ - | $ - | $ - | $ 50,048 | $ 191,083 | $ 291,363 | $ 305,242 | $ 314,929 |
| Computer Hardware | $ - | $ - | $ - | $ - | $ 12,058 | $ 24,717 | $ 26,317 | $ 36,617 |
| Computer Software | $ - | $ - | $ - | $ - | $ 453 | $ 3,856 | $ 11,680 | $ 16,554 |
| Tools & Equipment | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Other Equipment | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| **Total Amortization Expense in Year** | $ - | $ - | $ - | $ 50,048 | $ 203,594 | $ 319,936 | $ 343,240 | $ 368,100 |
| **Incremental Revenue Requirement before Taxes/PILs** | $ - | $ - | $ - | $ 105,361 | $ 499,836 | $ 651,853 | $ 710,210 | $ 906,343 |
| **Calculation of Taxable Income** | | | | | | | | |
| Incremental Operating Expenses | $ - | $ - | $ - | $ - | $ 85,832 | $ 55,203 | $ 94,993 | $ 273,522 |
| Amortization Expense | $ - | $ - | $ - | $ 50,048 | $ 203,594 | $ 319,936 | $ 343,240 | $ 368,100 |
| Interest Expense | $ - | $ - | $ - | $ 27,033 | $ 109,975 | $ 119,296 | $ 117,254 | $ 114,126 |
| **Net Income for Taxes/PILs** | $ - | $ - | $ - | $ 28,280 | $ 100,434 | $ 157,418 | $ 154,724 | $ 150,596 |
| **Grossed-up Taxes/PILs (from Sheet 7)** | $ - | $ - | $ - | -$ 32,106.10 | -$ 112,817.91 | -$ 116,264.87 | -$ 61,293.19 | -$ 22,330.38 |
| **Revenue Requirement, including Grossed-up Taxes/PILs** | $ - | $ - | $ - | $ 73,255 | $ 387,018 | $ 535,588 | $ 648,917 | $ 884,013 |

# Smart Meter Model for Electricity Distributors (2013 Filers)

## 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 Forecast | 2013 Forecast |
|---|---|---|---|---|---|---|---|---|
| Opening UCC | $ - | $ - | $ - | $ - | $ 1,351,290.15 | $ 3,537,702.16 | $ 3,081,049.33 | $ 2,588,687.56 |
| Capital Additions | $ - | $ - | $ - | $ 1,501,433.50 | $ 2,729,633.38 | $ 278,764.00 | $ 137,609.00 | $ 153,000.00 |
| Retirements/Removals (if applicable) | | | | | | | | |
| UCC Before Half Year Rule | $ - | $ - | $ - | $ 1,501,433.50 | $ 4,080,923.53 | $ 3,816,466.16 | $ 3,218,658.33 | $ 2,741,687.56 |
| Half Year Rule (1/2 Additions - Disposals) | $ - | $ - | $ - | $ 750,716.75 | $ 1,364,816.69 | $ 139,382.00 | $ 68,804.50 | $ 76,500.00 |
| Reduced UCC | $ - | $ - | $ - | $ 750,716.75 | $ 2,716,106.84 | $ 3,677,084.16 | $ 3,149,853.83 | $ 2,665,187.56 |
| CCA Rate Class | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| CCA Rate | 20% | 20% | 20% | 20% | 20% | 20% | 20% | 20% |
| CCA | $ - | $ - | $ - | $ 150,143.35 | $ 543,221.37 | $ 735,416.83 | $ 629,970.77 | $ 533,037.51 |
| Closing UCC | $ - | $ - | $ - | $ 1,351,290.15 | $ 3,537,702.16 | $ 3,081,049.33 | $ 2,588,687.56 | $ 2,208,650.05 |

### UCC - Computer Equipment

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Audited Actual | 2011 Audited Actual | 2012 Forecast | 2013 Forecast |
|---|---|---|---|---|---|---|---|---|
| Opening UCC | $ - | $ - | $ - | $ - | $ - | $ 106,342.65 | $ 104,624.21 | $ 123,159.14 |
| Capital Additions Computer Hardware | $ - | $ - | $ - | $ - | $ 120,584.00 | $ 6,000.00 | $ 10,000.00 | $ 93,000.00 |
| Capital Additions Computer Software | $ - | $ - | $ - | $ - | $ 4,525.00 | $ 29,511.00 | $ 48,732.00 | $ - |
| Retirements/Removals (if applicable) | | | | | | | | |
| UCC Before Half Year Rule | $ - | $ - | $ - | $ - | $ 125,109.00 | $ 141,853.65 | $ 163,356.21 | $ 216,159.14 |
| Half Year Rule (1/2 Additions - Disposals) | $ - | $ - | $ - | $ - | $ 62,554.50 | $ 17,755.50 | $ 29,366.00 | $ 46,500.00 |
| Reduced UCC | $ - | $ - | $ - | $ - | $ 62,554.50 | $ 124,098.15 | $ 133,990.21 | $ 169,659.14 |
| CCA Rate Class | 46 | 46 | 46 | 46 | 46 | 46 | 46 | 46 |
| CCA Rate | 30% | 30% | 30% | 30% | 30% | 30% | 30% | 30% |
| CCA | $ - | $ - | $ - | $ - | $ 18,766.35 | $ 37,229.45 | $ 40,197.06 | $ 50,897.74 |
| Closing UCC | $ - | $ - | $ - | $ - | $ 106,342.65 | $ 104,624.21 | $ 123,159.14 | $ 165,261.40 |

## UCC - General Equipment

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Audited Actual | 2011 Audited Actual | 2012 Forecast | 2013 Forecast |
|---|---|---|---|---|---|---|---|---|
| Opening UCC | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Capital Additions Tools & Equipment | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Capital Additions Other Equipment | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| 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 | 0 |
| CCA Rate | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| CCA | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Closing UCC | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |

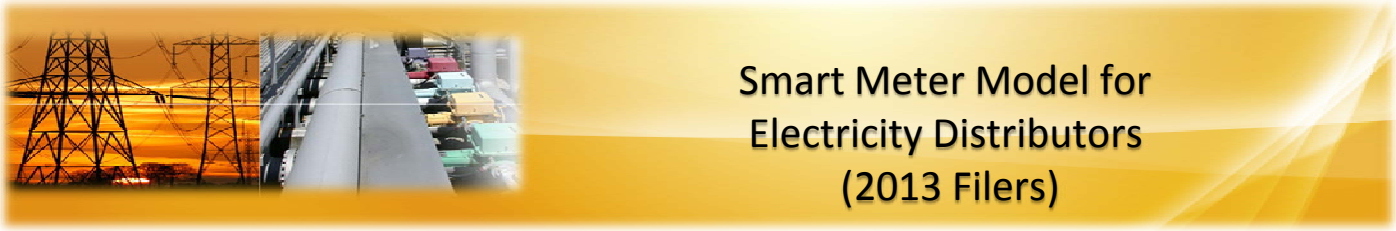
## UCC - Applications Software

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Audited Actual | 2011 Audited Actual | 2012 Forecast | 2013 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 | 0 |
| CCA Rate | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| CCA | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Closing UCC | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |

# Smart Meter Model for Electricity Distributors (2013 Filers)

## PILs Calculation

| | 2006 Audited Actual | 2007 Audited Actual | 2008 Audited Actual | 2009 Audited Actual | 2010 Audited Actual | 2011 Audited Actual | 2012 Forecast | 2013 Forecast |
|---|---|---|---|---|---|---|---|---|
| **INCOME TAX** | | | | | | | | |
| Net Income | $ - | $ - | $ - | $ 28,280.25 | $ 100,434.05 | $ 157,417.94 | $ 154,723.60 | $ 150,595.78 |
| Amortization | $ - | $ - | $ - | $ 50,047.78 | $ 203,594.25 | $ 319,936.16 | $ 343,239.56 | $ 368,099.73 |
| CCA - Smart Meters | $ - | $ - | $ - | -$ 150,143.35 | -$ 543,221.37 | -$ 735,416.83 | -$ 629,970.77 | -$ 533,037.51 |
| CCA - Computers | $ - | $ - | $ - | $ - | -$ 18,766.35 | -$ 37,229.45 | -$ 40,197.06 | -$ 50,897.74 |
| CCA - Applications Software | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| CCA - Other Equipment | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Change in taxable income | $ - | $ - | $ - | -$ 71,815.32 | -$ 257,959.43 | -$ 295,292.18 | -$ 172,204.66 | -$ 65,239.75 |
| Tax Rate (from Sheet 3) | 36.12% | 36.12% | 33.50% | 33.00% | 31.00% | 28.25% | 26.25% | 25.50% |
| Income Taxes Payable | $ - | $ - | $ - | -$ 23,699.05 | -$ 79,967.42 | -$ 83,420.04 | -$ 45,203.72 | -$ 16,636.14 |
| **ONTARIO CAPITAL TAX** | | | | | | | | |
| Smart Meters | $ - | $ - | $ - | $ 1,451,385.72 | $ 3,989,935.75 | $ 3,977,336.49 | $ 3,809,703.13 | $ 3,647,773.81 |
| Computer Hardware | $ - | $ - | $ - | $ - | $ 108,525.60 | $ 89,808.80 | $ 73,492.00 | $ 129,875.20 |
| Computer Software (Including Application Software) | $ - | $ - | $ - | $ - | $ 4,072.50 | $ 29,727.40 | $ 66,779.00 | $ 50,225.40 |
| Tools & Equipment | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Other Equipment | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Rate Base | $ - | $ - | $ - | $ 1,451,385.72 | $ 4,102,533.85 | $ 4,096,872.69 | $ 3,949,974.13 | $ 3,827,874.41 |
| Less: Exemption | | | | | | | | |
| Deemed Taxable Capital | $ - | $ - | $ - | $ 1,451,385.72 | $ 4,102,533.85 | $ 4,096,872.69 | $ 3,949,974.13 | $ 3,827,874.41 |
| Ontario Capital Tax Rate (from Sheet 3) | 0.300% | 0.225% | 0.225% | 0.225% | 0.075% | 0.000% | 0.000% | 0.000% |
| Net Amount (Taxable Capital x Rate) | $ - | $ - | $ - | $ 3,265.62 | $ 3,076.90 | $ - | $ - | $ - |
| Change in Income Taxes Payable | $ - | $ - | $ - | -$ 23,699.05 | -$ 79,967.42 | -$ 83,420.04 | -$ 45,203.72 | -$ 16,636.14 |
| Change in OCT | $ - | $ - | $ - | $ 3,265.62 | $ 3,076.90 | $ - | $ - | $ - |
| PILs | $ - | $ - | $ - | -$ 20,433.44 | -$ 76,890.52 | -$ 83,420.04 | -$ 45,203.72 | -$ 16,636.14 |
| **Gross Up PILs** | | | | | | | | |
| Tax Rate | 36.12% | 36.12% | 33.50% | 33.00% | 31.00% | 28.25% | 26.25% | 25.50% |
| Change in Income Taxes Payable | $ - | $ - | $ - | -$ 35,371.72 | -$ 115,894.82 | -$ 116,264.87 | -$ 61,293.19 | -$ 22,330.38 |
| Change in OCT | $ - | $ - | $ - | $ 3,265.62 | $ 3,076.90 | $ - | $ - | $ - |
| PILs | **$ -** | **$ -** | **$ -** | **-$ 32,106.10** | **-$ 112,817.91** | **-$ 116,264.87** | **-$ 61,293.19** | **-$ 22,330.38** |

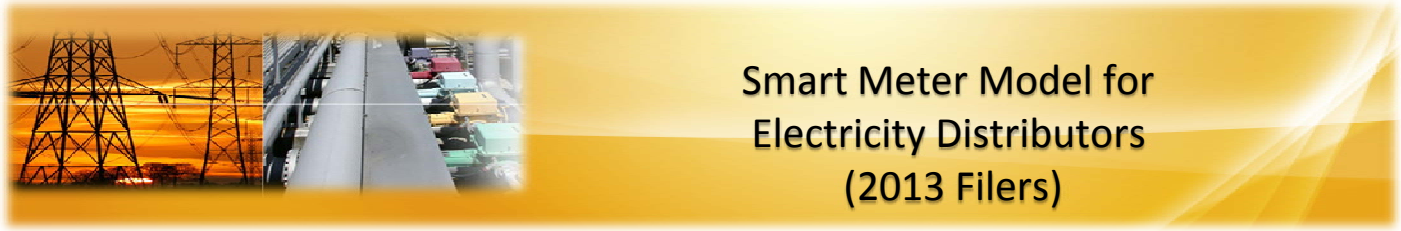


# Smart Meter Model for Electricity Distributors (2013 Filers)

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

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

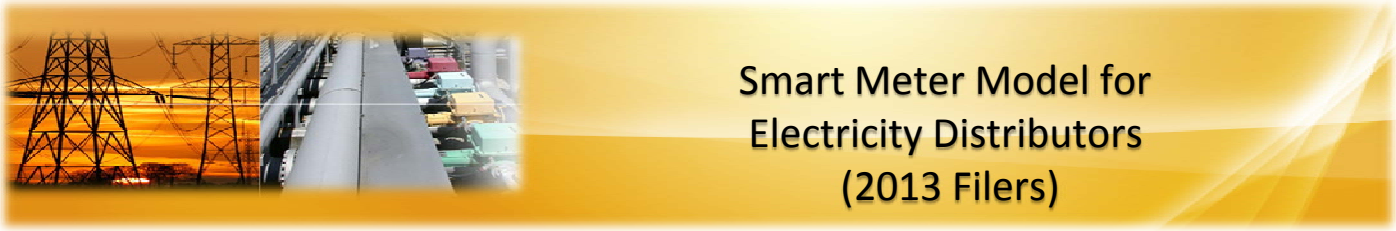
| Interest Rates | Approved Deferral and Variance Accounts | CWIP | Date | Year | Quarter | Opening Balance (Principal) | Funding Adder Revenues | Interest Rate | Interest | Closing Balance | Annual amounts | Board Approved Smart Meter Funding Adder |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2006 Q1 | | | Jan-06 | 2006 | Q1 | $ - | | 0.00% | $ - | $ - | | |
| 2006 Q2 | 4.14% | 4.68% | Feb-06 | 2006 | Q1 | $ - | | 0.00% | $ - | $ - | | |
| 2006 Q3 | 4.59% | 5.05% | Mar-06 | 2006 | Q1 | $ - | | 0.00% | $ - | $ - | | |
| 2006 Q4 | 4.59% | 4.72% | Apr-06 | 2006 | Q2 | $ - | | 4.14% | $ - | $ - | | |
| 2007 Q1 | 4.59% | 4.72% | May-06 | 2006 | Q2 | $ - | $ 6,450.77 | 4.14% | $ - | $ 6,450.77 | | $ 0.26 |
| 2007 Q2 | 4.59% | 4.72% | Jun-06 | 2006 | Q2 | $ 6,450.77 | $ 7,017.49 | 4.14% | $ 22.26 | $ 13,490.52 | | $ 0.26 |
| 2007 Q3 | 4.59% | 5.18% | Jul-06 | 2006 | Q3 | $ 13,468.26 | $ 6,421.54 | 4.59% | $ 51.52 | $ 19,941.32 | | $ 0.26 |
| 2007 Q4 | 5.14% | 5.18% | Aug-06 | 2006 | Q3 | $ 19,889.80 | $ 7,287.89 | 4.59% | $ 76.08 | $ 27,253.77 | | $ 0.26 |
| 2008 Q1 | 5.14% | 5.18% | Sep-06 | 2006 | Q3 | $ 27,177.69 | $ 6,422.79 | 4.59% | $ 103.95 | $ 33,704.43 | | $ 0.26 |
| 2008 Q2 | 4.08% | 5.18% | Oct-06 | 2006 | Q4 | $ 33,600.48 | $ 7,382.04 | 4.59% | $ 128.52 | $ 41,111.04 | | $ 0.26 |
| 2008 Q3 | 3.35% | 5.43% | Nov-06 | 2006 | Q4 | $ 40,982.52 | $ 6,966.70 | 4.59% | $ 156.76 | $ 48,105.98 | | $ 0.26 |
| 2008 Q4 | 3.35% | 5.43% | Dec-06 | 2006 | Q4 | $ 47,949.22 | $ 5,722.36 | 4.59% | $ 183.41 | $ 53,854.99 | $ 54,394.08 | $ 0.26 |
| 2009 Q1 | 2.45% | 6.61% | Jan-07 | 2007 | Q1 | $ 53,671.58 | $ 8,192.82 | 4.59% | $ 205.29 | $ 62,069.69 | | $ 0.26 |
| 2009 Q2 | 1.00% | 6.61% | Feb-07 | 2007 | Q1 | $ 61,864.40 | $ 6,424.95 | 4.59% | $ 236.63 | $ 68,525.98 | | $ 0.26 |
| 2009 Q3 | 0.55% | 5.67% | Mar-07 | 2007 | Q1 | $ 68,289.35 | $ 7,429.06 | 4.59% | $ 261.21 | $ 75,979.62 | | $ 0.26 |
| 2009 Q4 | 0.55% | 4.66% | Apr-07 | 2007 | Q2 | $ 75,718.41 | $ 6,548.05 | 4.59% | $ 289.62 | $ 82,556.08 | | $ 0.26 |
| 2010 Q1 | 0.55% | 4.34% | May-07 | 2007 | Q2 | $ 82,266.46 | $ 7,177.58 | 4.59% | $ 314.67 | $ 89,758.71 | | $ 0.26 |
| 2010 Q2 | 0.55% | 4.34% | Jun-07 | 2007 | Q2 | $ 89,444.04 | $ 6,838.65 | 4.59% | $ 342.12 | $ 96,624.81 | | $ 0.26 |
| 2010 Q3 | 0.89% | 4.66% | Jul-07 | 2007 | Q3 | $ 96,282.69 | $ 6,899.41 | 4.59% | $ 368.28 | $ 103,550.38 | | $ 0.26 |
| 2010 Q4 | 1.20% | 4.01% | Aug-07 | 2007 | Q3 | $ 103,182.10 | $ 6,981.62 | 4.59% | $ 394.67 | $ 110,558.39 | | $ 0.26 |
| 2011 Q1 | 1.47% | 4.29% | Sep-07 | 2007 | Q3 | $ 110,163.72 | $ 6,186.72 | 4.59% | $ 421.38 | $ 116,771.81 | | $ 0.26 |
| 2011 Q2 | 1.47% | 4.29% | Oct-07 | 2007 | Q4 | $ 116,350.43 | $ 7,599.39 | 5.14% | $ 498.37 | $ 124,448.20 | | $ 0.26 |
| 2011 Q3 | 1.47% | 4.29% | Nov-07 | 2007 | Q4 | $ 123,949.83 | $ 7,104.34 | 5.14% | $ 530.92 | $ 131,585.09 | | $ 0.26 |
| 2011 Q4 | 1.47% | 3.92% | Dec-07 | 2007 | Q4 | $ 131,054.17 | $ 6,038.80 | 5.14% | $ 561.35 | $ 137,654.32 | $ 87,845.90 | $ 0.26 |
| 2012 Q1 | 1.47% | 3.92% | Jan-08 | 2008 | Q1 | $ 137,092.97 | $ 7,969.60 | 5.14% | $ 587.21 | $ 145,649.78 | | $ 0.26 |
| 2012 Q2 | 1.47% | 3.51% | Feb-08 | 2008 | Q1 | $ 145,062.57 | $ 6,552.38 | 5.14% | $ 621.35 | $ 152,236.30 | | $ 0.26 |
| 2012 Q3 | 1.47% | 3.51% | Mar-08 | 2008 | Q1 | $ 151,614.95 | $ 6,270.36 | 5.14% | $ 649.42 | $ 158,534.73 | | $ 0.26 |
| 2012 Q4 | | | Apr-08 | 2008 | Q2 | $ 157,885.31 | $ 7,967.76 | 4.08% | $ 536.81 | $ 166,389.88 | | $ 0.26 |
| 2013 Q1 | | | May-08 | 2008 | Q2 | $ 165,853.07 | $ 6,406.47 | 4.08% | $ 563.90 | $ 172,823.44 | | $ 0.26 |
| 2013 Q2 | | | Jun-08 | 2008 | Q2 | $ 172,259.54 | $ 7,461.33 | 4.08% | $ 585.68 | $ 180,306.56 | | $ 0.26 |




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

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

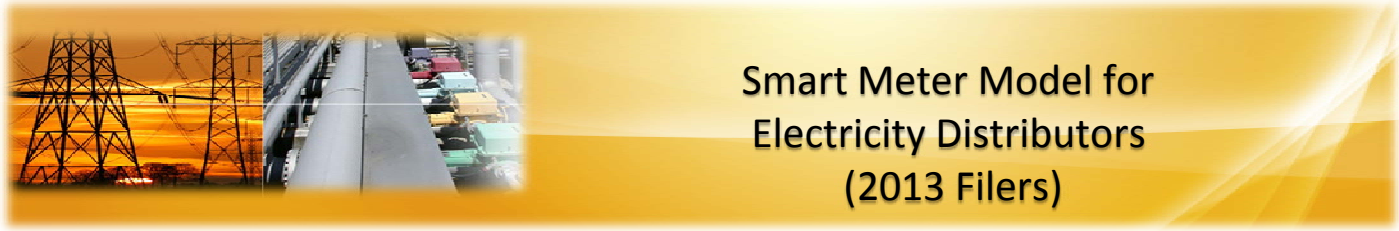
| Interest Rates | Approved Deferral and Variance Accounts | CWIP | Date | Year | Quarter | Opening Balance (Principal) | Funding Adder Revenues | Interest Rate | Interest | Closing Balance | Annual amounts | Board Approved Smart Meter Funding Adder |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2013 Q3 | | | Jul-08 | 2008 | Q3 | $ 179,720.88 | $ 7,263.76 | 3.35% | $ 501.72 | $ 187,486.36 | | $ 0.26 |
| 2013 Q4 | | | Aug-08 | 2008 | Q3 | $ 186,984.64 | $ 6,801.39 | 3.35% | $ 522.00 | $ 194,308.02 | | $ 0.26 |
| | | | Sep-08 | 2008 | Q3 | $ 193,786.02 | $ 7,007.37 | 3.35% | $ 540.99 | $ 201,334.38 | | $ 0.26 |
| | | | Oct-08 | 2008 | Q4 | $ 200,793.39 | $ 7,125.36 | 3.35% | $ 560.55 | $ 208,479.30 | | $ 0.26 |
| | | | Nov-08 | 2008 | Q4 | $ 207,918.75 | $ 6,361.19 | 3.35% | $ 580.44 | $ 214,860.39 | | $ 0.26 |
| | | | Dec-08 | 2008 | Q4 | $ 214,279.95 | $ 7,053.93 | 3.35% | $ 598.20 | $ 221,932.08 | $ 91,089.18 | $ 0.26 |
| | | | Jan-09 | 2009 | Q1 | $ 221,333.88 | $ 7,972.81 | 2.45% | $ 451.89 | $ 229,758.58 | | $ 0.26 |
| | | | Feb-09 | 2009 | Q1 | $ 229,306.69 | $ 6,190.91 | 2.45% | $ 468.17 | $ 235,965.77 | | $ 0.26 |
| | | | Mar-09 | 2009 | Q1 | $ 235,497.60 | $ 8,068.62 | 2.45% | $ 480.81 | $ 244,047.03 | | $ 0.26 |
| | | | Apr-09 | 2009 | Q2 | $ 243,566.22 | $ 6,464.22 | 1.00% | $ 202.97 | $ 250,233.41 | | $ 0.26 |
| | | | May-09 | 2009 | Q2 | $ 250,030.44 | $ 5,965.97 | 1.00% | $ 208.36 | $ 256,204.77 | | $ 0.26 |
| | | | Jun-09 | 2009 | Q2 | $ 255,996.41 | $ 7,390.71 | 1.00% | $ 213.33 | $ 263,600.45 | | $ 0.26 |
| | | | Jul-09 | 2009 | Q3 | $ 263,387.12 | $ 7,573.21 | 0.55% | $ 120.72 | $ 271,081.06 | | $ 0.26 |
| | | | Aug-09 | 2009 | Q3 | $ 270,960.34 | $ 6,641.21 | 0.55% | $ 124.19 | $ 277,725.74 | | $ 0.26 |
| | | | Sep-09 | 2009 | Q3 | $ 277,601.55 | $ 6,872.68 | 0.55% | $ 127.23 | $ 284,601.46 | | $ 0.26 |
| | | | Oct-09 | 2009 | Q4 | $ 284,474.23 | $ 7,009.38 | 0.55% | $ 130.38 | $ 291,613.99 | | $ 0.26 |
| | | | Nov-09 | 2009 | Q4 | $ 291,483.61 | $ 6,943.96 | 0.55% | $ 133.60 | $ 298,561.17 | | $ 0.26 |
| | | | Dec-09 | 2009 | Q4 | $ 298,427.57 | $ 6,408.93 | 0.55% | $ 136.78 | $ 304,973.28 | $ 86,301.05 | $ 0.26 |
| | | | Jan-10 | 2010 | Q1 | $ 304,836.50 | $ 7,522.82 | 0.55% | $ 139.72 | $ 312,499.04 | | $ 0.26 |
| | | | Feb-10 | 2010 | Q1 | $ 312,359.32 | $ 6,433.46 | 0.55% | $ 143.16 | $ 318,935.94 | | $ 0.26 |
| | | | Mar-10 | 2010 | Q1 | $ 318,792.78 | $ 7,957.11 | 0.55% | $ 146.11 | $ 326,896.00 | | $ 0.26 |
| | | | Apr-10 | 2010 | Q2 | $ 326,749.89 | $ 6,740.62 | 0.55% | $ 149.76 | $ 333,640.27 | | $ 0.26 |
| | | | May-10 | 2010 | Q2 | $ 333,490.51 | $ 6,627.14 | 0.55% | $ 152.85 | $ 340,270.50 | | $ 0.26 |
| | | | Jun-10 | 2010 | Q2 | $ 340,117.65 | $ 23,309.02 | 0.55% | $ 155.89 | $ 363,582.56 | | $ 1.00 |
| | | | Jul-10 | 2010 | Q3 | $ 363,426.67 | $ 28,035.60 | 0.89% | $ 269.54 | $ 391,731.81 | | $ 1.00 |
| | | | Aug-10 | 2010 | Q3 | $ 391,462.27 | $ 26,119.29 | 0.89% | $ 290.33 | $ 417,871.89 | | $ 1.00 |
| | | | Sep-10 | 2010 | Q3 | $ 417,581.56 | $ 26,691.76 | 0.89% | $ 309.71 | $ 444,583.03 | | $ 1.00 |
| | | | Oct-10 | 2010 | Q4 | $ 444,273.32 | $ 27,103.26 | 1.20% | $ 444.27 | $ 471,820.85 | | $ 1.00 |
| | | | Nov-10 | 2010 | Q4 | $ 471,376.58 | $ 25,884.06 | 1.20% | $ 471.38 | $ 497,732.02 | | $ 1.00 |
| | | | Dec-10 | 2010 | Q4 | $ 497,260.64 | $ 26,336.82 | 1.20% | $ 497.26 | $ 524,094.72 | $ 221,930.94 | $ 1.00 |
| | | | Jan-11 | 2011 | Q1 | $ 523,597.46 | $ 28,278.08 | 1.47% | $ 641.41 | $ 552,516.95 | | $ 1.00 |




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

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

| Interest Rates | Approved Deferral and Variance Accounts | CWIP | Date | Year | Quarter | Opening Balance (Principal) | Funding Adder Revenues | Interest Rate | Interest | Closing Balance | Annual amounts | Board Approved Smart Meter Funding Adder |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Feb-11 | 2011 | Q1 | $ 551,875.54 | $ 23,547.09 | 1.47% | $ 676.05 | $ 576,098.68 | | $ 1.00 |
| | | | Mar-11 | 2011 | Q1 | $ 575,422.63 | $ 32,247.81 | 1.47% | $ 704.89 | $ 608,375.33 | | $ 1.00 |
| | | | Apr-11 | 2011 | Q2 | $ 607,670.44 | $ 22,992.52 | 1.47% | $ 744.40 | $ 631,407.36 | | $ 1.00 |
| | | | May-11 | 2011 | Q2 | $ 630,662.96 | $ 29,240.42 | 1.47% | $ 772.56 | $ 660,675.94 | | $ 1.00 |
| | | | Jun-11 | 2011 | Q2 | $ 659,903.38 | $ 28,177.77 | 1.47% | $ 808.38 | $ 688,889.53 | | $ 1.00 |
| | | | Jul-11 | 2011 | Q3 | $ 688,081.15 | $ 27,449.28 | 1.47% | $ 842.90 | $ 716,373.33 | | $ 1.00 |
| | | | Aug-11 | 2011 | Q3 | $ 715,530.43 | $ 24,059.80 | 1.47% | $ 876.52 | $ 740,466.75 | | $ 1.00 |
| | | | Sep-11 | 2011 | Q3 | $ 739,590.23 | $ 28,848.34 | 1.47% | $ 906.00 | $ 769,344.57 | | $ 1.00 |
| | | | Oct-11 | 2011 | Q4 | $ 768,438.57 | $ 26,902.51 | 1.47% | $ 941.34 | $ 796,282.42 | | $ 1.00 |
| | | | Nov-11 | 2011 | Q4 | $ 795,341.08 | $ 24,095.82 | 1.47% | $ 974.29 | $ 820,411.19 | | $ 1.00 |
| | | | Dec-11 | 2011 | Q4 | $ 819,436.90 | $ 24,065.84 | 1.47% | $ 1,003.81 | $ 844,506.55 | $ 329,797.83 | $ 1.00 |
| | | | Jan-12 | 2012 | Q1 | $ 843,502.74 | $ 31,290.20 | 1.47% | $ 1,033.29 | $ 875,826.23 | | $ 1.00 |
| | | | Feb-12 | 2012 | Q1 | $ 874,792.94 | $ 21,821.65 | 1.47% | $ 1,071.62 | $ 897,686.21 | | $ 1.00 |
| | | | Mar-12 | 2012 | Q1 | $ 896,614.59 | $ 30,657.65 | 1.47% | $ 1,098.35 | $ 928,370.59 | | $ 1.00 |
| | | | Apr-12 | 2012 | Q2 | $ 927,272.24 | $ 27,620.75 | 1.47% | $ 1,135.91 | $ 956,028.90 | | $ 1.00 |
| | | | May-12 | 2012 | Q2 | $ 954,892.99 | $ 24,059.10 | 1.47% | $ 1,169.74 | $ 980,121.83 | | $ 1.00 |
| | | | Jun-12 | 2012 | Q2 | $ 978,952.09 | $ 4,228.79 | 1.47% | $ 1,199.22 | $ 984,380.10 | | $ 1.00 |
| | | | Jul-12 | 2012 | Q3 | $ 983,180.88 | | 1.47% | $ 1,204.40 | $ 984,385.28 | | |
| | | | Aug-12 | 2012 | Q3 | $ 983,180.88 | | 1.47% | $ 1,204.40 | $ 984,385.28 | | |
| | | | Sep-12 | 2012 | Q3 | $ 983,180.88 | | 1.47% | $ 1,204.40 | $ 984,385.28 | | |
| | | | Oct-12 | 2012 | Q4 | $ 983,180.88 | | 1.47% | $ 1,204.40 | $ 984,385.28 | | |
| | | | Nov-12 | 2012 | Q4 | $ 983,180.88 | | 1.47% | $ 1,204.40 | $ 984,385.28 | | |
| | | | Dec-12 | 2012 | Q4 | $ 983,180.88 | | 1.47% | $ 1,204.40 | $ 984,385.28 | $ 153,612.67 | |
| | | | Jan-13 | 2013 | Q1 | $ 983,180.88 | | 0.00% | $ - | $ 983,180.88 | | |
| | | | Feb-13 | 2013 | Q1 | $ 983,180.88 | | 0.00% | $ - | $ 983,180.88 | | |
| | | | Mar-13 | 2013 | Q1 | $ 983,180.88 | | 0.00% | $ - | $ 983,180.88 | | |
| | | | Apr-13 | 2013 | Q2 | $ 983,180.88 | | 0.00% | $ - | $ 983,180.88 | | |
| | | | May-13 | 2013 | Q2 | $ 983,180.88 | | 0.00% | $ - | $ 983,180.88 | | |
| | | | Jun-13 | 2013 | Q2 | $ 983,180.88 | | 0.00% | $ - | $ 983,180.88 | | |
| | | | Jul-13 | 2013 | Q3 | $ 983,180.88 | | 0.00% | $ - | $ 983,180.88 | | |
| | | | Aug-13 | 2013 | Q3 | $ 983,180.88 | | 0.00% | $ - | $ 983,180.88 | | |




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

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

| Interest Rates | Approved Deferral and Variance Accounts | CWIP | Date | Year | Quarter | Opening Balance (Principal) | Funding Adder Revenues | Interest Rate | Interest | Closing Balance | Annual amounts | Board Approved Smart Meter Funding Adder |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Sep-13 | 2013 | Q3 | $ 983,180.88 | | 0.00% | $ - | $ 983,180.88 | | |
| | | | Oct-13 | 2013 | Q4 | $ 983,180.88 | | 0.00% | $ - | $ 983,180.88 | | |
| | | | Nov-13 | 2013 | Q4 | $ 983,180.88 | | 0.00% | $ - | $ 983,180.88 | | |
| | | | Dec-13 | 2013 | Q4 | $ 983,180.88 | | 0.00% | $ - | $ 983,180.88 | $ - | |
| | | | **Total Funding Adder Revenues Collected** | | | | **$ 983,180.88** | | **$ 41,790.77** | **$ 1,024,971.65** | **$ 1,024,971.65** | |

# Smart Meter Model for Electricity Distributors (2013 Filers)

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

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

| Prescribed Interest Rates | Approved Deferral and Variance Accounts | CWIP | Date | Year | Quarter | Opening Balance (Principal) | OM&A Expenses | Amortization / Depreciation Expense | Closing Balance (Principal) | (Annual) Interest Rate | Interest (on opening balance) | Cumulative Interest |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2006 Q1 | 0.00% | 0.00% | Jan-06 | 2006 | Q1 | $ - | | | - | 0.00% | - | - |
| 2006 Q2 | 4.14% | 4.68% | Feb-06 | 2006 | Q1 | - | | | - | 0.00% | - | - |
| 2006 Q3 | 4.59% | 5.05% | Mar-06 | 2006 | Q1 | - | | | - | 0.00% | - | - |
| 2006 Q4 | 4.59% | 4.72% | Apr-06 | 2006 | Q2 | - | | | - | 4.14% | - | - |
| 2007 Q1 | 4.59% | 4.72% | May-06 | 2006 | Q2 | - | | | - | 4.14% | - | - |
| 2007 Q2 | 4.59% | 4.72% | Jun-06 | 2006 | Q2 | - | | | - | 4.14% | - | - |
| 2007 Q3 | 4.59% | 5.18% | Jul-06 | 2006 | Q3 | - | | | - | 4.59% | - | - |
| 2007 Q4 | 5.14% | 5.18% | Aug-06 | 2006 | Q3 | - | | | - | 4.59% | - | - |
| 2008 Q1 | 5.14% | 5.18% | Sep-06 | 2006 | Q3 | - | | | - | 4.59% | - | - |
| 2008 Q2 | 4.08% | 5.18% | Oct-06 | 2006 | Q4 | - | | | - | 4.59% | - | - |
| 2008 Q3 | 3.35% | 5.43% | Nov-06 | 2006 | Q4 | - | | | - | 4.59% | - | - |
| 2008 Q4 | 3.35% | 5.43% | Dec-06 | 2006 | Q4 | - | | | - | 4.59% | - | - |
| 2009 Q1 | 2.45% | 6.61% | Jan-07 | 2007 | Q1 | - | | | - | 4.59% | - | - |
| 2009 Q2 | 1.00% | 6.61% | Feb-07 | 2007 | Q1 | - | | | - | 4.59% | - | - |
| 2009 Q3 | 0.55% | 5.67% | Mar-07 | 2007 | Q1 | - | | | - | 4.59% | - | - |
| 2009 Q4 | 0.55% | 4.66% | Apr-07 | 2007 | Q2 | - | | | - | 4.59% | - | - |
| 2010 Q1 | 0.55% | 4.34% | May-07 | 2007 | Q2 | - | | | - | 4.59% | - | - |
| 2010 Q2 | 0.55% | 4.34% | Jun-07 | 2007 | Q2 | - | | | - | 4.59% | - | - |
| 2010 Q3 | 0.89% | 4.66% | Jul-07 | 2007 | Q3 | - | | | - | 4.59% | - | - |
| 2010 Q4 | 1.20% | 4.01% | Aug-07 | 2007 | Q3 | - | | | - | 4.59% | - | - |
| 2011 Q1 | 1.47% | 4.29% | Sep-07 | 2007 | Q3 | - | | | - | 4.59% | - | - |
| 2011 Q2 | 1.47% | 4.29% | Oct-07 | 2007 | Q4 | - | | | - | 5.14% | - | - |
| 2011 Q3 | 1.47% | 4.29% | Nov-07 | 2007 | Q4 | - | | | - | 5.14% | - | - |
| 2011 Q4 | 1.47% | 3.92% | Dec-07 | 2007 | Q4 | - | | | - | 5.14% | - | - |
| 2012 Q1 | 1.47% | 3.92% | Jan-08 | 2008 | Q1 | - | | | - | 5.14% | - | - |
| 2012 Q2 | 1.47% | 3.51% | Feb-08 | 2008 | Q1 | - | | | - | 5.14% | - | - |
| 2012 Q3 | 1.47% | 3.51% | Mar-08 | 2008 | Q1 | - | | | - | 5.14% | - | - |
| 2012 Q4 | 0.00% | 0.00% | Apr-08 | 2008 | Q2 | - | | | - | 4.08% | - | - |
| 2013 Q1 | 0.00% | 0.00% | May-08 | 2008 | Q2 | - | | | - | 4.08% | - | - |
| 2013 Q2 | 0.00% | 0.00% | Jun-08 | 2008 | Q2 | - | | | - | 4.08% | - | - |
| 2013 Q3 | 0.00% | 0.00% | Jul-08 | 2008 | Q3 | - | | | - | 3.35% | - | - |
| 2013 Q4 | 0.00% | 0.00% | Aug-08 | 2008 | Q3 | - | | | - | 3.35% | - | - |
| | | | Sep-08 | 2008 | Q3 | - | | | - | 3.35% | - | - |
| | | | Oct-08 | 2008 | Q4 | - | | | - | 3.35% | - | - |
| | | | Nov-08 | 2008 | Q4 | - | | | - | 3.35% | - | - |
| | | | Dec-08 | 2008 | Q4 | - | | | - | 3.35% | - | - |

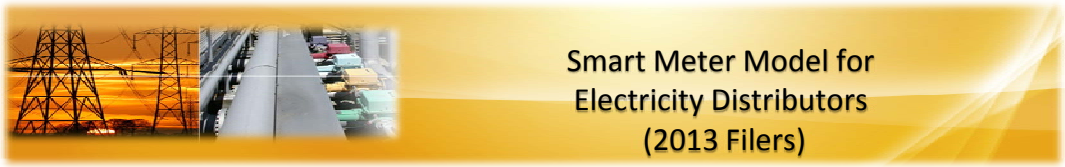
| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Jan-09 | 2009 | Q1 | - | | $ 4,170.66 | 4,170.66 | 2.45% | - | - |
| Feb-09 | 2009 | Q1 | 4,170.66 | | $ 4,170.66 | 8,341.32 | 2.45% | 8.52 | 8.52 |
| Mar-09 | 2009 | Q1 | 8,341.32 | | $ 4,170.66 | 12,511.98 | 2.45% | 17.03 | 25.55 |
| Apr-09 | 2009 | Q2 | 12,511.98 | | $ 4,170.66 | 16,682.64 | 1.00% | 10.43 | 35.97 |
| May-09 | 2009 | Q2 | 16,682.64 | | $ 4,170.66 | 20,853.30 | 1.00% | 13.90 | 49.87 |
| Jun-09 | 2009 | Q2 | 20,853.30 | | $ 4,170.66 | 25,023.96 | 1.00% | 17.38 | 67.25 |
| Jul-09 | 2009 | Q3 | 25,023.96 | | $ 4,170.66 | 29,194.62 | 0.55% | 11.47 | 78.72 |
| Aug-09 | 2009 | Q3 | 29,194.62 | | $ 4,170.67 | 33,365.29 | 0.55% | 13.38 | 92.10 |
| Sep-09 | 2009 | Q3 | 33,365.29 | | $ 4,170.67 | 37,535.96 | 0.55% | 15.29 | 107.39 |
| Oct-09 | 2009 | Q4 | 37,535.96 | | $ 4,170.67 | 41,706.63 | 0.55% | 17.20 | 124.60 |
| Nov-09 | 2009 | Q4 | 41,706.63 | | $ 4,170.67 | 45,877.30 | 0.55% | 19.12 | 143.71 |
| Dec-09 | 2009 | Q4 | 45,877.30 | | $ 4,170.67 | 50,047.97 | 0.55% | 21.03 | 164.74 |
| Jan-10 | 2010 | Q1 | 50,047.97 | | $ 16,966.16 | 67,014.13 | 0.55% | 22.94 | 187.68 |
| Feb-10 | 2010 | Q1 | 67,014.13 | | $ 16,966.16 | 83,980.29 | 0.55% | 30.71 | 218.39 |
| Mar-10 | 2010 | Q1 | 83,980.29 | | $ 16,966.16 | 100,946.45 | 0.55% | 38.49 | 256.89 |
| Apr-10 | 2010 | Q2 | 100,946.45 | | $ 16,966.16 | 117,912.61 | 0.55% | 46.27 | 303.15 |
| May-10 | 2010 | Q2 | 117,912.61 | | $ 16,966.16 | 134,878.77 | 0.55% | 54.04 | 357.20 |
| Jun-10 | 2010 | Q2 | 134,878.77 | $ 10,248.00 | $ 16,966.16 | 162,092.93 | 0.55% | 61.82 | 419.02 |
| Jul-10 | 2010 | Q3 | 162,092.93 | $ 235.00 | $ 16,966.16 | 179,294.09 | 0.89% | 120.22 | 539.23 |
| Aug-10 | 2010 | Q3 | 179,294.09 | $ 4,120.00 | $ 16,966.16 | 200,380.25 | 0.89% | 132.98 | 672.21 |
| Sep-10 | 2010 | Q3 | 200,380.25 | $ 4,542.56 | $ 16,966.16 | 221,888.97 | 0.89% | 148.62 | 820.83 |
| Oct-10 | 2010 | Q4 | 221,888.97 | $ 7,659.66 | $ 16,966.16 | 246,514.79 | 1.20% | 221.89 | 1,042.72 |
| Nov-10 | 2010 | Q4 | 246,514.79 | $ 4,075.46 | $ 16,966.16 | 267,556.41 | 1.20% | 246.51 | 1,289.23 |
| Dec-10 | 2010 | Q4 | 267,556.41 | $ 54,950.68 | $ 16,966.16 | 339,473.25 | 1.20% | 267.56 | 1,556.79 |
| Jan-11 | 2011 | Q1 | 339,473.25 | $ 4,189.81 | $ 26,661.34 | 370,324.40 | 1.47% | 415.85 | 1,972.64 |
| Feb-11 | 2011 | Q1 | 370,324.40 | | $ 26,661.34 | 396,985.74 | 1.47% | 453.65 | 2,426.29 |
| Mar-11 | 2011 | Q1 | 396,985.74 | $ 11,422.61 | $ 26,661.34 | 435,069.69 | 1.47% | 486.31 | 2,912.60 |
| Apr-11 | 2011 | Q2 | 435,069.69 | $ 235.00 | $ 26,661.34 | 461,966.03 | 1.47% | 532.96 | 3,445.56 |
| May-11 | 2011 | Q2 | 461,966.03 | -$ 21.00 | $ 26,661.34 | 488,606.37 | 1.47% | 565.91 | 4,011.46 |
| Jun-11 | 2011 | Q2 | 488,606.37 | $ 3,727.67 | $ 26,661.34 | 518,995.38 | 1.47% | 598.54 | 4,610.01 |
| Jul-11 | 2011 | Q3 | 518,995.38 | $ 3,805.59 | $ 26,661.34 | 549,462.31 | 1.47% | 635.77 | 5,245.78 |
| Aug-11 | 2011 | Q3 | 549,462.31 | $ 3,805.59 | $ 26,661.34 | 579,929.24 | 1.47% | 673.09 | 5,918.87 |
| Sep-11 | 2011 | Q3 | 579,929.24 | $ 3,805.59 | $ 26,661.34 | 610,396.17 | 1.47% | 710.41 | 6,629.28 |
| Oct-11 | 2011 | Q4 | 610,396.17 | $ 3,570.59 | $ 26,661.34 | 640,628.10 | 1.47% | 747.74 | 7,377.02 |
| Nov-11 | 2011 | Q4 | 640,628.10 | $ 11,020.75 | $ 26,661.34 | 678,310.19 | 1.47% | 784.77 | 8,161.79 |
| Dec-11 | 2011 | Q4 | 678,310.19 | $ 9,641.24 | $ 26,661.34 | 714,612.77 | 1.47% | 830.93 | 8,992.72 |
| Jan-12 | 2012 | Q1 | 714,612.77 | $ 3,876.24 | $ 28,603.33 | 747,092.34 | 1.47% | 875.40 | 9,868.12 |
| Feb-12 | 2012 | Q1 | 747,092.34 | $ 3,876.24 | $ 28,603.33 | 779,571.91 | 1.47% | 915.19 | 10,783.30 |
| Mar-12 | 2012 | Q1 | 779,571.91 | $ 4,021.01 | $ 28,603.33 | 812,196.25 | 1.47% | 954.98 | 11,738.28 |
| Apr-12 | 2012 | Q2 | 812,196.25 | $ 4,021.01 | $ 28,603.33 | 844,820.59 | 1.47% | 994.94 | 12,733.22 |
| May-12 | 2012 | Q2 | 844,820.59 | $ 5,993.44 | $ 28,603.33 | 879,417.36 | 1.47% | 1,034.91 | 13,768.13 |
| Jun-12 | 2012 | Q2 | 879,417.36 | $ 21,926.35 | $ 28,603.33 | 929,947.04 | 1.47% | 1,077.29 | 14,845.41 |
| Jul-12 | 2012 | Q3 | 929,947.04 | $ 20,668.00 | $ 28,603.33 | 979,218.37 | 1.47% | 1,139.19 | 15,984.60 |
| Aug-12 | 2012 | Q3 | 979,218.37 | $ 20,668.00 | $ 28,603.33 | 1,028,489.70 | 1.47% | 1,199.54 | 17,184.14 |
| Sep-12 | 2012 | Q3 | 1,028,489.70 | $ 20,668.00 | $ 28,603.33 | 1,077,761.03 | 1.47% | 1,259.90 | 18,444.04 |
| Oct-12 | 2012 | Q4 | 1,077,761.03 | $ 20,668.00 | $ 28,603.33 | 1,127,032.36 | 1.47% | 1,320.26 | 19,764.30 |
| Nov-12 | 2012 | Q4 | 1,127,032.36 | $ 20,668.00 | $ 28,603.33 | 1,176,303.69 | 1.47% | 1,380.61 | 21,144.91 |
| Dec-12 | 2012 | Q4 | 1,176,303.69 | $ 20,668.00 | $ 28,603.33 | 1,225,575.02 | 1.47% | 1,440.97 | 22,585.88 |
| Jan-13 | 2013 | Q1 | 1,225,575.02 | $ 22,793.50 | | 1,248,368.52 | 0.00% | - | 22,585.88 |
| Feb-13 | 2013 | Q1 | 1,248,368.52 | $ 22,793.50 | | 1,271,162.02 | 0.00% | - | 22,585.88 |
| Mar-13 | 2013 | Q1 | 1,271,162.02 | $ 22,793.50 | | 1,293,955.52 | 0.00% | - | 22,585.88 |
| Apr-13 | 2013 | Q2 | 1,293,955.52 | $ 22,793.50 | | 1,316,749.02 | 0.00% | - | 22,585.88 |
| May-13 | 2013 | Q2 | 1,316,749.02 | $ 22,793.50 | | 1,339,542.52 | 0.00% | - | 22,585.88 |
| Jun-13 | 2013 | Q2 | 1,339,542.52 | $ 22,793.50 | | 1,362,336.02 | 0.00% | - | 22,585.88 |
| Jul-13 | 2013 | Q3 | 1,362,336.02 | $ 22,793.50 | | 1,385,129.52 | 0.00% | - | 22,585.88 |
| Aug-13 | 2013 | Q3 | 1,385,129.52 | $ 22,793.50 | | 1,407,923.02 | 0.00% | - | 22,585.88 |
| Sep-13 | 2013 | Q3 | 1,407,923.02 | $ 22,793.50 | | 1,430,716.52 | 0.00% | - | 22,585.88 |
| Oct-13 | 2013 | Q4 | 1,430,716.52 | $ 22,793.50 | | 1,453,510.02 | 0.00% | - | 22,585.88 |
| Nov-13 | 2013 | Q4 | 1,453,510.02 | $ 22,793.50 | | 1,476,303.52 | 0.00% | - | 22,585.88 |
| Dec-13 | 2013 | Q4 | 1,476,303.52 | $ 22,793.50 | | 1,499,097.02 | 0.00% | - | 22,585.88 |
| | | | | $ 308,757.09 | $ 916,817.93 | $ 1,225,575.02 | | | |

# Smart Meter Model for Electricity Distributors (2013 Filers)

**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 | $ - | $ - | $ - | $ - | 3.98% | $ - |
| 2009 | $ - | $ 50,047.78 | $ 50,047.78 | $ 25,023.89 | 1.14% | $ 284.65 |
| 2010 | $ 85,832.00 | $ 203,594.25 | $ 339,474.03 | $ 194,760.91 | 0.80% | $ 1,553.22 |
| 2011 | $ 55,203.00 | $ 319,936.16 | $ 714,613.19 | $ 527,043.61 | 1.47% | $ 7,747.54 |
| 2012 | $ 94,993.00 | $ 343,239.56 | $ 1,152,845.75 | $ 933,729.47 | 1.47% | $ 13,725.82 |
| 2013 | $ 273,522.00 | $ 368,099.73 | $ 1,794,467.47 | $ 1,473,656.61 | 0.00% | $ - |

| | |
|---|---|
| **Cumulative Interest to 2011** | $ 9,585.41 |
| **Cumulative Interest to 2012** | $ 23,311.23 |
| **Cumulative Interest to 2013** | $ 23,311.23 |




**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 | 2013 | Total |
|---|---|---|---|---|---|---|---|---|---|
| Deferred and forecasted Smart Meter Incremental Revenue Requirement (from Sheet 5) | $ - | $ - | $ - | $ 73,255.37 | $ 387,017.66 | $ 535,588.08 | $ 648,916.98 | $ 884,012.95 | $ 1,644,778.08 |
| Interest on Deferred and forecasted OM&A and Amortization Expense (Sheet 8A/8B) (Check **one** of the boxes below) | $ - | $ - | $ - | $ 164.74 | $ 1,392.05 | $ 7,435.93 | $ 13,593.17 | | $ 22,585.88 |
| X Sheet 8A (Interest calculated on monthly balances) | $ - | $ - | $ - | $ 164.74 | $ 1,392.05 | $ 7,435.93 | $ 13,593.17 | $ - | $ 22,585.88 |
| Sheet 8B (~~Interest calculated on average annual balances~~) | | | | | | | | | |
| SMFA Revenues (from Sheet 8) | $ 53,671.58 | $ 83,421.39 | $ 84,240.91 | $ 83,502.62 | $ 218,760.96 | $ 319,905.28 | $ 139,678.14 | $ - | $ 983,180.88 |
| SMFA Interest (from Sheet 8) | $ 722.50 | $ 4,424.51 | $ 6,848.27 | $ 2,798.43 | $ 3,169.98 | $ 9,892.55 | $ 13,934.53 | $ - | $ 41,790.77 |
| Net Deferred Revenue Requirement | -$ 54,394.08 | -$ 87,845.90 | -$ 91,089.18 | -$ 12,880.94 | $ 166,478.76 | $ 213,226.18 | $ 508,897.48 | $ 884,012.95 | $ 642,392.31 |
| Number of Metered Customers (average for 2013 test year) - Number of metered customers for which smart meter were deployed as part of program). Residential and GS < 50 kW customer classes and any other metered classes involved (e.g. GS 50 to 4999 kW for which interval meters were upgraded to utilize AMI and ODS assets) | | | | | | | | 26385 | |

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

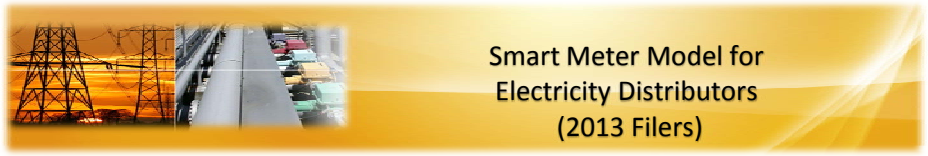
| | | | |
|---|---|---|---|
| Years for collection or refunding | | | 2 |
| Deferred Incremental Revenue Requirement from 2006 to December 31, 2012 plus Interest on OM&A and Amortization | | $ | 1,667,363.97 |
| SMFA Revenues collected from 2006 to 2013 test year (inclusive) Plus Simple Interest on SMFA Revenues | | $ | 1,024,971.65 |
| Net Deferred Revenue Requirement | | $ | 642,392.31 |
| SMDR | January 1, 2013 to December 31, 2014 | $ | 1.01 |
| Check: Forecasted SMDR Revenues | | $ | 639,572.40 |

Match

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

| | | |
|---|---|---|
| Incremental Revenue Requirement for 2013 | $ | 884,012.95 |
| SMIRR | $ | 2.79 |
| Check: Forecasted SMIRR Revenues | $ | 883,369.80 |

Match




**This worksheet calculates the class-specific SMDRs according to accepted practice. A distributor may choose to use its own methodology, but should provide analogous support for its allocation and derivation of class-specific SMDRs and SMIRRs.**

Class-specific SMDRs

| **Revenue Requirement for Historical Years** | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | Total 2006 to 2012 | **Explanation / Allocator** | Residential | GS < 50 kW | GS 50 to 4999 kW | Other (please specify) | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | Check Row if SMDR/SMIRR apply to class | X | X | | | 2 |
| | | | | | | | | | | % | % | % | % | |
| | | | | | | | | | Weighted Meter Cost - Capital | 82.53% | 17.47% | | | 100% |
| Return on Capital | $ - | $ - | $ - | $ 55,313.69 | $ 210,409.32 | $ 276,713.78 | $ 271,977.61 | $ 814,414.41 | Allocated per class | $ 672,136.21 | $ 142,278.20 | $ - | $ - | |
| Depreciation/Amortization expense and related interest | $ - | $ - | $ - | $ 50,047.78 | $ 203,594.25 | $ 319,936.16 | $ 343,239.56 | | | | | | | |
| | $ - | $ - | $ - | $ 164.74 | $ 979.22 | $ 6,341.71 | $ 10,646.66 | | | | | | | |
| | $ - | $ - | $ - | $ 50,212.52 | $ 204,573.47 | $ 326,277.87 | $ 353,886.22 | $ 934,950.08 | Weighted Meter Cost - Capital | 83% | 17% | 0% | 0% | 100% |
| | | | | | | | | | Allocated per class | $ 771,614.30 | $ 163,335.78 | $ - | $ - | |
| Operating Expenses and related interest | $ - | $ - | $ - | $ - | $ 85,832.00 | $ 55,203.00 | $ 94,993.00 | | | | | | | |
| | $ - | $ - | $ - | $ - | $ 412.82 | $ 1,094.22 | $ 2,946.51 | | Number of Smart Meters installed by Class | # 23,244 | # 3,141 | # | # | |
| | $ - | $ - | $ - | $ - | $ 86,244.82 | $ 56,297.22 | $ 97,939.51 | $ 240,481.55 | Allocated per class | $ 211,853.45 | $ 28,628.11 | 0 | 0 | |
| Revenue Requirement before Taxes/PILs | | | | | | | | $ 1,989,846.04 | | $ 1,655,603.96 | $ 334,242.08 | $ - | $ - | $ - |
| | | | | | | | | | Revenue Requirement before PILs | 83.20% | 16.80% | 0.00% | 0.00% | 100% |
| Grossed-up Taxes/PILs | $ - | $ - | $ - | -$ 32,106.10 | -$ 112,817.91 | -$ 116,264.87 | -$ 61,293.19 | -$ 322,482.07 | | -$ 268,313.52 | -$ 54,168.55 | $ - | $ - | |
| Total Revenue Requirement plus interest on OM&A and depreciation expense | | | | | | | | $ 1,667,363.97 | | $ 1,387,290.44 | $ 280,073.53 | $ - | $ - | |
| | | | | | | | | $ - | Percentage of costs allocated to each clas | 83.20% | 16.80% | 0.00% | 0.00% | |
| | | | | | | | | | Percentage of costs for classes with SMDR/SMIRR | 83.20% | 16.80% | 0.00% | 0.00% | |
| | | | | | | | | | | % | % | % | % | |
| | | | | | | | | | SMFA Revenues directly attributable to class | 86.53% | 12.11% | 1.35% | | 100% |
| | | | | | | | | | | 86.53% | 12.11% | 0.00% | 0.00% | 98.64% |
| | | | | | | | | | Residual SMFA Revenues (from other metered classes) attributed evenly | 0.68% | 0.68% | 0.00% | 0.00% | |
| | | | | | | | | | Total | 87.21% | 12.79% | 1.35% | 0.00% | |
| SMFA Revenues plus interest expense | | | | | | | | $ 1,024,971.65 | | $ 893,877.78 | $ 131,093.87 | $ 13,837.12 | $ - | |
| Net Deferred Revenue Requirement to be recovered via SMDR | | | | | | | | $ 642,392.31 | | $ 493,412.66 | $ 148,979.65 | $ - | $ - | |
| Average number of metered customers by class (2013) | | | | | | | | Average number of customers (2013) | | 23244 | 3141 | 0 | 0 | |
| Number of Years for SMDR recovery | | | | | | | | 2 years | | 2 | 2 | 2 | 2 | |
| Smart Meter Disposition Rider ($/month per metered customer in the customer class) | | | | | | | | | | $ 0.88 | $ 1.98 | | | |
| Estimated SMDR Revenues | | | | | | | | $ 640,173.60 | | $ 490,913.28 | $ 149,260.32 | $ - | $ - | |


**This worksheet calculates the class-specific SMIRRs according to accepted practice. A distributor may choose to use its own methodology, but should provide analogous support for its allocation and derivation of class-specific SMDRs and SMIRRs.**

Class-specific SMDRs

**Revenue Requirement for 2013**

| | | 2013 | **Explanation / Allocator** | Residential | GS < 50 kW | GS 50 to 4999 kW | Other (please specify) | Total |
|---|---|---|---|---|---|---|---|---|
| | | | Check Row if SMDR/SMIRR apply to class | X | X | | | 2 |
| | | | | % | % | % | % | |
| | | | Weighted Meter Cost - Capital | 82.53% | 17.47% | 0.00% | 0.00% | 100% |
| Return on Capital | $ | 264,721.61 | Allocated per class | $ 218,474.74 | $ 46,246.86 | $ - | $ - | |
| Depreciation/Amortization expense | | | Weighted Meter Cost - Capital | 82.53% | 17.47% | 0.00% | 0.00% | 100% |
| | $ | 368,099.73 | Allocated per class | $ 303,792.70 | $ 64,307.02 | $ - | $ - | |
| Operating Expenses | $ | 273,522.00 | | | | | | |
| | | | Number of Smart Meters installed by Class | # 23,244 | # 3,141 | # - | # - | |
| | $ | 273,522.00 | Allocated per class | $ 240,960.60 | $ 32,561.40 | $ - | $ - | |
| Revenue Requirement before Taxes/PILs | $ | 906,343.33 | | $ 763,228.04 | $ 143,115.29 | $ - | $ - | $ - |
| | | | Revenue Requirement before PILs | 84.21% | 15.79% | 0.00% | 0.00% | 100% |
| Grossed-up Taxes/PILs | -$ | 22,330.38 | | -$ 18,804.33 | -$ 3,526.06 | $ - | $ - | |
| Total Revenue Requirement for 2013 | $ | 884,012.95 | | $ 744,423.72 | $ 139,589.23 | $ - | $ - | |
| | | | Percentage of costs allocated to each clas | 84.21% | 15.79% | 0.00% | 0.00% | |
| | $ | - | Percentage of costs for classes with SMDR/SMIRR | 84.21% | 15.79% | 0.00% | 0.00% | |
| Average number of metered customers by class (2013) | | | | 23,244 | 3,141 | - | - | |
| The SMIRR is recovered as an annualized rate until the effective date of the distributor's next rebased rates resulting from a cost of service application | | 1 | year | 1 | 1 | 1 | 1 | |
| Smart Meter Incremental Revenue Requirement Rate Rider ($/month per metered customer in the customer class) | | | | $ 2.67 | $ 3.70 | | | |
| Estimated SMIRR Revenues | $ | 884,198.16 | | $ 744,737.76 | $ 139,460.40 | $ - | $ - | |
| | $ | 185.21 | | | | | | |