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January 30, 2013

Delivered by RESS and Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
26th Floor, Box 2319
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: E.L.K. Energy Inc. – 2012 Cost of Service Distribution Rate Application
Board File No. EB-2011-0099

We are counsel to E.L.K. Energy Inc. ("E.L.K."), the Applicant in the above-captioned matter. Please find accompanying this letter E.L.K.'s responses to the interrogatories of Board staff and the intervenors in this matter.

Please note that E.L.K. is filing certain information related to two interrogatory responses in confidence, in accordance with the Board's *Practice Direction on Confidential Filings* (the "Practice Direction"):

- AMPCO Question #17(l)
- School Energy Coalition Question #12

The grounds for the confidentiality requests are set out in E.L.K.'s responses to the interrogatories.

E.L.K. is prepared to provide copies of the subject material to parties' counsel and experts or consultants provided that they have executed the Board's form of Declaration and Undertaking with respect to confidentiality and that they comply with the Practice Direction, subject to E.L.K.'s right to object to the Board's acceptance of a Declaration and Undertaking from any person. In keeping with the requirements of the Practice Direction, E.L.K. is filing with the Board confidential unredacted versions of the subject material. These have been placed in a sealed envelope marked "Confidential".

Yours very truly,

BORDEN LADNER GERVAIS LLP
Per:

Original signed by James C. Sidlofsky

James C. Sidlofsky

cc: Mark Danelon, E.L.K. Energy Inc.
Intervenors of Record

IN THE MATTER OF the *Ontario Energy Board Act,* 1998, being Schedule B to the *Energy Competition Act,* 1998, S.O. 1998, c.15, as amended

AND IN THE MATTER OF an Application by E.L.K. Energy Inc. to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates and other service charges for the distribution of electricity commencing October 1, 2012.

E.L.K. ENERGY INC.

2012 ELECTRICITY DISTRIBUTION RATE APPLICATION
RESPONSES TO OEB AND INTERVENOR INTERROGATORIES

FILED: JANUARY 30, 2013

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

AND IN THE MATTER OF an application by E.L.K. Energy Inc. for an order approving just and reasonable rates and other charges for electricity distribution to be effective October 1, 2012.

E.L.K. ENERGY INC.

RESPONSES TO INTERROGATORIES

DELIVERED JANUARY 30, 2013

EXHIBIT 1 - ADMINISTRATIVE

Board Staff:

Board Staff Interrogatory #1:

Ref: E1-T1-S2

a) Please identify any rates and charges that are included in the E.L.K.'s conditions of service, but do not appear on the Board-approved tariff sheet, and provide an explanation for the nature of the costs being recovered.

Response: There are no rates and charges that are included in the E.L.K.'s conditions of service that do not appear on the Board-approved tariff sheet.

b) Please provide a schedule outlining the revenues recovered from these rates and charges from 2006 to 2011 and the revenue forecasted for the 2012 test year.

Response: Not Applicable

c) Please explain whether in the applicant's view, these rates and charges should be included on the applicant's tariff sheet.

Response: Not Applicable

Board Staff Interrogatory #2

Ref: E1-T2-S1 p.2

E.L.K. stated that it has not yet converted to IFRS and all information has been presented on a CGAAP basis.

Note 19 to E.L.K.'s Audited Financial Statements as of December 31, 2011, Future Accounting Changes, IFRS, in part, states the following:

> "In March 2012, the AcSB extended the deferral of adoption of Part 1 of the CICA Handbook for qualifying entities with activities subject to rate regulation for an additional year to January 1, 2013. The Company had decided to implement IFRS commencing January 1, 2012 and is now assessing whether the extended deferral option will be taken."

a) Please provide information on E.L.K.'s current plans to adopt IFRS.

Response: The Accounting Standards Board has further deferred the adoption of IFRS for qualifying entities until January 1, 2014. E.L.K. has further deferred its adoption of IFRS. E.L.K. plans to adopt IFRS for the year ending December 31, 2014. Further deferrals may be provided by the Accounting Standards Board. E.L.K. will assess the need for continued deferral as they are offered.

b) E.L.K. has not reported any amounts as of December 31, 2011 filings in account 1508 – sub-account IFRS Transition Costs. Please provide details regarding E.L.K.'s transition plan to MIFRS.

Response: Please see E.L.K.'s response to Question (a) above. E.L.K. is anticipating some transition costs for this account in 2013.

c) Has E.L.K. included any amounts for IFRS Transition Costs in its test year costs? If so, how much?

Response: E.L.K. budgeted $7,500 in 3rd party professional services for IFRS Transition Costs in 2012 but did not spend any amounts due to the deferral.

AMPCO:

AMPCO Interrogatory #1

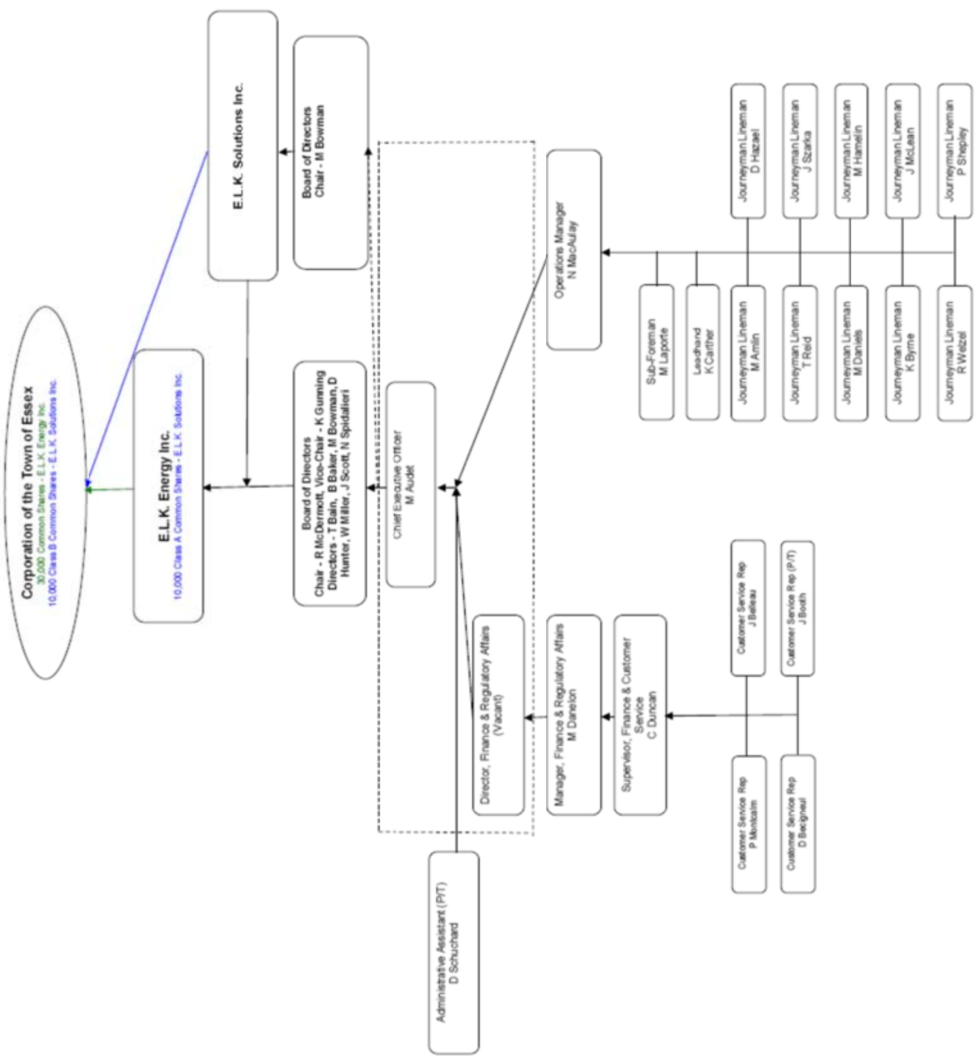
Reference: Exhibit 1, Tab 1, Schedule 13, Page 1

Preamble: E.L.K. provided a Corporate Organization Chart.

a) Please confirm the date of this Corporate Organization Chart and provide an updated chart if the vacancy information is no longer accurate.

Response: E.L.K. can confirm the date of this Corporate Organization Chart as June 14, 2012. E.L.K. has provided an updated chart as at January 15, 2013 below.

Corporate Organization Chart - E.L.K. Energy Inc.



b) Please confirm the total number of positions in the Finance & Regulatory Affairs section and confirm the number of management, non-union and union staff and differentiate between full-time and part-time.

Response: Currently there are 3 full time positions in the Finance Section and 2 of those same positions handle the Regulatory Affairs section – the Director, Finance & Regulatory Affairs, and the Manager, Finance & Regulatory Affairs. These positions are non-union and two of them are management.

c) Please confirm the number of direct reports to the Manager, Finance & Regulatory Affairs.

Response: There is one direct report to the Manager, Finance & Regulatory Affairs.

d) Please confirm the number of direct reports to the Supervisor, Finance & Customer Service.

Response: There are four direct reports to the Supervisor, Finance & Customer Service.

e) Please discuss if E.L.K. has an existing policy in place regarding the number of direct reports required to validate the existence or creation of a management position.

Response: E.L.K. does not have a policy in place regarding the number of direct reports required to validate the existence or creation of a management position.

AMPCO Interrogatory #2

Reference: Exhibit 1, Tab 2, Schedule 1, Page 5, Table 1.2

Preamble: Table 1.2 compares E.L.K's cost per customer with utilities in its cohort.

a) Please confirm the latest stretch factor assigned to E.L.K.

Response: The latest stretch factor assigned to E.L.K. was provided in the Board Determination of Stretch Factor Rankings for 2013 3rd Generation Incentive Regulation Applications (IR3). E.L.K.'s stretch factor was 0.4%.

Energy Probe

1.0 Energy Probe Interrogatory # 1

Ref: Exhibit 1, Tab 1, Schedule 4

a) Please explain why ELK is proposing to recover the stranded meter costs over a 12 month period beginning October 1, 2013 (page 2, lines 3-5)?

Response: Please see E.L.K.'s response to Board Staff #47

b) Given that the various rate riders requested for the disposition of smart meter and variance/deferral accounts will not be in place for October 1, 2012, does ELK agree that the riders should be put in place effective the beginning of the month following a decision in this proceeding, and remaining in place for 12 months?

Response: ELK agrees that the riders should be put in place effective the beginning of the month following a decision in this proceeding, and remaining in place for 12 months.

1.0 Energy Probe Interrogatory # 2

Ref: Exhibit 1, Tab 2, Schedule 1

ELK indicates that it has not yet converted to IFRS and continues to use the historical depreciation rates that have been used for a number of years based on advice from its auditor.

a) Please provide a copy of the advice from the auditor.

Response: ELK asked its auditor whether E.L.K.'s current amortization range under CGAAP is acceptable as suggested by the OEB based on Note 2 to the E.L.K. Financial Statements or whether, because the OEB has come out with a new Kinectrics study, E.L.K. is required to change these amortization rates even under CGAAP.

E.L.K.'s auditors advised by email that

> "we feel that under CGAAP, you are following rate regulated accounting and the regulator says to use 25 years for the distribution plant so that is what we/you use. Nothing has changed. Distributors are required to ask permission of the OEB in order to change their depreciation rates even though the Kinetrics study is out.
>
> So, effectively, as long as you use 25 years for distribution plant, you are okay."

b) Has ELK made any changes to the depreciation rates used since 2006? If yes, please provide details on the associated accounts, changes in rates and timing of those changes.

Response: No E.L.K. has not made any changes to the depreciation rates used since 2006.

c) Has ELK had a new depreciation study done in anticipation of converting to IFRS? If yes, please indicate when that study was done and provide a copy that shows the rates for each account.

Response: No, E.L.K. has not had a new depreciation study done.

d) If the response to part (c) is yes, please provide a comparison of the depreciation expense, shown by account, between the existing rates and the new rates if they were applied to 2012.

Response: Not Applicable

1.0 Energy Probe Interrogatory # 3

Ref: Exhibit 1, Tab 2, Schedule 1

ELK indicates that it is requesting rates effective October 1, 2012 continuing through September 30, 2013.

a) Please explain, given the timing of the filing of the evidence in September, 2012 and the expected timing of a decision in this proceeding, why ELK should have rates made retroactive to October 1, 2012?

Response: The Board's July 18, 2011 Notice of Proceeding and Order Respecting Interim Rates stated, in part:

> "The Board is declaring E.L.K.'s current rates to be interim from the date of this order. This will allow (though not require) the Board to set the effective date of any new rates ultimately arising from this proceeding at the date of this order; in other words to retrospectively apply the new rates. The ultimate decision on the effective date of new rates will not be made until the end of the proceeding, and all parties will be entitled to make submissions on the appropriate date."

E.L.K. anticipates that the new rates will be implemented at the beginning of the month following the Board's issuance of its Final Rate Order in this proceeding. E.L.K. anticipates making submissions on the effective date of the new rates at an appropriate time in this proceeding, in accordance with the Board's Notice.

b) Will ELK be filing a rate application for 2013 rates? If so, please confirm that the rate increase would take place October 1, 2013 and apply only to the end of April, 2014 and that effective for 2014 rates, ELK would be back on the May to April rate schedule? If this cannot be confirmed, please provide ELK's plan to get back on a regular schedule of rate changes.

Response: ELK expects to file a rate application for 2013 rates but the timing of the filing will be dependent on when 2012 rates are approved and finalized. Once this timing is known ELK plans to get back on a regular schedule of rate changes as soon as it is practically possible to do so.

1.0 Energy Probe Interrogatory # 4

Ref: Exhibit 1, Tab 2, Schedule 1

Please confirm that the return on equity of 9.12% was taken from the Board's Cost of Capital Parameter Updates for 2012 Cost of Service Applications issued on March 2, 2012.

Response:

ELK confirms that the return on equity of 9.12% was taken from the Board's Cost of Capital Parameter Updates for 2012 Cost of Service Applications issued on March 2, 2012.

1.0 Energy Probe Interrogatory # 5

Ref: Exhibit 1, Tab 2, Schedule 1

Please provide an updated version of Table 1.2 that reflects the 2011 OEB Yearbook.

Response: Please see below an updated version of Table 1.2 that reflects the 2011 OEB Yearbook.

Table 4.8 Cost Per Customer Comparison

Mid-Size Southern Medium-High Undergrounding	E.L.K.	LDC A	LDC B	LDC C	LDC D	LDC E	LDC F	LDC G
Residential Customers	9964	11504	28649	31314	17653	19905	23258	19522
General Service <50 kW Customers	1201	785	3083	3560	2000	1695	3226	2457
General Service >50 kW Customers	111	35	400	396	232	168	360	278
Total Customers	11276	12324	32132	35270	19885	21768	26844	22257
Expenses								
Operating	$ 246,823	$ 44,495	$ 703,434	$ 1,748,639	$ 616,923	$ 1,161,145	$ 2,605,492	$ 265,336
Maintenance	$ 524,267	$ 582,372	$ 1,052,368	$ 1,775,876	$ 922,897	$ 1,232,248	$ 810,263	$ 1,217,086
Administrative	$ 1,648,311	$ 1,594,111	$ 4,958,276	$ 3,479,194	$ 2,427,410	$ 2,884,346	$ 2,595,986	$ 3,114,097
Other	$ 32,854	$ 43,051	$ 1,916,522	$ 476,051	$ 85,188	$ 52,845	$ 507,694	$ 68,184
Total OM & A Expenses	$ 2,452,255	$ 2,264,029	$ 8,630,600	$ 7,479,760	$ 4,052,418	$ 5,330,584	$ 6,519,435	$ 4,664,703
OM & A Per Customer	$ 217.48	$ 183.71	$ 268.60	$ 212.07	$ 203.79	$ 244.88	$ 242.86	$ 209.58

Mid-Size Southern Medium-High Undergrounding	LDC H	LDC I	LDC J	LDC K	LDC L	LDC M	LDC N
Residential Customers	13897	14580	25989	13793	6649	31841	16148
General Service <50 kW Customers	1682	1658	1896	1197	1234	3495	1752
General Service >50 kW Customers	144	198	209	191	117	436	190
Total Customers	15723	16436	28094	15181	8000	35772	18090
Expenses							
Operating	$ 338,927	$ 558,750	$ 886,624	$ 766,170	$ 424,014	$ 3,177,397	$ 307,305
Maintenance	$ 1,818,120	$ 364,539	$ 1,425,359	$ 715,982	$ 392,884	$ 157,217	$ 868,332
Administrative	$ 1,919,440	$ 2,767,661	$ 3,234,946	$ 2,324,943	$ 1,084,289	$ 7,728,906	$ 4,530,786
Other	$ 6,833	$ 108,911	$ 234,286	$ 128,818	$ 56,284	$ 648,952	$ 108,295
Total OM & A Expenses	$ 4,083,320	$ 3,799,861	$ 5,781,215	$ 3,935,913	$ 1,957,471	$11,712,472	$ 5,814,718
OM & A Per Customer	$ 259.70	$ 231.19	$ 205.78	$ 259.27	$ 244.68	$ 327.42	$ 321.43

1.0 Energy Probe Interrogatory # 6

Ref: Exhibit 1, Tab 2, Schedule 4

Please show a breakdown of the $268,416 impact of smart meters on the 2012 revenue requirement into OM&A, cost of debt, return on equity, depreciation, PILs, etc. Please show all assumptions and calculations used.

Response:

The breakdown of the $268,416 impact of smart meters on the 2012 revenue requirement into OM&A, cost of debt, return on equity, depreciation, PILs is provided below. The source of this information is from the 2012 data shown in the smart meter model filed as part of the application. The live Excel model is named "ELK_2012_smart_meter_modelV4 FINAL FINAL.xls" All assumptions and calculations used to support the $268,416 are provided in the smart meter model.

OM&A	$52,064
Cost of debt	$36,120
Return on equity	$51,616
Depreciation	$110,662
PILs	$17,954
Total	$268,416

EnWin Utilities Ltd.

EnWin Interrogatory #1

1. **Exhibit 1** Tab 1 Schedule 2 Page 2

ELK states that "The proposed rates for the distribution of electricity have been prepared in accordance with the Filing Requirements and reflect traditional rate making and cost of service principles." Unlike most if not all other cost of service rate applications filed in Ontario since 2007, ELK filed its forward test year rate application over one year after the filing deadline. As a result, the application for 2012 rates seeks an effective date for rates on the first day of the fourth quarter of the test year. Consequently, the discovery stage of this proceeding is taking place after the conclusion of the conclusion of the test year. A Board decision and rate order will most likely not be issued until March or April 2013.

a) Is it ELK's position that the application is subject to the Filing Requirements issued by the Board on June 22, 2011 or June 28, 2012? What is the basis for that position?

Response: It is E.L.K.'s position that the application is subject to the Filing Requirements issued by the Board on June 22, 2011 since these are the filing requirements applicable to a 2012 cost of service application.

b) Has ELK considered requesting that the Board treat this application as a historic test year application? If so, why did ELK choose to not make that request? If not, why not?

Response: ELK did not consider requesting that the Board treat this application as a historic test year application since the actual audited 2012 data would not be available until the spring of 2013.

c) By what date does ELK expect to have its 2012 billed load results compiled?

Response: E.L.K. would expect to have its 2012 billed load results by February 1, 2013.

d) By what date does ELK expect to have its 2012 year-end financial results completed?

Response: E.L.K. expects to have its 2012 year-end financial results completed by March 4, 2013.

e) By what date does ELK expect to have its 2012 audited financial statements completed?

Response: E.L.K. expects to have its 2012 audited financial statements completed and approved by the Board of Directors by the end of April 2013.

EnWin Interrogatory #2

2. <u>**Exhibit 1** Tab 2 Schedule 1 Page 5</u>
Please add three rows to the bottom of Table 1.2 and use those rows to list the loss factors, SAIDI and SAIFI for each of ELK and its comparator LDCs.

<u>**Response:**</u> Please see updated Table 1.2 below. The data was extracted from the 2011 OEB Yearbook.

Mid-Size Southern Medium-High Undergrounding	E.L.K.	LDC A	LDC B	LDC C	LDC D	LDC E	LDC F	LDC G	LDC H	LDC I	LDC J	LDC K	LDC L	LDC M	LDC N
Residential Customers	9964	11504	28649	31314	17653	19905	23258	19522	13897	14580	25989	13793	6649	31841	16148
General Service <50 kW Customers	1201	785	3083	3560	2000	1695	3226	2457	1682	1658	1896	1197	1234	3495	1752
General Service >50 kW Customers	111	35	400	396	232	168	360	278	144	198	209	191	117	436	190
Total Customers	11276	12324	32132	35270	19885	21768	26844	22257	15723	16436	28094	15181	8000	35772	18090
Expenses															
Operating	$ 246,823	$ 44,495	$ 703,434	$ 1,748,639	$ 616,923	$ 1,161,145	$ 2,605,492	$ 265,336	$ 338,927	$ 558,750	$ 886,624	$ 766,170	$ 424,014	$ 3,177,397	$ 307,305
Maintenance	$ 524,267	$ 582,372	$ 1,052,368	$ 1,775,876	$ 922,897	$ 1,232,248	$ 810,263	$ 1,217,086	$ 1,818,120	$ 364,539	$ 1,425,359	$ 715,982	$ 392,884	$ 157,217	$ 868,332
Administrative	$ 1,648,311	$ 1,594,111	$ 4,958,276	$ 3,479,194	$ 2,427,410	$ 2,884,346	$ 2,595,986	$ 3,114,097	$ 1,919,440	$ 2,767,661	$ 3,234,946	$ 2,324,943	$ 1,084,289	$ 7,728,906	$ 4,530,786
Other	$ 32,854	$ 43,051	$ 1,916,522	$ 476,051	$ 85,188	$ 52,845	$ 507,694	$ 68,184	$ 6,833	$ 108,911	$ 234,286	$ 128,818	$ 56,284	$ 648,952	$ 108,295
Total OM & A Expenses	$ 2,452,255	$ 2,264,029	$ 8,630,600	$ 7,479,760	$ 4,052,418	$ 5,330,584	$ 6,519,435	$ 4,664,703	$ 4,083,320	$ 3,799,861	$ 5,781,215	$ 3,935,913	$ 1,957,471	$11,712,472	$ 5,814,718
SAIDI	3.58	1.70	1.12	5.16	1.49	2.87	1.47	11.77	1.35	1.72	6.38	0.51	15.39	5.83	4.45
SAIFI	1.71	1.61	1.06	2.73	2.18	1.92	1.76	1.93	0.96	1.69	5.14	1.58	4.36	3.53	2.04
Loss Factors	1.05357774	1.04765019	1.0369342	1.04984311	1.03058679	1.04449648	1.04329036	1.08083527	1.0434959	1.03887615	1.02518113	1.02706407	1.02399889	1.025443656	1.03129913
OM & A Per Customer	$ 217.48	$ 183.71	$ 268.60	$ 212.07	$ 203.79	$ 244.88	$ 242.86	$ 209.58	$ 259.70	$ 231.19	$ 205.78	$ 259.27	$ 244.68	$ 327.42	$ 321.43

School Energy Coalition:

SEC – 1 [General] With respect to the table attached to these interrogatories and marked "E.L.K. Timeline Data":

a. Please confirm that the data in the table correctly transposes the data from the 2008 through 2011 Electricity Yearbooks relative to the Applicant, or performs correct calculations on that data. If any of the data is incorrect, please provide the correct information. A live copy of the Excel spreadsheet has been provided for assistance in responding.

   Response: The data in the E.L.K. Timeline Data provided by SEC correctly transposes the data from the 2008 through 2011 Electricity Yearbooks relative to the Applicant and performs correct calculations on that data.

b. Please complete the column for 2012 with actuals or estimates for each of the line items, calculated on the same basis as the past data.

   Response: Please see the attached column for 2012. E.L.K. notes that the line items in the column are only estimates.

Comparator		2008	2009	2010	2011	2012
Customers		10,853	11,112	11,205	11,276	11,315
	Residential	9,638	9,843	9,899	9,964	10,009
	GS<50	1,099	1,148	1,187	1,201	1,211
	GS>50	116	121	119	111	95
	Percentage Increase		2.39%	0.84%	0.63%	0.35%
Volumes Sold (kwh) (000s omitted)		251,163	233,194	238,626	242,066	240,346
	Total Losses	4.37%	6.29%	9.50%	5.09%	7.30%
	Average Peak Demand	44,779	42,694	47,798	45,507	46,653
DX Revenues (000s omitted)		$4,869	$4,622	$4,554	$3,621	4,088
	Residential	$877	$843	$784	$2,522	1,653
	GS<50	$87	$83	$59	$385	$ 222
	GS>50	$558	$590	$482	$1,534	1,008
	Other	$3,347	$3,106	$3,229	-$820	1,205
Property, Plant & Equipment (000s omitted)		$8,810	$8,527	$8,117	$7,757	7,937
	PP&E per Customer	$811.76	$767.37	$724.41	$687.92	$701.46
	Percentage Decrease		5.47%	5.60%	5.04%	-1.97%
	Capital Additions/Depreciation	147.4%	66.8%	98.3%	57.2%	77.8%
OM&A (000s omitted)		$2,173	$2,517	$2,115	$2,452	$ 2,283
	Operations	$211	$299	$237	$247	$ 242
	Maintenance	$409	$507	$310	$524	$ 417
	Administration	$1,552	$1,692	$1,536	$1,648	$ 1,592
	Other	$0	$19	$32	$33	$ 33
	OM&A per Customer	$200.22	$226.51	$188.76	$217.45	$ 202
Actual Shareholders' Equity (000s omitted)		$14,816	$6,208	$7,386	$6,795	$ 7,091
	Equity Thickness	63.3%	28.6%	31.8%	34.8%	33%
	Long Term Debt (000s omitted)	$3,900	$9,900	$7,200	$8,300	$ 7,500
	Net Income (000s omitted)	$1,232	$983	$1,178	$317	$317
	Financial ROE	8.32%	15.83%	15.95%	4.67%	4.47%
	Interest Cost (000s omitted)	$292	$233	$290	$307	$ 299
	PILs (000s omitted)	$854	$562	$580	$217	$217
	Total Cost of Capital	$2,378	$1,778	$2,048	$841	$833

c. Please reconcile the Total Losses percentages (the % difference between reported purchases and sales) with the loss factor information contained in the Application. Please explain the high differences between purchases and sales, particularly in 2010. Please estimate the impact on these percentages, to date and in the future, of the Applicant's strategy of converting its entire system to 27.6kV service.

Response: E.L.K.'s Response to Board staff #29 provides a revised loss factor calculation using corrected billing data. In addition, E.L.K.'s response to Board staff #11 provides a revised load forecast reflecting the corrected billing data. In the revised loss factor calculation the values in row A(1) "Wholesale" kWh delivered to distributor (higher value) is equivalent to the Actual Power Purchased amount shown Board staff #11 Table 3-24. The values shown in row D "Retail" kWh delivered by distributor are equal to the total billed amount provided in Board staff #11 Table 3-24. As a result, the total loss factor calculated in Board staff #29 from 2007 to 2011 is the same loss factor used in the revised load forecast for the years 2007 to 2011.

Possible factors that could explain the differences between purchases and sales are missed billing or timing differences in billing due to problem accounts, as well as a bad power factor which could increase losses. The impact on converting E.L.K.'s system to 27.6kV would be to see a marginal decrease in loss factor.

d. Please reconcile the figures (from "Statistics by Customer Class" in the Yearbooks) for Distribution Revenues by class with the total distribution revenues (from the Income Statements for each year) and with Table 3-1 in the Application. Please provide a consistent set of data that shows distribution revenue by class for each of the four years, plus 2012, and reconciles that data with the RRR reporting and the income statement.

   Response: Table 3-1 data is obtained from E.L.K.'s distribution charges report and then compared to the gross margin line on the financial statements. Any difference was prorated to each category based on the number of customers in each class. For the RRR reporting, for the years 2008 to 2010 E.L.K. only recorded the revenues for the distribution volumetric charge. In 2011, E.L.K. worked with Board Staff as the distribution revenue in RRR 2.1.5 was not very clear on the form. E.L.K. received clarification from Board Staff that the distribution service revenue includes both volumetric and fixed revenues. Therefore in 2011 the amounts in the 2011 yearbook match RRR 2.1.5 which matches Account 4080 in RRR 2.1.7. E.L.K. will continue the 2011 approach as Board Staff has now confirmed the process. Please see Energy Probe #12 for 2012 estimated data.

e. Please explain why Net PP&E is declining while customer numbers are increasing, and PP&E per customer dropped more than 15% from 2008 to 2011. Please provide details of any accounting adjustments made in any year that caused all or any part of this decline.

   Response: Customer numbers are only slightly increasing. As well, the

Net PP&E is declining due to increased depreciation as well as 2 significant disposals in 2010 totalling over one million dollars, specifically the stranded meter costs of $891,791.

f. Please explain why the Applicant's capital additions in each year except 2008 were less than depreciation. Please also explain the Applicant's low level of capital additions relative to the average in the industry over the last four years of more than 180% of depreciation.

Response: Additions for each year are based on Management's plans as supported in the yearly capital budgeting process. These amounts are approved by the Board of Directors. Ultimately, additions are purchased based on need and timing of projects that may take priority unexpectedly that may be unforeseen resulting in deferrals of certain purchases. In discussion with our auditors, it is difficult to co-relate the two items regarding additions and depreciation due to the fact depreciation is based on additions from previous years (inception to current) as well as the fact that it depends on the classes the capital asset was added to.

g. Please explain the drops in Maintenance and Admin expenses in 2010.

Response: The drop in maintenance in 2010 is the result of less maintenance required. Depending on the number of storms and damaged infrasture, this amount will fluctuate from year to year. Admin expenses decreased in 2010 primarily due to reduced costs for meter reading, a decrease in bad debt expense and reduced costs in customer billing.

h. Please confirm that the large shifts in the shareholders' equity, the equity thickness and the long term debt between 2008 and 2009 came about in whole or in part because of the consolidation of ownership approved by the Board in EB-2008-0310. Please provide details of the major transactions that effected these changes, such as returns of capital or dividends, new long term borrowing transactions, etc.

Response: The large shifts in the shareholders' equity, the equity thickness and the long term debt between 2008 and 2009 came about primarily because of the consolidation of ownership approved by the OEB in EB-2008-0310. Dividends were paid in the amount of $10,599,900. As well, there was new long term debt in the amount of $8,000,000.

i. Please advise whether the increase in actual equity thickness from 2009 to 2011 (28.6% to 34.8%) was part of a plan to reduce leveraging over time. If that was the case, please provide the planning and/or approval document related to the de-leveraging plan. If it was not part of a plan, please advise the reasons for the increase in equity thickness over those two years. In either case, please advise whether the Applicant plans to bring equity thickness up to the Board-approved level of 40%, and if so on what schedule and by what means.

Response: The increase in actual equity thickness from 2009 to 2011 was not part of a plan to reduce leveraging over time. The reasons for the increase in equity thickness over those two years can be attributed to the partial repayment of the TD loan facility and increase in retained earnings from 2009. There is no current plan to bring the equity thickness up to the Board deemed level of 40%.

j. Please confirm that the rapid drop on ROE in 2011, from overearning in all prior years, was the result of much lower distribution revenues plus higher OM&A, partially offset by much lower PILs. Please describe the main reasons for the lower 2011 distribution revenues compared to prior years.

Response: Please see E.L.K.'s response to SEC #6b

k. Please confirm that, even if the Net Income in 2011 had been sufficient to earn the Board-approved ROE, the total carrying cost of capital (ROE, interest, and PILs) would have been about $1.2 million, substantially less than for prior years. Please explain where the reductions in the carrying cost of capital have been returned to ratepayers in the form of lower overall revenue requirement for 2012.

Response: The total carrying cost of capital would have been approximately $1.5 million. With respect to the reductions in the carrying cost of capital, please refer to E.L.K.'s response to SEC #6a with regards to level of reduction in deemed interest and PILs from the amount assumed in the current rates (i.e. the 2006 approved revenue requirement) to the amount proposed in the 2012 revenue requirement. From 2006 to 2012 the ROE has increased slightly as shown in response to SEC #6a.

SEC – 2 [1/2/1, p. 1] Please provide copies of:

a. The current Shareholder Direction, and any previous Shareholder Direction dated after 2000.

Response: Please see the Shareholder Declaration enclosed as Appendix SEC2

b. The current Corporate Strategic Plan.

Response: E.L.K. does not possess a Corporate Strategic Plan.

SEC - 3 [I/2/1, p. 2] Please confirm that the Applicant is seeking to recover its calendar 2012 revenue requirement over a rate period of October 1, 2012, to September 30, 2013, but with any change in rates for any customer class actually applying only for the period from the Board's decision to September 30, 2013. Please confirm that the Applicant is proposing that the Applicant's interim rates for the period prior to October 1, 2012 be declared final, and that no adjustment should be made to account for any over or under collection from ratepayers of any class during that period.

Response: With respect to the first part of the question (recovery of the 2012 revenue requirement), E.L.K. wishes to recover a full 12 months of incremental revenue. Please see E.L.K.'s response to Energy Probe Interrogatory #3(a) for E.L.K.'s comments on the effective date. With respect to the second part of the question, the Board determined at page 3 of its May 29, 2012 Decision and Procedural Order No. 2 that:

> "Based on the corrected 2010 financial statements, and the new 2011 financial statements, it now appears that E.L.K. did not earn in excess of its allowed rate of return in 2010 and the financial results for 2011 indicate the same. This is supported by the analysis provided by E.L.K. in its submission and by a further analysis prepared by the Board, attached as Appendix A, reflecting a deemed capital structure. Accordingly, based on this new information the Board finds that the interim downward adjustment to E.L.K.'s existing rates is no longer warranted. The Board retains the authority to adjust rates retrospectively back to the date of the interim rate order at the conclusion of the cost of service hearing should circumstances warrant."

E.L.K. believes that there is still no basis for a downward adjustment to its existing rates. E.L.K. may have further submissions in this regard as necessary.

SEC - 4 [1/2/2] With respect to this exhibit:

a. Please explain how “indirect costs [are] allocated to direct costs for budget presentation”. Please provide the budget presentation referred to.

<u>Response:</u> Upon review of this interrogatory, E.L.K. would like to expand on this sentence. To budget for the Operating, Maintenance and Administrative expense costs, E.L.K. uses known data at the time plus estimated data for estimated labour and unknown items and prior year actuals. All of these costs are truly directly related to the account in question. Indirect overhead costs are also included. Please see Appendix SEC #4 for the 2012 OM&A budget.

b. Please reconcile the statement “indirect costs are allocated to direct costs in the capital budget” with the statement in 2/1/1, p. 6, that the Applicant does not capitalize indirect costs.

<u>Response:</u> Please see E.L.K.’s response to AMPCO Interrogatory #4.

SEC - 5 [1/2/4, p. 3] Please explain why the drivers of the deficiency do not take into account changes in gross distribution revenues over the period from the last time the Applicant's rates were set by the Board.

Response:
The deficiency is determined by subtracting the proposed revenue requirement minus revenue at existing rates. Revenue at existing rates is calculated by applying current rates to the proposed load forecast and does not reflect the gross distribution revenue at the time rates were last set by the Board. As a result, it is E.L.K.'s understanding that changes in gross distribution revenue over a period time do not impact on the level of deficiency.

SEC - 6 [1/2/4, p. 3] Please restate the table of drivers of the deficiency to take account of:

a. Reductions in rates of PILs and interest rates since the Applicant's rates were last set by the Board;

Response:
The referenced cost drivers of the deficiency have been restated to reflect the difference in PILs and deemed interest between the amounts included in the proposed revenue requirement and the revenue requirement last approved by the Board.

Impact of smart meters on 2012 revenue requirement (2012 revenue requirement from smart meter model)	$268,416
2012 Increase in payroll and benefits (Exhibit 4, Table 4.15 Cost Driver Table)	$213,039
Change in overhead and underground maintenance expenses from 2011 to 2012 (Exhibit 4.15 Cost Driver Table)	$177,296
¼ of the costs to prepare and support this application (Exhibit 4, Table 4.17 Regulatory Costs)	$73,175
Change in PILs from 2006 approved revenue requirement	($115,176)
Change in deemed interest from 2006 approved revenue requirement	($158,961)
Change in deemed equity return from 2006 approved revenue requirement	22,800
Change in bad debt write-offs since 2006 (Exhibit 4.15 Cost Driver Table)	$237,489
Total	$718,078

b. The Applicant's overearning history for at least 2008 through 2010.

Response: In its May 8, 2012 response to the Board on the matters identified in Procedural Order No. 1 E.L.K. advised that, in the course of preparing its 2011 financial statements, E.L.K. and its auditors determined that there was an error in 2010 in E.L.K.'s tracking of the differences between amounts paid to the Independent Electricity System Operator (the "IESO") on account of power and various wholesale market services, and amounts billed to E.L.K.'s customers on account of those items.

Using the corrected net earnings value reduced E.L.K.'s 2010 return on equity significantly. Instead of approximately 16% based on the incorrect 2010 financial statements, the correct return was approximately 7.95%. The 2011 return on equity, based on net earnings of $316,841, was approximately 4.66%. This eliminated the overearnings, and was likely an ongoing issue which occurred in 2008 and 2009 as well. As such, in light of the corrections discussed above, E.L.K. respectfully submits that it is not over earning. On the contrary, when amounts are properly allocated to variance accounts, E.L.K. is earning significantly less than the Board-approved ROE. As there have been no overearnings, there is no need to restate the drivers.

VECC

VECC Interrogatory #1

1.0 Reference: Exhibit 1, Tab 1

a) Please confirm that the application is filed in accordance with CGAAP accounting rules.

Response: Yes the application is filed in accordance with CGAAP.

b) Please update the timelines for when E.L.K. intends to implement IFRS (MIFRS) and the costs spent to-date on this project.

Response: Please refer to the response provided to the Board staff Interrogatory #2.

c) Please confirm that the application is filed in accordance with CGAAP accounting rules.

Response: Yes the application is filed in accordance with CGAAP.

d) Please update the timelines for when E.L.K. intends to implement IFRS (MIFRS) and the costs spent to-date on this project.

Response: Please refer to E.L.K.'s response to Board staff Interrogatory #2.

EXHIBIT 2 - RATE BASE

Board Staff:

Board Staff Interrogatory #3:

Ref: E2-T1-S1 p.1 Table 2.1

Please explain why the Average Net Book Value for 2012 of $9,096,748 does not equate to: (2011 Net book Value plus the 2012 Net Book Value)/ 2?

Response:

The Average Net Book Value for 2012 is equal to 2012 opening net book value plus the closing net book value divided by two. Typically the 2012 opening net book value would be equal to the 2011 closing net book value but this is not the case in this Application. In this Application, the 2012 opening net book value has been adjusted to include smart meters into the rate base. In Table 2-20 - 2012 Test Year Fixed Asset Continuity Schedule the accounts that are impacted by including smart meters in the rate base are highlighted in green. In this table the 2012 opening net book value is $24,228,613 in gross assets minus $15,017,437 in accumulated depreciation or $9,211,176. The 2012 closing net book value is shown as $8,982,319. The resulting average is $9,211,176 plus $8,982,319 divided by two or $9,096,748.

Board Staff Interrogatory #4:

Ref: E2-T1-S2 Tables 2.3 and 2.4

a) Please confirm that the table below accurately captures the information in Tables 2.3 and 2.4

E.L.K. Service Reliability Indices
2005 to 2011

Index	Includes outages caused by loss of supply							Excludes outages caused by loss of supply						
	2005	2006	2007	2008	2009	2010	2011	2005	2006	2007	2008	2009	2010	2011
SAIDI	2.083	1.661	1.530	2.140	0.640	4.330	3.580	1.746	1.021	1.130	0.500	0.400	2.820	0.800
SAIFI	1.464	0.833	1.170	0.690	0.170	1.290	1.710	0.830	0.367	0.870	0.150	0.080	0.950	0.410
CAIDI	1.423	1.994	1.300	3.080	3.850	3.350	2.100	2.090	2.780	1.290	3.240	4.930	2.970	1.950

SAIDI = System Average Interruption Duration Index
SAIFI = System Average Interruption Frequency Index
CAIDI = Customer Average Interruption Duration Index

Response: Yes it does.

b) Has there been performance that was outside of the established standard?

Response: Yes.

c) If so, please explain the reason and describe any corrective action taken or planned to be taken.

Response:

With respect to the indices that include outages caused by loss of supply:

2008 – SAIDI & CAIDI: significant outages due to loss of supply and adverse weather;
2009 – CAIDI: adverse weather, lightning;
2010 – SAIDI & SAIFI: adverse weather and motor vehicle accident that damaged a Hydro One transmission tower; and
2011 - SAIDI & SAIFI: significant outages due to Hydro One capacitor bank failure and weak breaker at Hydro One's TS.

With respect to the indices that exclude outages caused by loss of supply:

2008 – CAIDI: significant adverse weather;
2009 – CAIDI: adverse weather, lightning; and
2010 – SAIDI & SAIFI: adverse weather.

Board Staff Interrogatory #5:

<u>Ref: E2-T1-S3 Tables 2-10, -12, -14, -16, -20</u>

These fixed asset continuity tables show the following:

2007: $276,450 in additions for Meters
2008: $131,151 in additions for Meters
2009: $35,988 in additions for Meters
2010: $26,120 in additions for Meters
$891,791 in disposals for Meters

a) Are any of these amounts related to the Smart Meter Program? If so, what portion?

<u>Response:</u> Yes, some of these amounts are related to the Smart Metering Program The portions are:

2007: $138,442.14
2008: $76,140.87

b) Does the rate base proposed for 2012 reflect the impact of all these amounts?

<u>Response:</u> Yes the rate base proposed for 2012 reflects the impact of all these amounts.

c) Table 2-20 (2012) shows an opening balance of $1,574,204 for Smart Meters. Please explain why no amount is shown for the "disposal" of the meters which were replaced by the Smart Meters.

<u>Response:</u> The disposal of the meters is calculated as part of the stranded meter cost calculation and is recorded in sub-account - stranded meter costs of account 1555.

Board Staff Interrogatory #6:

Ref: E2-T1-S3 p.7

E.L.K. indicates that in 2007 it spent $57,481 to purchase from the Town of Essex, and pave, .2 acres of un-serviced land adjacent to E.L.K.s service centre in the Town of Essex for additional parking and storage.

Please explain what prompted the requirement for additional parking and storage.

Response: E.L.K. had two (2) service centres. The first was at E.L.K.'s head office and the second was a satellite service centre with four (4) staff members in the Kingsville service area. The satellite service centre housed fleet vehicles and outside storage. The decision was made to consolidate the service centres to maximize the utilization of the staff and fleet so the satellite centre was closed. With the additional staff reporting to the head office and the loss of the outside storage additional property was required at the head office.

Board Staff Interrogatory #7:

<u>Ref: E2-T1 Appendix 2-A</u>

E.L.K.'s Distribution Management Plan, at page 47, states that …

> As a result of E.L.K. Energy's asset strategy leading up to 2013 a forecast was not necessary as the projects were dictated by the need to eliminate 4.16kV distribution lines and the expenditure in each year was kept relatively stable….

and it goes on to say …

> E.L.K. Energy's intention is to create a five year forecast to coincide with its newly developed asset strategy. For purposes of supporting E.L.K. Energy's cost of service rate application in 2012 a 2 year forecast has been developed using the data from the asset condition assessment as a proxy for the approximate minimum cost in both 2013 and 2014.

a) When will the 5 year capital forecast be ready?

<u>Response:</u> The 5 year capital forecast will be ready in the second or third quarter of 2014.

Board Staff Interrogatory #8:

Ref: (a) E2-T1-A2-B/ OPA Letter of Comment (b) E2-T1-A2-B p. 3-4/ 1.2 Current Situation(c) *Filing Requirements*[1], Part IV, p. 8-9, Information Exchange with the OPA and Affected Distributors and Transmitters

The OPA indicates at reference (a) that there are no known transmission constraints applicable to E.L.K.'s system. At reference (b), E.L.K. indicates that there are upstream feeder limitations. Reference (c) points to the need to consult with upstream transmitters when preparing GEA plans and document such consultations.

i. Please reconcile the statement of the OPA at reference (a) with E.L.K.'s account regarding system constraints.

   Response: The constraints are distribution not transmission. E.L.K. is embedded within Hydro One's distribution system. Therefore E.L.K. must, as a minimum, follow Hydro One's "Technical Interconnection Requirements for Distributed Generation, Micro Generation & Small Generation, 3-phase, less than 30 kW" (microFIT TIR). Per the microFIT TIR total generation must not exceed 7% of the annual line section peak load on F-class feeders or 10% for M-class feeders. E.L.K. has an F-class feeder which has met the 7% and an M-class feeder that is near the 10% level of generation connected. Therefore the F-class feeder is constrained and the M-class feeder has limited generation connection capability until the microFIT TIR is amended or additional load materializes. A third feeder is distribution constrained per Hydro One.

ii. Please confirm that E.L.K. has provided Hydro One with a forecast of renewable generation connection and its planned system investments. Briefly describe the consultations.

   Response: Yes E.L.K. has provided Hydro One with a forecast of renewable generation connection and planned system investments. E.L.K. meets with its Hydro One Account Executive, at least semi annually, to discuss all distribution and/or transmission issues including those issues impacting renewable energy.

[1] EB-2009-0397 Distribution System Plans – Filing under Deemed Conditions of Licence. This plan was filed using the 25 March, 2010 version.

Board Staff Interrogatory #9:

Ref: (a) *Filing Requirements*, Part V, Section 2, bullet 4, p.11 (b) E2-T1-A2-B p. 4-5/ 1.4 Current Information on Smart Grid Projects (c) E2-T1-A2-B p. 4/ 1.3 Current Renewable Generation (d) E2-T1-A2-B p. 8/ Table 2

Reference (a) relates to the information required when filing a GEA Plan. E.L.K.'s approach to smart grid development is briefly described at reference (b). At reference (c), E.L.K indicates the number of connections as of December 31, 2011.

	# Applications Received	# Projects Connected	Ratio Connections vs. Applications
MicroFIT (≤10kW)	279	59	21%
FIT (>10kW)	6	0	0%
Total	285	59	21%

Source: Board Staff, based on E.L.K Energy's GEA Plan

The table at reference (d) shows actual and forecasted number of renewable energy connections by end 2016.

	2010	2011	2012	2013	2014	2015	2016	Total
MicroFIT (≤10kW)	4	55	43	11	11	11	11	146
FIT (>10kW)			1	2	2	2	2	9
Total	4	55	44	13	13	13	13	155

Source: Board Staff, based on Table 2 of E.L.K. Energy's GEA Plan

i. In accordance with the *Filing Requirements*, briefly describe the prioritization methodology employed to connect renewable generation projects.

   Response: E.L.K.'s prioritization methodology is to prioritize expenditures in accordance with the objective of achieving the maximum amount of connected renewable generation capacity.

ii. Please confirm that E.L.K. does not foresee undertaking any smart grid eligible activities over the 5-year plan period.

   Response: E.L.K. does not foresee undertaking any smart grid eligible activities over the 5-year plan period but E.L.K. will continue to monitor the smart grid-related initiatives, outside of smart grid-related activities that may be taking place in the context of CDM.

iii. With respect to smart grid, briefly explain the “very conservative approach” E.L.K. mentions at reference (b).

Response: E.L.K. Energy is closely monitoring the development of smart grid projects in Ontario as well as other jurisdictions. By reviewing pilot projects administered by some of the larger LDCs in Ontario and abroad E.L.K. will be able to better leverage their limited resources to provide achievable smart grid projects.

iv. If applicable please update the information at reference (c).

Response: Please see below

	# Applications Received	# Projects Connected	Ratio Connections vs. Applications
microFIT (≤10kW)	**309**	**105**	**34%**
FIT (>10kW)	**6**	**0**	**0%**
Total	**315**	**105**	**33%**

v. Please explain why E.L.K. forecasts that only 155 out of 285 projects would be connected by end 2016.

Response: It has been E.L.K.’s experience that though numerous applications are received not all the proponents follow through to connection. In 2011 there was a microFIT cluster of forty-four (44) units that was connected with the remaining eleven (11) connections being regular microFIT projects. In 2012 there were two (2) microFIT clusters of twenty-three (23) and eight (8) units respectively with the remaining twelve (12) connections being regular microFIT projects. With the changes to the microFIT rules E.L.K. will not have any additional microFIT clusters within E.L.K.’s licensed service area. Aside from the clusters E.L.K. has connected eleven (11) and twelve (12) microFIT projects.This is E.L.K.’s basis for the forecast of eleven (11) connections per year.

Board Staff Interrogatory #10:

Ref: (a) E2-T1-A2-B p. 5/ 1.5 Summary of Forecasted Expenditures (b) E2-T1-A2-B p. 9/ 2.3 Renewable Connection Project Costs (c) *Framework*[2] , Paragraph 1.1, Regulation 330/09 (d) *Framework*[3], Paragraph 3.2.2.3, Basic Benefit Assessments for Basic GEA Plans

At reference (a), E.L.K. states that:

> E.L.K. Energy has not forecasted any internal expenditures with respect to this GEA Plan. All internal expenditures will be retained under the current rate structure. E.L.K. Energy has forecasted $72,900 in 2012 for renewable energy expansion cost cap with respect to this GEA Plan.

Reference (b) indicates that to date, customers have made a capital contribution to connect the microFIT projects.

E.L.K is silent on the quanta of the OM&A expenses associated with the implementation of the GEA plan. On OM&A costs reference (c) clarifies that:

> "Eligible investment" costs, as set out in O. Reg. 330/09 and section 79.1 (5) of the Act, are not limited to only the initial capital investment costs but also include the *up-front* OM&A costs necessary for the purpose of "enabling the connection of a qualifying generation facility". However, given that section 79.1 focuses solely on the initial investment, ***ongoing OM&A costs that are incurred by the distributor after the investment has been made will not be eligible for provincial recovery.[emphasis added]***

Reference (d) outlines the methodology for deriving direct benefits.

i. Are any of the expenditures at reference (a) related to renewable generation connection already included in E.L.K. asset management plan, or funded through current rates?

   Response: No there are no expenditures related to renewable energy generation connection in E.L.K.'s asset management plan, or funded through current rates. Expenditures are only recorded in the Green Energy Plan in the amount of $72,900.

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[2] Report of the Board, Framework for Determining the Direct Benefits Accruing to Customers of a Distributor under Ontario Regulation 330/09
[3] Ibid

ii. Where applicable, if costs related to renewable generation connection are reflected in other schedules in the application, please cross-reference them.

Response: Due to the fact that the amount is immaterial E.L.K. will put this amount into the Renewable Generation Deferral account and deal with the recovery at a later date.

iii. With respect to reference (b) please fill out the table below.

Response: The requested information has been shown in the table.

	2010	2011	2012	2013	2014	2015	2016
Contributed Capital by Customers			$166,883				
Capital Costs Funded by E.L.K.			$27,900				

iv. Are there any incremental labour costs or other OM&A costs associated with the implementation of the GEA plan?

Response: No

v. E.L.K. indicates at reference (a) that it will recover GEA Plan costs through current rates. Please explain why E.L.K. is choosing not to follow the methodology outlined in the *Framework* at reference (d) given that the socializing of these costs is a non-discretionary step where it is applicable.

Response: As a result of reviewing this interrogatory, E.L.K. recognized that the capital costs funded by E.L.K. was not included in the 2012 budgeted numbers. In 2012 the amount funded by E.L.K. was actually $27,900 as one project will be connected in 2013. As such, E.L.K. is proposing to put the amount into the Renewable Generation Deferral account and deal with it at a later date.

vi. If applicable, please calculate the direct benefits accruing to E.L.K.'s ratepayers.

Response: Not Applicable

AMPCO:

AMPCO Interrogatory # 3:

Reference: Exhibit 2, Tab 1, Schedule 1, Page 2, Table 2-2

a) Please explain the increases in the amounts in 2012 over 2011 related to Community Relations and Administration & General.

Response: The increase in amount in 2012 over 2011 related to Community relations is due to the fact that there was no Advertising Expense in 2011, but in 2012 approximately $7,000 was budgeted in Advertising Expense.

Regarding the increase in amount in 2012 over 2011 related to Administrative & General, the budgeted 2012 amount includes additional pay increases and the replacement of the Director of Finance (a full time position) who left the company in 2011 as well as the addition of one new staff member, a financial analyst to assist with increased workloads due to Green Energy initiatives; managing the process of both microFIT and FIT contracts; conservation tracking and reporting; and as implementing and maintaining time-of-use web presentment tools and the MDM/R daily process. As well, there are increased regulatory costs – 3rd party legal and regulatory assistance (one-time in nature) related to the completion of E.L.K.'s cost of service application.

AMPCO Interrogatory #4:

Reference: Exhibit 2, Tab 1, Schedule 1, Page 6

Preamble: E.L.K. indicates it does not capitalize, through internal cost allocations, any indirect administrative support costs such as Finance or Facilities.

a) Please discuss further E.L.K.'s internal cost allocation process.

Response: Upon review of the aforementioned sentence, E.L.K. offers the following clarification. The statement set out in the preamble is accurate with respect to indirect costs that do not relate to a specific capital project, for example a five minute phone call of a general nature. However, E.L.K. does capitalize through internal cost allocations any **direct** administrative support costs such as Finance or Facilities that directly relates to the capital project being capitalized.

AMPCO Interrogatory #5

Reference: Exhibit 2, Tab 1, Schedule 1, Page 6

Preamble: E.L.K. is supplied power from five transformer stations owned and operated by Hydro One Networks Inc.

a) Please confirm if E.L.K. owns and operates any transformer stations.

Response: E.L.K.owns one (1) transformer station which was decommissioned in Q3, 2012 and will be disposed of in 2013.

AMPCO Interrogatory #6:

Reference**:** Exhibit 2, Tab 1, Schedule 3

a) Please provide E.L.K.'s Board Approved capital budget from 2006 to 2011.

Response: Please see below for copies of E.L.K.'s Board Approved Capital Budgets from 2006 to 2011

2006 E.L.K. Board Approved Capital Budget

Capital – Investing in our distribution system to ensure safe, reliable and efficient delivery of electricity

	2005 Budget	2005 Actual	2006 Budget	2007 Budget
Poles, towers & fixtures	$ 58,000	$ 163,000	$ 94,000	$ 131,000
Overhead conductors & devices	$ 88,000	$ 117,000	$ 78,000	$ 129,000
Underground conductors & devices	$ 427,000	$ 610,000	$ 164,000	$ 213,000
Line transformers	$ 166,000	$ 282,000	$ 174,000	$ 200,000
Services	$ 42,000	$ 60,000	$ 45,000	$ 45,000
Meters	$ 400,000	$ 84,000	$ 357,000	$ 365,000
Land & land rights	$ 40,000	$ -	$ 18,000	$ -
Building & fixtures	$ 42,000	$ -	$ 86,000	$ 20,000
Office equipment	$ 20,000	$ 17,000	$ 23,000	$ 100,000
Computer equipment	$ 99,000	$ 28,000	$ 6,000	$ 6,000
Computer software	$ 47,000	$ 17,000	$ 21,000	$ 10,000
Transporation equipment	$ 11,000	$ 15,000	$ 474,000	$ 83,000
Tools, shop & garage	$ 21,000	$ 12,000	$ 10,000	$ -
Total capital expenditures	$ 1,461,000	$ 1,405,000	$ 1,550,000	$ 1,302,000
Capital contributions	$ -	$ (579,000)		
Net capital expenditures	$ 1,461,000	$ 826,000	$ 1,550,000	$ 1,302,000

2007 E.L.K. Board Approved Capital Budget

Capital – Investing in our distribution system to ensure safe, reliable and efficient delivery of electricity

	2006 Budget	2005 Actual	2007 Budget	2008 Budget
Poles, towers & fixtures	$ 94,000	$ 163,000	$ 141,000	$ 31,000
Overhead conductors & devices	$ 78,000	$ 117,000	$ 119,000	$ 81,000
Underground conductors & devices	$ 164,000	$ 610,000	$ 152,000	$ 256,000
Line transformers	$ 174,000	$ 282,000	$ 230,000	$ 167,000
Services	$ 45,000	$ 60,000	$ 45,000	$ 45,000
Meters	$ 357,000	$ 84,000	$ 423,000	$ 825,000
Land & land rights	$ 18,000	$ -	$ -	$ -
Building & fixtures	$ 86,000	$ -	$ 76,000	$ 20,000
Office equipment	$ 23,000	$ 17,000	$ 15,000	$ 100,000
Computer equipment	$ 6,000	$ 28,000	$ 26,000	$ -
Computer software	$ 21,000	$ 17,000	$ 251,000	$ 10,000
Transporation equipment	$ 474,000	$ 15,000	$ 100,000	$ 83,000
Tools, shop & garage	$ 10,000	$ 12,000	$ 42,000	$ -
Total capital expenditures	$ 1,550,000	$ 1,405,000	$ 1,620,000	$ 1,618,000
Capital contributions	$ -	$ (579,000)	$ -	$ -
Net capital expenditures	$ 1,550,000	$ 826,000	$ 1,620,000	$ 1,618,000

2008 E.L.K. Board Approved Capital Budget

E.L.K. Energy Inc.

Capital - Summary

Investing in our distribution system to ensure safe, reliable and efficient delivery of electricity.

		2006 Budget	2006 Actual	2007 Budget	2007 Actual	2008 Budget	2009 Budget	2010 Budget
Poles, towers & fixtures	1830	$ 94,000	$ 28,000	$ 140,000	$ 97,000	$ 111,000	$ 121,000	$ 99,000
Overhead conductors & devices	1835	$ 78,000	$ 72,000	$ 156,000	$ 109,000	$ 131,000	$ 54,000	$ 72,000
Underground conductors & devices	1840/1845	$ 164,000	$ 340,000	$ 115,000	$ 304,000	$ 285,000	$ 96,000	$ 35,000
Line transformers	1850	$ 174,000	$ 56,000	$ 230,000	$ 487,000	$ 268,000	$ 213,000	$ 318,000
Services	1855	$ 45,000	$ 88,000	$ 45,000	$ 88,000	$ 24,000	$ 25,000	$ 26,000
Meters	1860	$ 357,000	$ 52,000	$ 423,000	$ 276,000	$ 581,000	$ 685,000	$ 686,000
Land & land rights	1905/1906	$ 18,000	$ 18,000	$ -	$ -	$ -	$ -	$ -
Building & fixtures	1908	$ 86,000	$ -	$ 76,000	$ 58,000	$ 155,000	$ -	$ -
Office equipment	1915	$ 23,000	$ 10,000	$ 15,000	$ 6,000	$ 72,000	$ 105,000	$ 5,000
Computer equipment	1920	$ 6,000	$ 4,000	$ 26,000	$ 47,000	$ 35,000	$ -	$ -
Computer software	1925	$ 21,000	$ -	$ 191,000	$ 86,000	$ 117,000	$ 35,000	$ 25,000
Transportation equipment	1930	$ 474,000	$ 16,000	$ 100,000	$ 484,000	$ 2,000	$ 60,000	$ 375,000
Tools, shop & garage	1940	$ 10,000	$ 8,000	$ 42,000	$ 12,000	$ 15,000	$ -	0
Total capital expenditures		$ 1,550,000	$ 692,000	$ 1,559,000	$ 2,054,000	$ 1,796,000	$ 1,394,000	$ 1,641,000

2009 E.L.K. Board Approved Capital Budget

Capital - Summary

Investing in our distribution system to ensure safe, reliable and efficient delivery of electricity.

		2007 Budget	2007 Actual	2008 Budget	2008 Actual	2009 Budget	2010 Budget	2011 Budget
Poles, towers & fixtures	1830	$ 140,000	$ 97,000	$ 111,000	$ 101,000	$ 88,000	$ 120,000	$ 102,000
Overhead conductors & devices	1835	$ 156,000	$ 109,000	$ 131,000	$ 203,362	$ 128,000	$ 159,000	$ 73,000
Underground conductors & devices	1840/1845	$ 115,000	$ 304,000	$ 285,000	$ 343,888	$ 148,000	$ -	$ -
Line transformers	1850	$ 230,000	$ 487,000	$ 268,000	$ 231,589	$ 252,000	$ 153,000	$ 324,000
Services	1855	$ 45,000	$ 88,000	$ 24,000	$ 99,984	$ 20,000	$ 20,000	$ 20,000
Meters	1860	$ 423,000	$ 276,000	$ 581,000	$ 131,190	$ 1,670,000	$ 1,138,000	$ -
Land & land rights	1905/1906	$ -	$ -	$ -	$ 400	$ -	$ -	$ -
Building & fixtures	1908	$ 76,000	$ 56,000	$ 155,000	$ 11,500	$ 102,000	$ -	$ -
Office equipment	1915	$ 15,000	$ 6,000	$ 72,000	$ 2,025	$ 11,000	$ 90,000	$ 55,000
Computer equipment	1920	$ 26,000	$ 47,000	$ 35,000	$ 17,819	$ 9,100	$ -	$ -
Computer software	1925	$ 191,000	$ 86,000	$ 117,000	$ 90,054	$ 9,900	$ 34,200	$ -
Transportation equipment	1930	$ 100,000	$ 484,000	$ 2,000	$ 63,307	$ 78,100	$ 113,950	$ 264,000
Tools, shop & garage	1940	$ 42,000	$ 12,000	$ 15,000	$ 39,335	$ 61,000	$ -	$ -
Total capital expenditures		$ 1,559,000	$ 2,054,000	$ 1,796,000	$ 1,335,453	$ 2,577,100	$ 1,828,150	$ 838,000

2010 E.L.K. Board Approved Capital Budget

E.L.K. Energy Inc.

Capital - Summary

Investing in our distribution system to ensure safe, reliable and efficient delivery of electricity.

		2008 Budget	2008 Actual	2009 Budget	2009 Actual	2010 Budget	2011 Budget	2012 Budget
Smart meter capital & recovery offset variance account	1555	$ -	$ -	$ -	$ -	$ 1,476,000	$ -	$ -
Smart meter OM & A variance	1556	$ -	$ -	$ -	$ -	$ 55,000	$ -	$ -
Poles, towers & fixtures	1830	$ 111,000	$ 101,000	$ 88,000	$ 62,000	$ 64,000	$ 128,000	$ 115,000
Overhead conductors & devices	1835	$ 131,000	$ 203,362	$ 128,000	$ 106,000	$ 116,000	$ 61,000	$ 86,000
Underground conductors & devices	1840/1845	$ 285,000	$ 343,888	$ 148,000	$ 274,000	$ 133,000	$ 53,000	$ 98,000
Line transformers	1850	$ 268,000	$ 231,589	$ 252,000	$ 131,000	$ 206,000	$ 187,000	$ 330,000
Services	1855	$ 24,000	$ 99,984	$ 20,000	$ 51,000	$ 26,000	$ 26,000	$ 27,000
Meters	1860	$ 581,000	$ 131,190	$ 1,670,000	$ 36,000	$ 18,000	$ 106,000	$ 16,000
Land & land rights	1905/1906	$ -	$ 400	$ -	$ -	$ -	$ -	$ -
Building & fixtures	1908	$ 155,000	$ 11,500	$ 102,000	$ -	$ 124,000	$ -	$ -
Office equipment	1915	$ 72,000	$ 2,025	$ 11,000	$ 5,000	$ 55,000	$ 105,000	$ 5,000
Computer equipment	1920	$ 35,000	$ 17,819	$ 9,100	$ 8,000	$ 5,000	$ 21,000	$ -
Computer software	1925	$ 117,000	$ 90,054	$ 9,900	$ 5,000	$ 7,000	$ 29,000	$ -
Transportation equipment	1930	$ 2,000	$ 63,307	$ 78,100	$ 74,000	$ 31,000	$ 101,000	$ 264,000
Tools, shop & garage	1940	$ 15,000	$ 39,335	$ 61,000	$ 6,000	$ 25,000	$ -	$ -
Total capital expenditures		$ 1,796,000	$ 1,335,453	$ 2,577,100	$ 758,000	$ 2,341,000	$ 817,000	$ 941,000

2011 E.L.K. Board Approved Capital Budget

E.L.K. Energy Inc.

Capital - Summary
Investing in our distribution system to ensure safe, reliable and efficient delivery of electricity

		2009 Budget	2009 Actual	2010 Budget	2010 Actual	2011 Budget	2012 Budget	2013 Budget
Smart meter capital & recovery offset variance account	1555	$ -	$ -	$ 1,476,000	$ 1,363,370	$ 120,000	$ -	$ -
Smart meter OM & A variance	1556	$ -	$ -	$ 55,000	$ 30,624	$ 47,000	$ -	$ -
Poles, towers & fixtures	1830	$ 88,000	$ 62,000	$ 64,000	$ 106,000	$ 41,000	$ 124,000	$ 125,000
Overhead conductors & devices	1835	$ 128,000	$ 106,000	$ 116,000	$ 160,000	$ 145,000	$ 60,000	$ 98,000
Underground conductors & devices	1840/1845	$ 148,000	$ 274,000	$ 133,000	$ 339,000	$ 96,000	$ 103,000	$ 110,000
Line transformers	1850	$ 252,000	$ 131,000	$ 206,000	$ 108,000	$ 207,000	$ 189,000	$ 327,000
Services	1855	$ 20,000	$ 51,000	$ 26,000	$ 67,000	$ 33,000	$ 26,000	$ 40,000
Meters	1860	$ 1,670,000	$ 36,000	$ 18,000	$ (866,000)	$ 52,000	$ 37,000	$ 16,000
Land & land rights	1905/1906	$ -	$ -	$ -	$ -	$ -	$ -	
Contributions & Grants	1995	$ -	$ -	$ -	$ -	$ 160,000	$ -	$ -
Other Tangible Property	Other Tangible Property					$ 100,000		
Building & fixtures	1908	$ 102,000	$ -	$ 124,000	$ (202,000)	$ 65,000	$ 171,500	$ -
Office equipment	1915	$ 11,000	$ 5,000	$ 55,000	$ 21,000	$ 40,000	$ 105,000	$ 5,000
Computer equipment	1920	$ 9,100	$ 8,000	$ 5,000	$ 4,000	$ 10,000	$ 21,000	$ -
Computer software	1925	$ 9,900	$ 5,000	$ 7,000	$ 1,000	$ 17,000	$ 29,000	$ -
Transportation equipment	1930	$ 78,100	$ 74,000	$ 31,000	$ -	$ 89,250	$ -	$ 264,000
Tools, shop & garage	1940	$ 61,000	$ 6,000	$ 25,000	$ 3,000	$ 20,000	$ 5,000	$ -
Total capital expenditures		$ 2,577,100	$ 758,000	$ 2,341,000	$ 1,134,994	$ 1,242,250	$ 870,500	$ 965,000

AMPCO Interrogatory #7:

Reference: Exhibit 2, Tab 1, Schedule 2, Pages 1-3

Preamble: E.L.K. provides service quality and reliability indices.

a) Please discuss if E.L.K. tracks momentary outages.

i. If not, why not?

Response: E.L.K. does not have the system capabilities to capture or measure momentary outages.

ii. If yes, please discuss E.L.K.'s approach in this regard and provide the frequency data for 2005 to 2011.

Response: Not applicable.

b) Please provide the breakdown of defective equipment by cause.

Response: Please see below.

The records for the years 2003 to 2005 inclusive have since been destroyed and were not available for a detailed breakdown.

Defective Equipment	2006	2007	2008	2009	2010	2011
Underground elbow failure	4	1				
Transformer fuse, cause unknown	6	4	2	3	4	1
Live front transformer insulator failure	1					
Pole mount transformer failure	1	1	2	4	1	3
Pad mount transformer failure	2	1	2			2
Underground secondary service failure	10	13	12	16	9	20
Overhead secondary service failure	6	15	19	14	15	10

Transformer connection failure	2	9	1	3	4	4
Line fuse, cause unknown	3	2	3	1	3	
Underground primary cable failure	2	3	3	2	4	3
Line/recloser failure due to overload	2	This issue was corrected through the Capital conversion work of 2007.				
Meter base failure, line side	5	3	5		7	6
Pole failure		1				
Overhead primary failure		1	3	2	4	7
Low voltage		1				
Total	44	55*	52	45	51	56**

* The total 2007 defective equipment number was reduced by two (2) as one (1) outage, with three (3) separate restoration times, previously recorded here as three (3) separate outages.

**The total 2011 defective equipment number was reduced by one (1) as one (1) outage previously recorded here was found to be a loss of supply and not defective equipment.

c) Please provide the contribution of each cause to SAIFI and SAIDI.

Response: Please see below

Defective Equipment	2006		2007		2008		2009		2010		2011	
	SAIFI	SAIDI	SAIFI	SAIDI	SAIFI	SAIDI	SAIFI	SAIDI	SAIFI	SAIDI	SAIFI	SAIDI
Underground elbow failure	0.0161	0.0319	0.0009	0.0023	Ø	Ø	Ø	Ø	Ø	Ø	Ø	Ø
Transformer fuse, cause unknown	0.0221	0.0543	0.0031	0.0058	0.0018	0.0020	0.0020	0.0027	0.0045	0.0093	0.0009	0.0020
Live front transformer insulator failure	0.0080	0.0247	Ø	Ø	Ø	Ø	Ø	Ø	Ø	Ø	Ø	Ø
Pole mount transformer failure	0.0001	0.0002	0.0001	0.0003	0.0012	0.0058	0.0041	0.0168	0.0017	0.0047	0.0015	0.0070
Pad mount transformer failure	0.0094	0.0330	0.0028	0.0092	0.0073	0.0672	Ø	Ø	Ø	Ø	0.0049	0.0221
Underground secondary service failure	0.0011	0.0023	0.0018	0.0032	0.0021	0.0102	0.0017	0.0027	0.0009	0.0019	0.0019	0.0033
Overhead secondary service failure	0.0006	0.0013	0.0017	0.0031	0.0015	0.0028	0.0010	0.0019	0.0015	0.0025	0.0019	0.0015
Transformer connection failure	0.0022	0.0036	0.0133	0.0411	0.0001	0.0001	0.0021	0.0047	0.0015	0.0021	0.0070	0.0122
Line fuse, cause unknown	0.1003	0.2429	0.0140	0.0591	0.0138	0.0194	0.0036	0.0039	0.0172	0.0267	Ø	Ø
Underground primary cable failure	0.0309	0.1534	0.0157	0.0628	0.0116	0.0142	0.0082	0.1739	0.0245	0.0615	0.0135	0.0371
Line/recloser failure due to overload	0.0429	0.0667	Ø	Ø	Ø	Ø	Ø	Ø	Ø	Ø	Ø	Ø
Meter base failure, line side	0.0005	0.0007	0.0006	0.0003	0.0004	0.0008	Ø	Ø	0.0006	0.0011	0.0005	0.0017
Pole failure	Ø	Ø	0.0001	0.0003	Ø	Ø	Ø	Ø	Ø	Ø	Ø	Ø

Overhead primary failure	Ø	Ø	0.0008	0.0025	0.0081	0.0181	0.0080	0.0080	0.3103	0.7581	0.0500	0.1185
Low voltage	Ø	Ø	0.0019	0.0006	Ø	Ø	Ø	Ø	Ø	Ø	Ø	Ø

d) Please discuss how E.L.K.'s proposed 2012 capital budget directly responds to E.L.K.'s reliability performance results.

Response: In the 2012 Capital budget E.L.K. replaced a portion of the Viscount Estates underground primary cable and live front transformers, all of which were at end of life. 35% of the primary underground cable failures noted above were from this development and accounted for 66.6% of the failures in 2011.

AMPCO Interrogatory #8:

Reference: Exhibit 2, Tab 1, Schedule 3, Page 2, Table 2-7B

a) Please explain the work in 2012 under account #1908 (buildings and fixtures) and explain the increase in 2012 compared to 2011.

Response: The work and increase under account #1908 (buildings and fixtures) is due to $12,000 being budgeted in 2012 for rear compound drainage work at E.L.K.'s office building.

b) Please explain the work in 2012 under account #1925 (computer software) and explain the increase in 2012 compared to 2011.

Response: The increase under account #1925 (computer software) is due to $18,000 being budgeted for web presentment software (Time-of-Use) and $1,000 for AutoCad 3D Subscription IN 2012. However, E.L.K. has not yet selected the vendor that would best fit E.L.K. As such, no monies were spent in 2012 related to web presentment software. E.L.K. is still looking at implementation in 2013.

c) Please explain the work in 2012 under account #1940 (Tools, Shop & Garage Equipment) and explain the increase in 2012 compared to 2011.

Response: The budgeted increase and work are for 3 truck grounds, various hand tools as required, cable grips, linkit gun and ground mats not purchased in 2011 and therefore budgeted in 2012.

AMPCO Interrogatory #9:

Reference: Exhibit 2, Tab 1, Schedule 4, Page 1

Preamble: The evidence indicates E.L.K. has not undertaken a Working Capital lead-lag study and as such has calculated its working capital allowance using the 15% Allowance Approach in accordance with the Filing Requirements. E.L.K. submits that its working capital calculations are not only consistent with the Filing Requirements but are also consistent with OEB Decisions in distributors' cost of service applications approved in 2009, 2010 and 2011, where a utility specific lead-lag study had not been undertaken.

a) Please explain why E.L.K. has not completed a lead lag study and discuss any plans E.L.K. has to complete a study.

Response: E.L.K. used the Board's Chapter 2 of the Filing Requirements for Transmission and Distribution Applications dated June 22, 2011 as it was E.L.K.'s understanding these filing requirements were to be used for 2012 cost of service rate applications. Section 2.5.1.4 of those filing requirements states (in regard to Allowance for Working Capital) that:

> *"The applicant may take one of two approaches for calculation of its allowance for working capital: (1) the 15% allowance approach; or (2) the filing of a lead/lag study. The only exception to the above requirement is if the applicant has been previously directed by the Board to undertake a lead/lag study on which its current working capital allowance is based. Under such circumstances, the applicant must either continue to use the results of that study, or in the event it wishes to propose a revision to its allowance, the applicant must file an updated study in support of its proposal."*

E.L.K. decided to use the 15% allowance approach as E.L.K. has not been previously directed by the Board to undertake a lead/lag study.

b) Please discuss if E.L.K. is aware of any recent OEB decisions where the working capital allowance calculation is based on 13% cost of power and controllable expenses.

Response:

E.L.K. is aware that in accordance with the filing requirements for 2013 cost of service applications recent OEB decisions for 2013 cost of service applications reflect working capital allowance calculation based on 13% cost of power and controllable expenses.

c) Please provide the working capital allowance calculation based on 13%.

<u>Response:</u>

The working capital allowance calculation based on 13% would be 13% of $27,795,640 or $3,613,433.

Energy Probe:

2.0 Energy Probe Interrogatory # 7

Ref: Exhibit 2, Tab 1, Schedule 1

Please update Table 2.2 to reflect actual data for 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

Response: E.L.K. is unable to provide a reasonable and complete estimate for the purpose of updating Table 2.2 due to outstanding information yet to be processed such as the labour distribution as well as the processing of Accounts Payable.

2.0 Energy Probe Interrogatory # 8

Ref: Exhibit 2, Tab 1, Schedule 1, page 5 & Table 2-1

a) Has ELK included the smart meter NBV in the calculation of rate base shown in Table 2-1?

Response: Yes, E.L.K. has included the smart meter NBV in the calculation of rate base shown in Table 2-1.

b) Has ELK included the stranded meter NBV in the calculation of rate base shown in Table 2-1?

Response: E.L.K. removed the NBV of stranded meters from capital assets in 2010.

2.0 Energy Probe Interrogatory # 9

Ref: Exhibit 2, Tab 1, Schedule 3

a) Please update Table 2-7B to reflect actual capital additions that have been (or will be) placed into service by the end of 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

   Response: E.L.K. does not have all the information available to provide a complete estimate. Although data is available for additions through the accounts payable process, E.L.K. has yet to complete its inventory movements year-end work for the entire year, and the labour distribution is only partially complete. As well, there are accounts payable that must still be processed from operations, and this could account for a significant amount. As such, E.L.K. does not feel a reasonable and complete estimate can be provided until after year-end work is complete, estimated to be around the beginning of March 2013.

b) Please confirm that the difference in the closing balances in Table 2-18 (for both cost and accumulated depreciation) and the opening balances in Table 2-20 is due solely to the inclusion of smart meters and smart meter related software in the opening balances in Table 2-20. If this cannot be confirmed, please indicate what are the other differences.

   Response: Yes, E.L.K. can confirm that the difference in the closing balances in Table 2-18 (for both cost and accumulated depreciation) and the opening balances in Table 2-20 is due solely to the inclusion of smart meters and smart meter related software in the opening balance in Table 2-20.

c) Please confirm that the stranded meters were removed from the PP&E accounts in 2010. Please further confirm that there were no further stranded meters in 2011 or 2012.

Response: Yes, stranded meters were removed from the PP&E accounts in 2010. There were no further stranded meters in 2011 or 2012.

d) Please provide an updated Table 2-20 and Table 2-21 that reflects actual capital expenditures and depreciation expense for 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

Response: Please see Energy Probe Interrogatory #9a

e) Please confirm that Jakana Phase 3 was placed into service in Q4, 2012.

Response: Jakana Phase 3 was not placed into service as the developer did not sign their Offer to Connect until late November. Now the site will not be ready to service until April 2013.

f) Please confirm that the Live Front Transformer and Primary Underground Cable Replacement Program - Viscount Estates was completed in Q4, 2012.

Response: This project was approximately 75% complete at year end and in service.

g) Please confirm that ELK took delivery of the new 2 Ton Underground Service Truck before the end of 2012.

Response: E.L.K. did not take delivery of the new 2 Ton Underground truck prior to the end of 2012.

2.0 Energy Probe Interrogatory # 10

Ref: Exhibit 2, Tab 1, Schedule 3

a) Please confirm that in addition to using the half year rule for calculation depreciation expense in 2012, ELK used the half year rule for each of 2006 through 2011 as well.

Response: Yes, E.L.K. can confirm that in addition to using the half year rule for calculation of depreciation expense in 2012, E.L.K. also used the half year rule for each of 2006 through 2011.

b) Please confirm that the 2006 rates were set based on the use of the half year rule in 2004. If this cannot be confirmed, please indicate the depreciation methodology used by ELK that were incorporated into the setting of 2006 rates.

Response: Yes, E.L.K. can confirm that the 2006 rates were set based on the use of the half year rule in 2004.

2.0 Energy Probe Interrogatory # 11

Ref: Exhibit 2, Tab 1, Schedule 4

Please update Tables 2-24 and 2-25 to reflect actual volumes (including RPP vs. non-RPP) and actual costs incurred in 2012.

Response: Please see the updated tables on the following pages, which reflect non-audited actual volumes

Table2-24

Electricity - Commodity RPP	2012 Non	2012 Loss			
Class per Load Forecast RPP	**Audited**	**Factor**		**2012**	
Residential	78,309,811	1.0791	84,504,118	$0.08069	$6,818,637
General Service < 50 kW	28,053,800	1.0791	30,272,856	$0.08069	$2,442,717
General Service 50 to 4,999 kW	2,470,908	1.0791	2,666,357	$0.08069	$215,148
Street Lighting	0	1.0791	0	$0.08069	$0
Sentinel Lighting	0	1.0791	0	$0.08069	$0
Unmetered Scattered Load	0	1.0791	0	$0.08069	$0
Hydro One	0	1.0791	0	$0.08069	$0
TOTAL	**108,834,520**		**117,443,330**		**$9,476,502**

Electricity - Commodity Non-RPP	2012 Non	2012 Loss			
Class per Load Forecast	**Audited**	**Factor**		**2012**	
Residential	13,819,378	1.0791	14,912,491	$0.07877	$1,174,657
General Service < 50 kW	3,117,089	1.0791	3,363,651	$0.07877	$264,955
General Service 50 to 4,999 kW	59,301,792	1.0791	63,992,564	$0.07877	$5,040,694
Street Lighting	2,219,000	1.0791	2,394,523	$0.07877	$188,617
Sentinel Lighting	5,563	1.0791	6,003	$0.07877	$473
Unmetered Scattered Load	188,791	1.0791	203,725	$0.07877	$16,047
Hydro One	42,996,782	1.0791	46,397,828	$0.07877	$3,654,757
TOTAL	**121,648,396**		**131,270,784**		**$10,340,200**

Transmission - Network		Volume			
Class per Load Forecast		**Metric**		**2012**	
Residential		kWh	99,416,609	$0.0058	$575,470
General Service < 50 kW		kWh	33,636,507	$0.0052	$174,209
General Service 50 to 4,999 kW		kW	198,348	$2.1567	$427,770
Street Lighting		kW	6,066	$1.6266	$9,867
Sentinel Lighting		kW	15	$1.6266	$25
Unmetered Scattered Load		kWh	203,725	$0.0052	$1,055
Hydro One		kW	96,049	$2.1567	$207,144
TOTAL					**$1,395,540**

Transmission - Connection		Volume			
Class per Load Forecast		**Metric**		**2012**	
Residential		kWh	99,416,609	$0.0046	$456,692
General Service < 50 kW		kWh	33,636,507	$0.0042	$140,782
General Service 50 to 4,999 kW		kW	198,348	$1.6581	$328,886
Street Lighting		kW	6,066	$1.2827	$7,781
Sentinel Lighting		kW	15	$1.3096	$20
Unmetered Scattered Load		kWh	203,725	$0.0042	$853
Hydro One		kW	96,049	$1.6581	$159,261
TOTAL					**$1,094,274**

Wholesale Market Service					
Class per Load Forecast				**2012**	
Residential			99,416,609	$0.0052	$516,966
General Service < 50 kW			33,636,507	$0.0052	$174,910
General Service 50 to 4,999 kW			66,658,920	$0.0052	$346,626
Street Lighting			2,394,523	$0.0052	$12,452
Sentinel Lighting			6,003	$0.0052	$31
Unmetered Scattered Load			203,725	$0.0052	$1,059
Hydro One			46,397,828	$0.0052	$241,269
TOTAL			**248,714,114**		**$1,293,313**

Rural Rate Assistance					
Class per Load Forecast				**2012**	
Residential			99,416,609	$0.0011	$109,358
General Service < 50 kW			33,636,507	$0.0011	$37,000
General Service 50 to 4,999 kW			66,658,920	$0.0011	$73,325
Street Lighting			2,394,523	$0.0011	$2,634
Sentinel Lighting			6,003	$0.0011	$7
Unmetered Scattered Load			203,725	$0.0011	$224
Hydro One			46,397,828	$0.0011	$51,038
TOTAL			**248,714,114**		**$273,586**

Table 2-25

	2012
4705-Power Purchased	$19,816,702
4708-Charges-WMS	$1,293,313
4714-Charges-NW	$1,395,540
4716-Charges-CN	$1,094,274
4720-Other Expenses	$26,599
4730-Rural Rate Assistance	$273,586
4750-Low Voltage	$287,404
TOTAL	**24,187,418**

EnWin Utilities Ltd.

EnWin Interrogatory #3:

Exhibit 2 Tab 1 Schedule 2 Pages 1-3

a) In the absence of SCADA technology, how does ELK measure the number of system interruptions?

Response: E.L.K. measures the number of system interruptions from service interruption reports completed by operations staff.

b) In the absence of SCADA technology, how does ELK measure the duration of system interruptions?

Response: E.L.K. measures the duration of system interruptions from service interruption reports completed by operations staff.

c) What is ELK's basis for concluding that the "highest standards of performance and business excellence for the safe, reliable provision of service" can be met in the absence of SCADA which is commonly found at LDCs throughout Southwestern Ontario?

Response: In the absence of SCADA E.L.K. relies on the service interruption reports completed by operations staff to identify potential service quality issues. These issues would be dealt with in future budgets or if required immediately to increase the safety and reliability of E.L.K.'s distribution system.

d) If ELK has SCADA technology, please describe it.

Response: NA

e) What steps has ELK taken to raise concerns about loss of supply with Hydro One? What has Hydro One done to address those concerns?

Response: E.L.K. has met with their Hydro One Account Executive and with Hydro One Customer Operations Support staff. Hydro One has:

- conducted an infrared scan of two (2) feeders;
- completed extensive forestry patrols on one (1) feeder eliminating any issues with growth of vegetation;

- committed to installing an additional set of reclosers in early 2013 and applying new protection settings.

f) Please provide any comparison that ELK has conducted to examine how its historic levels of outages caused by defective equipment compares to its peers.

Response: No comparison has been conducted.

g) Please describe the ELK tree trim policy or practice, in particular, how many years the cycle takes to complete full coverage of the service area, the percentage of tree trim work done internally and the clearance radius used.

Response: Please see E.L.K.'s response to AMPCO Interrogatory #16b.

EnWin Interrogatory #4:

Exhibit 2 Tab 1 Appendix 2-A Page 1

Please provide any recent (i.e. since 2007) asset management plans for ELK's non-distribution system assets (e.g. IT infrastructure, fleet, site).

Response: Not Applicable. E.L.K. does not possess any.

EnWin Interrogatory #5:

Exhibit 2 Tab 1 Appendix 2-A Page 19

Please confirm or correct the statement in 2.6.2 which indicates that 25% of the members of the ELK Board of Directors are independent directors as defined in the Affiliate Relationships Code.

Response: E.L.K. would like to clarify the statement. E.L.K.'s Board of Directors consists of 9 members. 2 E.L.K. staff members attend these Board Meetings but are not considered part of the Board of Directors. Of the 9 Board members 3 are independent directors (1/3) as defined in the Affiliate Relationships Code.

EnWin Interrogatory #6:

Exhibit 2 Tab 1 Appendix 2-A Page 36

a) Please provide the basis for ELK's determination that "the life expectancy of poles ranges from thirty-five (35) to seventy-five (75) years".

Response: This information is derived from "Asset Depreciation Study for the Ontario Energy Board" completed by Kinectrics Inc.

b) If the determination is based on the assertion of one or more suppliers, please provide a copy of the representation and warranty.

Response: Not applicable.

c) How does ELK track the actual life of its poles?

Response: Records are kept in excel spread sheets and E.L.K. will be migrating these to an access data base.

d) Please provide the number of ELK's poles that are less than 10 years old, 10-19 years old, 20-25 years old, 26-50 years old and 51-75 years old and the total number of poles.

Response: 149 <10 years, 524 – 10-19 years old, 408 – 20-25 years old, 1,616 – 26-50 years old, 292 – 51-75 years old and 2,989 total poles.

EnWin Interrogatory #7:

Exhibit 2 Tab 1 Appendix 2-A Page 37

a) Does the Pole Replacement Cost chart show the forecasted annual expenditures necessary to replace the poles that are at or beyond end of expected life?

Response: Yes.

b) Does the Pole Replacement Cost chart show the forecasted replacement value of all ELK poles?

Response: Yes for all E.L.K. poles that are at or beyond end of expected life.

c) If "no" to (a) and (b) above, please explain what the chart shows.

Response: N/A

d) If "no" to (a) above, please show the forecasted annual expenditures necessary to replace the poles that are at or beyond end of expected life?

Response: N/A

e) If ELK has identified the need to spend approximately $350,000 to $800,000 on pole replacement during the years 2012-2032, please reconcile this escalation in annual expenditures compared to the pole replacement expenditures in 2006-2011 shown in the Actual Capital Projects charts in Exhibit 2 Tab 1 Schedule 3.

Response: The DAMP has identified the cost to replace poles at end of life but stipulates that E.L.K. has adopted the strategy to replace when condition dictates replacement.

f) Based on the most up-to-date information, did ELK spend $500,000 on pole replacement in 2012?

Response: No.

EnWin Interrogatory #8:

Exhibit 2 Tab 1 Appendix 2-A Page 45

Please confirm that the coincident monthly peak demand shown in the chart is exclusively for the ELK demand.

Response: That is correct

EnWin Interrogatory #9:

Exhibit 2 Tab 1 Appendix 2-B Page 10

Please explain the statement “Presently there is no opportunity for ELK Energy to install any control or monitoring devices on these feeders.”

Response: The feeders in question are Hydro One’s feeders that extend through E.L.K.’s licensed service area transporting E.L.K.’s metered electrons with E.L.K. load customers connected sporadically along said feeders. As E.L.K. does not own the feeder or feeder assets E.L.K. cannot install control devices on the feeders.

School Energy Coalition:

SEC - 7 [2/1/1] With respect to this exhibit:

a. p. 1 Please restate the working capital allowance, rate base, ROE, interest cost, and PILs on the basis of the new Board default WCA, rather than the previous 15%.

Response:

With a 13% WCA the working capital allowance, rate base, ROE, deemed interest cost, and PILs would be as follows

Working capital allowance	$3,613,433
Rate base	$12,710,181
ROE	$463,667
Deemed interest cost	$203,613
PILs	$232,807

b. p. 1 Please provide all asset condition assessments or similar documents prepared with respect to all or any significant portion of the Applicant's assets at any time since 2005, including without limitation any ACAs or similar documents prepared by third parties, or the Applicant's present or former shareholders, with respect to potential M&A or similar activities.

Response: The asset condition document is a new document that is being *created in support of the new asset management plan. The only asset* condition assessment or similar document is the one filed in support of the current application. Each year E.L.K. Energy produces an annual budget for the year ahead which reflects the costs of individual projects and expenditures over the year. This budget is created by reviewing asset and operational issues experienced in the past and anticipated for the future.

c. p. 3 Please provide the capital budget for 2012 and long range forecast provided to the Board of Directors for approval, as well as all powerpoints or other presentation materials provided along with the budget and forecast. Please provide the date of that approval.

Response: Please see Appendix SEC 7c. The date of approval of this capital budget was May 24, 2012.

d. p. 3 Please provide the “total labour budget” for 2012.

Response: The total labour budget for 2012 is $1,727,802.

e. p. 6. Please advise whether, as a result of the Applicant’s existing accounting approach to capitalization of overheads, its capitalization policy is already substantially IFRS compliant. If there are any material differences between the Applicant’s policy and an IFRS compliant policy, please provide details with estimated impacts.

Response: As E.L.K. and KPMG have not yet completed or reviewed any of E.L.K.’s accounting position papers on the transition to IFRS, the impact cannot be determined at this time.

SEC - 8 [2/1/2, p. 3] Please explain the main reasons why outages caused by defective equipment and tree contacts have increased substantially over the nine years reported. Please describe the Applicant's current plan to bring these levels back down.

Response: A portion of this can be attributed to better record keeping as the outages due to unknown cause have significantly decreased while the defective equipment has increased. Additionally there was a significant increase in underground secondary service failures in 2011 due in part to the very wet year.

SEC - 9 [2/1/3] With respect to this exhibit:

a. p. 8 Please confirm that the Harris Northstar CIS completed in 2008 remains suitable for current regulatory requirements, including time of use billing and migration to IFRS accounting.

Response: Yes, Harris Northstar CIS completed in 2008 remains suitable for current regulatory requirements, including time of use billing and migration to IFRS accounting.

b. p. 14 Please provide any reports, presentations or other analyses that consider the lifecycle costs and benefits of the two Hybrid SUVs compared to conventional vehicles.

Response: Please see Appendices SEC#9b, SEC#9b1 and SEC#9b2:

c. p. 16 Please explain why there is a "contribution" of $187,820 in Table 2-17 that is apparently not a credit.

Response: This is the result of annual reviews of the customer connection and expansion projects (Offer to Connect projects) in respect of which refunds of portions of the original capital contributions were paid out after the actual true-up costs of the job were determined and finalized.

d. p. 22 Please provide any plan, memo, presentation or other document detailing the full Viscount Estates project, not just for 2012 but for all years, including without limitation any multi-year budgets for the project. Please provide details of the evidence used to determine that "the underground infrastructure within Viscount Estates is at or near life expectancy". Please provide a status update on this project.

Response: A plan was not prepared for the full Viscount Estates project as historically E.L.K. prepared a three (3) year forecast. The capital projects for 2013/14 were necessitated by Hydro One eliminating a distribution station forcing E.L.K. to convert a service area from 8kV to 27.6kV.

The transformer records were used as evidence to determine the underground infrastructure within Viscount Estates is at or near life expectancy. Of the forty (40) pad mounted transformers in Viscount Estates 80% of them were installed in 1970 and the remaining units were installed in 1972. Respectively they are forty-three (43) and forty-one (41) years old and well beyond E.L.K.'s twenty-five (25) year TUL.

In the 2012 Capital budget E.L.K. replaced a portion of the Viscount Estates underground primary cable and live front transformers all of which were at end of life. 35% of the primary underground cable failures (see AMPCO Interrogatory #7, b and c) were from this development and accounted for 66.6% of the failures in 2011 and 25% of the failures in 2010. Approximately 75% of the work proposed in the 2012 budget for this project was completed at year end and is in service.

SEC - 10 [2/1, App. 2-A] With respect to the Asset Management Plan:

a. Please advise who prepared this plan. Please provide details of any third parties who assisted in the development or drafting of this plan.

Response: E.L.K.'s Operations Manager developed and drafted the plan.

b. p. 7 Please provide any analysis prepared for the Applicant, before or after the fact, showing the costs and benefits of converting the system to 27.6kV. Please provide the approval, and supporting presentations and other documents, with respect to the 27.6kV conversion project.

Response: Please see Appendix SEC 10B Demand Side management Plan that addresses the converting of the system to 27.6kV. As well, please refer to AMPCO Interrogatory #6 for Board approved capital projects.

c. p. 8/11 Please confirm that this document is not intended to be an operating document, but is instead a communication document for third parties such as the Board and other stakeholders. Please provide any asset management plans, strategies, or other documents that are relied on for operational decision-making.

Response: This document is an operating document as well as a communication document for third parties such as the Board and other stakeholders.

d. p. 9 Please advise why the Applicant does not have a SCADA system. Please advise when, if at all, the Applicant plans to invest in a SCADA system, and provide details of that plan. Please provide any analyses, proposals, or similar documents related to past consideration by the Applicant of investing in SCADA.

Response: The feeders servicing E.L.K. Energy's service areas are all owned by Hydro One. E.L.K. Energy has care and control of certain feeders within E.L.K. Energy's licensed service area while the remaining feeders are under the care and control of Hydro One.

Hydro One's feeders within E.L.K. Energy's licensed service area transport E.L.K. Energy's metered electrons with load customers connected sporadically along said feeders. Presently there is no opportunity for E.L.K. Energy to install any control or monitoring devices on these feeders. In total these feeders account for 75% of E.L.K. Energy's peak load and 68% of

E.L.K.'s customer base.

The four feeders within E.L.K. Energy's care and control service three communities. These feeders account for 25% of E.L.K. Energy's peak load and 32% of our customer base. By peak load these feeders account for 17%, 2%, 1% and 5% of E.L.K. Energy's peak load. By customer base these feeders account for 22%, 2%, 1% and 7% of E.L.K. Energy's customer base.

The feeder peak loads, customer base and LDC in control of the feeder is indicated in Table 4 below:

Table 4:

Station	Feeder	Voltage (kV)	Peak Load (kW)	Approximate Customer Base	Feeder Controlled By	Peak Load (%)	Customer Base (%)
Belle River TS	M4	27.6	9418	2,450	E.L.K.	17%	22%
Comber DS	F2	8.13	1,159	260	E.L.K.	2%	2%
Haycroft DS	F3	8.13	551	120	E.L.K.	1%	1%
Kingsville TS	M1	27.6	7,223	1,100	Hydro One	13%	10%
Kingsville TS	M5	27.6	9,760	3,100	Hydro One	17%	28%
Kingsville TS	M7	27.6	8,450	200	Hydro One	15%	2%
Kingsville TS	M10	27.6	2,581	750	E.L.K.	5%	7%
Lauzon TS	M24	27.6	7,888	1,600	Hydro One	14%	14%
Lauzon TS	M29	27.6	8,824	1,600	Hydro One	16%	14%

Currently E.L.K. has no plan to install a SCADA system as the areas that could benefit from the system represent a small portion of E.L.K.'s customer base.

e. p. 10 Please provide a list of all asset categories of the Applicant that, prior to 2012, were operated on a "run to failure" basis. Please provide a list of all such categories for which the "run to failure" basis is proposed to be changed, either in 2012 or in subsequent years.

Response:

- Distribution Station Transformers
- Pole Mounted Transformers
- Pad Mounted Transformers – separated into single and three phase units
- Poles
- Gang Operated Overhead Switches
- Pad Mounted Switchgear
- Underground XLPE Cable
  Currently there is no proposal to change these assets from run to failure.

f. p. 14 Please provide the 2012 "asset condition assessment and detailed budgets" referred to. If the 2013 documents have been prepared, please provide those documents as well.

Response: The 2012 asset condition assessment document does not exist. The asset condition document is a new document that is being created in support of the new asset management plan. For the capital budgets approved by the E.L.K. Board please see AMPCO Interrogatory #6A.

g. p. 16 Please provide details of the 2006 customer survey, including a full set of results.

Response: E.L.K. is unable to locate a copy of the aforementioned survey.

h. p. 19. Please provide the most recent monthly report to the Board of Directors on "maintenance, operational, and capital programs".

Response: Please see Appendices SEC#10(i) and SEC#10(ii)

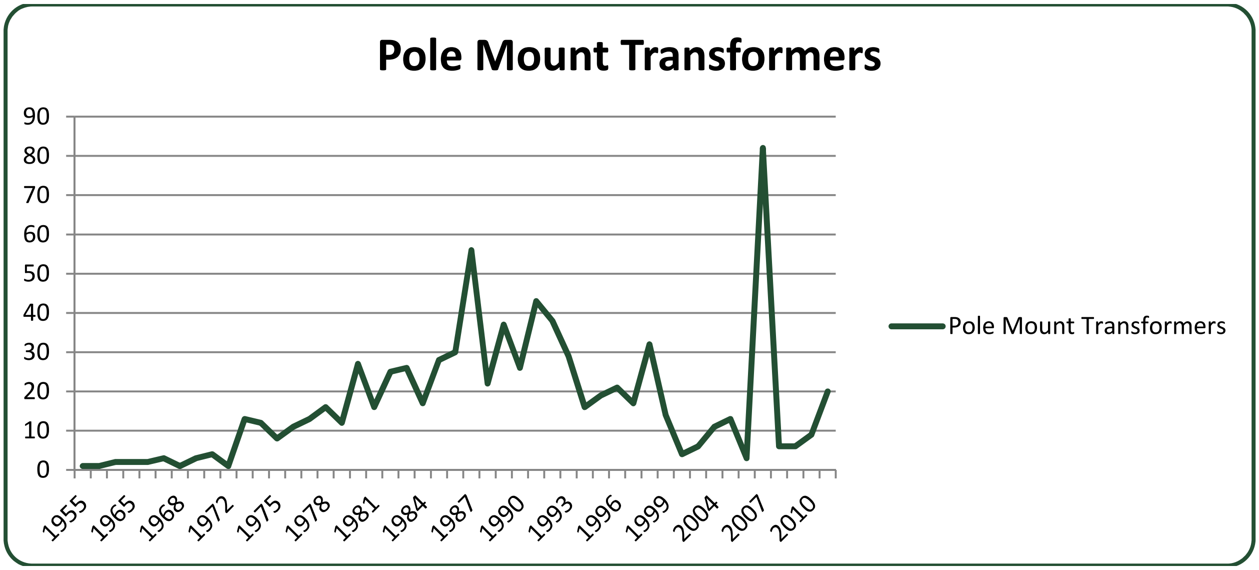
i. p. 21 Please advise what version of AutoCAD Map 3D is the basis of the Applicant's asset management system. If it is not the recently released 2013 version, please advise if the Applicant plans to upgrade, if so when, and provide a cost estimate.

Response: E.L.K. is currently running 2012 AutoCAD Map 3D but has access to all updated versions via subscription at a cost of $689 in 2012. Version 2013 will be installed in the near future as an internal update of E.L.K.'s operating maps has just recently been completed.

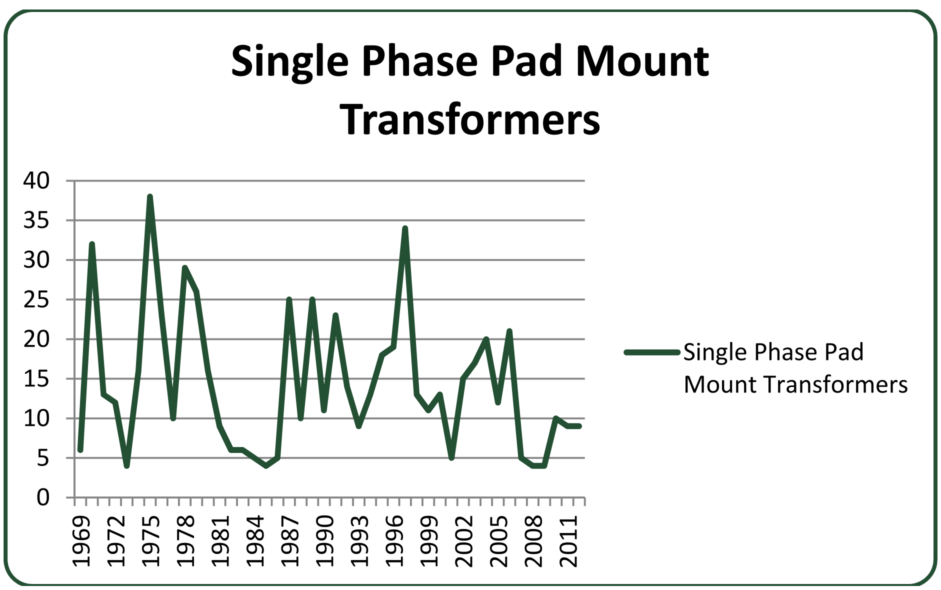
j. p. 29/31/33 Please provide age distribution curves for the currently installed

Response: Please see below:

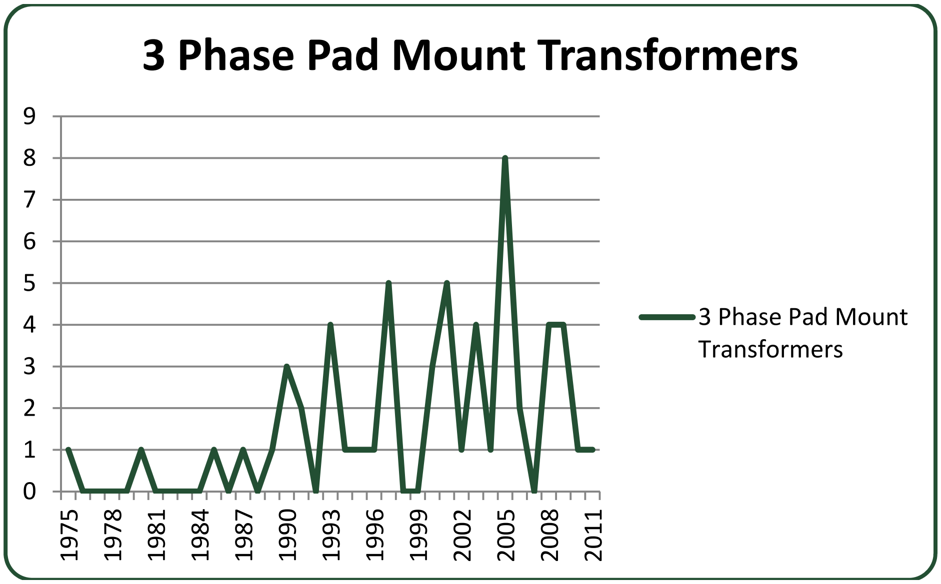
i. pole-mounted transformers,



ii. single phase pad mounted transformers, and



iii. three phase pad mounted transformers.



k. p. 35 and others. Please explain the accounting basis for treating as O&M costs replacements of three phase pad mounted transformers, and other assets, that have failed. Please advise the total value of replacement assets in 2012 that are being included in O&M.

Response: All transformers are capitalised at the time of purchase. The costs that are included in the O&M are the labour, equipment and any ancillary hardware, from inventory, required for the repair. To advise the total value of replacement assets in 2012 that are being included in O&M would be an onerous and labour intensive task and cannot be obtained with reasonable effort.

l. p. 35 Please advise why, if the life of poles is actually expected to be 35-75 years, the TUL assumed is 25 years.

Response: Per generally accepted accounting principles for standard depreciation, an assumed TUL of twenty-five (25) years is being followed.

m. p. 39 Please explain how a system with only one pad mounted switchgear can have a failure rate or an "increasing trend" relating to that asset category.

Response: Though E.L.K.'s system had only one pad mounted switchgear at the time of filing additional switchgears are expected to be installed in the near future due to customer driven initiatives. The Distribution Asset Management Plan (DAMP) was written to accommodate the asset category growth.

VECC:

VECC Interrogatory #2

2.0 Reference: Exhibit 2, Tab 1, Schedule 2, page 2

a) Please explain the reason for the increase in outages due to defective equipment between 2006 and 2011.

Response: A portion of this can be attributed to better record keeping as the outages due to unknown cause has significantly decreased while the defective equipment has increased. Additionally there was a significant increase in underground secondary service failures in 2011 due in part to the very wet year.

VECC Interrogatory #3

3.0 Reference: Exhibit 2, Tab 1, Schedule 3

a) In what year did E.L.K. last file a cost of service application? Please file the Board Decision for that application.

Response: E.L.K. last filed a cost of service application in 2006. Please see Appendix VECC#3 for the Board Decision related to the 2006 cost of service application.

VECC Interrogatory #4

4.0 Reference Exhibit 2, Tab 1, Schedule 3, page 2 /Appendix 2-A/Appendix 2-B.

a) Please file the 2012 year-end capital additions –i.e. revise Appendix 2-A for the actual 2012 values.

Response: Please refer to Energy Probe Interrogatory #9

b) Please update Appendix 2-B Fixed Asset Continuity for the final 2012 values.

Response: Please refer to Energy Probe Interrogatory #9

VECC Interrogatory #5

5.0 Reference: Exhibit 2, Tab 1, Schedule 3, page 22

a) Please update the status of the Town of Lakeshore Initiative including the amount spend to-date and the amount received in capital contributions from the Town.

Response: This project has not been awarded by the Town as of yet. To date no costs have been incurred nor has any capital contribution been collected from the Town.

VECC Interrogatory #6

6.0 Reference: Exhibit 2, Tab 1, Appendix 2-A, page 47

a) The DAMP states that E.L.K. does not have specific projects identified for 2013 or 2014. Has E.L.K. a capital expenditure forecast for 2013? If so please provide this. If not, please explain why this is not available.

Response: Please see AMPCO Interrogatory #6, 2011 capital budget for forecasted 2013 numbers.

b) Please provide E.L.K.'s DAMP forecast capital expenditures for 2014 through 2017

Response: 2014 capital expenditures will be forecasted with the 2013 budget. The 5 year capital forecast will be ready in the second or third quarter of 2014.

VECC Interrogatory #7

7.0 Reference: Exhibit 2, Tab 1, Appendix 2-B – Green Energy Plan

a) At page 7 of the Plan it states that E.L.K. forecasts $72,900 of capital expenditures related to renewable generation. Please confirm these were the expenditures in 2012.

Response: The 2012 expenditures were $27,900. The remaining $45,000 was budgeted for a project that was to connect in 2012 but would appear to be connecting in Q2 2013.

b) Please provide the amount of operating and other costs related to renewable programs in 2012.

Response: The operating and other costs related to renewable programs in 2012 are included in E.L.K.'s OM&A expenditures.

VECC Interrogatory #8

8.0 Reference: Exhibit 2, Tab 1, Schedule 1, pg. 2 / OEB Letter April 12, 2012.

a) Given the late filing of this Application please explain why E.L.K. has chosen to use the default working capital allowance of 15%, rather than the Board revised 13%?

Response: As outlined in response to EnWin #1a, E.L.K. prepared this Application using the 2012 filing requirements since this a 2012 application. Within those filing requirements the option to use the 15% approach for the working capital allowance was made available to applicants and E.L.K. used that option.

EXHIBIT 3 - OPERATING REVENUE

Board Staff:

Board Staff Interrogatory #11

11. Ref: E3-T2-S1 p.2

E.L.K. states that…

> Based on the Board's approval of this [the load forecasting methodology utilized by E.L.K] methodology in a number of previous cost of service applications, and based on the discussion that follows, E.L.K. submits that its load forecasting methodology is reasonable at this time for the purposes of the application.

Please identify 3 recent cost of service applications where the Board approved the referenced methodology.

Response:

Three recent cost of service applications where the Board approved the referenced methodology are:

- Midland Power Utility Corporation 2013 cost of service application – approved by approval of the settlement agreement. EB- 2012-0147.
- Atikokan Hydro Inc. 2012 cost of service application – approved by Board Decision. EB-2011-0293.
- Guelph Hydro Electric Systems Inc. 2012 cost of service application - approved by approval of the settlement agreement.EB-2011-0123.

However, in preparing the response to Board Staff 29 it has come to E.L.K.'s attention that the historical billed data used in the proposed load forecast was incorrect. This has been corrected and the tables that have changed in Exhibit 3, Tab 2, and Schedule 1 are provided below. This change has also allowed E.L.K. to include 2004 actual data in the tables. With 2004 data available, the average loss factor from 2004 to 2011 has been determined as 8.63% and is used to convert the forecast of 2012 power purchased data to a billed amount. Please see Appendix labeled ELK Energy 2012 Load Forecast – Board Staff 11.

In addition, the manual adjustment for CDM has been updated to reflect the 2011 OPA final results issued in the fall of 2012. The resulting load forecast is E.L.K.'s revised load forecast for this application.

Table 3-2: Summary of Load and Customer/Connection Forecast						
Year	Billed (GWh)	Growth (GWh)	Percent Change	Customer/ Connection Count	Growth	Percent Change (%)
Billed Energy (GWh) and Customer Count / Connections						
2006 Board Approved	185.8			13,347		
2004 Actual	179.3			13,361		
2005 Actual	186.3	7.0	3.9%	13,490	130	1.0%
2006 Actual	198.5	12.1	6.5%	13,571	80	0.6%
2007 Actual	253.6	55.1	27.7%	13,656	85	0.6%
2008 Actual	244.7	(8.9)	(3.5%)	13,697	41	0.3%
2009 Actual	229.8	(14.9)	(6.1%)	13,823	126	0.9%
2010 Actual	235.4	5.6	2.4%	13,981	158	1.1%
2011 Actual	238.6	8.7	3.7%	14,054	73	0.5%
2012 Normalized Test	**240.7**	**2.1**	**0.9%**	**14,176**	**122**	**0.9%**

Table 3-3: Billed Energy and Number of Customers / Connections by Rate Class								
Year	Residential	General Service < 50 kW	General Service 50 to 4,999 kW	Street Lighting	Sentinel Lighting	Unmetered Scattered Load	Hydro One	Total
Billed Energy (GWh)								
2006 Board Approved	92.6	26.4	63.6	2.6	0.2	0.3		185.8
2004 Actual	89.5	26.5	60.9	2.3	0.2	0.0	0.0	179.3
2005 Actual	97.2	28.6	58.2	2.3	0.2	0.0	0.0	186.3
2006 Actual	91.2	27.5	77.1	2.2	0.2	0.3	0.0	198.5
2007 Actual	93.9	27.5	70.5	2.4	0.2	0.4	58.6	253.6
2008 Actual	91.6	27.3	71.8	2.3	0.1	0.3	51.4	244.7
2009 Actual	89.5	27.0	63.0	2.1	0.1	0.3	47.8	229.8
2010 Actual	94.3	27.8	65.6	2.4	0.0	0.3	45.0	235.4
2011 Actual	91.8	30.6	64.3	2.2	0.0	0.2	49.4	238.6
2012 Normalized Test	**96.0**	**32.6**	**66.7**	**2.2**	**0.0**	**0.2**	**43.0**	**240.7**
Number of Customers/Connections								
2006 Board Approved	9,365	977	100	2,731	138	36		13,347
2004 Actual	9,311	1,060	106	2,709	138	36	0	13,361
2005 Actual	9,413	1,071	107	2,736	127	36	0	13,490
2006 Actual	9,497	1,081	108	2,745	105	35	0	13,571
2007 Actual	9,581	1,090	109	2,754	83	35	4	13,656
2008 Actual	9,629	1,096	110	2,763	61	34	4	13,697
2009 Actual	9,741	1,122	113	2,772	39	34	4	13,823
2010 Actual	9,871	1,167	108	2,781	18	34	4	13,981
2011 Actual	9,932	1,194	95	2,790	7	33	4	14,054
2012 Normalized Test	**10,023**	**1,214**	**93**	**2,801**	**7**	**32**	**4**	**14,176**

Table 3-4: Annual Usage per Customer/Connection by Rate Class							
Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**	**Hydro One**
Energy Usage per Customer/Connection (kWh per customer/connection)							
2006 Board Approved	9,892	27,049	636,152	965	1,186	7,875	
2004 Actual	9,614	24,990	571,503	832	1,302	0	
2005 Actual	10,321	26,648	541,502	841	1,283	0	
2006 Actual	9,601	25,461	711,135	820	1,786	7,656	
2007 Actual	9,803	25,206	645,094	875	2,202	12,409	14,648,937
2008 Actual	9,513	24,914	652,998	831	1,530	8,646	12,839,272
2009 Actual	9,186	24,117	560,286	751	1,304	8,396	11,957,731
2010 Actual	9,549	23,869	610,225	867	1,078	8,224	11,254,885
2011 Actual	9,241	25,658	677,097	805	852	6,206	12,342,136
2012 Normalized Test	**9,576**	**26,839**	**713,314**	**794**	**795**	**5,901**	**10,749,196**
Annual Growth Rate in Usage per Customer/Connection							
2006 Board Approved v 2006 Actual	3.0%	6.2%	(10.5%)	17.7%	(33.6%)	2.9%	
2004 Actual							
2005 Actual	7.4%	6.6%	(5.2%)	1.1%	(1.4%)		
2006 Actual	(7.0%)	(4.5%)	31.3%	(2.6%)	39.2%		
2007 Actual	2.1%	(1.0%)	(9.3%)	6.8%	23.3%	62.1%	
2008 Actual	(3.0%)	(1.2%)	1.2%	(5.0%)	(30.5%)	(30.3%)	(12.4%)
2009 Actual	(3.4%)	(3.2%)	(14.2%)	(9.6%)	(14.8%)	(2.9%)	(6.9%)
2010 Actual	3.9%	(1.0%)	8.9%	15.4%	(17.3%)	(2.0%)	(5.9%)
2011 Actual	(3.2%)	7.5%	11.0%	(7.1%)	(21.0%)	(24.5%)	9.7%
2012 Normalized Test	3.6%	4.6%	5.3%	(1.3%)	(6.7%)	(4.9%)	(12.9%)

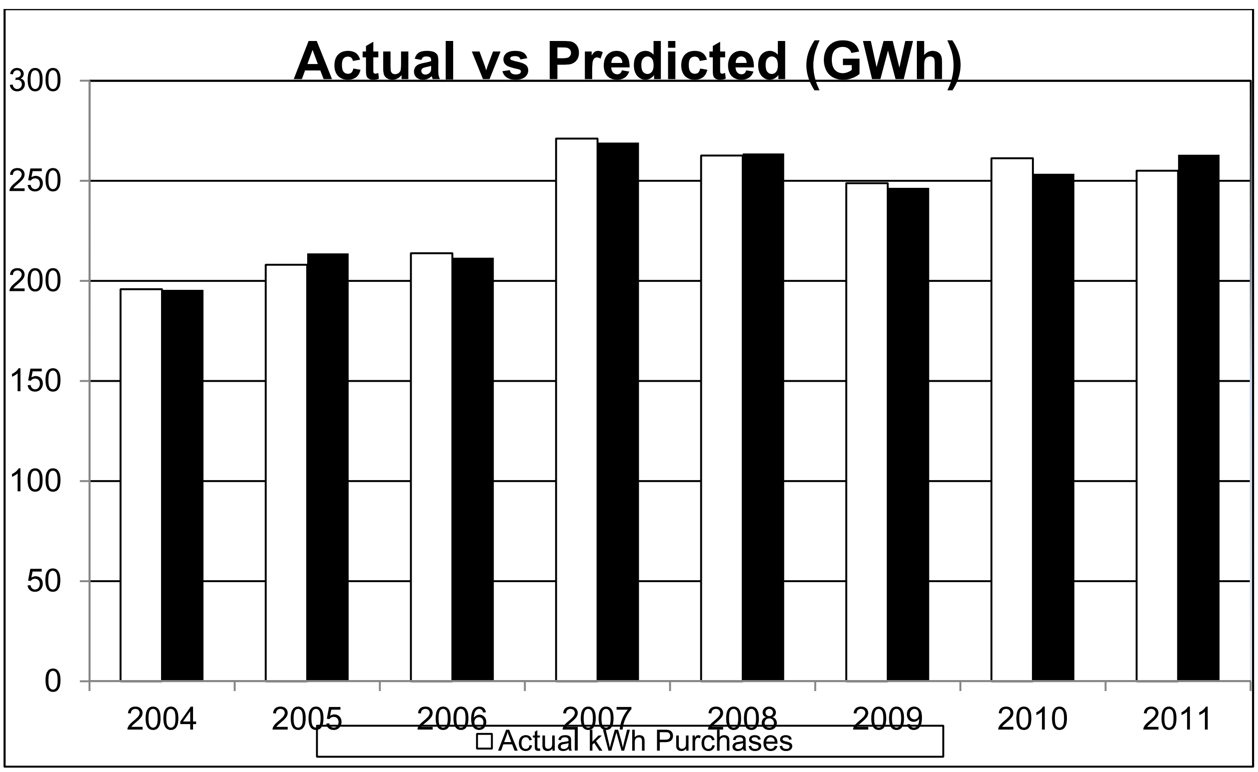


Table 3-10: Historical Annual Usage per Customer						
Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**
Annual kWh Usage Per Customer/Connection						
2004	9,614	24,990	571,503	832	1,302	0
2005	10,321	26,648	541,502	841	1,283	0
2006	9,601	25,461	711,135	820	1,786	7,656
2007	9,803	25,206	645,094	875	2,202	12,409
2008	9,513	24,914	652,998	831	1,530	8,646
2009	9,186	24,117	560,286	751	1,304	8,396
2010	9,549	23,869	610,225	867	1,078	8,224
2011	9,241	25,658	677,097	805	852	6,206

Table 3-11: Growth Rate in Usage Per Customer/Connection						
Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**
Growth Rate in Customer/Connection						
2004						
2005	7.4%	6.6%	(5.2%)	1.1%	(1.4%)	
2006	(7.0%)	(4.5%)	31.3%	(2.6%)	39.2%	
2007	2.1%	(1.0%)	(9.3%)	6.8%	23.3%	62.1%
2008	(3.0%)	(1.2%)	1.2%	(5.0%)	(30.5%)	(30.3%)
2009	(3.4%)	(3.2%)	(14.2%)	(9.6%)	(14.8%)	(2.9%)
2010	3.9%	(1.0%)	8.9%	15.4%	(17.3%)	(2.0%)
2011	(3.2%)	7.5%	11.0%	(7.1%)	(21.0%)	(24.5%)
Geometric Mean	**(0.6%)**	**0.4%**	**2.5%**	**(0.5%)**	**(5.9%)**	**(4.1%)**

Table 3-12: Forecast Annual kWh Usage per Customer/Connection						
Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**
Forecast Annual kWh Usage per Customers/Connection						
2012	**9,189**	**25,755**	**693,697**	**801**	**802**	**5,951**

Table 3-13: Non-normalized Weather Billed Energy Forecast							
Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**	**Total**
NON-normalized Weather Billed Energy Forecast (GWh)							
2012 (Not Normalized)	**92.1**	**31.3**	**64.8**	**2.2**	**0.0**	**0.2**	**190.7**

Table 3-15: Non-normalized Weather Billed Energy Forecast - All Classes								
Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**	**Hydro One**	**Total**
NON-normalized Weather Billed Energy Forecast (GWh)								
2012 (Not Normalized)	**92.1**	**31.3**	**64.8**	**2.2**	**0.0**	**0.2**	**43.0**	**233.7**

Table 3-18: Schedule to Achieve 4 Year kWh CDM Target					
4 Year 2011 to 2014 kWh target					
8,250,000					
	2011	2012	2013	2014	Total
2011 Programs	6.6%	6.6%	6.6%	5.6%	25.5%
2012 Programs		12.4%	12.4%	12.4%	37.3%
2013 Programs			12.4%	12.4%	24.8%
2014 Programs				12.4%	12.4%
	6.6%	19.0%	31.5%	42.9%	100.0%
kWh					
2011 Programs	546,277	546,277	546,277	464,811	2,103,641
2012 Programs	0	1,024,393	1,024,393	1,024,393	3,073,180
2013 Programs	0	0	1,024,393	1,024,393	2,048,786
2014 Programs	0	0	0	1,024,393	1,024,393
	546,277	1,570,670	2,595,063	3,537,990	8,250,000

Table 3-19: 2012 Expected Savings for LRAM Variance Account								
	Residential	General Service < 50 kW	General Service 50 to 4,999 kW	Street Lighting	Sentinel Lighting	Unmetered Scattered Load	Hydro One	Total
kWh	758,767	257,680	534,121	18,486	46	1,570		1,570,670
kW where applicable			1,715	51	0			1,766

Table 3-20: Alignment of Non-normal to Weather Normal Forecast								
Year	Residential	General Service < 50 kW	General Service 50 to 4,999 kW	Street Lighting	Sentinel Lighting	Unmetered Scattered Load	Hydro One	Total
Non-normalized Weather Billed Energy Forecast (GWh)								
2012 Non-Normalized Test	92.1	31.3	64.8	2.2	0.0	0.2	43.0	233.7
Weather Adjustment (GWh)								
2012	4.7	1.6	2.4	0.0	0.0	0.0	0.0	8.6
CDM Adjustment (GWh)								
2012	(0.8)	(0.3)	(0.5)	(0.0)	(0.0)	(0.0)	0.0	(1.6)
Weather Normalized Billed Energy Forecast (GWh)								
2012 Normalized Test	96.0	32.6	66.7	2.2	0.0	0.2	43.0	240.7

Table 3-21: Historical Annual kW per Applicable Rate Class					
Year	General Service 50 to 4,999 kW	Street Lighting	Sentinel Lighting	Hydro One	Total
Billed Annual kW					
2004	225,707	6,302	505	0	232,514
2005	200,773	6,403	450	0	207,626
2006	241,321	5,910	496	0	247,727
2007	218,225	6,521	498	115,967	341,211
2008	209,583	6,487	265	112,771	329,106
2009	207,445	5,754	143	109,952	323,294
2010	200,283	6,759	52	107,517	314,610
2011	195,461	5,760	14	113,911	315,146

Table 3-22: Historical kW/KWh Ratio per Applicable Rate Class				
Year	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Hydro One**
Ratio of kW to kWh				
2004	0.3708%	0.2796%	0.2812%	
2005	0.3451%	0.2782%	0.2762%	
2006	0.3131%	0.2627%	0.2644%	
2007	0.3094%	0.2706%	0.2724%	0.1979%
2008	0.2920%	0.2825%	0.2839%	0.2196%
2009	0.3291%	0.2763%	0.2812%	0.2299%
2010	0.3053%	0.2805%	0.2757%	0.2388%
2011	0.3039%	0.2565%	0.2348%	0.2307%
Average 2004 to 2011	**0.3211%**	**0.2734%**	**0.2712%**	**0.2234%**

Table 3-23: kW Forecast by Applicable Rate Class					
Year	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Hydro One**	**Total**
Predicted Billed kW					
2012 Normalized Test	**214,067**	**6,083**	**15**	**96,049**	**316,213**

Table 3-24: Summary of Forecast								
	2006 Board Approved	**2006**	**2007**	**2008**	**2009**	**2010**	**2,011**	**2012 Weather Normalized Test**
ACTUAL AND PREDICTED KWH PURCHASES								
Actual kWh Purchases		213,838,930	271,076,220	262,640,600	248,858,578	261,284,908	255,035,715	
Predicted kWh Purchases		211,598,040	269,111,681	263,658,970	246,491,382	253,504,114	263,058,997	263,174,825
% Difference of actual and predicted purchases		(1.0%)	(0.7%)	0.4%	(1.0%)	(3.0%)	3.1%	
BILLING DETERMINANTS BY CLASS								
Residential								
Customers	9,365	9,497	9,581	9,629	9,741	9,871	9,932	10,023
kWh	92,642,708	91,182,112	93,919,803	91,598,924	89,480,942	94,261,084	91,775,630	95,979,438
General Service < 50 kW								
Customers	977	1,081	1,090	1,096	1,122	1,167	1,194	1,214
kWh	26,427,277	27,522,033	27,486,362	27,305,136	27,046,725	27,843,390	30,635,475	32,594,962
General Service 50 to 4,999 kW								
Customers	100	108	109	110	113	108	95	93
kWh	63,615,244	77,078,801	70,538,573	71,763,589	63,032,184	65,599,183	64,324,224	66,668,106
kW	218,553	241,321	218,225	209,583	207,445	200,283	195,461	214,067
Street Lighting								
Customers	2,731	2,745	2,754	2,763	2,772	2,781	2,790	2,801
kWh	2,634,057	2,249,665	2,409,618	2,296,059	2,082,393	2,409,951	2,245,234	2,225,084
kW	6,300	5,910	6,521	6,487	5,754	6,759	5,760	6,083
Sentinel Lighting								
Customers	138	105	83	61	39	18	7	7
kWh	163,647	187,563	182,802	93,339	50,856	18,863	5,962	5,564
kW	0	496	498	265	143	52	14	15
Unmetered Scattered Load								
Customers	36	35	35	34	34	34	33	32
kWh	283,513	267,964	428,118	293,947	285,456	275,513	201,696	188,991
Hydro One								
Customers	0	0	4	4	4	4	4	4
kWh	0	0	58,595,749	51,357,088	47,830,923	45,019,542	49,368,544	42,996,782
kW	0	0	115,967	112,771	109,952	107,517	113,911	96,049
Total								
Customer/Connections	13,347	13,571	13,656	13,697	13,823	13,981	14,054	14,176
kWh	185,766,446	198,488,138	253,561,025	244,708,081	229,809,479	235,427,525	238,556,765	240,658,928
kW from applicable classes	224,853	247,727	341,211	329,106	323,294	314,610	315,146	316,213

Board Staff Interrogatory #12:

Ref: E3-T2-S1

On pages 14-15 E.L.K. states:

> In addition a manual adjustment has been made to reflect the impact of 2011 and 2012 CDM programs on the load forecast. This adjustment reflects the "gross" impact of 2011 and 2012 programs on the load forecast. The gross impact includes the net results measured by the OPA plus an estimate of the average net to gross adjustment reflecting gross and net savings information provided in the OPA 2006-2010 Final CDM Results. The net results provide a measurement of the program effectiveness used to achieve the LDC targets. The gross results include the net results plus the estimated impact of customers participating in a program even if an incentive was not provided to participate. In the past this has been termed the level of "free ridership". In other words, the gross results include the results from those who participated in the program because there was an incentive plus those who participated even if there was not an incentive. In E.L.K.'s view it is the gross level that impacts the load forecast.
>
> The following table outlines the average net to gross factor of 56.6% based on information provided in the OPA 2006-2010 Final CDM Results for E.L.K. However, the average value is the average from 2008 to 2012 since in reviewing the 2006 and 2007 results they appeared to be extreme outliers.

Board staff has replicated Table 3.17 below.

Average Net-to-Gross Ratio

	OPA 2006-2010 Final CDM Results (Gross)	OPA 2006-2010 Final CDM Results (Net)	# Difference	% Difference of Net
2006	954,288	854,482	99,807	11.70%
2007	4,596,498	1,617,801	2,978,697	184.10%
2008	3,114,021	1,853,239	1,260,782	68.00%
2009	4,817,101	3,294,734	1,522,367	46.20%
2010	4,902,523	3,193,071	1,709,452	53.50%
2011	4,638,700	2,924,193	1,714,507	58.60%
2012	4,479,876	2,856,639	1,623,237	56.80%
Total	27,503,007	16,594,159	10,908,848	56.60%

a) Please confirm that the numbers for 2011 shown in the table do <u>not</u> include the CDM results stemming from the 2011-2014 program.

Response:

The numbers for 2011 shown in the table do not include the CDM results stemming from the 2011-2014 program.

b) Please update Table 3-17 to reflect the final 2011 results for E.L.K. as released by the OPA in September 2012.

Response:

An updated Table 3-17 to reflect the final 2011 results for E.L.K. as released by the OPA in September 2012 is provided below

Table 3-17: Average Net to Gross Percentage Updated for Final 2011 OPA Resutls

	OPA 2006-2010 Final CDM Results (Gross)	OPA 2006-2010 Final CDM Results (Net)	# Difference	% Difference of Net
2006	954,288	854,482	99,807	11.7%
2007	4,596,498	1,617,801	2,978,697	184.1%
2008	3,114,021	1,853,239	1,260,782	68.0%
2009	4,817,101	3,294,734	1,522,367	46.2%
2010	4,902,523	3,193,071	1,709,452	53.5%
2011	5,390,396	3,470,469	1,919,927	55.3%
2012	5,231,573	3,402,916	1,828,657	53.7%
Total	29,006,400	17,686,712	11,319,687	55.4%

c) The amounts shown on the row ‘Total’ represent the sum of all years from 2006 to 2012. Please confirm that the % adjustment for ‘net’ to ‘gross’ of 56.6% represents only the years 2008 to 2012, i.e. E.L.K. has stated that it has excluded 2006 and 2007 as the values appear to be extreme.

Response:

The % adjustment for ‘net’ to ‘gross’ of 56.6% represents the average value for the years 2008 to 2012.

d) Please explain why E.L.K. is including “estimated’ for 2012 and “non-final for 2011” numbers to calculate an average net-to-gross ratio to apply to the CDM net target for 2012 or in the alternative why isn't E.L.K. only using "actuals" so as to eliminate any estimation errors?

Response:

The information for all years outlined in Table 3-17 is based on data provided from the OPA 2006-2010 Final CDM Results report. It is E.L.K.'s understanding that the information for 2011 and 2012 are not estimates but reflect the actual results of persistence from 2006 to 2010 programs into 2011 and 2012.

e) Is it correct to assume that the "pre-CDM adjusted" load forecast of 224.5 GWh (see table 3.20/non-normalized weather billed energy) for 2012 reflects the impact of the first year of the 2011-2014 CDM program? If so, please re-run the load forecast to exclude said impact.

Response:

E.L.K. believes this issue has been address in the revised load forecast provided in the response to Board Staff #11. In that response the "pre-CDM adjusted" load forecast of 233.7 GWh shown in revised Table 3-20/non-normalized weather billed energy reflects the impact of the first year of the 2011-2014 CDM programs. As a result, there should not be an additional manual adjustment to the load forecast for 2011 programs. This double counting has been eliminated in the revised load forecast as the manual adjustment for CDM provided in revised Table 3-20 only reflects 2012 CDM programs at a gross level.

Board Staff Interrogatory #13

Ref: E 3-T2-S p.16 – Table 3-19

Table 3-19 is labelled ‘2013 Expected Savings for LRAM Variance Account’. Please confirm that this should be labelled ‘2012 Expected Savings for LRAM Variance Account’. In the alternative, please explain.

Response:

E.L.K. confirms that Table 3-19 should be labelled ‘2012 Expected Savings for LRAM Variance Account. This correction has been made to Table 3-19 shown in response to Board Staff #11.

Board Staff Interrogatory #14

Ref: E3-T2-S3

The source of the Table below is Appendix 2-C.

USoA #	USoA Description	2006	2007	2008	2009	2010	2011	Test Year 2012
4082	Retail Services Revenues	$ 33,167	$ 22,968	$ 11,745	$ 22,650	$ 23,637	$ 19,799	$ 21,718
4084	Serv Tx Requests	$ 10,832	$ -	$ 18	$ 543	$ 708	$ 467	$ 587
4210	Rent from Electric Property	$ 11,419	$ 53,411	$ 46,388	-$ 4,448	$ 54,708	$ 46,423	$ 50,000
4215	Other Utility Operating Income	$ 5,972	$ -	$ -	$ -	$ -	$ -	$ -
4225	Late Payment Charges	$ 63,348	$ 78,293	$ 101,445	$ 146,753	$ 99,989	$ 127,882	$ 130,000
4235	Miscellaneous Service Charges	$ 44,778	$ 64,739	$ 41,352	$ 68,261	$ 52,826	$ 65,524	$ 66,000
4324	Special Purpose Charge Recovery	$ -	$ -	$ -	$ -	$ 41,626	$ 35,213	$ -
4325	Revenues from merchandise, Jobbi	$ 103,767	$ 40,430	$ 101,854	$ 8,918	$ -	$ 37	$ -
4330	Costs & expenses of merchandising,	-$ 60,905	-$ 38,274	-$ 269	-$ 11,101	-$ 4,935	-$ 7,871	-$ 6,500
4355	Gain on Disposition of utility & other	$ 17,820	$ 21,200	$ 2,007	$ -	$ 55,946	$ -	$ 21,000
4375	Revenues from non-utility operation	$ 225,656	$ 282,995	$ 418,773	$ 1,045,773	$ 541,784	$ 586,053	$ 413,000
4380	Expenses of non-utility operations	$ -	-$ 18,537	-$ 249,747	-$ 564,989	-$ 256,889	-$ 166,529	-$ 92,750
4390	Miscellaneous non-operating incom	$ -	$ 371	$ -	$ -	$ 545	$ -	
6300	Unrealized (Gain) Loss on Investment		$ 11,845				-$ 10,914	
4405	Interest and Dividend Income	$ 363,445	$ 339,612	$ 222,434	$ 47,400	$ 55,154	$ 77,844	$ 77,000
Specific Service Charges		$ 44,778	$ 64,739	$ 41,352	$ 68,261	$ 52,826	$ 65,524	$ 66,000
Late Payment Charges		$ 63,348	$ 78,293	$ 101,445	$ 146,753	$ 99,989	$ 127,882	$ 130,000
Other Operating Revenues		$ 61,390	$ 76,379	$ 58,151	$ 18,745	$ 79,053	$ 66,689	$ 72,305
Other Income or Deductions		$ 649,783	$ 639,642	$ 495,052	$ 526,001	$ 433,231	$ 513,834	$ 411,750
Total		$ 819,300	$ 859,053	$ 696,000	$ 759,760	$ 665,099	$ 773,929	$ 680,055

a) Please provide the calculation details that generate the forecasted $77,000 in interest and dividend income (account 4405) in 2012.

Response:

The calculation details that generated the forecasted $77,000 in interest and dividend income (account 4405) in 2012 is based on 2011 actuals.

b) Please confirm that the net of accounts 4375 and 4380 (non-utility revenues and expenses) is as presented in the table below.

2007	2007	2008	2009	2010	2011	Test Year 2012
$ 225,656	$ 264,458	$ 169,026	$480,784	$ 284,895	$ 419,524	$ 320,250

Response:

Yes, the net of accounts 4375 and 4380 (non-utility revenues and expenses) is as presented above.

c) What portion of the $99, 274 decrease in net revenue between 2012 and 2011 is due to lower CDM PAB funding from the OPA?

Response:

The portion of the $99,274 decrease in net revenue between 2012 and 2011 that is due to lower CDM PAB funding from the OPA is approximately $27,000.

AMPCO:

AMPCO Interrogatory #10

Reference: Exhibit 3, Tab 3, Schedule 3, Page 4

Preamble: The evidence states “Other income and deductions for 2012 were 19.9% or $102,084 lower than the amounts in 2011 due to net revenue from non-utility operations decreasing primarily from a decreased amount of Program Administration Budget (PAB) Funding from the OPA for the 2011-2014 CDM programs. As well, the special purpose charge recovery revenue ceased in May 2011 resulting in a decrease of approximately $40,000.

a) Please provide the OPA PAB funding in 2011 compared to 2012.

Response: The OPA PAB funding in 2011 totaled $170,355.98. The 2012 OPA PAB funding totaled $141,872.56.

Energy Probe:

3.0 Energy Probe Interrogatory # 12

Ref: Exhibit 3, Tab 2, Schedule 1

Please update Tables 3-1 through 3-4 to reflect actual data for 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

Response: Please see the following updated Tables 3-1 through 3-4. This data only reflects estimated data and not actual as E.L.K. does not perform monthly financial statement closes in which data is thoroughly analyzed and adjustments or some general ledger entries are made. Year-end has not yet been completed, and audited financial statements have not been completed. Further accrued data for December 2012 has not yet been compiled.

Table 3-1: Summary of Operating Distribution Revenue								
	2006 Board Approved	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Estimate
Distribution Throughput Revenue								
Residential	$2,121,824	$2,278,947	$2,121,308	$2,848,845	$2,746,530	$1,995,133	$1,917,697	$2,024,737
General Service < 50 kW	$212,827	$237,874	$221,420	$297,379	$292,141	$191,107	$182,517	$192,330
General Service 50 to 4,999 kW	$1,145,060	$1,197,876	$1,115,017	$1,497,717	$1,337,855	$997,220	$855,946	$792,723
Sentinel Lighting	$660	$653	$607	$815	$632	$413	$564	$293
Street Lighting	$3,807	$3,797	$3,535	$4,747	$3,092	$2,206	$563	$620
Unmetered Scattered Load	$3,374	$3,161	$2,943	$3,952	$3,164	$2,425	$2,054	$2,563
Hydro One								$40,438
LV Revenue						$198,741	$373,779	$287,404
Total	**3,487,553**	**3,722,308**	**3,464,830**	**4,653,455**	**4,383,414**	**3,387,245**	**3,333,120**	**3,341,106**
Other Distribution Revenue								
Specific Service Charges	$62,120	$44,778	$64,739	$41,352	$68,261	$52,826	$65,524	$63,702
Late Payment Charges	$67,219	$63,348	$78,293	$101,445	$146,753	$99,989	$127,882	$108,646
Other Operating Revenues	$55,129	$61,390	$76,379	$58,151	$18,745	$79,053	$66,689	$65,321
Other Income or Deductions	$150,807	$649,783	$639,642	$495,052	$526,001	$433,231	$513,834	$396,543
Total	**$335,275**	**$819,300**	**$859,053**	**$696,000**	**$759,760**	**$665,099**	**$773,929**	**$634,212**
Grand Total	**$3,822,828**	**$4,541,608**	**$4,323,883**	**$5,349,455**	**$5,143,174**	**$4,052,344**	**$4,107,049**	**$3,975,318**

Table 3-2: Summary of Load and Customer/Connection Forecast						
Year	**Billed (GWh)**	**Growth (GWh)**	**Percent Change**	**Customer/ Connection Count**	**Growth**	**Percent Change (%)**
Billed Energy (GWh) and Customer Count / Connections						
2006 Board Approved	185.8			13,347		
2004 Actual	179.3			13,361		
2005 Actual	186.3	7.0	3.9%	13,490	130	1.0%
2006 Actual	198.5	12.1	6.5%	13,571	80	0.6%
2007 Actual	253.6	55.1	27.7%	13,656	85	0.6%
2008 Actual	244.7	(8.9)	(3.5%)	13,697	41	0.3%
2009 Actual	229.8	(14.9)	(6.1%)	13,823	126	0.9%
2010 Actual	235.4	5.6	2.4%	13,981	158	1.1%
2011 Actual	238.6	8.7	3.7%	14,054	73	0.5%
2012 Estimated	**230.5**	**(8.1)**	**(3.4%)**	**14,118**	**65**	**0.5%**

Table 3-3: Billed Energy and Number of Customers / Connections by Rate Class								
Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**	**Hydro One**	**Total**
Billed Energy (GWh)								
2006 Board Approved	92.6	26.4	63.6	2.6	0.2	0.3		185.8
2004 Actual	89.5	26.5	60.9	2.3	0.2	0.0	0.0	179.3
2005 Actual	97.2	28.6	58.2	2.3	0.2	0.0	0.0	186.3
2006 Actual	91.2	27.5	77.1	2.2	0.2	0.3	0.0	198.5
2007 Actual	93.9	27.5	70.5	2.4	0.2	0.4	58.6	253.6
2008 Actual	91.6	27.3	71.8	2.3	0.1	0.3	51.4	244.7
2009 Actual	89.5	27.0	63.0	2.1	0.1	0.3	47.8	229.8
2010 Actual	94.3	27.8	65.6	2.4	0.0	0.3	45.0	235.4
2011 Actual	91.8	30.6	64.3	2.2	0.0	0.2	49.4	238.6
2012 Estimated	**92.1**	**31.2**	**61.8**	**2.2**	**0.0**	**0.2**	**43.0**	**230.5**

Number of Customers/Connections								
2006 Board Approved	9,365	977	100	2,731	138	36		13,347
2004 Actual	9,311	1,060	106	2,709	138	36	0	13,361
2005 Actual	9,413	1,071	107	2,736	127	36	0	13,490
2006 Actual	9,497	1,081	108	2,745	105	35	0	13,571
2007 Actual	9,581	1,090	109	2,754	83	35	4	13,656
2008 Actual	9,629	1,096	110	2,763	61	34	4	13,697
2009 Actual	9,741	1,122	113	2,772	39	34	4	13,823
2010 Actual	9,871	1,167	108	2,781	18	34	4	13,981
2011 Actual	9,932	1,194	95	2,790	7	33	4	14,054
2012 Estimated	**9,987**	**1,206**	**89**	**2,794**	**7**	**32**	**4**	**14,118**

Table 3-4: Annual Usage per Customer/Connection by Rate Class							
Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**	**Hydro One**
Energy Usage per Customer/Connection (kWh per customer/connection)							
2006 Board Approved	9,892	27,049	636,152	965	1,186	7,875	
2004 Actual	9,614	24,990	571,503	832	1,302	0	
2005 Actual	10,321	26,648	541,502	841	1,283	0	
2006 Actual	9,601	25,461	711,135	820	1,786	7,656	
2007 Actual	9,803	25,206	645,094	875	2,202	12,409	14,648,937
2008 Actual	9,513	24,914	652,998	831	1,530	8,646	12,839,272
2009 Actual	9,186	24,117	560,286	751	1,304	8,396	11,957,731
2010 Actual	9,549	23,869	610,225	867	1,078	8,224	11,254,885
2011 Actual	9,241	25,658	677,097	805	852	6,206	12,342,136
2012 Estimated	**9,225**	**25,857**	**694,075**	**794**	**795**	**5,900**	**10,749,196**

3.0 Energy Probe Interrogatory # 13

Ref: Exhibit 3, Tab 2, Schedule 1

a) Please explain why the average loss factor from 2005 to 2011 was used to convert purchases to billed energy (page 9) instead of 2004 to 2011.

Response:
Please see response to Board Staff #11

b) Please provide all the data used to generate the loss factor of 1.08 in a table that shows the data for each individual year. Please also include 2004 data in this table.

Response:
In response to Board Staff #11 the average loss factor used in the revised load forecast has been updated to 1.0863. The data for each individual year used to generate this loss factor is provided below.

	Power Purchases (A)	Billed (B)	Loss Factor (A)/(B)
2004	195,862,723	179,298,067	1.0924
2005	208,079,760	186,343,673	1.1166
2006	213,838,930	198,488,138	1.0773
2007	271,076,220	253,561,025	1.0691
2008	262,640,600	244,708,081	1.0733
2009	248,858,578	229,809,479	1.0829
2010	261,284,908	235,427,525	1.1098
2011	255,035,715	238,556,765	1.0691
Average			1.0863

3.0 Energy Probe Interrogatory # 14

Ref: Exhibit 3, Tab 2, Schedule 1

a) Please update Table 3-21 to include actual data for 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

Response: Please see the updated Tables 3-21 reflecting estimated data only as E.L.K. does not perform monthly financial statement closes.

Table 3-21: Historical Annual kW per Applicable Rate Class					
Year	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Hydro One**	**Total**
Billed Annual kW					
2004	225,707	6,302	505	0	232,514
2005	200,773	6,403	450	0	207,626
2006	241,321	5,910	496	0	247,727
2007	218,225	6,521	498	115,967	341,211
2008	209,583	6,487	265	112,771	329,106
2009	207,445	5,754	143	109,952	323,294
2010	200,283	6,759	52	107,517	314,610
2011	195,461	5,760	14	113,911	315,146
2012 Estimate	186,874	6,354	15	111,172	304,415

b) Please update Table 3-24 to include actual data for 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

Response: Please see the updated Table 3-24. This data only reflects estimated data and not actual as E.L.K. does not perform monthly financial statement closes in which data is thoroughly analyzed and adjustments or some general ledger entries are made. Year-end has not yet been completed, and audited financial statements have not been completed.

Table 3-24: Summary of Forecast								
	2006 Board Approved	**2006**	**2007**	**2008**	**2009**	**2010**	**2,011**	**2012 Estimate**
ACTUAL AND PREDICTED KWH PURCHASES								
Actual kWh Purchases		213,838,930	271,076,220	262,640,600	248,858,578	261,284,908	255,035,715	253,678,300
Predicted kWh Purchases		211,598,040	269,111,681	263,658,970	246,491,382	253,504,114	263,058,997	263,174,825
% Difference of actual and predicted purchases		(1.0%)	(0.7%)	0.4%	(1.0%)	(3.0%)	3.1%	3.7%
BILLING DETERMINANTS BY CLASS								
Residential								
Customers	9,365	9,497	9,581	9,629	9,741	9,871	9,932	9,987
kWh	92,642,708	91,182,112	93,919,803	91,598,924	89,480,942	94,261,084	91,775,630	92,129,190
General Service < 50 kW								
Customers	977	1,081	1,090	1,096	1,122	1,167	1,194	1,206
kWh	26,427,277	27,522,033	27,486,362	27,305,136	27,046,725	27,843,390	30,635,475	31,170,889
General Service 50 to 4,999 kW								
Customers	100	108	109	110	113	108	95	89
kWh	63,615,244	77,078,801	70,538,573	71,763,589	63,032,184	65,599,183	64,324,224	61,772,700
kW	218,553	241,321	218,225	209,583	207,445	200,283	195,461	186,874
Street Lighting								
Customers	2,731	2,745	2,754	2,763	2,772	2,781	2,790	2,794
kWh	2,634,057	2,249,665	2,409,618	2,296,059	2,082,393	2,409,951	2,245,234	2,219,000
kW	6,300	5,910	6,521	6,487	5,754	6,759	5,760	6,354
Sentinel Lighting								
Customers	138	105	83	61	39	18	7	7
kWh	163,647	187,563	182,802	93,339	50,856	18,863	5,962	5,563
kW	0	496	498	265	143	52	14	15
Unmetered Scattered Load								
Customers	36	35	35	34	34	34	33	32
kWh	283,513	267,964	428,118	293,947	285,456	275,513	201,696	188,791
Hydro One								
Customers	0	0	4	4	4	4	4	4
kWh	0	0	58,595,749	51,357,088	47,830,923	45,019,542	49,368,544	42,996,782
kW	0	0	115,967	112,771	109,952	107,517	113,911	111,172
Total								
Customer/Connections	13,347	13,571	13,656	13,697	13,823	13,981	14,054	14,118
kWh	185,766,446	198,488,138	253,561,025	244,708,081	229,809,479	235,427,525	238,556,765	230,482,916
kW from applicable classes	224,853	247,727	341,211	329,106	323,294	314,610	315,146	304,415

3.0 Energy Probe Interrogatory # 15

Ref: Exhibit 3, Tab 2, Appendix 3-A

Please provide the actual heating and cooling degree days for each month in 2012.

Response:

The actual heating and cooling degree days for each month in 2012 are provided below.

2012	HDD	CDD
Jan	586.8	0.0
Feb	507.1	0.0
Mar	267.8	5.9
Apr	264.4	0.9
May	50.4	51.7
Jun	11.9	135.3
Jul	0.0	217.8
Aug	0.6	131.8
Sep	59.6	49.1
Oct	205.9	4.1
Nov	407.2	0.0
Dec	496.0	0.0

3.0 Energy Probe # 16

Ref: Exhibit 3, tab 2, Schedule 1, page 6

a) Please explain what is included in the Hydro One Uplifted explanatory variable. For example, is it the volume of purchases for ELK (including losses) that is ultimately send to Hydro One by ELK?

Response:
The Hydro One Uplifted explanatory variable is the volume ultimately sold to Hydro One by ELK including losses.

b) Please explain the coefficient on the Hydro One Uplift variable of 0.72. Does this imply that for every 100 kWh consumed by Hydro One, ELK's total purchases increase by 72 kWh?

Response:
The coefficient on the Hydro One Uplift variable of 0.72 has been assigned by

the regression analysis with an associated t-stat of 10.18 which suggest it is a variable with high statistical significance to the prediction formula. The regression analysis is suggesting that for every 100 kWh purchased by ELK for Hydro One, ELK's total purchases increase by 72 kWh?

3.0 Energy Probe Interrogatory # 17

Ref: Exhibit 3, Tab 2, Appendix 3-A

a) Please provide a live Excel spreadsheet that contains the following:
   i) all the data shown in Appendix 3-A;
   ii) any other explanatory variables that ELK tried to include in the regression model; and,
   iii) the estimated regression equation used to generate the forecast.

Response:

a) The request live Excel spreadsheet titled Energy Probe 17a contains the following:
   i) all the data shown in Appendix 3-A;
   ii) any other explanatory variables that ELK tried to include in the regression model; and,
   iii) the estimated regression equation used to generate the forecast. The results of the sensitivity analysis for other explanatory variables not used are shown columns Q to W of the live Excel spreadsheet.

b. Please provide a second version of the live Excel spreadsheet that includes actual purchased figures, heating degree days, cooling degree days and any other actual data for each month of 2012.

Response:

b) A second version of the live Excel spreadsheet that includes actual purchased figures, heating degree days, cooling degree days and any other actual data for each month of 2012 is provided in the file titled Energy Probe 17b.

3.0 Energy Probe Interrogatory # 18

Ref: Exhibit 3, Tab 3, Schedule 1

Please update Tables 3-37 and 3-38 to reflect actual data for 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

Response: Please see Table 3-37 and 3-38 below. This data only reflects estimated data and not actual as E.L.K. does not perform monthly financial statement closes in which data is thoroughly analyzed and adjustments or some general ledger entries are made. Year-end has not yet been completed and audited financial statements have not been completed.

Table 3-37: Comparison 2012 Test to 2011 Actual

Throughput Revenue	2011	2012 Estimate	Difference $	Difference %
Residential	$1,917,697	$2,024,737	$107,040	5.6%
General Service < 50 kW	$182,517	$192,330	$9,813	5.4%
General Service 50 to 4,999 kW	$855,946	$792,723	($63,223)	(7.4%)
Sentinel Lighting	$564	$293	($271)	(48.0%)
Street Lighting	$563	$620	$57	10.1%
Unmetered Scattered Load	$2,054	$2,563	$509	24.8%
Hydro One	$0	$40,438	$40,438	
LV Revenue	$373,779	$287,404	($86,375)	(23.1%)
Total	$3,333,120	$3,341,106	$7,986	0.2%

Table 3-38: Comparison 2012 Test to 2011 Actual

	Customer/Connections			**kWh**		**kW**		
Billing Quantiites	2011	2012	Difference	2011	2012	2011	2012	Volumeteric
Residential	9,932	9,987	55	91,775,630	92,129,190			353,560
General Service < 50 kW	1,194	1,206	12	30,635,475	31,170,889			535,414
General Service 50 to 4,999 kW	95	89	(6)			195,461	186,874	(8,587)
Sentinel Lighting	7	7	0			14	15	1
Street Lighting	2,790	2,794	5			5,760	6,354	594
Unmetered Scattered Load	33	32	(1)	201,696	188,791			(12,905)
Hydro One	4	4	0			113,911	111,172	(2,739)
Total	14,054	14,118	65	122,612,801	123,488,871	315,146	304,415	

3.0 Energy Probe Interrogatory # 19

Ref: Exhibit 3, Tab 3, Schedule 3

a) Please update Table 3-45 to reflect actual data for 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

Response: Please see Table 3-45 below. This data only reflects estimated data and not actual as E.L.K. does not perform monthly financial statement closes in which data is thoroughly analyzed and adjustments or some general ledger entries are made. Year-end has not yet been completed and audited financial statements have not been completed.

	2011	2012
Specific Service Charges	$ 65,524	$ 63,702
Late Payment Charges	$ 127,882	$ 108,646
Other Operating Revenues	$ 66,689	$ 65,321
Other Income or Deductions	$ 513,834	$ 396,543
Total	$ 773,929	$ 634,212

b) Please provide an updated version of Appendix 2-C that reflects the data requested in part (a) above.

Response: Please see below

Appendix 2-C
Other Operating Revenue

USoA #	USoA Description	2006	2007	2008	2009	2010	2011	2012
4082	Retail Services Revenues	$ 33,167	$ 22,968	$ 11,745	$ 22,650	$ 23,637	$ 19,799	$ 15,065
4084	Serv Tx Requests	$ 10,832	$ -	$ 18	$ 543	$ 708	$ 467	$ 256
4210	Rent from Electric Property	$ 11,419	$ 53,411	$ 46,388	-$ 4,448	$ 54,708	$ 46,423	$ 50,000
4215	Other Utility Operating Income	$ 5,972	$ -	$ -	$ -	$ -	$ -	$ -
4225	Late Payment Charges	$ 63,348	$ 78,293	$ 101,445	$ 146,753	$ 99,989	$ 127,882	$ 108,646
4235	Miscellaneous Service Charges	$ 44,778	$ 64,739	$ 41,352	$ 68,261	$ 52,826	$ 65,524	$ 63,702
4324	Special Purpose Charge Recovery	$ -	$ -	$ -	$ -	$ 41,626	$ 35,213	$ -
4325	Revenues from merchandise, Jobbing	$ 103,767	$ 40,430	$ 101,854	$ 8,918	$ -	$ 37	$ -
4330	Costs & expenses of merchandising, jobb	-$ 60,905	-$ 38,274	-$ 269	-$ 11,101	-$ 4,935	-$ 7,871	-$ 6,500
4355	Gain on Disposition of utility & other pro	$ 17,820	$ 21,200	$ 2,007	$ -	$ 55,946	$ -	$ 21,000
4375	Revenues from non-utility operations	$ 225,656	$ 282,995	$ 418,773	$ 1,045,773	$ 541,784	$ 586,053	$ 413,000
4380	Expenses of non-utility operations	$ -	-$ 18,537	-$ 249,747	-$ 564,989	-$ 256,889	-$ 166,529	-$ 92,750
4390	Miscellaneous non-operating income	$ -	$ 371	$ -	$ -	$ 545	$ -	
6300	Unrealized (Gain) Loss on Investment		$ 11,845				-$ 10,914	
4405	Interest and Dividend Income	$ 363,445	$ 339,612	$ 222,434	$ 47,400	$ 55,154	$ 77,844	$ 61,793
Specific Service Charges		$ 44,778	$ 64,739	$ 41,352	$ 68,261	$ 52,826	$ 65,524	$ 63,702
Late Payment Charges		$ 63,348	$ 78,293	$ 101,445	$ 146,753	$ 99,989	$ 127,882	$ 108,646
Other Operating Revenues		$ 61,390	$ 76,379	$ 58,151	$ 18,745	$ 79,053	$ 66,689	$ 65,321
Other Income or Deductions		$ 649,783	$ 639,642	$ 495,052	$ 526,001	$ 433,231	$ 513,834	$ 396,543
Total		$ 819,300	$ 859,053	$ 696,000	$ 759,760	$ 665,099	$ 773,929	$ 634,212

c) Please provide a revised version of Appendix 2-C that reflects the response to part (b) above, but separates out the revenues and expenses associated with OPA programs for all years shown from accounts 4375 and 4380.

Response: Please see a revised version of Appendix 2-C below. This data only reflects estimated data and not actual as E.L.K. does not perform monthly financial statement closes in which data is thoroughly analyzed and adjustments or some general ledger entries are made. Year-end has not yet been completed and audited financial statements have not been completed.

USoA #	USoA Description	2006	2007	2008	2009	2010	2011	2012
4082	Retail Services Revenues	$ 33,167	$ 22,968	$ 11,745	$ 22,650	$ 23,637	$ 19,799	$ 15,065
4084	Serv Tx Requests	$ 10,832	$ -	$ 18	$ 543	$ 708	$ 467	$ 256
4210	Rent from Electric Property	$ 11,419	$ 53,411	$ 46,388	-$ 4,448	$ 54,708	$ 46,423	$ 50,000
4215	Other Utility Operating Income	$ 5,972	$ -	$ -	$ -	$ -	$ -	$ -
4225	Late Payment Charges	$ 63,348	$ 78,293	$101,445	$ 146,753	$ 99,989	$127,882	$108,646
4235	Miscellaneous Service Charges	$ 44,778	$ 64,739	$ 41,352	$ 68,261	$ 52,826	$ 65,524	$ 63,702
4324	Special Purpose Charge Recovery	$ -	$ -	$ -	$ -	$ 41,626	$ 35,213	$ -
4325	Revenues from merchandise, Jobbing	$103,767	$ 40,430	$101,854	$ 8,918	$ -	$ 37	$ -
4330	Costs & expenses of merchandising, jobbing	-$ 60,905	-$ 38,274	-$ 269	-$ 11,101	-$ 4,935	-$ 7,871	-$ 6,500
4355	Gain on Disposition of utility & other property	$ 17,820	$ 21,200	$ 2,007	$ -	$ 55,946	$ -	$ 21,000
4375	Revenues from non-utility operations	$225,656	$ 282,995	$267,939	$ 318,268	$242,331	$308,865	$263,749
	Revenue from OPA Programs	$ -	$ -	$150,834	$ 727,505	$299,453	$277,189	$149,251
	Expenses from OPA Programs	$ -	$ -	-$197,587	-$ 560,029	-$254,401	-$166,529	-$ 92,750
4380	Expenses of non-utility operations	$ -	-$ 18,537	-$ 52,160	-$ 4,960	-$ 2,488	$ 0	$ -
4390	Miscellaneous non-operating income	$ -	$ 371	$ -	$ -	$ 545	$ -	
6300	Unrealized (Gain) Loss on Investment		$ 11,845				-$ 10,914	
4405	Interest and Dividend Income	$363,445	$ 339,612	$222,434	$ 47,400	$ 55,154	$ 77,844	$ 61,793
Specific Service Charges		$ 44,778	$ 64,739	$ 41,352	$ 68,261	$ 52,826	$ 65,524	$ 63,702
Late Payment Charges		$ 63,348	$ 78,293	$ 101,445	$ 146,753	$ 99,989	$ 127,882	$ 108,646
Other Operating Revenues		$ 61,390	$ 76,379	$ 58,151	$ 18,745	$ 79,053	$ 66,689	$ 65,321
Other Income or Deductions		$ 649,783	$ 639,642	$ 495,052	$ 526,001	$ 433,231	$ 513,834	$ 396,543
Total		$819,300	$859,053	$696,000	$ 759,760	$665,099	$773,929	$634,212

d) Please confirm that Account 4405 does not include any interest revenue or expense associated with interest on deferral and variance accounts. If this cannot be confirmed, please also show separately any interest on deferral and variance accounts in the response to part (c) above.

Response: To the best of E.L.K.'s knowledge, account 4405 does not include any interest revenue or expense associated with interest on deferral and variance accounts.

EnWin:

EnWin Interrogatory #10

10. **Exhibit 3** Tab 2 Schedule 1

a) By what date could ELK replace the 2012 forecast with 2012 actual figures?

Response: E.L.K. could replace the 2012 forecast with 2012 actual figures by May 2013 after the audited financial statements have been approved by the Board of Directors.

b) If 2012 actual figures are used by the Board in determining the ELK revenue requirement, will ELK continue to include the cost of its externally developed load forecast in its revenue requirement calculation?

Response: The cost to develop and provide the evidence that supports the load forecast in the application is approximately $7,500. If 2012 actual figures are used by the Board to determine the ELK revenue requirement this cost was an actual cost incurred in 2012 and should be included. Even though the results may not be used to determine rates it is expected the load forecasting process will be used as an ongoing tool for revenue forecasting purposes in the annual budget setting process.

VECC:

Load Forecast:

VECC Interrogatory #9

9.0 Reference: Exhibit 3, Tab 1, Schedule 1, page 2 Exhibit 7, Tab 1, Schedule 2, page 4 (Table 7-8

a) Please explain the differences in 2012 revenues (at proposed rates) for the GS 50-4,999 customer class as shown in the above two references.

Response:

The differences in 2012 revenues (at proposed rates) for the GS 50-4,999 class relate to transformer allowance of $80,627. This amount has been included in Exhibit 3, Tab 1, Schedule 1, page 2 but not included in Exhibit 7, Tab 1, Schedule 2, page 4 (Table 7-8). Table 7-8 is provided under the cost allocation Exhibit. The cost allocation study has been conducted excluding the “cost” and “revenue” associated with transformer allowance in accordance with the filing requirements. As a result, the transformer allowance amount is not shown in Table 7-8.

VECC Interrogatory #10

10.0 Reference: Exhibit 3, Tab 2, Schedule 1, page 6

a) Please explain what the "Hydro One Uplifted" variable represents.

Response:

Please refer to Energy Probe #16 a)

b) Were any other model specifications tested? If so, what were they and what were the results?

Response:

Please refer to Energy Probe #17 a)

VECC Interrogatory #11

11.0 Reference: Exhibit 3, Tab 2, Schedule 1, pages 6 & 9

a) What were the forecast economic (real GDP) values used for 2011 and 2012?

Response:

The forecast economic (real GDP) values used for 2011 was 2.2% and for 2012 was 2.5%

b) If the 2011 value was not the actual value, please update the regression model derivation using the 2011 actual value and provide a revised projection for 2012 Purchases.

Response:

The 2011 value was not the actual value. The 2011 actual value is 2.1%. The regression model derivation has been updated using the 2011 actual value and the revised projection for 2012 Purchases is 263.0 (GWh).

c) Are there more recent forecasts available for 2012 real GDP? If so, please update the forecast Purchases for 2012.

Response:

Yes there is a more recent forecast available for 2012 real GDP being 2.0%. The regression model derivation has been updated using the more recent forecast for 2012 along with the 2011 actual value and the revised projection for 2012 Purchases is 262.3 (GWh).

VECC Interrogatory #12

12.0 Reference: Exhibit 3, Tab 2, Schedule 1, pages 10-11

a) Please provide the 2012 year-to-date customer/connection count for each class for the most recent month available and, in the same schedule, provide the 2011 value for the equivalent month.

Response:

The 2012 and 2011 end of year customer/connection count for each class is provided below

	Dec-11	Dec-12
Residential - Customers	9,964	10,046
GS<50 - Customers	1,201	1,210
GS>50 - Customers	90	88
Streetlights - Connections	2,794	2,817
USL - Connections	32	32
Sentinel Lights - Connections	7	12

b) What was the customer count by class as of the June 30th 2011 and 2012 respectively?

Response:

The 2012 and 2011 customer/connection count for each class as of June 30th for each year is provided below

	Jun-11	Jun-12
Residential - Customers	9,968	9,992
GS<50 - Customers	1,193	1,242
GS>50 - Customers	91	88
Streetlights - Connections	2,818	2826
USL - Connections	32	32
Sentinel Lights - Connections	12	10

VECC Interrogatory #13

13.0 Reference: Exhibit 3, Tab 2, Schedule 1, pages 14 - 16

a) Since 2011 data was used to estimate the regression model isn't it reasonable to assume that the 243.7 GWh already includes the impact of 2011 CDM programs?

Response:

Please see E.L.K.'s response to Board Staff #12(e)

b) Please confirm that the savings associated with the gross adjustment (i.e. the difference between the Gross and Net CDM results) will occur regardless of whether or not E.L.K. offers CDM programs. If not confirmed, please explain why not.

Response:

It is E.L.K.'s understanding the difference between the gross and net CDM savings represents those savings from activities of a customer that are similar to the activity of the CDM program, which includes an incentive, but would have occurred even if an incentive was not provided.

c) Please provide OPA's final 2011 CDM Report regarding E.L.K.'s CDM program results.

Response:

The OPA's final 2011 CDM Report regarding E.L.K.'s CDM program results is provided as file titled "2011 Final Annual Report Data_E.L.K. Energy Inc." The information in this file has been used in the revised load forecast referenced in Board Staff #11.

d) Based on the results reported in the response to part (c), please update Table 3-18.

Response:

Please see response to Board Staff #11.

e) Were E.L.K.'s sales to HON included in the historical energy sales used to establish ELK's portion of the provincial CDM target?

Response:

E.L.K is unable to properly answer this question since it is unable to locate the relevant data on the OEB website that was used to establish E.L.K.'s portion of the provincial CDM target.

VECC Interrogatory #14

14.0 Reference: Exhibit 3, Tab 2, Schedule 1, page 19

a) Do the predicted purchases for 2012 (263.2 GWh) incorporate the assumed CDM adjustment? If not, please revise.

Response:

The predicted purchases for 2012 (263.2 GWh) do not incorporate the assumed CDM adjustment. The predicted purchased with the assumed CDM adjustment applied would be 261.4 GWh.

b) If a revision is required due to part (a), will this change the cost of power forecast used for the working capital calculation?

Response:

The revision shown in part (a), will not change the cost of power forecast used for the working capital calculation since the input data entered into the cost of power calculation is billed data.

VECC Interrogatory #15

15.0 Reference: Exhibit 3, Tab 2, Schedule 1, page 19

a) Please provide a schedule setting out the year to date actual kWh sales by customer class. Please provide a comparable schedule for 2011 covering the same period.

Response:

A schedule setting out actual kWh sales as of December 2011 and December 2012 by customer class is provided below.

kWh (Not Uplifted)	Dec-11	Dec-12
Residential	91,775,630	90,281,488
GS<50	30,635,475	29,408,826
GS>50	64,324,224	60,355,360
Streetlights	2,245,234	2,268,064
Unmetered Scattered Load	201,696	262,229
Sentinel Lights	5,962	4,641
Hydro One	49,368,544	49,809,676
Total	238,556,765	232,390,284

b) What are ELK's year to date power purchases (kWhs) and what is the comparable value for 2011?

Response:

ELK's power purchases as of December 2012 were 243,833,110 (kWh) and as of December 2011 were 255,035,715 kWh (kWh).

Other Operating Revenue:

VECC Interrogatory #16

16.0 Reference: Exhibit 3, Tab 3, Schedule 3, pages 1-4

a) Please provide a schedule that breaks down the Other Income or Deductions for 2009-2012 inclusive into its major components (including but not limited to i) special purpose charge recovery, ii) OPA admin funding, iii) gains/losses, and iv) interest income).

Response: Please see below

		2009	2010	2011	2012
4324	Special Purpose Charge Recovery	-	41,626.00	35,213.00	-
4325	Revenues from merchandise, Jobbing	8,918.00	-	37.00	-
4330	Costs & expenses of merchandising, jobbing	(11,101.00)	(4,935.00)	(7,871.00)	(6,500.00)
4355	Gain on Disposition of utility & other property	-	55,946.00	-	21,000.00
4375	Revenues from non-utility operations	1,045,773.00	541,784.00	573,181.00	413,000.00
4380	Expenses of non-utility operations	(564,989.00)	(256,889.00)	(166,529.00)	(92,750.00)
4390	Miscellaneous non-operating income	-	545.00	-	
4405	Interest and Dividend Income	47,399.84	55,154.10	77,844.24	77,000.00
		526,000.84	433,231.10	511,875.24	411,750.00

b) What types of non-utility revenue jobs (per page 3, lines 10-11) does ELK typically perform?

Response: The non-utility revenue and expenses primarily consist of the water billing revenue and expenses associated provided to the Town of Essex, as well as the OPA conservation program revenue and expenses.

c) Please provide a schedule that sets out the 2009-2012 Other Operating Revenue by USOA account.

Response: Please see below

		2009	2010	2011	2012
4082	**Retail Services Revenues**	$ 22,650	$ 23,637	$ 19,799	$ 21,718
4084	**Serv Tx Requests**	$ 543	$ 708	$ 467	$ 587
4210	**Rent from Electric Property**	-$ 4,448	$ 54,708	$ 46,423	$ 50,000
4215	**Other Utility Operating Income**	$ -	$ -	$ -	$ -
		$ 18,745	$ 79,053	$ 66,689	$ 72,305

d) Please provide a schedule that set out the 2012 year to date Other Operating Revenue by category (per Table 3-45) and provide the comparable 2011 values for the same period.

Response: Please note that 2012 data is only revised estimated data.

		2011	2012
4082	Retail Services Revenues	$ 19,799	$ 15,065
4084	Serv Tx Requests	$ 467	$ 256
4210	Rent from Electric Property	$ 46,423	$ 50,000
4215	Other Utility Operating Income	$ -	$ 21,381
		$ 66,689	$ 86,701

e) Is E.L.K. proposing to change any of its existing specific service charges for 2012 and/or include any new charges?

Response: No, E.L.K. is not proposing any change of its existing specific service charges for 2012 and or including any new charges.

f) Does E.L.K. currently have any MicroFit customers and, if so, where are the service charge revenue reported?

Response: Yes E.L.K. currently has MicroFIT customers. The service charge revenue is reported under account 4080-09 DSR- MicroFIT.

EXHIBIT 4 - OPERATING COSTS

Board Staff:

Board Staff Interrogatory #15:

E4-T1-S1 p.6-7

Are the 2011 numbers for Tables 4.8 (Cost per Customer Comparison) and 4.9 (Unit OM&A Cost Indexes) available? If so please update the tables.

Response: Please see the updated tables below for 2011 numbers:

Table 4.8 – Cost Per Customer Comparison

Table 4.8	Cost Per Customer Comparison														
Mid-Size Southern Medium-High Undergrounding	E.L.K.	LDC A	LDC B	LDC C	LDC D	LDC E	LDC F	LDC G	LDC H	LDC I	LDC J	LDC K	LDC L	LDC M	LDC N
Residential Customers	9964	11504	28649	31314	17653	19905	23258	19522	13897	14580	25989	13793	6649	31841	16148
General Service <50 kW Customers	1201	785	3083	3560	2000	1695	3226	2457	1682	1658	1896	1197	1234	3495	1752
General Service >50 kW Customers	111	35	400	396	232	168	360	278	144	198	209	191	117	436	190
Total Customers	11276	12324	32132	35270	19885	21768	26844	22257	15723	16436	28094	15181	8000	35772	18090
Expenses															
Operating	$ 246,823	$ 44,495	$ 703,434	$ 1,748,639	$ 616,923	$ 1,161,145	$ 2,605,492	$ 265,336	$ 338,927	$ 558,750	$ 886,624	$ 766,170	$ 424,014	$ 3,177,397	$ 307,305
Maintenance	$ 524,267	$ 582,372	$ 1,052,368	$ 1,775,876	$ 922,897	$ 1,232,248	$ 810,263	$ 1,217,086	$ 1,818,120	$ 364,539	$ 1,425,359	$ 715,982	$ 392,884	$ 157,217	$ 868,332
Administrative	$ 1,648,311	$ 1,594,111	$ 4,958,276	$ 3,479,194	$ 2,427,410	$ 2,884,346	$ 2,595,986	$ 3,114,097	$ 1,919,440	$ 2,767,661	$ 3,234,946	$ 2,324,943	$ 1,084,289	$ 7,728,906	$ 4,530,786
Other	$ 32,854	$ 43,051	$ 1,916,522	$ 476,051	$ 85,188	$ 52,845	$ 507,694	$ 68,184	$ 6,833	$ 108,911	$ 234,286	$ 128,818	$ 56,284	$ 648,952	$ 108,295
Total OM & A Expenses	$ 2,452,255	$ 2,264,029	$ 8,630,600	$ 7,479,760	$ 4,052,418	$ 5,330,584	$ 6,519,435	$ 4,664,703	$ 4,083,320	$ 3,799,861	$ 5,781,215	$ 3,935,913	$ 1,957,471	$11,712,472	$ 5,814,718
OM & A Per Customer	$ 217.48	$ 183.71	$ 268.60	$ 212.07	$ 203.79	$ 244.88	$ 242.86	$ 209.58	$ 259.70	$ 231.19	$ 205.78	$ 259.27	$ 244.68	$ 327.42	$ 321.43

Table 4.9 – Unit OM & A Cost Indexes

Mid-size Southern Medium-High Undergrounding	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**Avg Last 3 Avail Yrs**	**Avg/Grp Avg**	**%age Diff**
Chatham-Kent Hydro Inc.	0.668	0.686	0.748	0.771	0.903	0.923	0.866	**0.818**	-18.20%
Festival Hydro Inc.	0.789	0.78	0.808	0.836	0.869	0.873	0.86	**0.812**	-18.80%
Peterborough Distribution Incorporated	0.853	0.882	0.954	0.895	0.84	0.921	0.885	**0.836**	-16.40%
Kingston Hydro Corporation	0.823	0.82	0.898	0.916	1.005	1.095	1.005	**0.95**	-5.00%
Essex Powerlines Corporation	1.091	1.01	0.964	0.933	0.952	1.013	0.966	**0.913**	-8.70%
Westario Power Inc.	0.94	0.899	1.073	0.989	0.917	0.976	0.96	**0.907**	-9.30%
E.L.K. Energy Inc.	0.818	0.851	0.964	1.12	0.905	1.04	1.022	**0.965**	-3.50%
St. Thomas Energy Inc.	1.059	1.003	0.977	1.062	1.049	1.162	1.091	**1.031**	3.10%
Welland Hydro-Electric System Corp.	0.742	0.955	0.971	1.097	1.042	1.195	1.111	**1.05**	5.00%
Wasaga Distribution Inc.	0.972	0.952	0.994	1.036	1.1	1.112	1.083	**1.023**	2.30%
Woodstock Hydro Services Inc.	0.947	0.979	1.005	1.061	1.094	1.165	1.107	**1.045**	4.50%
Niagara Peninsula Energy Inc.	1.024	0.971	1.061	1.081	1.108	1.135	1.108	**1.047**	4.70%
Bluewater Power Distribution Corporation	1.087	1.029	1.053	1.193	1.203	1.298	1.232	**1.163**	16.30%
COLLUS Power Corp.	0.96	0.999	1.096	1.212	1.199	1.225	1.212	**1.145**	14.50%
Erie Thames Powerlines Corporation	1.4	1.47	1.431	1.362	1.388	1.362	1.371	**1.295**	30%

Board Staff Interrogatory #16:

E4-T1-S1

OMERS has announced a three-year contribution rate increase for its members and employers for the years 2011, 2012, and 2013.

a) Please state whether or not the applicant's proposed pension costs include this increase.

Response: Yes, E.L.K.'s proposed pension costs include this increase.

b) If so, please provide the forecasted increase by years and the documentation to support the increases.

Response: Please see below forecasted increase by years and documentation to support the increases.

OEB Interrogatory
Support #16

OMERS Contributions Rates: 1963 - Present

This is a summary of OMERS contributions rates and maxima. For details and clarification of any figures, please refer to that year's respective Contribution Tables.

	YMPE	NRA 65 Up to YMPE	over YMPE	NRA 60 Up to YMPE	over YMPE	RPP Max
2013	51,100	9.00%	14.60%	9.30%	15.90%	156,794.22
2012	50,100	8.30%	12.80%	9.40%	13.90%	149,242.25
2011	48,300	7.40%	10.70%	8.90%	14.10%	143,912.25
2010	47,200	6.40%	9.70%	7.90%	13.10%	140,652.00
2009	46,300	6.30%	9.50%	7.70%	12.80%	137,848.25
2008	44,900	6.50%	9.60%	7.90%	10.70%	131,820.25
2007	43,700	6.50%	9.60%	7.90%	10.70%	125,859.75
2006	42,100	6.50%	9.60%	7.90%	10.70%	119,764.25
2005	41,100	6.00%	8.80%	7.30%	9.80%	113,871.25
2004	40,500	6.00%	8.80%	7.30%	9.80%	105,335.25
2003	39,900	2.10%	2.60%	2.43%	2.93%	99,577.25
2002	39,100	0.00%	0.00%	0.00%	0.00%	99,307.25
2001	38,300	0.00%	0.00%	0.00%	0.00%	99,037.25
2000	37,600	0.00%	0.00%	0.00%	0.00%	98,801.00

c) If not, please state how the E.L.K.proposes to deal with this increase.

Response: Not Applicable

Board Staff Interrogatory #17:

Ref: E4-T2-S1 p.7

The evidence states that the 11 members of the Board of Directors are comprised of the following: 7 directors, one vice-chair, one chair and 2 E.L.K. staff.

a) What are the total costs provided for in the 2012 test year OM&A for the operation of the Board of Directors?

Response: The Board of Directors include 7 directors, one vice-chair, and one chair. Please note the 2 E.L.K. staff members only attend Board Meetings and are not considered part of the Board of Directors. The total costs provided for in the 2012 test year OM&A for the operation of the Board of Directors is $20,000.

Board Staff Interrogatory #18:

Ref: E4-T2-S3 p.5 & p.9 table 4.17

a) Please confirm that the 2012 OM&A contains $109,408 for Regulatory Expenses (account 5655).

Response: Yes, the 2012 OM&A contains $109,408 for Regulatory Expenses (account 5655).

Table 4.17 itemizes E.L.K's regulatory costs and shows a 2012 total of $110,506. Items include $25,000 for legal costs, $36,925 for consultants costs and $11,250 for intervenor costs.

b) Are these the costs associated with this proceeding?

Response: The costs associated with this proceeding include the $25,000 for legal costs, $36,925 for consultants costs and $11,250 for intervenor costs.

c) Are these costs the full costs or are they the portion to be "amortized" in 2012?

Response: These costs are not the full costs and represent only one quarter of the total costs for 2012. In other words, they represent the portion to be "amortized" in 2012.

Board Staff Interrogatory #19:

Ref: E4-T2-S4 p.2 table 4.18

Table 4.18 summarizes the shared services particulars between E.L.K. and its affiliates. Please identify in which accounts the “Price for the Service” and “Cost for the Service” amounts shown in the table are recorded (e.g. OM&A, Other Revenue accounts)

Response: The price and cost of service for the amounts related to E.L.K. Solutions are recorded in E.L.K. Solutions. The price for the service is recorded in account 4375. The cost for the service is recorded in accounts 5315 (Customer Billing) and 5615 (Administrative Salaries).

Board Staff Interrogatory #20:

Ref: E4-T2-S4 p.2

The evidence states that “A mechanism of cost plus mark-up is used to charge the Town of Essex for the water and sewer billing and collecting services provided by E.L.K. Please describe how the mark-up is calculated and what costs is it intended to cover.

Response: The cost component includes management, supervisor and billing staff time, as well as printer cost, paper, envelopes, postage, toner, inserter equipment and customer information system support time. The mark-up is 20% on the aforementioned cost components.

Board Staff Interrogatory #21:

Ref: E4-T2-S2 p.2 table 4.12

a) Please explain why the level of bad debt expense budgeted for 2012 (i.e. $253,000) is about $60,000 or 30% greater than the level recorded in 2010.

Response: The level of bad debt expense budgeted for 2012 is about $60,000 or 30% greater than the level recorded in 2010 is due to the fact that in 2011 incorrect amounts were being used from E.L.K.'s customer overdue report in 2010, and a manual calculation error which was adjusted for in 2011. This resulted in an actual amount in 2011 of $312,515. For 2012, an average of the 2010 and 2011 actual bad debt expense was used to calculate the 2012 estimated bad debt expense resulting in this increase.

b) Please provide the amounts recorded, and ending balance, in account 1130 (accumulated provision for uncollectable accounts-credit) for the years 2006, 2007, 2008, 2009, 2010, 2011.

Response: Please see below for the amounts recorded and ending balance in account 1130 (accumulated provision for uncollectable accounts – credit) for the years requested.

2006: $-60,805.49
2007: $-60,805.49
2008: $-328,805.49
2009: $-504,864.80
2010: $-359,988.17
2011: $-639,297.53

Board Staff Interrogatory #22:

Ref: E2-T2-S3 p. 5 (LEAP)

a) Please provide the following calculation: 0.12% of the total distribution revenue proposed by the E.L.K. for the 2012 Test Year.

Response: 0.12% * $3,859,625 (total proposed distribution revenue 2012) = $4,631.55

b) Please state whether or not the E.L.K. has included an amount in its 2012 Test year revenue requirement for any legacy program(s), such as Winter Warmth.

Response: No, E.L.K. has not included an amount in its 2012 Test year revenue requirement for any legacy program(s) such as Winter Warmth.

c) If so, please identify the amount and provide a breakdown identifying the cost of each program along with a description of each program.

Response: Not Applicable

Board Staff Interrogatory #23:

Ref: E4-T2-S3 p.5- 6

Please provide an explanation for the increase of $256,767 in Management Salaries and Expenses (account 5610) between 2006 actual and 2012 (do not provide year-to-year explanations for the variances for the intervening years) .

Response: The increase of $256,767 in Management Salaries and Expenses (account 5610) between 2006 actual and 2012 is the result of pay increases each year, as well as E.L.K. creating a new position, Manager of Finance & Regulatory Affairs. The budgeted 2012 amount includes the replacement (as a full time position) of the Director of Finance, who left the company in 2011, as well as the addition of one new staff member, a financial analyst to assist with increased workloads due to Green Energy initiatives, managing the microFIT and FIT process, conservation tracking and reporting, assisting in IFRS transition, maintaining the time-of-use web presentment tool and the daily MDM/R process.

Board Staff Interrogatory #24:

Ref: E4-T2-S7 p.1

E.L.K. states that it uses depreciation rates suggested by the Ontario Energy Board. Please identify the specific source of these rates. Are they based on the Kinectrics Report?

Response: E.L.K. received confirmation from Board Staff that it is preferable but not mandatory to update depreciation rates for 2012. As a result, E.L.K. has maintained the depreciation rates previously used and approved by the Ontario Energy Board.

AMPCO:

AMPCO Interrogatory #11

Reference: Exhibit 4, Tab 1, Schedule 1, Page 2, Table 4.1

Please reproduce Table 4.1 showing the Board Approved amounts for 2006 to 2011.

Response: Table 4.1 is produced from the RRR OEB report 2.1.7 and reflects Board Approved amounts.

AMPCO Interrogatory #12

Reference: Exhibit 4, Tab 2, Schedule 1, Page 4

Preamble: The evidence states “Costs are allocated to all departments, and capital based on direct labour. An overhead rate is set at the beginning of each year and reviewed and adjusted annually if applicable.”

a) Please provide the current overhead rate.

Response: The current overhead rate (also known as Burden to E.L.K.) is 50%.

b) Please confirm when the rate was last set.

Response: The rate was last set sometime in first part of Q2, 2012.

c) Please advise of any plans to review and adjust the rate.

Response: Review and adjustment of the rate if deemed necessary will occur in Q2 of 2013 after completing the 2012 financials and receiving audited financial statements.

AMPCO Interrogatory #13

Reference: Exhibit 4, Tab 2, Schedule 1, Page 4

Preamble: The evidence States "Therefore, physical meter reading is now performed primarily only for General Service > 50 kW customers of E.L.K., those not on Time-of-Use pricing.

a) Please identify any meter reading savings and discuss how any savings are accounted for in this application.

Response: The decrease in meter reading expenses from 2010 through 2012 is primarily the result of E.L.K. no longer using a third party contractor for meter reading services for both Residential and General Service <50 kW customers. The third party contractor completed its work at the end of 2010/beginning of 2011 due to the fact that E.L.K.'s smart meter reads are now transmitted through radio frequency to the MDM/R. Savings from this third party are approximately $25,000. These savings are accounted for as a reduction in expense in account 5310 Meter Reading Expense.

AMPCO Interrogatory #14

Reference: Exhibit 4, Tab 2, Schedule 1, Page 6

Preamble: The evidence States "E.L.K. continues to participate with the OPA in administering programs directed at Energy Conservation, currently through a third-party provider.

a) Please identify the Third Party Provider and confirm when the Third Party Provider was retained.

Response: The Third Party Provider is Echopoint Solutions Inc. With respect to the 2011-2014 OPA CDM Commercial and Industrial programs Echopoint Solutions Inc. was retained April 28, 2011 for a one year contract, and has since been retained for 2012 and 2013.

b) Please discuss the rationale for retaining the Third Party Provider.

Response: The rationale for retaining the Third Party Provider is that E.L.K. has utilized Echopoint for virtually all of its previous Conservation and Demand Management programs and has been extremely satisfied with both the results generated from a conservation standpoint as well as the professionalism with which Echopoint has represented E.L.K. within the community. Echopoint is also offering a complete website redesign which will expand the CDM program content. As well, the total cost compared to that of the other consultant was less. Echopoint possesses the expertise and significant time commitments in running the conservation programs that E.L.K. does not have.

c) Please provide a breakdown of the costs in year one and subsequent years for this service.

Response: The proposals were submitted with a cost total for the entire four year CDM program. Although the winning proposal detailed a total cost of a 4 year term contract totaling $367,000, E.L.K.'s Board decided on a one year contract at ¼ of the total cost provided from the 3rd party, thus allowing E.L.K.'s management to have the opportunity to further review yearly results and determine whether to renew the contract for the second year at (again) ¼ of the total cost. 2011 costs totaled $91,750 plus HST (which is ¼ of the total cost). Echopoint services were renewed for 2012 and total costs again were $91,750 plus HST. Echopoint was also renewed again for 2013 at a cost of $91,750 plus HST.

AMPCO Interrogatory #15

Reference: Exhibit 4, Tab 2, Schedule 1, Page 8

a) Please provide a breakdown of the proposed activities and amounts in Account #5630 (Outside Service Employed) for 2012.

Response: The breakdown of the proposed activities and amounts in Account #5630 (outside Service Employed) for 2012 is as follows:

Audit Fee, KW Actuarial work - $24,000
Information Technology Support - $17,000
Harris Northstar CIS Vendor - $58,000
Legal Firms - $17,000
Miscellaneous - $6,000

b) Please provide a breakdown of the actual activities and amounts in Account #5655 (Regulatory Expenses) for 2006 to 2011 and forecast for 2012.

Response: Please see the chart below of the actual activities in Account #5655 (Regulatory Expenses) for 2006 to 2011 and forecast for 2012.

Regulatory Cost Category		USoA Account	Last Rebasing Year 2006	2007	2008	2009	2010	2011	2012
1	OEB Annual Assessment	5655	$ 31,712	$ 20,640	$ 25,096	$ 27,794	$ 32,082	$ 30,758	$ 29,970
2	OEB Hearing Assessments (applicant-originated)	5655							
3	OEB Section 30 Costs (OEB-initiated)	5655	$ 189	$ 853	$ 1,694	$ 916	$ 626	$ 1,340	$ 2,000
5	Legal costs for regulatory matters	5655							$ 25,000
6	Consultants' costs for regulatory matters	5655						$ 9,848	$ 36,925
9	Other regulatory agency fees or assessments	5655	$ 800	$ 800	$ 800	$ 800	$ 800	$ 800	$ 800
10	Any other costs for regulatory matters (Misc & LEAP)	5655	$ 1,090	$ 2,389	-$ 1,574	-$ 1,429	-$ 569	$ 5,431	$ 4,561
11	Intervenor costs	5655							$ 11,250
		Total	$ 33,791	$ 24,682	$ 26,016	$ 28,081	$ 32,940	$ 48,176	$ 110,506

AMPCO Interrogatory # 16

Reference: Exhibit 4, Tab 2, Schedule 3

a) Page 3 - Please provide the costs and benefits of using a third party collection agency.

Response: The cost of using a third party collection agency is a 35% commission on what they collect. The benefit of using a third party agency is that it allows E.L.K. to focus its resources and personnel on the core business of distributing safe electricity. The collection agency is specialized and focus solely on collections and have many resources to use. It also shows the customer that E.L.K. is serious about collecting overdue accounts. Please note E.L.K. uses the debt collection agency as a last resort, after internal collection efforts have been exhausted.

b) Page 5 – Please discuss E.L.K.'s tree trimming strategy and schedule.

Response: E.L.K.'s service area is divided into four (4) areas and each area is trimmed on a 4 year cycle. All tree trim work is completed internally with distribution lines trimmed to 2.5 m and service lines to 1 m.

AMPCO Interrogatory #17

Reference: Exhibit 4, Tab 2, Schedule 6, Pages 1 to 5

a) Please confirm when E.L.K.'s pay equity plan was completed.

Response: E.L.K.'s pay equity plan was completed in 2004.

b) Please provide an explanation of the Mearie Management Survey and provide a copy.

Response: The Mearie Management Survey is actually called the Mearie Management Salary Survey, which assists LDCs in determining fair and reasonable salaries for management and non-union staff. A copy of the Mearie Management Salary Survey for 2012 can be seen as Appendix AMPCO#17B.

c) Please provide a schedule that shows the proposed and actual retirements by position from 2006 to 2012.

Response: The only actual retirement since 2006 was the retirement of one customer service representative in September 2009.

d) Please provide an explanation of a Board Service Credit.

Response: As per the current collective agreement, Board Service Credit shall be defined as the length of continuous service an employee has established with the Board (that is, E.L.K. Energy Inc.) from the most recent date the employee entered the employ of the Board.

The Board shall maintain a service credit list showing the date upon which each employee's service commenced.

e) Please provide an explanation of the OMERS Type 7 plan.

Response: OMERS has described this plan as follows " The Type 7 Supplementary Downsizing Benefit was first established to assist employers facing downsizing situations. It was designed as an employer-purchased pension enhancement. As a means of assisting members and employers in achieving their Social Contract targets, the OMERS Board had allocated $200 million of projected plan surplus to pay for Type 7 early retirement benefits. Within the following limits and conditions, employer contributions will not be required to pay for Type 7 Supplementary benefits established during the Social Contract period (June 14, 1993 through March 31, 1996)

- Each employer may enter into one supplementary agreement with the Board. Any additional agreements would have to be funded by the employer. The cost of benefits provided under additional agreements may be amortized for a period of up to 15 years.
- Each agreement has a “window” of up to 2 years. For example, an agreement set up on August 1, 1993 would expire no later than July 31, 1995 and all covered retirements must occur during this period. No type 7 agreement can be set up after March 31, 1995. Please note, however, that retirements occurring between April 1, 1996 (the end of the Social contract period) and March 31, 2007 (the last possible end date of a Type 7 agreement) would have to be funded by the employer.
- The $200 million in projected plan surplus may be applied toward the purchase of enhanced pensions for members taking immediate early retirement during the Social Contract period, that is, with a retirement date no earlier than July 1, 1993 and no later than March 31, 1996.
- The projected plan surplus the Board has allocated to pay for Type 7 benefits during the Social Contract period is limited to $200 million. The Board is confident that, based on actuarial projections, this should be more than sufficient to meet the needs across the OMERS membership. However, there is no commitment to pay for any Type 7 benefits beyond the $200 million limit.”

f) Please confirm the current status of post-retirement benefit arrangements related to the predecessor utilities.

<u>Response:</u> E.L.K. can confirm that the current status of post-retirement benefit arrangements related to the predecessor utilities remains unchanged. The predecessor utilities and their staff members negotiated post retirement benefits on a case by case basis. Those arrangements with respect to post retirement benefits remained in place following the creation of E.L.K.

g) Please provide the rationale for establishing a new Manager of Finance & Regulatory Affairs contract position in 2009.

<u>Response:</u> The rationale for establishing a new Manager of Finance & Regulatory Affairs contract position in 2009 was to cover the maternity leave of the Director, Finance & Regulatory Affairs.

h) Please provide the rationale for making the Manager of Finance & Regulatory Affairs position permanent in 2010. Please confirm the party that approved the permanent position.

Response: The recommendation by E.L.K. staff and final approval by E.L.K.'s Board of Directors was based on a number of significant projects and new LDC responsibilities which clearly demonstrated the need for additional resources in 2010 and beyond. Some of the new functions LDCs are to carry out relate to the Green Energy Act, Managing the microFIT and FIT process, Conservation and Demand Management Code for Electricity Distributors issued by the OEB on September 16, 2010 which set out the obligations and requirements that licensed distributors must comply with in relation to the CDM, the MDM/R Smart Meter Process and the new LEAP initiative. Additional projects continuing in 2011 and beyond included continued implementation of the Operational Data Store, continued MDM/R integration, Smart Meter Time-of-use pricing, and implementation of the Ontario clean energy benefit, continued implementation of the DSC changes effective January 2011 and April 2011, the Cost of Service Application, and IFRS conversion.

i) The evidence on Page 4 (Exhibit 4, Tab 2, Schedule 6) shows that the title of the Director of Finance is changed to Director of Finance & Regulatory Affairs in 2011. Please discuss the rationale for this change, the transition to the new position and the impact on duties, responsibilities and pay structure for the position.

Response: Upon review of the aforementioned description, E.L.K. confirms that this is a typographical error. The position of Director of Finance & Regulatory Affairs did not change in 2011.

j) Please explain the differences in duties and responsibilities between the Director of Finance & Regulatory Affairs position and the Manager of Finance & Regulatory Affairs position.

Response: The Director of Finance & Regulatory Affairs' duties and responsibilities include collaborating with the Chief Executive Officer to develop short and long term plans for the Board and advise on the financial implications of these plans, formulating and recommending accounting, credit and administrative policies for approval by the Chief Executive Officer and the Board, directing the implementation of approved financial policies and ensuring that they are adhered to, providing direct functional guidance on matters of accounting and budgeting policies and practices to all personnel in the Board as appropriate, maintaining up-to-date standard practice instructions covering systems and procedures, assisting in the co-ordination of the preparation of operating and capital budgets for the Board, managing overall purchasing operations, reviewing long term financial projections, earnings forecasts and capital submissions, determining the cost/benefit, return on investment, and other implications; and discussing with the Chief Executive Officer and Board as appropriate.

Other responsibilities include directing and actively participating in the development, implementation and maintenance of an effective management information and reporting system, specifying the format, content and timing of financial statements for the approval of the Chief Executive Officer and the Board, administering the debt structure of the Board, advising on long term leases that the Board may consider entering into, maintaining necessary relationships with banks and other financial institutions, establishing appropriate storage and retention schedules for the vital records of the Board, maintaining safe and secure handling and storage of all important corporate records and securities owned by the Board, co-ordinating and assisting with the external audit of the Board, directing routine and special analyses, cost studies, rate studies, when directed by the Chief Executive Officer, determining cash requirements of the Board, and developing cash forecasting techniques to optimize the Board's overall cash position. Investing cash surpluses within the policies and guidelines approved by the Board, directing the insurance program for the Board, maintains the insurance register formulating and recommending credit and collection policies for approval by the Chief Executive Officer.

Some personnel responsibilities include selecting or directing selection of staff to fill positions for which he/she is responsible, recommending to the Chief Executive Officer for final approval any disciplinary action, compensation, promotion and leave of absence, relating to members of his/her staff, ensuring that current job descriptions are maintained for all positions for which he/she is responsible, to establish and maintain payroll records within the scope of outside regulators and the collective agreement, to liaise with staff and Benefit Representative while maintaining benefit packages and training of office staff. Lastly, there is special responsibility for office equipment purchasing and maintenance and the co-ordination of computer programming and recommending any hardware or software changes to the Chief Executive Officer.

The duties of the Manager, Finance & Regulatory Affairs include managing the microFIT and FIT process at with the individual proponents and the Ontario Power Authority as well as the reporting and analysis associated with this, being the main contact of the Conservation and Demand Management programs at E.L.K. and attending OPA webinars to allow the Manager, Finance & Regulatory affairs to stay abreast of new issues. Further responsibilities include directly overseeing and running the MDM/R Smart Meter Process from start to final implemtation and obtaining the IESO registrant status for Smart Meters and overseeing the new LEAP initiative.

Other duties specific to the Manager of Finance & Regulatory Affairs include the RRR OEB reporting, OCEB reporting, assistance with rate applications, IFRS conversion, assisting in the co-ordination of the preparation of operating and capital budgets, statistical reporting to government agencies, departments and associations, assisting the Director of Finance & Regulatory Affairs with the year-end audit and any other governmental audits, arranging service calls in computer hardware/software when necessary, handling correspondence of insurance claims, completing the miscellaneous financial/personnel reports (surveys) and assisting the Director, Finance & Regulatory Affairs with any requested or ad hoc duties.

k) Please provide a breakdown of the approved salary range and benefits for each position.

Response: There are no approved salary ranges for the Manager, Finance & Regulatory Affairs or for the Director, Finance & Regulatory Affairs. They were never established.

E.L.K. Energy Inc. offers a comprehensive benefit packaged which currently includes:

- Participation in the OMERS benefit plan which has employee and employer match contribution rates.
- 100% reimbursement of basic dental services.
- Extended health care benefits.
- Life insurance at 150% of your annual earnings, additional term insurance can be purchased by the employee in increments of 50%, 100% and 150% of annual earnings.
- Optional spousal life insurance which can also be purchased by the employee.

l) Please provide the current salary and benefits for each position included in the 2012 budget.

Response: The current salary and benefits for each position included in 2012 are approximately:

Director, Finance & Regulatory Affairs – [redacted]
Manager, Finance & Regulatory Affairs – [redacted]

E.L.K. requests that this information be kept in confidence by the Board pursuant to Rules 10.01 and 10.02 of the Board's *Rules of Practice and Procedure* and Sections 5.1.1 and 5.1.2 of the Board's *Practice Direction on Confidential Filings* (the "Practice Direction"). E.L.K. has redacted the salaries and benefits associated with these two individual positions. The reasons for E.L.K.'s confidentiality request are as follows:

Appendix "A" to the Practice Direction sets out the Board's considerations in determining requests for confidentiality. Among the considerations set out in that Appendix are the following:

> (a)(i) prejudice to any person's competitive position;
> (a)(iii) whether the information could interfere significantly with negotiations being carried out by a party;

> (a)(iv) whether the disclosure would be likely to produce a significant loss or gain to any person; and
> (g) any other matters relating to FIPPA (the *Freedom of Information and Protection of Privacy Act*) and FIPPA exemptions.

With respect to item (g) above, the OEB has provided a summary of pertinent FIPPA provisions at Appendix E of the Practice Direction. That summary provides, in part, as follows:

> "Under section 17(1), the Board must not, without the consent of the person to whom the information relates, disclose a record where:
> (a) the record reveals a trade secret or scientific, technical, commercial, financial or labour relations information;
> (b) the record was supplied in confidence implicitly or explicitly; and
> (c) disclosure of the record could reasonably be expected to have any of the following effects:
>
> > i. prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons or organization;
> > ...
> > iii. result in undue loss or gain to any person, group, committee or financial institution or agency;
> > ..."

Appendix B to the Practice Direction sets out types of information that the Board has previously held confidential. Personal records constitute the first item on that list. Municipally owned electricity distributors such as E.L.K. are not subject to disclosure requirements in respect of staff salaries, and the salary information requested in this question has not been disclosed, nor is it required to be closed in any other forum. While individuals' names are not provided with the positions, there is only one person in each of the positions, so that it would be possible to determine the salaries of identifiable individuals by reference to their titles (while the director position is currently vacant, disclosure of the salary information now would enable the public to ascertain the salary of an individual occupying the position in the future and the approximate salary of the previous Director).

E.L.K. submits that in the absence of any overriding formal disclosure requirements, the individual salary information is highly sensitive personal information relating to identifiable individuals, and its disclosure could reasonably be expected to expose them to pecuniary harm in the employment market as it could affect their competitive positions with other potential employers. Information of this kind is also protected from disclosure under Section 21 of FIPPA, in addition to Subsection 17(1).

In keeping with the requirements of the Practice Direction, E.L.K. is filing a confidential unredacted version of this response. E.L.K. is prepared to provide unredacted copies of the material to parties' counsel and experts or consultants provided that they have executed the OEB's form of Declaration and Undertaking with respect to confidentiality and that they comply with the Practice Direction, subject to E.L.K.'s right to object to the OEB's acceptance of a Declaration and Undertaking from any person.

m) On Page 5, the evidence indicates the increase in 2012 is attributable in part to the replacement of the Director of Finance who left the company in 2011. Please confirm the date the position was filled and the current title of the position. Please confirm the Director of Finance & the Director of Finance & Regulatory Affairs is equivalent.

Response: The Director of Finance & the Director of Finance & Regulatory Affairs is the same position and is the same **one** position. E.L.K. confirms that this is a typographical error, and the position should always be referred to as the Director, Finance & Regulatory Affairs. There are not two positions here. The Director of Finance & Regulatory Affairs position is still currently vacant.

n) The evidence indicates the new financial analyst position in 2012 is assisting in the IFRS conversion. Please discuss the work undertaken to date the dollar value of that work.

Response: Please refer to Board Staff Interrogatory #2.

o) Please discuss further the increased work loads in 2012 related to Green Energy Initiatives and the MDM/R process.

Response: The increased workloads in 2012 related to the Green Energy Initiatives and the MDM/R process includes the increased workload surrounding microFIT and FIT contracts. As at January 15, 2013 there are 309 Applications submitted to the E.L.K. portal, and over 103 contracts issued. Each project involves significant set-up and ongoing review/reporting including settlement with the IESO and issuance of monthly payment to each project. Further there is the additional reporting regarding the CDM 2011-2014 conservation programs. As E.L.K. is now fully implemented with the MDM/R, there will be approximately 265,440 meter reads exchanged with the MDM/R on a daily basis. Daily reports are received from the MDM/R and are to be reviewed and investigated if required. Further, there is additional testing of time-of-use changes to E.L.K.'s time-of-use bills and additional steps involved to receive, and send meter read files between E.L.K. and the MDM/R. This also creates an increase in maintenance of the systems that allow this to occur.

p) Please confirm the new financial analyst position is a new permanent management position.

Response: The new financial analyst position title has not yet been determined. It will likely not be a management position but will be a non-union position.

AMPCO Interrogatory #18

Reference: Exhibit 4, Tab 2, Schedule 6, Page 5

Preamble: E.L.K. states it is currently working on internal analysis and review of the company structure.

a) Please discuss the rationale for the internal analysis, when work on the analysis began and when the work is expected to be completed.

Response: The internal analysis relates to the accounting and regulatory areas, and is intended to determine if a shift in responsibility and duties and potential hires is required, at what level and how best to achieve this. The work on the analysis began July/August 2012. The work is expected to be completed in Q1, 2013.

b) Please provide terms of reference or equivalent for this work.

Response: The analysis was completed internally with no 3rd party consultation with respect to the accounting and regulatory area. E.L.K. created a detailed list of duties and responsibilities and approximate time spend for the year for the Manager of Finance & Regulatory Affairs as well as the Supervisor, Finance & Customer Service. These two positions are currently entirely responsible for the regulatory and accounting area while the director position is currently vacant and in the absence of the new financial analyst.

c) Please discuss the expected outcomes of the internal analysis.

Response: E.L.K. anticipates that the internal analysis will support the addition of the one new staff member, a financial analyst.

Energy Probe:

4.0 Energy Probe Interrogatory # 20

Ref: Exhibit 4, Tab 1, Schedule 1

a) Please provide an updated Table 4.1 that reflects actual data for 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

   Response: A complete and accurate estimated cannot be completed. E.L.K. does not perform monthly financial statement closes in which data is thoroughly analyzed and adjustments or some general ledger entries are made. Year-end has not yet been completed, and audited financial statements have not yet been completed. Outstanding information yet to be processed and compiled is the labour distribution which is still required to be compiled as well as the processing of Accounts Payable for approximately 2 months.

b) Please update Table 4.1 to reflect data as reported in the 2011 OEB Yearbook.

   Response: Table 4.1 is produced from data reported to the Board under RRR section 2.1.7. Categories reported by the Board in the 2011 OEB Yearbook do not correspond directly to the category descriptions set out in Table 4.1. E.L.K. is therefore unable to provide an updated Table 4.1 as requested.

4.0 Energy Probe # 21

Ref: Exhibit 4, Tab 2, Schedule 2

Please expand Tables 4.10 through 4.14 to reflect actual data for 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

Response: E.L.K. does not have all the information available to provide a complete and updated estimate. Although data is available through the accounts payable process, E.L.K. has yet to complete its inventory movements year-end work for the entire year, and the labour distribution is only complete for 6 months of the year. As well, there are accounts payable that must still be processed from operations which could account for a significant amount. As such, E.L.K. does not feel a reasonable and complete estimate can be provided until after year-end work is complete, estimated to be around the beginning of March 2013.

4.0 Energy Probe Interrogatory # 22

Ref: Exhibit 4, Tab 2, Schedule 4

Please update Table 4.18 to reflect actual data for 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

Response: Please see table below. This data only reflects estimated data and not actual as E.L.K. does not perform monthly financial statement closes in which data is thoroughly analyzed and adjustments or some general ledger entries are made. Year-end has not yet been completed and audited financial statements have not been completed. Outstanding information yet to be processed and compiled is the labour distribution which is still required to be compiled for 6 months as well as the processing of Accounts Payable for approximately 2 months which may affect these estimates.

Name of Company		Service Offered	Pricing Methdology	Price for the Service	Cost for the Service	Percentage Allocation
From	To			$	$	%
E.L.K. Energy Inc	E.L.K. Solutions	Streetlighting, Sentinel Lighting and Water Heaters	Cost	85,000.00	85,000.00	100
E.L.K. Energy Inc	Town of Essex	Billing Function for Water Department	Cost Base plus mark-up	240,000.00	200,000.00	100

4.0 Energy Probe Interrogatory # 23

Ref: Exhibit 4, Tab 2, Schedule 6

a) What would be the impact on the revenue requirement if the union increase for 2012 was reduced from 2.75% to 2.0%?

Response: The impact on the revenue requirement would be approximately $9,099.

b) Please provide the annual percentage increases for 2010, 2011 and 2012 for each of the management and executive categories.

Response: The annual percentage increases (decreases) for 2010, 2011, and 2012 for each of the management and executive categories were obtained from Table 4.26. The executive category is not applicable.

Management 2010 = +18.25%
Management 2011 = -7.38%
Management 2012 = +22.28%

The increase in 2010 is the result of the Director, Finance & Regulatory Affairs returning from maternity and as such included the salary of one additional staff member whose salary was not present in 2009 as well as pay increase. The increase in 2012 is attributable to pay increases and the replacement of the Director, Finance & Regulatory Affairs who left the company in 2011 as well as the addition of one new staff member, a financial analyst.

c) Please provide the dollar figures that correspond to the percentage increases requested in part (b) above.

Response:

Management 2010 = $72,942
Management 2011 = -$34,869
Management 2012 = $97,567

d) Please update Table 4.28 to reflect actual data for 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

<u>Response:</u> Please see below. Information requested and obtained was from KW Actuarial Services. They have completed an analysis of the period ended December 31, 2012 expense for the company's life and health plans. A full valuation was performed effective December 31, 2010 and results have been extrapolated to December 31, 2012.

	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual
Premium & Expenses Paid (Benefit Payments)	$ 30,454	$ 29,204	$ 27,967	$ 32,161	$ 26,969	$ 26,276	$ 27,000
Change in Balance Sheet Asset (Change in Accrued Liability)	$ 4,836	$ 15,282	$ 16,023	$ 333	$ 393	$ 1,281	$ 1,116
Total Post-Employment Benefit Expense	**$ 35,290**	**$ 44,486**	**$ 43,990**	**$ 32,494**	**$ 27,362**	**$ 27,557**	**$ 28,116**

4.0 Energy Probe Interrogatory # 24

Ref: Exhibit 4, Tab 2, Schedule 7

a) The evidence indicates that at the time of amalgamation the closing net book value of fixed assets was used as the new opening balance of gross fixed assets. Please explain whether the depreciation expense calculated since the amalgamation has been based on applying the depreciation rates used to the new opening balance of gross fixed assets or to the pre-amalgamation original cost of the assets?

   Response: Based on the 2000 continuity schedule, it is clear that at the time of amalgamation, the gross costs and accumulated depreciation amounts were carried forward into the new corporation, for accounting purposes. Therefore depreciation (2000 and onwards) was calculated based on the pre-amalgamation original costs.

b) If the response to part (a) above is that the depreciation rates are applied to the new opening balance of gross fixed assets for those assets that were in place at the time of amalgamation, does this not imply that the life of the assets were artificially extended by the amalgamation?

   Response: Not Applicable

4.0 Energy Probe Interrogatory # 25

Ref: Exhibit 4, Tab 2, Schedule 7

Please provide a table similar to Table 4.34 that shows the calculation of the actual depreciation expense for 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

Response: Please refer to Energy Probe Interrogatory #9A.

4.0 Energy Probe Interrogatory # 26

Ref: Exhibit 4, Tab 3, Schedule 1

a) Please update Table 4.40 to reflect actual data for 2012. If actual data for the entire year is not yet available, please provide an updated estimate for 2012 that includes actual data for as many months as are currently available in 2012, along with the forecast for the remaining months.

Response: Tax work is only completed once a year by E.L.K.'s auditors. Tax work is completed at the end of the year-end audit. Tax returns will likely be completed around May 2013. As such, an updated and reasonable estimate cannot be provided as 2012 tax data has not yet been compiled or reviewed.

b) Please explain the significant decrease in the reserves from Financial Statements shown as a deduction in Table 4.40 for 2012 relative the amounts deducted in the previous 4 years.

Response: 2012 included only the employee future benefits as a reserve estimate. The table has been updated to include an estimate for the other reserves that were included in 2011 and prior. These reserves have been estimated at the 2011 balance. Table 4.40 has been revised and is attached as Appendix EP 26b.

4.0 Energy Probe Interrogatory # 27

Ref: Exhibit 4, Tab 3, Schedule 2 &
Exhibit 2, Tab 1, Schedule 3, Table 2-18

a) Please confirm that the difference in the additions shown in the CCA schedule in Exhibit 4, Tab 3, Schedule 2 of $1,544,967 and the additions to gross assets shown in Table 2-18 of Exhibit 2, Tab 1, Schedule 3 of $480,331 is related to smart meters only. If this cannot be confirmed, please explain the difference between these figures.

   Response: The difference of $1,064,636 is related to smart meters.

b) Please explain why no additions are shown in CCA Class 10 in 2011 related to the transportation equipment additions. Why were these transportation equipment additions not added to CCA Class 10 as indicated in the CCA Class column in Table 2-18?

   Response: The transportation additions were included in CCA Class 8 in error. They should have been included in Class 10. The difference in CCA is $732.90.

4.0 Energy Probe Interrogatory # 28

Ref: Exhibit 4, Tab 3, Schedule 2 &
Exhibit 2, Tab 1, Schedule 3, Table 2-19

a) Please explain why the $5,000 in computer hardware additions in Table 2-19 in Exhibit 2, Tab 1, Schedule 3 has been included in CCA Class 10 in the 2012 CCA table shown in Exhibit 4, Tab 3, Schedule 2 rather than in CCA Class 50.

Response: Computer hardware additions were inadvertently included in CCA Class 10. These should have been put into CCA Class 50.

b) Does ELK have any positions that qualify for the Ontario Co-operative Education Tax Credit of the Federal Job Creation Tax Credit? If yes, please provide details and quantify the amount of the available credits.

Response: E.L.K. does not have any positions that qualify for the Ontario Co-operative Education Tax Credit of the Federal Job Creation Tax Credit.

EnWin:

EnWin Interrogatory #11

Exhibit 4 Tab 2 Schedule 1 Page 1

Does ELK have a control room?

Response: No.

EnWin Interrogatory #12

Exhibit 4 Tab 2 Schedule 1 Page 2

> Please confirm that in the event of an emergency, ELK becomes aware of the emergency by way of ELK customers contacting a third party call centre which then contacts ELK rather than ELK detecting the emergency through monitoring of the distribution system.

Response: That is correct.

EnWin Interrogatory #13

Exhibit 4 Tab 2 Schedule 1 Page 3

a) How many specialized staff does ELK employ to operate and maintain its one substation?

Response: Zero. The substation was removed from service in Q3 of 2012.

b) How many specialized staff does ELK employ to maintain its 15 vehicles?

Response: Zero.

EnWin Interrogatory #14

Exhibit 4 Tab 2 Schedule 1 Page 4

a) How many specialized staff does ELK employ to operate its call centre?

Response: E.L.K. has one full time staff member that is the primary customer service representative that answers calls. E.L.K. also has 2 additional customer service representatives that can assist with Hydro questions.

b) To fulfill its aspiration of achieving "customer service excellence in its processes and customer programs", what technology does ELK utilize to track the Board's telephone accessibility statistics, including to determine the number of dropped calls and the duration of customer calls that are on hold awaiting an initial response?

Response: Reports generated from E.L.K. telephone system allow E.L.K. to track the Board's telephone accessibility statistics, including the number of dropped calls and the duration of customer calls that are on hold awaiting an initial response.

EnWin Interrogatory #15

<u>Exhibit 4</u> <u>Tab 2 Schedule 1 Page 7</u>

a) There appear to be varying descriptions of the membership of ELK's Board of Directors within the evidence. Please clarify the list of members of the Board of Directors, a notation of the number of members who are compensated for that role and a notation of the number of members who are independent according to the Affiliate Relationships Code definition.

<u>Response:</u> E.L.K.'s Board of Directors consists of 9 members. Of the 9 Board members 3 are independent directors (1/3) as defined in the Affiliate Relationships Code. An updated Corporate Organization Chart has been provided in response to AMPCO Interrogatory #1 which lists the 9 Board Members. All nine members are compensated for their role. The three independent members include: T. Bain, K. Gunning, N. Spidalieri.

b) Please provide any compensation analysis conducted by or considered by ELK for boards of directors.

<u>Response:</u>

The following was passed by E.L.K.'s Board of Directors

- All directors of the Corporation (also known as E.L.K. Energy Inc.) or a Subsidiary shall receive $2,000 per annum;
- Any director of the Corporation who is also serving as the Vice-Chair of the Corporation shall receive the additional sum of $400 per annum, for a total compensation of $2,400;
- Any director of the Corporation who is also serving as the Chair of the Corporation shall receive the additional sum of $800 per annum, for a total compensation of $2,800;
- Any director of the Corporation who is also serving as the Chair of a Subsidiary shall receive the additional sum of $400 per annum, for a total compensation of $2,400 per annum;
- If a director or chair of the Corporation is also a director or chair of one or more Subsidiaries, such director shall not receive any additional compensation for his or her role as director or chair of a Subsidiary.

Further, The Board of Directors accepted a recommendation from the Finance Committee that the above amounts would be amended each year based on the Consumer Price Index (compounded annually) until otherwise changed. There is no formal compensation analysis.

EnWin Interrogatory #16

16. **Exhibit 4** Tab 2 Schedule 3 Page 8

a) On what assumptions did ELK base its forecasted regulatory expenses associated with this application?

Response: E.L.K.'s forecasted regulatory expenses associated with this application are based one quarter of the estimated total costs E.L.K. could potentially incur for this rate application with an added assumption that there is no oral hearing.

b) Based on the number of intervenors in this proceeding, the nature of the interrogatories received and any other new information since the application was filed, what is ELK's revised forecast for the regulatory expenses associated with this application?

Response: E.L.K. does not propose to change its forecast for regulatory expenses associated with this Application.

EnWin Interrogatory #17

17. **Exhibit 4** Tab 2 Schedule 4 Pages 2-4

a) Please provide copies of the current shared services agreements.

Response: Please see Appendix EnWin #17a for a copy of the current shared services agreement between E.L.K. Energy Inc. and E.L.K. Solutions. There is no formal shared services agreement between E.L.K. Energy Inc. and the Town of Essex.

b) Are the shared services allocated according to marginal cost or proportion of cost?

Response: The shared service between E.L.K. Energy Inc. and the Town of Essex is a combination of marginal cost and proportion of cost.

c) Whereas ELK's electricity distribution costs have increased since 2006, the costs of affiliate services have decreased over that period. Please explain.

Response: Please refer to VECC Interrogatory #23.

d) How does ELK calculate the proportion of its call center expenses to allocate to its affiliates?

Response: The cost component includes management, supervisor and billing staff time, as well as printer cost, paper, envelopes, postage, toner, inserter equipment, and customer information system. Time is converted into a dollar figure. The proportion of its call center expenses allocated to the Town of Essex is based on the percentage of water and sewage accounts which E.L.K. bills on behalf of the Town of Essex in relation to the overall number of total accounts billed by E.L.K.

e) How does ELK calculate the proportion of its CIS capital cost and operating expenses to allocate to its affiliates?

Response: E.L.K. calculated its proportion of its CIS capital costs and operating expenses charged to the Town of Essex through estimated capital costs divided by total estimated yearly bills divided by a three year period.

f) Are any ELK assets put to use for the benefit of affiliates and, if so, what rate of return is charged to affiliates for use of those assets?

Response: E.L.K. provides services to E.L.K. Solutions as set out in the shared services agreement between E.L.K. Energy and E.L.K Solutions. The services involve E.L.K. personnel and E.L.K. trucks. Pricing for services provided to E.L.K. Solutions is established by the shared services agreement. These services are based on employee time at fully burdened rates as well as truck expenses at fully burdened rates. E.L.K. is reimbursed by E.L.K. Solutions for materials purchased by E.L.K. and used by E.L.K. Solutions. There is no markup on labour, purchases or use of E.L.K. trucks.

E.L.K. provides the Town of Essex water and sewer billing services. These services include meter reading, service orders, billing, bill collection and payment, answering all customer water and sewage inquiries as well as printer cost, paper, envelopes, postage, toner, inserter equipment and other customer services as required. The rate of return regarding the Town of Essex is approximately 20%.

g) Does the application reflect an update in the rate of return to be charged to affiliates to reflect the update in the deemed rate of return for ELK?

Response: Pricing for services provided to E.L.K. Solutions is established by the shared services agreement between E.L.K. Energy and E.L.K. Solutions. There is a 20% mark-up charged to the Town of Essex for water and sewer services provided by E.L.K.

h) Please provide a copy of any third party review of ELK's shared services cost allocation.

Response: There is no third party review of E.L.K.'s shared services cost allocation.

School Energy Coalition:

SEC - 11 [4/2/1] With respect to this exhibit:

a. p. 2 Please provide details of the "time and condition based methodologies".

Response: Inspections are performed on a predetermined interval. If the condition of the asset begins to degrade or causes system faults then the inspection interval is decreased to better monitor the asset and enable replacement prior to failure.

b. p. 3 Please provide the overhead percentage for each of 2008 through 2012, and the calculation of that percentage for 2012 and for any of the other years that is materially different from 2012.

Response: the overhead percentage for each of 2008 through 2012 is provided below. The 2012 overhead is an estimate only. The years below show great consistency.

2008 – 54.62%
2009 – 49.94%
2010 – 49.84%
2011 – 55.12%
2012 – 50.56% (Estimate)

c. p. 6 Please provide details of the costs of redesigning the website, and where those costs appear in Tables 2-19 and 2-21.

Response: There were no costs of redesigning the website. No costs regarding the website appear in Tables 2-19 and 2-21.

d. p. 7 Please advise who on the Management Team is responsible for Operations and Maintenance.

Response: Norm MacAulay is the Operations Manager and is responsible for Operations and Maintenance.

SEC - 12 [4/2/4] Please provide the last three years' financial statements for E.L.K Solutions. Please provide all current service level agreements between the Applicant and E.L.K Solutions, and any between the Applicant and any other affiliate or shareholder. Please also provide the immediately preceding service level agreement between the Applicant and E.L.K Solutions.

<u>Response:</u> Please see EnWin Appendix 17a for the shared service level agreement between E.L.K. Solutions and E.L.K. Energy Inc. The copy filed in response to EnWin Question 17(a) is the most recent. Previous years' copies are identical other than the date.

With respect to the E.L.K. Solutions financial statements, E.L.K. requests that this information be kept in confidence by the Board pursuant to Rules 10.01 and 10.02 of the Board's *Rules of Practice and Procedure* and Sections 5.1.1 and 5.1.2 of the Board's *Practice Direction on Confidential Filings* (the "Practice Direction"). The reasons for this request are as follows:

E.L.K. Solutions is engaged in competitive business activities. The disclosure of the E.L.K. Solutions financial statements, which constitute commercially sensitive information, could reasonably be expected to prejudice the economic interest of, significantly prejudice the competitive position of, cause undue financial loss to, and be injurious to the financial interest of E.L.K. Solutions. It would enable E.L.K. Solutions' competitors to determine the extent of E.L.K. Solutions' activities in those businesses.

The Board's *Practice Direction on Confidential Filings* (the "Practice Direction") recognizes that these are among the factors that the Board will take into consideration when addressing the confidentiality of filings. They are also addressed in subsection 17(1) of the *Freedom of Information and Protection of Privacy Act* ("FIPPA"), and the Practice Direction notes (at Appendix C of the Practice Direction) that third party information as described in subsection 17(1) of FIPPA is among the types of information previously assessed or maintained by the OEB as confidential.

Appendix "A" to the Practice Direction sets out the Board's considerations in determining requests for confidentiality. Among the considerations set out in that Appendix are the following:

(a)(i) prejudice to any person's competitive position;
(a)(iii) whether the information could interfere significantly with negotiations being carried out by a party;
(a)(iv) whether the disclosure would be likely to produce a significant loss or gain to any person; and
(g) any other matters relating to FIPPA (the *Freedom of Information and*

Protection of Privacy Act) and FIPPA exemptions.

With respect to item (g) above, the OEB has provided a summary of pertinent FIPPA provisions at Appendix E of the Practice Direction. That summary provides, in part, as follows:

> "Under section 17(1), the Board must not, without the consent of the person to whom the information relates, disclose a record where:
> (a) the record reveals a trade secret or scientific, technical, commercial, financial or labour relations information;
> (b) the record was supplied in confidence implicitly or explicitly; and
> (c) disclosure of the record could reasonably be expected to have any of the following effects:
>
> > i. prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons or organization;
> > ...
> > iii. result in undue loss or gain to any person, group, committee or financial institution or agency;
> > ..."

In keeping with the requirements of the Practice Direction, E.L.K. is filing confidential unredacted copies of the last three years' financial statements for E.L.K. Solutions. E.L.K. is prepared to provide unredacted copies of the material to parties' counsel and experts or consultants provided that they have executed the OEB's form of Declaration and Undertaking with respect to confidentiality and that they comply with the Practice Direction, subject to E.L.K.'s right to object to the OEB's acceptance of a Declaration and Undertaking from any person.

SEC - 13 [4/2/5, p. 2] Please advise the annual dues payable by the Applicant in 2012 to the EDA. Please confirm that the Applicant is prohibited from using MEARIE in any year that it is not an EDA member.

Response: E.L.K. paid $33,674 to the EDA in 2012. If E.L.K. is not an EDA member participation in MEARIE would be at the discretion of the MEARIE Board.

SEC - 14 [4/2/6] With respect to this exhibit:

a. p. 1 Please provide the pay equity plan referred to.

Response: Please see Appendix SEC 14a for the pay equity plan referred to.

b. P. 4/5 Please clarify the status of the position of Director of Finance, including when the incumbent left, how long it has been vacant, when it was or will be filled, and the cost consequences of each of these (and any other relevant) steps for 2010, 2011 and 2012.

Response: The Director of Finance & the Director of Finance & Regulatory Affairs is the same position, it was a typographical error. This is only one position. The Director of Finance & Regulatory Affairs only worked the first ten months in 2008. She then went on maternity leave and returned in December 2009. During 2010, the Director of Finance & Regulatory Affairs worked on a three day a week full time basis, although it should be noted that her responsibilities per her job description did not change. Then, in April 2011, the Director of Finance & Regulatory Affairs went on a 2nd maternity leave. Effective April 2012 the Director of Finance & Regulatory Affairs resigned from E.L.K. Energy. The position is still currently vacant and being reviewed. The cost consequences have been fluctuations in spending on the the salary and benefits for the Director of Finance & Regulatory Affairs position during the 2010-2012 period.

SEC - 15 [4, App. 4-B, p. 3] Please advise the basis for the 3% inflation assumption. Please recalculate the valuation using a 2% inflation assumption, or estimate the impact of that assumption on the figures in the report.

Response: This report and the basis for the 3% inflation assumption is provided by K-W Actuarial Service Inc. and not by E.L.K. The inflation assumption is a long-term estimate and is reflective of a long-term range of 2% to 4%. Page 3 of the disclosure report details the development of the health care trend rate (8.2% reducing by 0.6% per year to an ultimate rate of 4%) and the dental care trend rate (4%). The trend rates include inflation. A 1% reduction in inflation would reduce the trend rates by 1%. Page 6 of the report notes the impact on obligation from a 1% change in trend rates.

SEC – 16 [4/2/7, p., 9] Please recalculate Table 4.35 using the useful lives set out in the Board's Kinectrics Report.

Response: Depreciation calculations using useful lives as set out in the Board's Kinectrics Report are not available at this time since E.L.K. has not yet completed the necessary work to determine the useful lives of its assets based on the information in the Kinectrics Report. That Report sets out ranges of useful lives.

SEC - 17 [4/3/1] Please reconcile the income tax figures in Table 4.39 with the income tax amounts reported by the Applicant in its RRR filings, and reported by the Board in its annual electricity yearbooks.

Response: See Appendix SEC 17.

VECC:

Operating Costs:

VECC Interrogatory #17

17.0 Reference: Exhibit 4, Tab 1, Schedule 1, Table 4.1/ Appendix 2-E/Appendix 2-F/

a) Please update the above references for 2012 actual values.

<u>Response:</u> Please see Energy Probe Interrogatory #7. No tax work has been started for 2012 with respect to Appendix 2-E/Appendix 2-F.

VECC Interrogatory #18

18.0 Reference: Exhibit 4, Appendix 2-F /Tab 2, Schedule 1/Schedule 2, pg. 5 / Tab 2, Schedule 3, pg. 6

a) E.L.K.'s bad debt per customer over the past three years appears to be high as compared to similar utilities. Does E.L.K do any comparative analysis of its bad debt costs vis-à-vis that of other utilities?

Response: No, E.L.K. does not do any comparative analysis of its bad debt costs vis-à-vis that of other utilities. With the use of a collection agency beginning in 2012, it is E.L.K.'s expectation that bad debts will decrease.

b) Why have the steps that E.L.K. taken not led to greater reduction in bad debt expense?

Response: The apparent increase in the 2012 Actual amount ($312,515) is the result of the incorrect amounts being used from E.L.K.'s custom overdue report in 2010, a manual calculation error which was adjusted for in 2011, as well as the continued struggle of the local economy. The engagement of a collection agency did not begin until 2012, resulting in a budgeted amount of $253,000. E.L.K. anticipates improvement from the prior year. Bad debts are an ongoing issue. E.L.K. will continue to be stringent but fair and compliant in its internal disconnection process whereby overdue accounts are disconnected and forwarded to collections in a more timely manner to allow for a greater chance of recovery.

VECC Interrogatory #19

19.0 Reference: Exhibit 4, Tab 2, Schedule 3, pg. 9

Why has E.L.K calculated the LEAP contribution as 0.12% of the 2006, rather than 2012 revenue requirement?

Response: E.L.K. has calculated the LEAP contribution as 0.12% of the 2006, rather than 2012 revenue requirement because the LEAP amount is based on the last Board Approved cost of service application. As 2006 is the last Board Approved COS, E.L.K. based its budgeted number on this value.

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a) Please recalculate the LEAP contribution for the proposed 2012 revenue requirement.

Response: Please see response to Board staff Interrogatory #22a.

VECC Interrogatory #20

20.0 Reference: Exhibit 4, Tab 2, Schedule 3, pg. 9.

a) Please provide separately E.L.K.'s

- legal costs to-date for the regulatory matters.
- consultant's costs to-date for regulatory matters.

Response: In Exhibit 4, Tab 2, Schedule 3, pg 9, E.L.K. only incorporated 1/4 of the total regulatory legal and consultant costs.

Legal costs to-date for the regulatory matters total approximately $60,515.19

Consultant's costs to-date for regulatory matters total approximately $46,591.34

VECC Interrogatory #21

21.0 Reference: Exhibit 4, Tab 1, Schedule 1, pg. 5/Schedule 3, pg. 2, Appendix 2-F

a) Please explain why meter reading expenses (account 5310) have not declined more significantly since 2006 with the installation of smart meters.

Response: There are other costs included in 5310 other than simply the third party meter reading service, which were no longer applicable after E.L.K. implemented its smart meters. For example, there are the monthly costs of Peterborough Utilities Service which is E.L.K.'s meter service provider. As well, there are the labour and burden costs associated with meter reading which can vary each year depending on the costs of E.L.K. linesmen and customer service representatives attributable to meter reading. The decrease appears to be reasonable in nature.

b) What are the meter reading cost in 2012 for the GS>50 class of customers?

Response: E.L.K. does not separate out the meter reading costs specifically by meter class such as GS>50 class of customers.

c) What were the meter reading costs of the third party contractor in the last year before the implementation of smart meters?

Response: The meter reading cost of the third party contractor in the last full year before the implementation of smart meters was approximately $30,000.

VECC Interrogatory 22

22.0 Reference: Exhibit 4, Tab 1, Schedule 1, Table 4.8, pg. 6

a) Please update Table 4.8 for 2011 data published by the OEB. Please also include the names of the utilities denoted as “LDCA” etc. in the updated table.

Response: Please see below for updated Table 4.8 for 2011 data published by the OEB including the names of the utilities denoted as “LDCA” etc.

Mid-Size Southern Medium-High Undergrounding	E.L.K.	Wasaga Distribution Inc.	Chatham Kent Hydro Inc.	Peterborough Distribution Incorp	Festival Hydro Inc.	Welland Hydro-Electric System Corp.	Kingston Hydro Corp	Westario Power Inc.	COLLUS Power Corporation	St. Thomas Energy Inc.	Essex Powerlines Corp	Woodstock Hydro Services Inc.	Niagara-on-the-lake Hydro inc.	Bluewater Power Distribution Corp.
Residential Customers	9964	11504	28649	31314	17653	19905	23258	19522	13897	14580	25989	13793	6649	31841
General Service <50 kW Customers	1201	785	3083	3560	2000	1695	3226	2457	1682	1658	1896	1197	1234	3495
General Service >50 kW Customers	111	35	400	396	232	168	360	278	144	198	209	191	117	436
Total Customers	11276	12324	32132	35270	19885	21768	26844	22257	15723	16436	28094	15181	8000	35772
Expenses														
Operating	$ 246,823	$ 44,495	$ 703,434	$ 1,748,639	$ 616,923	$ 1,161,145	$ 2,605,492	$ 265,336	$ 338,927	$ 558,750	$ 886,624	$ 766,170	$ 424,014	$ 3,177,397
Maintenance	$ 524,267	$ 582,372	$ 1,052,368	$ 1,775,876	$ 922,897	$ 1,232,248	$ 810,263	$ 1,217,086	$ 1,818,120	$ 364,539	$ 1,425,359	$ 715,982	$ 392,884	$ 157,217
Administrative	$ 1,648,311	$ 1,594,111	$ 4,958,276	$ 3,479,194	$ 2,427,410	$ 2,884,346	$ 2,595,986	$ 3,114,097	$ 1,919,440	$ 2,767,661	$ 3,234,946	$ 2,324,943	$ 1,084,289	$ 7,728,906
Other	$ 32,854	$ 43,051	$ 1,916,522	$ 476,051	$ 85,188	$ 52,845	$ 507,694	$ 68,184	$ 6,833	$ 108,911	$ 234,286	$ 128,818	$ 56,284	$ 648,952
Total OM & A Expenses	$ 2,452,255	$ 2,264,029	$ 8,630,600	$ 7,479,760	$ 4,052,418	$ 5,330,584	$ 6,519,435	$ 4,664,703	$ 4,083,320	$ 3,799,861	$ 5,781,215	$ 3,935,913	$ 1,957,471	$ 11,712,472
OM & A Per Customer	$ 217.48	$ 183.71	$ 268.60	$ 212.07	$ 203.79	$ 244.88	$ 242.86	$ 209.58	$ 259.70	$ 231.19	$ 205.78	$ 259.27	$ 244.68	$ 327.42

VECC Interrogatory #23

23.0 Reference: Exhibit 4, Tab 2, Schedule 4, pgs. 1-4

a) Please explain why the cost of street lighting and water heater services have declined since 2006

Response: This is based solely on customer demand and the requirement of repairs and maintenance as requested and deemed necessary.

b) Please explain why the cost of billing for water services has declined since 2006.

Response: The cost of billing for water services has declined since 2006 due to the decrease and eventual elimination of the use of a 3rd party meter reading company, as the water meters were being changed out to allow for radio frequency, so that reads could be obtained from a car driving through the neighbourhoods with a radio frequency device. In 2006 the meter read costs for water services was approximately $28,000 and in 2010 this amount decreased to approximately $2,500 with zero costs in 2011. As well there has been a decrease of total bills per month from 2006 to 2011, which represents a lesser cost.

VECC Interrogatory #24

24.0 Reference: Exhibit 4, Tab 2, Schedule 1,

a) Please provide the amount paid for EDA membership in years 2006 through 2012.

Response: The amounts paid for EDA membership in years 2006 through 2012 including taxes are:

2006 -$24,155.25
2007- $24,592.00
2008- $25,970.00
2009- $26,250.00
2010- $27,405.00
2011- $30,453.50
2012- $32,148.50

b) Does E.L.K. purchase insurance through MEARIE? If so please provide the amount of premiums paid in each year 2006 through 2012? Please also provide an explanation of the insurance coverage and the steps taken by E.L.K. ensure that the cost of coverage is competitive with alternative offerings.

Response: Yes, E.L.K. purchases its insurance through MEARIE. The premiums paid in each year 2006 through 2012 including taxes are:

2006 Property- $8,296.56
2006 Comprehensive Liability- $17,642.88
2006 Vehicle- $9883.00

2007 Property- $7,809
2007 Comprehensive Liability- $20,958.48
2007 Vehicle- $10,181

2008 Property- $ -7,809
2008 Comprehensive Liability- $21,145.32
2008 Vehicle $10,318

2009 Property- $8,519
2009 Comprehensive Liability $21,064.32
2009 Vehicle- $10,360

2010 Property- $11,636
2010 Comprehensive Liability- $16,239.96

2010 Vehicle- $10,127

2011 Property- $12,566.88
2011 Comprehensive Liability- $19,250.78
2011 Vehicle- $10,178.00

2012 Property- $11,689.92
2012 Comprehensive Liability- $17,247.82
2011 Vehicle- $9,976.00

As MEARIE is a reciprocal insurance the insurance premiums are paid by its members and if amounts collected exceed a certain level they are refunded back to its members.

VECC Interrogatory #25

25.0 Exhibit 4, Tab 2, Schedule 6, pg. 2 – Table 4.26

a) Since 2006 E.L.K. has added two management employees – one in 2009 and one in 2012. Please provide a description for each new position, the reason the position was created, and the current responsibilities of the incremental position.

Response: Please refer to AMPCO Interrogatory #17h and j which addresses the first part of the question (the 2009 addition).

The position added in 2012 is for a financial analyst to assist with increased workloads due to Green Energy initiatives, managing the process of both microFIT and FIT contracts, conservation tracking and reporting, assisting in the IFRS conversion, as well as implementing and maintaining time-of-use web presentment tools and the MDM/R daily process. This position is still currently vacant.

b) Please provide the total compensation (salary, benefits and overtime) for the two positions combined.

Response: The total compensation including salary, benefits, CPP, EI, Omers, WSIB, and overtime) for the two positions combined would be approximately $171,000.

VECC Interrogatory #26

26.0 Reference: Exhibit 4, Tab 1, Schedule 1, Appendix 2-F

a) Please explain the doubling since 2006 of account 5610 Management Salaries and Expenses.

Response: Within the USoA 5610, E.L.K. has reported the costs for the Chief Executive Officer, Director, Finance & Regulatory Affairs and Manager, Finance & Regulatory Affairs. Please note that some immaterial costs of these individuals may have been allocated to different cost centers as well.

The increase from 2006 ($248,333) to 2007 ($263,973) is attributable to pay increases. From 2008 through 2011, there are fluctuations in the expenditures in this area due to on-going changes in the status of the former Director of Finance & Regulatory Affairs. The decrease in 2008 ($208,912) is the result of the Director of Finance & Regulatory Affairs only working ten months in the 2008 fiscal year. In 2009 ($269,158), the small increase over 2008 is the result of pay increases and E.L.K. creating a new position, Manager of Finance & Regulatory Affairs, which accounts for most of the increase. The increase in 2010 actual (to $331,647) results from the return of the Director of Finance & Regulatory Affairs on a three day a week full time basis, however still maintaining the same responsibilities while maintaining the Manager of Finance & Regulatory Affairs position. The slight decrease in 2011 (to $316,300) is the result of the Director of Finance & Regulatory Affairs only working four months in that year. The budgeted 2012 amount of $505,000 includes additional pay increases and the replacement of the Director of Finance & Regulatory Affairs, who left the company in 2012, and the addition of one new staff member, a financial analyst to assist with increased workloads due to Green Energy initiatives, managing the process of both microFIT and FIT contracts, conservation tracking and reporting, assisting in the IFRS conversion, as well as implementing and maintaining time-of-use web presentment tools and the MDM/R daily process.

Depreciation and Taxes:

VECC Interrogatory #27

27.0 Reference: Exhibit 4, Tab 2, Schedule 7, pg. 9

a) Please update the 2012 Depreciation Expense Table 4.35 to show actual values (may be answered in conjunction with Energy Probe IR # 25).

<u>**Response:**</u> Please see Energy Probe Interrogatory #25.

VECC Interrogatory #28

28.0 Reference: Exhibit 4, Tab 2, Schedule 7, pg. 1.

a) Please provide a depreciation table showing:

- Assets name/description;
- Prior depreciation rate;
- New depreciation rate; and,
- OEB/Kinectrics recommended low and high depreciation rate for the asset.

Response: Please see table below. There is no prior depreciation rate or new depreciation rate. E.L.K. has never changed depreciation rates.

E.L.K. Energy Inc.					
Depreciation Table					
Asset name/description	**Prior depreciation rate (CGAAP)**	**New depreciation rate (IFRS)**	**OEB/Kinectrics rate**		
			Low	**High**	
		N/A rates not chosen yet			
Land	n/a				
Transformer station equipment > 50 kV	25		30	60	
Distribution station equipment< 50 kV	25		30	60	
Poles, towers & fixtures	25		35	75	
Overhead conductors & devices	25		30	75	*
Underground conduit	25		30	85	
Underground conductors & devices	25		20	75	*
Line transformers	25		30	60	*
Services (overhead and underground)	25		35	80	*
Meters	25		15	35	
Land	n/a				
Land rights	50				
Buildings & fixtures	10		50	75	
Office furniture& equipment	10		5	15	
Computer equipment - hardware	5		3	5	
Computer software	5		2	5	
Transportation equipment	8		5	20	
Tools, shop& garage equipment	10		5	10	
Communications equipment	10		2	5	
Miscellaneous fixed assets	10		at rate of related asset		
* life depends on type of wire or type of transformer					

VECC Interrogatory #29

29.0 Reference: Exhibit 4, Tab 3, Schedule 1, pg. 1.

a) Please update the Summary of Income Taxes Table 4.39 for the year-end 2012 financial results.

Response: 2012 tax information and financial results are not yet available. Typically the period after year end up until the auditors arrive is used to complete and verify the year's financial information. This process is progress at this time. 2012 tax information will not be available until early June, 2013.

EXHIBIT 5 - COST OF CAPITAL AND RATE OF RETURN

Board Staff:

Board Staff Interrogatory #25:

12. Ref: E5-T1-S1 p. 1

E.L.K. is requesting a return on equity in accordance with the Cost of Capital Parameter Updates for 2012 COS Applications issued in March 2012. Given the timeline for this proceeding, updated Parameters which are normally issued in March may be available.

a) Will E.L.K. be proposing to use the updated Parameters, if available? If not, why not?

Response:

As this is a 2012 cost of service rate application, E.L.K. believes that it is appropriate to maintain the Board's parameters for applications for 2012 rates as used in the Application.

Energy Probe:

5.0 Energy Probe Interrogatory # 29

Ref: Exhibit 5, Tab 1, Schedule 1

a) What is the actual rate payable to the Town of Essex on the demand promissory note?

Response: The actual rate payable to the Town of Essex on the demand promissory note is currently 7.25% interest annually.

b) Please provide the actual amount remaining on the demand promissory note from the Town of Essex at the end of each month of 2012.

Response: The actual amount remaining on the demand promissory note for the Town of Essex at the end of each month is $1,900,000. No principal repayments were made.

c) Please explain how the rate of 2.14% on the TD Commercial loan has been calculated in reference to the loan agreements found in Appendix 5-A.

Response: 2.14% was the interest rate at the exact date of the renewal provided by TD Bank. The 2.14% is not actually in the TD Loan amending agreement as it states " Rate Term to be renewed at prevailing interest rates for one year following execution of this Amending Agreement."

d) Based on the June, 2012 amending agreement for the TD Commercial bank loan, what is the rate on the loan of $5.6 million with the three year committed term?

Response: The rate on the loan of $5.6 million is 2.136% (rounded to 2.14% in the preceding question) for a one year fixed rate term. Please note that the contractual term is a three year-term. The contractual term cannot be less than the rate term. It shows that TD is committed to E.L.K. and could not technically call the credit unless E.L.K. defaulted on the agreement. The interest rate guarantee is based on the Rate Term chosen and not the contractual term.

e) What is the total actual interest cost for 2012 associated with the TD Commercial loan? If actual costs are not available for all of 2012, please provide the most recent year-to-date actual costs, along with a forecast for the remainder of 2012.

Response: The total actual interest cost for 2012 associated with the TD Commercial loan is $134,914.33

Please provide details on the actual amount of debt outstanding related to the TD Commercial loan for each month of 2012.

Response: An $800,000 principal repayment was made June 2012. As a result prior to June the actual amount of the debt outstanding is $6,400,000. From June 2012 onward, the amount of debt outstanding is $5,600,000.

EnWin:

EnWin Interrogatory # 18

Exhibit 5 Tab 1 Schedule 1 Page 1

a) Please describe the treasury, cash flow management and other principles that guide ELK's mix of debt instruments, including with respect to the costs, terms (i.e. durations) and sources of those instruments. If those principles are documented, please provide those documents.

Response: There are no specific treasury, cash flow management and other principles that guide E.L.K.'s mix of debt instruments, including the costs, terms and sources of those instruments. The principles are not documented.

b) Does ELK use short term debt, such as a line of credit? If not, why not?

Response: No E.L.K. does not use short term debt such as a line of credit. There is no necessity for this at this time.

c) If for rate-setting purposes the Board deems the interest rate of the Promissory Note to be some amount less than 7.25%, what expenditures proposed in this application will ELK not pursue due to the shortfall in recovery for its actual interest expense? Please provide two such assessments, the first using a LTD rate of 4.41% and the second using a LTD rate of 4.03%.

Response: There have been preliminary discussions with the holder of the promissory note regarding a reduction in the interest rate payable on the note. Based on discussions, E.L.K. is hopeful that there will be no shortfall.

EnWin Interrogatory # 19

Exhibit 5 Tab 1 Appendix 5-A

a) Please provide any documentation that illustrates the relationship between the terms (i.e. provisions) of the Demand Promissory Note and competitive market instruments that would have been available to ELK in 2002.

Response: E.L.K. has no such documentation. In any event, this information is irrelevant to the current application for 2012 distribution rates.

b) If ELK had Demand Promissory Notes with the Town of Lakeshore or the Town of Kingsville since 2000, please provide a copy of each of those notes.

Response: Please see below

Lakeshore

DEMAND PROMISSORY NOTE

Cdn.$1,560,000.00 **Date: October 23, 2002**

The undersigned, for value received, hereby acknowledges itself indebted to and promises to pay on demand therefor to or to the order of The Corporation of the Town of Lakeshore (the "**Lender**"), at 419 Notre Dame Street, Belle River, Ontario, N0R 1A0, or such other address within the Province of Ontario as the Lender may specify from time to time, the principal sum of One Million, Five Hundred and Sixty-Thousand Dollars and 00/100 Cents ($1,560,000.00) of lawful money of Canada, and to pay simple interest on such principal sum outstanding from time to time at the fixed rate of 7.25% per annum, calculated yearly from the date of this promissory note and to pay interest on amounts in default hereunder both before and after judgement at the same rate.

Subject to the provisions of the Shareholders Agreement (as defined below), interest shall be paid on each anniversary of the date of this promissory note (provided that if any such day is not a day on which banks are open for business in Windsor, Ontario, on the immediately following day on which banks are open for business in Windsor, Ontario) in respect of which such interest has accrued.

Demand for payment hereunder shall be made by notice in writing to the undersigned at the last known address of the undersigned setting out details of the amount outstanding and the appropriate method of payment. Any amounts owing hereunder shall be due and payable seven (7) days after demand therefor. Upon demand being made hereunder, any interest then accrued whether or not due and payable shall be deemed to be due and payable.

The undersigned hereby waives diligence, presentment for payment, notice of non-payment, and notice of protest of this promissory note, and all other notices in connection with the delivery, acceptance, performance, or enforcement of, or default under this promissory note, and waives diligence in collection on bringing suit with respect to this promissory note.

This promissory note shall not be assignable, transferable and negotiable by the Lender in whole or in part, except in accordance with the terms and conditions of that certain amended and restated shareholders agreement governing the business and affairs of the undersigned dated October 21, 2002 (the "**Shareholders Agreement**").

Demand may be made under this promissory note, and payments shall be made under this promissory note, only in accordance with sections 2.10 and 2.11 of the Shareholders Agreement.

This promissory note and every part hereof shall be binding upon the undersigned and its successors and permitted assigns, and shall enure to the benefit of, and be enforceable by, the Lender and any of its successors and permitted assigns.

The undersigned hereby agrees to pay any and all costs and expenses, including legal costs on a solicitor and his own client basis, paid or incurred by the Lender in connection with the enforcement of a default under this promissory note, including without limitation, collecting amounts payable under this promissory note after they shall become due and payable.

Lakeshore

This promissory note shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The undersigned hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario with respect to any matter arising under or related to this promissory note.

DATED this 21st day of October, 2002.

E.L.K. ENERGY INC.

Per: Wilber R. Brett
Name: Wilber R. Brett
Title: Chair

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Kingsville

DEMAND PROMISSORY NOTE

Cdn.$2,470,000.00 **Date: October 23, 2002**

The undersigned, for value received, hereby acknowledges itself indebted to and promises to pay on demand therefor to or to the order of The Corporation of the Town of Kingsville (the "**Lender**"), at 2021 Division Road North, Kingsville, Ontario, N9Y 2Y9, or such other address within the Province of Ontario as the Lender may specify from time to time, the principal sum of Two Million, Four Hundred and Seventy-Thousand Dollars and 00/100 Cents ($2,470,000.00) of lawful money of Canada, and to pay simple interest on such principal sum outstanding from time to time at the fixed rate of 7.25% per annum, calculated yearly from the date of this promissory note and to pay interest on amounts in default hereunder both before and after judgement at the same rate.

Subject to the provisions of the Shareholders Agreement (as defined below), interest shall be paid on each anniversary of the date of this promissory note (provided that if any such day is not a day on which banks are open for business in Windsor, Ontario, on the immediately following day on which banks are open for business in Windsor, Ontario) in respect of which such interest has accrued.

Demand for payment hereunder shall be made by notice in writing to the undersigned at the last known address of the undersigned setting out details of the amount outstanding and the appropriate method of payment. Any amounts owing hereunder shall be due and payable seven (7) days after demand therefor. Upon demand being made hereunder, any interest then accrued whether or not due and payable shall be deemed to be due and payable.

The undersigned hereby waives diligence, presentment for payment, notice of non-payment, and notice of protest of this promissory note, and all other notices in connection with the delivery, acceptance, performance, or enforcement of, or default under this promissory note, and waives diligence in collection on bringing suit with respect to this promissory note.

This promissory note shall not be assignable, transferable and negotiable by the Lender in whole or in part, except in accordance with the terms and conditions of that certain amended and restated shareholders agreement governing the business and affairs of the undersigned dated October 21, 2002 (the "**Shareholders Agreement**").

Demand may be made under this promissory note, and payments shall be made under this promissory note, only in accordance with sections 2.10 and 2.11 of the Shareholders Agreement.

This promissory note and every part hereof shall be binding upon the undersigned and its successors and permitted assigns, and shall enure to the benefit of, and be enforceable by, the Lender and any of its successors and permitted assigns.

The undersigned hereby agrees to pay any and all costs and expenses, including legal costs on a solicitor and his own client basis, paid or incurred by the Lender in connection with the enforcement of a default under this promissory note, including without limitation, collecting amounts payable under this promissory note after they shall become due and payable.

Kingsville

This promissory note shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The undersigned hereby irrevocably attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario with respect to any matter arising under or related to this promissory note.

DATED this 21st day of October, 2002.

E.L.K. ENERGY INC.

Per: Wilber R. Brett

Name: Wilber R. Brett
Title: Chair

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c) The DAMP states that ELK has long-life infrastructure, including poles that are in use for 35 to 75 years, meanwhile ELK finances that infrastructure in large part with debt that is callable on demand and debt that is subject to market fluctuations every 3 years or so. Please reconcile this divergence, including with regard to risk management and customer impact considerations.

Response: In a typical year E.L.K. does not finance infrastructure through debt. There may be some years that borrowing may be required, but this does not happen every year.

d) What was the rationale for refinancing the 2009 TD Loan in 2012?

Response: E.L.K. refinanced the 2009 TD Loan because both the 3 year contractual term and the rate term came due June 12, 2012.

e) The TD Loan appears to provide 3 discrete facilities:

- Facility #1 is to finance a dividend
- Facility #2 is to finance capex, and
- Facility #3 is to meet the IESO prudential requirements.

Please confirm that these are three discrete facilities embedded within the single note.

Response: Yes these are three discrete facilities embedded within the single note.

f) The $5.6 million figure that ELK cites for the TD Loan appears to be only one of the three facilities and appears to be the figure for Facility #1 (to finance a dividend). Please confirm that ELK is only utilizing the TD Loan for the purpose of financing a dividend. If ELK is not utilitizing or exclusively utilizing the TD Loan to finance a dividend, please explain the purpose(s) that the $5.6 million instrument.

Response: Yes the TD Loan Facility #1 was only used to finance the dividend and this has already been done. This money is now owed to the TD Bank. E.L.K. is not drawing on this facility for yearly dividend amounts**.**

g) Please list the dividend payments since June 2009 and explain any variance between the dividend payments and the $8 million provided for in the June 2009 TD Loan, including funds allocated to capex or operating expenses.

Response: There was a dividend declared March 19, 2019 but paid June 8, 2009 in the amount of $10,599,900. As well, in 2011, a dividend was declared and paid in the amount of $265,800. The $8 million provided for in June 2009 TD loan was used for the dividend and the balance financed internally.

VECC:

VECC Interrogatory #30

30.0 Reference: Exhibit 5,

a) Please calculate the revenue requirement impact of using the cost of capital parameters issued by the Board on November 15, 2012. Please show the adjustments separately (e.g. working capital, interest costs etc.).

Response:

The revenue requirement impact of using the cost of capital parameters issued by the Board on November 15, 2012 is shown below by component.

	Application	November 15, 2012 Capital Parameters	Difference
OM&A Expenses	2,629,509	2,629,509	0
Amortization Expenses	975,107	975,107	0
PILs	238,598	235,719	(2,879)
Deemed Interest	212,518	205,366	(7,152)
Return on Equity	483,947	473,865	(10,082)
Revenue Requirement	4,539,680	4,519,567	(20,113)

EXHIBIT 6 – CALCULATION OF REVENUE DEFICIENCY AND SURPLUS

Board Staff:

Board Staff Interrogatory #26

Ref: E1-T1-S1

Upon completion of responses to all interrogatories

a) Please identify any adjustments to the proposed service revenue requirement that the E.L.K. wishes to make relative to the original application.

Response: The only adjustment E.L.K. wishes to make at this time to the proposed service revenue requirement, relative to the original application, is to reflect the revised load forecast outlined in Board Staff #11.

b) Please provide an updated RRWF with any corrections or adjustments that the E.L.K.wishes to make to the amounts in the previous version of the RRWF included in the middle column. Please include documentation of the corrections and adjustments, such as a reference to an interrogatory response or an explanatory note.

Response: An updated RRWF reflecting the adjustment outlined in a) is provided in the file titled "ELK 2012_Rev_Reqt_Work_Form_Board Staff 26" with the updated values included in the middle column. In addition, the updated bill impacts for the typical monthly consumption levels of 800 kWh for residential and 2,000 kWh for GS<50 are shown in the updated RRWF. The bill impacts also reflect the responses to Board Staff #37, 38 and 39 as well as the revised balance for account 1562 of $4,059 owing to the customer. The calculations for the revised balance for account 1562 are provided in Appendix Bd staff 40 - revised PILs summary.

Energy Probe:

6.0 Energy Probe Interrogatory # 30

Ref: Exhibit 6, Tab 1, Schedule 1

a) Please update Table 6.1 to reflect actual data for 2011. If actual data for the entire year is not yet available, please provide an updated Table 6.l based on data that reflects as many months as are currently available for 2012, along with the forecast for the remaining months.

Response: E.L.K. assumes the question is requesting an update to Table 6.1 to reflect actual data for 2012 not 2011 which is addressed below in part b). Actual data for the entire 2012 year is not yet available and in some cases monthly data is also not available. For example, actual distribution revenue is not available until the year end process is completed since it is after year end that the unbilled revenue adjustment is completed. As a result, it would be premature to complete an updated 2012 analysis since any estimated values used could lead to incorrect conclusions. It is expected the actual 2012 information will be available in March to April of 2013.

b) Please provide versions of Table 6.1 for each of 2009, 2010 and 2011. In each of these tables, please ensure that all calculations for such things as PILs, deemed interest, etc. are consistent with what would be shown under a cost of service application.

Response: Although the format is not exactly the same as Table 6.1 a revenue sufficiency/deficiency calculation is provided for each of 2009, 2010 and 2011 in the table below. In the calculations, E.L.K. believes it has determined such items as PILs and deemed interest consistent with what would be shown under a cost of service application. Please note that the 2009 information has not been restated to reflect the error determined by its auditor in the course of preparing the 2011 financial statements. The auditors determined that the 2010 financial statements contained an error regarding the booking of certain cost of power and wholesale market services costs which resulted in an overstatement of earnings and revenues in 2010. The correction has been reflected in the 2010 and 2011 information. The correction does not impact on the application and a change is not needed.

	2009	2010	2011
Revenue			
Distribution Revenue	$4,383,414	$3,188,504	$2,959,341
Other Operating Revenue (Net)	$759,760	$665,099	$773,929
Total Revenue	$5,143,174	$3,853,603	$3,733,270
Costs and Expenses			
Admin & Gen, Billing & Collecting	$1,683,194	$1,535,059	$1,634,946
Operation & Maintenance	$805,899	$546,850	$771,900
Depreciation & Amortization	$852,414	$824,357	$839,799
Deemed Interest	$460,782	$505,986	$492,239
Total Costs and Expenses	$3,802,289	$3,412,252	$3,738,884
Utility Income Before Income Taxes	$1,340,885	$441,351	($5,615)
Income Tax Expense Calculation:			
Accounting Income	$1,340,885	$441,351	($5,615)
Tax Adjustments to Accounting Income. For 2009 and 2010 based on Sch 1 from Tax Return.	($194,838)	$414,780	$1,415,538
Taxable Income	$1,146,047	$856,131	$1,409,923
Tax Rate	33.00%	31.00%	28.25%
Income Tax Expense	$378,195	$265,401	$398,303
Net Income	$962,689	$175,950	($403,918)
Target Net Income at Regulated ROE	$436,823	$418,747	$407,371
Sufficiency/(Deficiency)	**$525,866**	**($242,797)**	**($811,288)**
ROE	20%	4%	(9%)
Target ROE	9%	9%	9%
Difference	11%	(5%)	(18%)
Rate Base	$11,209,204	$11,631,868	$11,315,847
Long Term Debt %	56.70%	60.00%	60.00%
Equity %	43.30%	40.00%	40.00%
Long Term Debt Return	7.25%	7.25%	7.25%
Equity Return	9.00%	9.00%	9.00%

6.0 Energy Probe Interrogatory # 31

Ref: Decision and Procedural Order No. 2, dated May 29, 2012, Appendix A

Please comment on any significant difference for 2010 and/or 2011 between the regulated return on deemed equity provided in the response to Energy Probe #30 above and the calculations shown in Appendix A to the Decision and Procedural Order No. 2 dated May, 2012.

Response:

For 2010 and 2011 the difference between the approved and the achieved regulated return on deemed equity provided in the response to Energy Probe #30 is greater than the results shown in Appendix A to the Decision and Procedural Order No. 2 dated May, 2012. However, the difference between the approved and the achieved regulated return on deemed equity is directionally the same which continues to support the Decision to not reduce rates. However, directionally they are the same which continues to support the Decision to not reduce rates.

EXHIBIT 7 – COST ALLOCATION

AMPCO:

AMPCO Interrogatory #19

Reference: Exhibit 7, Tab1, Schedule 1, Page 1

Preamble: The evidence indicates E.L.K. has developed weighting factors based on discussions with staff experienced in the subject area.

a) Please confirm the experience of the staff in the subject area.

Response: The experience of the staff in the subject area include:

Manager of Finance & Regulatory Affairs: 4 years experience in the utility industry
Manager of Operations: 24 years experience in the utility industry

AMPCO Interrogatory #20

Reference: Exhibit 7, Tab1, Schedule 2, Page 3, Table 7-7

Preamble: Table 7-7 shows 2012 revenue-to-cost ratios from the 2012 Cost Allocation Study as well as proposed revenue-to-cost ratios for 2012, 2013 and 2014.

a) Please discuss why E.L.K. does not propose phased movement towards unity in the years 2013 and 2014.

Response:
In accordance with section 2.3.4 of the Application of Cost Allocation for Electricity Distributors Report of the Board EB-2007-0667 dated November 28, 2007 it states

> *"Distributors should endeavour to move their revenue-to-cost ratios closer to one if this is supported by improved cost allocations."*

Although E.L.K. has revised the 2012 cost allocation study to reflect 2012 costs, customer numbers and demand values as well as included distributor specific weighting factor, E.L.K. does not believe these revisions constitute a significant improvement over the 2006 cost allocation informational filing. As a result, E.L.K. has adopted the practice reflected in many previous cost of service applications to ensure the revenue to cost ratios are within the Board's approved ranges.

b) Please reproduce Table 7-8 based on revenue-to-cost ratios equal to unity in 2012 for each class and provide the bill impacts by class.

Response:
A revised Table 7-8 based on revenue-to-cost ratios equal to unity in 2012 for each class is provided below. Under this scenario the bill impact for a Residential customer using 800 kWh per month is -15.54%; for a General Service < 50 kW customer using 2,000 kWh per month it is -19.90%; and for a General Service > 50 kW customer using 30,000 kWh and 100 kW per month it is -32.51%.

Table 7-8 Calculated Class Revenue - (Consistent with Appendix 2-O: Calculated Class Revenue)

Class	2012 Base Revenue at Existing Rates	2012 Proposed Base Revenue Allocated at Existing Rates Proportion	2012 Proposed Base Revenue	Miscellaneous Revenue
Residential	$2,074,165	$2,536,483	$2,466,245	$468,428
General Service < 50 kW	$215,076	$263,014	$582,880	$87,716
General Service 50 to 4,999 kW	$811,082	$991,866	$470,060	$82,837
Street Lighting	$856	$1,047	$174,836	$20,225
Sentinel Lighting	$42	$51	$535	$72
Unmetered Scattered Load	$2,449	$2,994	$4,171	$636
Embedded Distributor - Hydro One	$52,472	$64,168	$160,897	$20,141
Total	$3,156,142	$3,859,625	$3,859,625	$680,055

c) Please confirm that Table 7-7 shows that the GS 50 to 4,999 kW customer class as well as the residential class is overcontributing and subsidizing the other customer classes.

Response:
E.L.K. confirms that Table 7-7 shows that the GS 50 to 4,999 kW customer class and the residential class are over contributing and subsidizing the other customer classes.

d) Please discuss whether the data used in the 2012 cost allocation study is better data and an improvement over the data used in the 2006 cost allocation study.

Response:
Please see response to part a)

Energy Probe:

7.0 Energy ProbeInterrogatory # 32

Ref: Exhibit 7, Tab 1, Schedule 2

Based on the changes in base revenue shown in Table 7-8, does ELK believe that any rate mitigation is required for any of the classes shown? Please elaborate.

Response:

ELK does not believe that any rate mitigation is required for any of the classes shown in Table 7-8. In particular, ELK does not have a mitigation plan for Street Lighting and Sentinel Lighting. E.L.K. has adjusted the revenue to cost ratios for these classes in order to be within the Board's target range, consistent with the approach approved by the Board in other CoS applications since 2008. It is E.L.K.'s understanding that in order to address the significant under recovery of cost in these two classes, significant changes to the revenue-to-cost ratio have occurred in many other cases and the bill impacts for these classes have been higher than 10%. Based on the aforementioned information, it is E.L.K.'s understanding that in the past the Board has not been concerned with bill impacts greater than 10% for these classes and as a result a mitigation plan was not developed.

EnWin:

EnWin Interrogatory #20

Exhibit 7 Tab 1 Schedule 1 Page 1

Please provide a copy of any third party review of ELK's customer cost allocation.

Response: No third party review of E.L.K.'s cost allocation was required by the Board's Filing Requirements, and no third party review was obtained.

VECC:

VECC Interrogatory #31

31.0 Reference: Exhibit 7, Tab 1, Schedule 1, page 1
ELK 2012 CA Model Filing

a) Please provide a schedule that contrasts the weighing factors by customer class used for Services and Billing & Collecting as used in the current Application with those in the original Informational CA filing.

Response:

The requested information is provided below

Services Weighting Factors	2012 Study	Original Informational CA
Residential	1.0	1.0
GS <50	1.9	2.0
GS>50-Regular	1.9	10.0
Street Light	0.7	1.0
Sentinel	0.8	1.0
Unmetered Scattered Load	0.7	1.0
Hydro One	0.0	na

Billing & Collecting Weighting Factors	2012 Study	Original Informational CA
Residential	1.0	1.0
GS <50	1.0	2.0
GS>50-Regular	18.0	7.0
Street Light	15.3	1.0
Sentinel	1.0	0.1
Unmetered Scattered Load	1.0	5.0
Hydro One	18.0	na

b) With respect to Sheet I7.1, please confirm that meter costs used here for each class are consistent with the smart meter costs by class as reported in Exhibit 9.

Response:

E.L.K. confirms that meter costs used in Sheet I7.1 for each class are consistent with the smart meter costs by class as reported in Exhibit 9.

EXHIBIT 8 - RATE DESIGN

Board Staff:

Board Staff Interrogatory #27

Ref: E8-T1-S1 p. 2

E.L.K.'s proposed Rate Design includes the establishment of the Embedded Distributor class (for Hydro One) with a base revenue requirement of $160,897.

a) Please estimate what the attributable revenue requirement would have been for Hydro One, had it remained in the GS 50- 4,999 kW class.

Response:

E.L.K. estimate the attributable revenue requirement would have been approximately $177k for Hydro One, had it remained in the GS 50- 4,999 kW class.

Board Staff Interrogatory #28

13. Ref: E8-T1-S2

Please update the proposed Retail Transmission Service Rates with the Ontario Uniform Transmission Rated approved by the Board on December 20, 2012.

Response:

Since E.L.K. is embedded with Hydro One, E.L.K's Retail Transmission Service Rates are based on Hydro One Sub-Transmission Rates and Hydro One Sub-Transmission Rate Rider 6A as outlined in the RTSR work form. It is E.L.K's understanding that the Ontario Uniform Transmission Rated approved by the Board on December 20, 2012 have not yet impacted the Hydro One Sub-Transmission Rates and Hydro One Sub-Transmission Rate Rider 6A. As a result, there is no change to E.L.K's Retail Transmission Service Rates outlined in the application.

Board Staff Interrogatory #29

Ref: E8-T1-S3 p.1 table 8-11

Please refer to line G in the table below and provide an explanation for the increase, as compared to 2009 and prior years, in the distribution loss factor in 2010 and 2011. Please provide an explanation for the high losses in 2010 and 2011. Are losses expected to continue at this higher level for the foreseeable future? What has E.L.K done to address this issue?

Table 8-11
Total Loss Factor Calculations

	Calculation for distribution loss adjustment factors	Historical Years					5-Year Average
	Description	2007	2008	2009	2010	2011	
	Losses Within Distributor's System						
A(1)	"Wholesale" kWh delivered to distributor (higher value)	271,076,220	262,640,600	248,858,578	261,284,908	255,035,715	259,779,204
A(2)	"Wholesale" kWh delivered to distributor (lower value)	262,162,689	254,004,449	240,675,608	252,693,334	246,649,628	251,237,141
B	Portion of "Wholesale" kWh delivered to distributor for its Large Use Customer(s)						-
C	Net "Wholesale" kWh delivered to distributor = A(2) - B	262,162,689	254,004,449	240,675,608	252,693,334	246,649,628	251,237,141
D	"Retail" kWh delivered by distributor	257,725,197	247,717,037	237,106,249	228,261,453	231,894,181	240,540,824
E	Portion of "Retail" kWh delivered by distributor to its Large Use Customer(s)						-
F	Net "Retail" kWh delivered by distributor = D - E	257,725,197	247,717,037	237,106,249	228,261,453	231,894,181	240,540,824
G	Loss Factor in Distributor's system = C / F	101.72%	102.54%	101.51%	110.70%	106.36%	104.45%
	Losses Upstream of Distributor's System						
H	Supply Facilities Loss Factor	103.40%	103.40%	103.40%	103.40%	103.40%	103.40%
	Total Losses						
I	Total Loss Factor = G x H	1.05	1.06	1.05	1.14	1.10	1.08

Response:

During the review of this interrogatory, it came to E.L.K.'s attention that some of the billing and source data used to calculate the below chart was incorrect. High losses could be attributable to theft of power and a poor power factor on E.L.K.'s system. Please see the revised chart with the correct source data below labeled Table 8-11 Revised which shows a decreased loss factor in 2010 and 2011:

Table 8-11 Revised

		Historical Years					5-Year Average
		2007	2008	2009	2010	2011	
	Losses Within Distributor's System						
A(1)	"Wholesale" kWh delivered to distributor (higher value)	271,076,220	262,640,600	248,858,578	261,284,908	255,035,715	259,779,204
A(2)	"Wholesale" kWh delivered to distributor (lower value)	262,162,689	254,004,449	240,675,608	252,693,334	246,649,628	251,237,141
B	Portion of "Wholesale" kWh delivered to distributor for its Large Use Customer(s)						0
C	Net "Wholesale" kWh delivered to distributor = **A(2) - B**	262,162,689	254,004,449	240,675,608	252,693,334	246,649,628	251,237,141
D	"Retail" kWh delivered by distributor	253,561,025	244,708,081	229,809,479	235,427,525	238,556,765	240,412,575
E	Portion of "Retail" kWh delivered by distributor to its Large Use Customer(s)						0
F	Net "Retail" kWh delivered by distributor = **D - E**	253,561,025	244,708,081	229,809,479	235,427,525	238,556,765	240,412,575
G	Loss Factor in Distributor's system = **C / F**	1.034	1.038	1.047	1.073	1.034	1.045
	Losses Upstream of Distributor's System						
H	Supply Facilities Loss Factor	1.034	1.034	1.034	1.034	1.034	1.034
	Total Losses						
I	Total Loss Factor = **G x H**	1.069	1.073	1.083	1.110	1.069	1.081

Board Staff Interrogatory #30

Ref: E8-T1-S4 and Appendix 8-A

E.L.K. has requested to recover an LRAM amount of $80,535 which includes $5,328 in carrying charges. The LRAM claim includes lost revenues associated with OPA CDM programs delivered between 2006 and 2010.

a) Please confirm that E.L.K. has used final 2010 program evaluation results from the OPA to calculate its LRAM amount.

Response:
E.L.K. confirms it has used final 2010 program evaluation results from the OPA to calculate its LRAM amount.

b) If E.L.K. did not use final 2010 program evaluation results from the OPA, please explain why and update the LRAM amount accordingly.

Response:
Not applicable

c) Please confirm that this is E.L.K.'s first and only LRAM claim. If E.L.K. has requested LRAM in the past, please provide the details.

Response:
E.L.K. confirms that this is E.L.K.'s first and only LRAM claim

d) Please confirm that E.L.K. has not received any of the lost revenues requested in this application in the past. If E.L.K. has collected lost revenues related to programs applied for in this application, please discuss the appropriateness of this request.

Response:
E.L.K. confirms that it has not received any of the lost revenues requested in this application in the past.

e) Please confirm that E.L.K. is only seeking recovery of lost revenues up to the end of 2010. If E.L.K. is seeking, or plans to seek, additional lost revenues associated with 2006-2010 CDM Programs, please discuss.

Response:
E.L.K. confirms it is only seeking recovery of lost revenues up to the end of 2010.

Board Staff Interrogatory #31

Ref: E8-T1-S8 Appendix 2-W

Upon completing all interrogatories from Board staff and intervenors, please provide an updated Appendix 2-W for all classes at the typical consumption / demand levels (i.e. 800 kWh for residential, 2,000 kWh for GS<50).

Response: Upon completing all interrogatories from Board staff and intervenors, updated bill impacts for the typical monthly consumption levels of $800 kWh for residential and $2,000 kWh for GS<50 are shown in the updated RRWF provided in response to Board Staff #26. The bill impacts are outlined in tabs 10A Bill Impacts – Residential and 10B Bill Impacts – GS_LT_50kW of the updated RRWF.

EnWin:

EnWin Interrogatory #21

Exhibit 8 Tab 1 Schedule 3 Page 1

a) Was the increase in losses in 2010 the result of changes in the ELK grid or from changes in the tracking or recording of consumption information?

Response:
Please see response to Board Staff #29

b) By what date could ELK incorporate the 2012 actual figures into the Total Loss Factor calculation?

Response: E.L.K. could incorporate the 2012 actual figures into the Total Loss Factor calculation after the audited financial statements are completed.

c) Would ELK agree that a Total Loss Factor based on an average of 2010 and 2011 (and 2012, subject to availability) would be a more reasonable basis for calculating the TLF in this application?

Response: In response to Board Staff #29 the total loss calculations have been revised. These revised calculations suggest to ELK that the standard five year average is a reasonable approach.

d) How did the change in losses in 2010 affect ELK's capital expenditures plans for 2011 and 2012?

Response: E.L.K.'s capital expenditure plans for 2011 and 2012 were not impacted. Please refer to OEB Staff Interrogatory #29.

e) Please provide any comparative study or analysis on LDC loss factors.

Response: E.L.K. does not possess any comparative studies or analysis on LDC loss factors.

EnWin Interrogatory #22

Exhibit 8 Tab 1 Schedule 6

a) Please provide any precedents where the Board ordered an effective date that was less than 180 days after the filing of a rate application. Please note the proceeding number, filing date, effective date, implementation date, and nature of the rate application (e.g. cost of service, IRM, electricity, gas).

Response: ELK is not aware at this time of any precedents where the Board ordered an effective date that was less than 180 days after the filing of a rate application. However, E.L.K. may have further comments in the event that submissions are required in this regard.

b) When does ELK propose to file a 2013 rate application and what effective date and implementation date will be sought in that application?

Response: E.L.K. will await further direction from the OEB after the completion on the 2012 COS Application.

EnWin Interrogatory #23

Exhibit 8 Tab 1 Schedule 8 Page 3

a) How will the decrease in cash flow proposed in this application for the test year adversely affect ELK's operations and future investment in the grid? If it will not lead to an adverse effect, please explain why not.

Response: Please refer to Table 9-3. The decrease in cash flow proposed in this Application for the Test Year is $(345,912). This will not have an adverse effect as E.L.K.'s current cash position is strong.

b) In what way does the ELK application propose to mitigate rate shock for Residential customers once the deferral and variance account rate riders are discontinued in the near future?

Response:
Please see response to VECC #35

c) Please identify the point at which ELK first became aware that it was significantly over-collecting from customers?

Response: In E.L.K.'s view it is not significantly over-collecting from its customers.

d) Please identify the point at which ELK first became aware that allocating the balances in the deferral and variance accounts would result in returning considerable funds to its customers on a one-time basis?

Response: In total the deferral and variance accounts indicate an over collection of $345,912 which in E.L.K.'s view is not a significant over-collection from its customers.

School Energy Coalition:

SEC – 18 [8/1/1, p. 4/5] Please confirm that, if the GS>50 monthly service charge is set at $127.68, the volumetric charge for that class has to be set at $2.2460/kW to remain revenue neutral.

Response:

If the GS>50 monthly service charge is set at $127.68, the volumetric charge for that class will be $2.2460/kW before the adjustment for transformation allowance but once this adjustment is made the volumetric charge will be $2.6599/kW to remain revenue neutral.

SEC – 19 [8/1/8, p. 5] Please recalculate the GS>50 table on this page including the Global Adjustment rider.

Response:

The bill impacts shown on the referenced page for the GS>50 class have been recalculated to include Global Adjustment rider and is provided below.

GENERAL SERVICE > 50 kW

		2011 BILL			2012 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Consumption	Monthly Service Charge			436.99			315.94	(121.05)	(27.70%)	6.57%
30,000 kWh	Distribution (kW)	100	2.8308	283.08	100	1.5759	157.59	(125.49)	(44.33%)	3.28%
100 kW	Low Voltage Rider (kW)	100	0.5822	58.22	100	0.4988	49.88	(8.34)	(14.32%)	1.04%
	Smart Meter Adder/Rider (per month)			1.45				(1.45)	(100.00%)	0.00%
	LRAM & SSM Rider (kW)	100		0.00	100	0.0833	8.33	8.33	#DIV/0!	0.17%
	Stranded Meter Rider ($/Month)			0.00			0.00	0.00	#DIV/0!	0.00%
	Late Payment (per month)			7.59	0	0.0000	0.00	(7.59)	(100.00%)	0.00%
	Deferral & Variance Acct (kW)	100	5.9562	595.62	100	3.7525	375.25	(220.37)	(37.00%)	7.80%
	Distribution Sub-Total			**1,382.95**			**906.99**	**(475.96)**	**(34.42%)**	**18.86%**
	Retail Transmission (kW)	100	3.748	374.80	100	3.8148	381.48	6.68	1.78%	7.93%
	Delivery Sub-Total			**1,757.75**			**1,288.47**	**(469.28)**	**(26.70%)**	**26.80%**
	Other Charges (kWh)	32,373	0.0130	420.42	32,400	0.0128	414.12	(6.30)	(1.50%)	8.61%
	Cost of Power Commodity (kWh)	32,373	0.0788	2,550.02	32,400	0.0788	2,552.15	2.13	0.08%	53.08%
	SPC (kWh)	32,373	0.0000	0.00	32,373	0.0000	0.00	0.00	#DIV/0!	0.00%
	Total Bill Before Taxes			**4,728.20**			**4,254.74**	**(473.46)**	**(10.01%)**	**88.50%**
	GST		13.00%	614.67		13.00%	553.12	(61.55)	(10.01%)	11.50%
	Total Bill			**5,342.86**			**4,807.85**	**(535.01)**	**(10.01%)**	**100.00%**

VECC:

Rate Design:

VECC Interrogatory #32

32.0 Reference: Exhibit 8, Tab 1, Schedule 1, page 2

a) Is the calculation of the F/V split for the GS>50 class based solely on the existing rates for the non-TOU GS>50 class?

Response:

No, it is based on the combined F/V split for the non-TOU GS>50 class and the TOU GS>50 class.

b) If yes, how would it change if the calculation included the fixed and variable revenues from the one remaining TOU customer at the current TOU GS>50 rates?

Response:

Not Applicable

VECC Interrogatory #33

33.0 Reference: Exhibit 8, Tab 1, Schedule 1, page 6

a) What are the actual 2012 year to date Low Voltage Service charges from HON?

Response: The actual 2012 year to date Low Voltage Service charges from Hydro One total $299,485.

b) What were the 2011 actual LV Service charges for the same period and what were the total 2011 charges?

Response: The 2011 actual LV Service charges for the same period total $312,501. The total 2011 charges were $2,633,806. The total charges include the connection charge, network charge, low voltage charge, service charge, any RAR charges, any Regulatory asset recoveries plus HST charged to E.L.K. by Hydro One.

VECC Interrogatory #34

34.0 Reference: Exhibit 8, Tab 1, Schedule 3

a) What is the reason for the material increase in the Distribution System Loss Factor (Table 8-11, Row G) in 2010 and 2011 relative to earlier years?

Response:

Please see response to Board Staff #29

VECC Interrogatory #35

35.0 Reference: Exhibit 8, Tab 1, Schedule 8

a) Please confirm that the 12% plus bill reduction for a Residential customer with 800 kWh use monthly is primarily due to the disposition of the deferral/variance account balances over one year.

Response:

E.L.K. confirms that the 12% plus bill reduction for a Residential customer with 800 kWh use monthly is primarily due to the disposition of the deferral/variance account balances over one year.

b) Please confirm that when this rate rider is removed (i.e. after the one year) Residential customers will see a corresponding bill increase.

Response:

When this rate rider is removed (i.e. after the one year) Residential customers will most likely see a corresponding bill increase unless the 2012 Group 1 deferral/variance account balance are similar to the 2011 balances. In this case, the disposition of the 2012 balances would be similar to the disposition of the 2011 balance and the bill increase could be minimal.

c) In order to avoid this rate instability would E.L.K. consider disposing of the deferral/variance account balances over a longer period of time

Response:

E.L.K. would consider disposing of the deferral/variance account balances over a longer period of time as long as all deferral and variance accounts are disposed of over the same period.

LRAM:

VECC Interrogatory #36

36.0 Exhibit 8, Tab 4 /Appendix 8-A

a) Has E.L.K complied with the requirement to have independent third party review of its LRAM request? If so please file this review?

Response:

E.L.K did not have an independent third party review its LRAM request.

b) If not please explain why an independent review was not undertaken

Response:

E.L.K.'s LRAM claim is based only on OPA results. Information on the OPA website indicates that evaluation reports conducted and prepared by independent third party evaluation contractors were completed for the 2010 program. The reports consist of OPA-funded Conservation and Demand Management programs evaluated by the EM&V group at the OPA. As a result, since the OPA program results have been prepared by independent third party evaluation contractors it did not appear prudent to E.L.K. to incur the cost to conduct another third party review when it had already been completed by the OPA.

VECC Interrogatory #37

37.0 Exhibit 8, Tab 4 / Appendix 8-A

a) Please file a table showing for each year

- Program
- Energy Efficiency Measure
- Customer class applicable
- Number of participants/units
- Measure life
- LRAM Free ridership
- Annual energy savings
- Annual peak demand savings
- Contribution to LRAM.

Response:

The requested information has been provided in a live Excel spread sheet titled "VECC 37"

VECC Interrogatory #38

38.0 Reference: Exhibit 8, Appendix 8-A

Pre-amble: Page 28 of the Guidelines for Electricity Distributor Conservation and Demand Management (EB-7 2008-0037), states: "*Where a distributor is making a claim for LRAM in relation to programs funded by the OPA, or where the distributors making a claim for LRAM and/or SSM in relation to programs funded through distribution rates, distributors should engage an independent third party. This independent third party review applies to LRAM or SSM claims made in relation to programs funded in 2007 and beyond*."

a) List and confirm OPAs input assumptions for Every Kilowatt Counts 2006 including the measure life and unit kwh savings for Compact Fluorescent Lights and Seasonal Light Emitting Diodes. Confirm some of these assumptions were changed in 2007 and again in 2009 and compare the values.

Response:

The following lists the OPA's input assumptions for Compact Fluorescent Lights and Seasonal Light Emitting Diodes associated with the savings from the Every Kilowatt Counts (EKC) 2006 program assumed in the 2010 results. Based on the information provided in response to VECC 37 these assumptions did change in 2007 but it appears they remained at the 2007 level in 2009. The comparative values are provided in the data outlined in VECC 37.

	Unit Savings Assumptions			
OPA's input assumptions for Every Kilowatt Counts (EKC) 2006 results in 2010	Net Annual Energy Savings (kWh)	Net Lifetime Energy Savings (kWh)	Free-Ridership (%)	Effective Useful Life (EUL)
Energy Star® Compact Fluorescent Light Bulb - Spring Campaign	93.96	375.84	10.00	4.00
Seasonal Light Emitting Diode Light String - Autumn Campaign	27.68	830.25	10.00	30.00

b) Please confirm that savings from CFLs installed under EKC 2006 expire in 2010.

Response:

Based on the information provided in response to a) savings from CFLs installed under EKC 2006 expire in 2010.

c) Adjust the LRAM claim as necessary to reflect the measure lives (and Unit savings) for any/all measures that have expired starting in 2010.

Response:

The savings for 2006 programs that expire in 2010 have already been removed from the LRAM claim in 2010 since, for example, the following table outlines the movement in net kWh savings for the 2006 EKC program for the years 2006 to 2010. The reductions in 2010 reflect the CFLs installed under EKC 2006 expiring in 2010 and the 2010 results are used for the 2010 LRAM claim.

2006	2007	2008	2009	2010
810,587	810,587	810,587	810,587	104,510

EXHIBIT 9 - DEFERRAL AND VARIANCE ACCOUNTS

Board Staff:

Board Staff Interrogatory #32

<u>Ref: E9-T1-S1</u>

The continuity statements show no balances for accounts 1518 and 1548.

a) Please confirm whether or not E.L.K. has followed Article 490, Retail Services and Settlement Variances of the Accounting Procedures Handbook for Account 1518 (Retail Cost Variance Account – Retail) and Account 1548 (Retail Cost Variance Account – STR).

<u>Response:</u> Article 490 is being followed with very limited exceptions. With respect to the above 2 accounts the variance is likely insignificant. For example, the total revenue from 4082 and 4084 (the revenue accounts for RSVA Retail and RSVA STR) for 2011 only totals $20,000, likely resulting in a minimal variance when comparing against costs. The cost of tracking staff time related to retailer billings and activity is inefficient and also difficult due to system limitations. As such, no entries are made to record the variances between the revenue and expenses related to these two accounts, as this variance is not specifically tracked.

b) Please explain if E.L.K. has not followed Article 490. In other words, please confirm that the higher of the relevant revenues (i.e. account 4082, Retail Services Revenue and/or account 4084, STR Revenue) and the incremental expenses in the associated expense accounts (i.e. account 5315, Customer Billing, and possibly 5305, Supervision and 5340, Miscellaneous Customer Accounts Expenses) is reduced (i.e. revenues debited or expenses credited) at the end of each period, with an offsetting entry to the variance account.

<u>Response:</u> Please refer to Board Staff #32a.

c) Please explain if E.L.K. has not followed Article 490, and if so, please quantify the variance.

<u>Response:</u> Please refer to Board Staff #32a.

Board Staff Interrogatory #33

Ref: E9-T1-S1

a) Has E.L.K. made any adjustments to deferral and variance account balances that were previously approved by the Board on a final basis in a previous Cost of Service or IRM proceeding (i.e. balances that were adjusted subsequent to the balance sheet date that were cleared in the most recent rates proceeding)?

Response: To the best of its knowledge, E.L.K. has not made any adjustments to deferral and variance account balances that were previously approved by the Board on a final basis in a previous Cost of Service or IRM proceeding.

b) If yes, please provide explanations for the nature and amounts of the adjustments and include supporting documentation.

Response: Not Applicable

Board Staff Interrogatory #34

Ref: E9-T1-S1

a) Please provide breakdown of energy sales and cost of power expense, as reported in the audited financial statements, by USoA account number. Please tie these numbers to the audited financial statements.

Response: Please see below

Expectation: the summary of energy sales and energy costs related to each RSVA should be zero.						
Revenue USoAs related to RSVA	All RSVAs	**1588 Power & GA**	**1550 LV**	**1580 WMS**	**1584 Network**	**1586 Connection**
4006 Residential Energy Sales	(8,358,578)	(8,358,578)				
4010 Commercial Energy Sales	(3,307,394)	(3,307,394)				
4015 Industrial Energy Sales	-	-				
4020 Energy Sales to Large Users	-	-				
4025 Street Lighting Energy Sales	-	-				
4030 Sentinel Lighting Energy Sales	-	-				
4035 General Energy Sales	-	-				
4040 Other Energy Sales to Public Authorities	-	-				
4045 Energy Sales to Railroads and Railways						
4050 Revenue Adjustment	(3,434,984)	(3,434,984)				
4055 Energy Sales for Resale	(1,367,062)	(1,367,062)				
4060 Interdepartmental Energy Sales	(199)	(199)				
4062 Billed WMS	(1,415,961)			(1,415,961)		
4066 Billed NW	(1,219,183)				(1,219,183)	
4068 Billed CN	(830,462)					(830,462)
4075 Billed - LV	-		-			
Sum of Energy Sales	**(19,933,824)**	**(16,468,218)**	**-**	**(1,415,961)**	**(1,219,183)**	**(830,462)**
Expense USoAs related to RSVA						
4705 Power Purchased	16,223,165	16,223,165				
4708 Charges-WMS	1,413,563			1,413,563		
4710 Cost of Power Adjustments	-	-				
4714 Charges-NW	1,207,852				1,207,852	
4715 System Control and Load Dispatching	-					
4716 Charges-CN	836,343					836,343
4725 Competition Transition Expense	-					
4730 Rural Rate Assistance Expense	2,107			2,107		
4750 Charges - LV	376,099		376,099			
Sum of Cost of Power	**20,059,128**	**16,223,165**	**376,099**	**1,415,670**	**1,207,852**	**836,343**
Sum of Energy Sales and CoP	**125,305**	**(245,053)**	**376,099**	**(291)**	**(11,331)**	**5,881**

b) If there is a difference between the energy sales and cost of power expense reported numbers, please explain why the E.L.K. is making a profit or loss on the commodity.

Response: Although there are small differences, this is likely due to reclassification issues, i.e. posting to wrong accounts. E.L.K. does not believe that it is making a profit or loss on the commodity.

In the course of preparing its 2011 financial statements, E.L.K. and its auditors determined that there was an error in 2010 in E.L.K.'s tracking of the differences between amounts paid to the Independent Electricity System Operator (the "IESO") on account of power and various wholesale market services, and amounts billed to E.L.K.'s customers on account of those items. This of course affected the RSVA accounts. E.L.K.'s 2010 financial statements were restated. After this correction and auditor involvement E.L.K. is confident that it is properly accounting for these accounts.

2011 adjustments were also made to these accounts by E.L.K.'s auditors to ensure proper recording. One of the auditor entries in 2011 was the entry set out below. This amount was booked to account 4066, but should have been booked to 4050. Therefore the spreadsheet in part (a) contains the removal of this amount from account 4066 and its addition to account 4055.

Dr. 40XX Energy Sales accounts	(2,255,909.08)	
Cr. 1588 RSVA Power		(2,255,909.08)

The other adjustment corrected on the spreadsheet, is that account 4055 was originally not included in the spreadsheet. These amounts were previously recorded in account 4080 in the trial balance, but should have recorded in 4055.

The spreadsheet in (a) above was provided to Board Staff in October 2012 in response to an inquiry by Board Staff about apparent discrepancies between certain RSVA-related revenues and expenses. After providing the spreadsheet to staff together with a comment from E.L.K.'s auditor that suggested that E.L.K. appeared to be handling the variance accounts properly in all material respects, Board Staff made no further inquiries in this regard.

Board Staff Interrogatory #35

Ref: E9-T1-S1

a) Please confirm if E.L.K. pro-rates the IESO/Host Distributor Global Adjustment Charge into the RPP and non-RPP portions.

Response: E.L.K. does not pro-rate the IESO/Host Distributor Global Adjustment Charge into the RPP and non-RPP portions.

b) If this is not the case, please provide an explanation.

Response: At the time of E.L.K.'s last rate adjustment (IRM) application (EB-2010-0126), E.L.K. had understood that its customer information system was not capable of implementing proration of the Global Adjustment Charge into RPP and non-RPP portions. Since the issuance of the Board's Decision in E.L.K.'s last application, E.L.K. has made further inquiries of its customer information system specialists, and has determined that E.L.K.'s system can accommodate this at minimal cost.

Board Staff Interrogatory #36

Ref: E9-T2-S2 p. 4, Account 1508 – Sub-account OEB Cost Assessment, Accounting Procedures Handbook For Electric Distribution Utilities ("APH"), Revised: July 31, 2007, Article 220, page 15

The evidence indicates that E.L.K. has recorded amounts in Account 1508 Other Regulatory Assets, Sub-account OEB Cost Assessment, up to April 30, 2007. As per Article 220 of the APH,

> This account shall be used to record the difference between OEB costs assessments invoiced to the distributor for the Board's 2004/05 and 2005/06 (up to April 30, 2006) fiscal years and OEB costs assessments previously included the distributor's rates.

The distributors were to cease recordings in this account after April 30, 2006.

a) Please provide the amount that was posted in this account pertaining to the period after April 30, 2006.

Response: $29,600 was posted to this account after April 30, 2006 but is a reclassification amount approved by the Ontario Energy Board for recovery in rates from the 2006 EDR.

b) Please provide an alternative rate rider calculation excluding the amounts posted in the account for period after April 30, 2006.

Response:

An alternative rate rider calculation excluding the amounts posted in the account for the period after April 30, 2006 is provided below. E.L.K. submits, however, that the inclusion of the $29,600 posted to this account after April 30, 2006 was appropriate in light of the Board's approval of that approach.

Class	Residential	GS < 50 kW	GS > 50 kW	Embedded Distributor	USL	Senitnel Lighting	Street Lighting
Deferral and Variance Account Rate Riders	$ (0.0151)	$ (0.0165)	$ (6.0635)	$ (7.6568)	$(0.0150)	$(4.4009)	$(6.1419)
Billing Determinants	kWh	kWh	kW	kW	kWh	kW	kW
Deferral and Variance Account Rate Riders Non RPP - GA Rate Rider	$ 0.0269	$ 0.0269	$ 9.8148	$ 12.0229	$ 0.0269	$ 9.6377	$ 9.6377
Billing Determinants	kWh	kWh	kW	kW	kWh	kW	kW

Board Staff Interrogatory #37

Ref: E9-T2-S2 p.4, Account 1508 – Sub-account Pension Contributions, Accounting Procedures Handbook For Electric Distribution Utilities ("APH"), Revised: July 31, 2007, Article 220, page 16

The evidence indicates that E.L.K. has recorded amounts in this account 1508, Sub-account Pension Contributions up to April 30, 2007. As per Article 220 of APH,

> A distributor shall use this account to record the pension costs associated with the cash contributions paid to Ontario Municipal Employees Retirement Savings ("OMERS") for the period from January 1, 2005 to April 30, 2006, or where a distributor receives approval through an order of the Board to record pension costs in a deferral account for a specified period.

The distributors were to cease recordings in this account after April 30, 2006.

a) Please provide the amount that was posted in this account pertaining to the period after April 30, 2006.

   Response: $246.48 was posted post April 30, 2006.

b) Please provide an alternative rate rider calculation excluding the amounts posted in the account for period after April 30, 2006.

   Response:

   An alternative rate rider calculation excluding the amounts posted in the account for period after April 30, 2006 is provided below

Class	**Residential**	**GS < 50 kW**	**GS > 50 kW**	**Embedded Distributor**	**USL**	**Senitnel Lighting**	**Street Lighting**
Deferral and Variance Account Rate Riders	$ (0.0148)	$ (0.0164)	$ (6.0623)	$ (7.6567)	$(0.0146)	$(3.9407)	$(6.1390)
Billing Determinants	kWh	kWh	kW	kW	kWh	kW	kW
Deferral and Variance Account Rate Riders Non RPP - GA Rate Rider	$ 0.0269	$ 0.0269	$ 9.8148	$ 12.0229	$ 0.0269	$ 9.6377	$ 9.6377
Billing Determinants	kWh	kWh	kW	kW	kWh	kW	kW

Board Staff Interrogatory #38

Ref: E9-T 2-S, Table 9-5– Allocation of Deferral and Variance Accounts, and Table 9-6 Deferral and Variance Accounts Rate Riders

E.L.K. has used kWh as the allocator for Account 1595 Disposition of Recovery/Refund of Regulatory Balances account. The default allocator per the EDDVAR[4] report for this account is in proportion to the recovery share as established when rate riders were implemented.

a) Please recalculate the allocations of this account balance to the rate classes based on the EDDVAR report.

b) Please recalculate the rate riders based on recalculated allocations.

Response: a) and b)

Account 1595 has been allocated per the EDDVAR report which states the residual account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented. For 2010 rates, a rate rider was approved to pay out to customers the total Group 1 balance of $283,869. This amount was allocated to each class as shown in the following table.

Residential	$141,788
General Service Less Than 50 kW	($27,404)
General Service 50 to 4,999 kW	($395,161)
Unmetered Scattered Load	$1,768
Sentinel Lighting	$2,455
Street Lighting	($7,316)
Total	($283,869)

The rate riders based on the above allocation have been provided below

Class	Residential	GS < 50 kW	GS > 50 kW	Embedded Distributor	USL	Senitnel Lighting	Street Lighting
Deferral and Variance Account Rate Riders	$ (0.0139)	$ (0.0163)	$ (6.6379)	$ (7.4669)	$(0.0108)	$75.0571	$(6.4800)
Billing Determinants	kWh	kWh	kW	kW	kWh	kW	kW
Deferral and Variance Account Rate Riders Non RPP - GA Rate Rider	$ 0.0269	$ 0.0269	$ 9.8148	$ 12.0229	$ 0.0269	$ 9.6377	$ 9.6377
Billing Determinants	kWh	kWh	kW	kW	kWh	kW	kW

[4] EB-2008-0046, Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR), page 21

Board Staff Interrogatory #39

Ref: E9-T2-S 2, page 8, Account 1592 December 201 - Frequently Asked Questions on the Accounting Procedures Handbook for electricity distributors (APH-FAQs), p. 7

In its application, E.L.K. stated,

> E.L.K. is also requesting the completion of recording the incremental ITC in this account after the effective day of E.L.K.'s 2012 cost of service rates are approved.

As per December 2010 APH-FAQs, the Board provided accounting guidance on this matter and provided a simplified approach designed to facilitate administrative cost-saving opportunities. No additional amounts should be recorded in Account 1592 (PILs and Tax Variances, Sub-account HST/OVAT ITCs for the Test Year and going forward, as the impact of the HST and associated ITCs on capital and operating costs in the Test Year should be reflected in the applied-for revenue requirement. Per December 2010 APH-FAQs (Page 7):

> **Note that the monthly entries to the sub-account should continue until the last month before the distributor's new cost of service rates take effect**. For example, if the rebasing rates take effect on May 1 of a particular year, the monthly entries would continue in the sub-account until April of the particular year [emphasis added].

Board staff notes that the date on which the E.L.K.'s new cost of service rates would take effect will not be determined until the Board issues its Decision and order where at the time of preparation of its rate order, E.L.K. would be required to book the entries from July 1, 2010 until the last month before the E.L.K.'s new cost of service rates take effect, e.g, if the rates are effective on November 1, 2012, E.L.K. is required to record the monthly entries to the sub-account until October 31, 2012, which is the last month before the E.L.K.'s new cost of service rates take effect to include the HST impacts in rates going forward.

a) Please confirm that E.L.K. has followed the December 2010 FAQs accounting guidance regarding Account 1592 sub-account HST/OVAT ITCs. If this is not the case, please explain.

Response: Yes, E.L.K. can confirm that it has followed the December 2010 FAQs accounting guidance regarding Account 1592 sub-account HST/OVAT ITC's.

b) Please re-calculate the account balance by recording the monthly entries to the Account 1592 sub-account HST/OVAT ITCs from July 1, 2010 until

September 30, 2012, which is the last month before E.L.K.'s proposed date of October 1, 2012 for the new rates. Please provide an analysis in accordance with December 2010 APH-FAQs, Question #4 while updating your evidence for disposition of Account 1592.

Response: The account balances of account 1592 sub account HST/OVAT ITC from July 1, 2010 until September 30, 2012 are:

July 1, 2010 ($0.00)
July 31, 2010 ($311.33)
August 31, 2010 ($9,255.02)
September 30, 2010 ($9,498.00)
October 31, 2010 ($14,182.80)
November 30, 2010 ($8,416.35)
December 31, 2010 ($23,568.78)
January 31, 2011 ($21,611.76)
February, 28, 2011 ($19,286.75)
March 31, 2011 ($13,547.09)
April 30, 2011 ($14,052.14)
May 31, 2011 ($16,938.63)
June 30, 2011 ($14,263.64)
July 31, 2011 ($4,828.64)
August 31, 2011 ($3,633.89)
September 30, 2011 ($1,154.14)
October 31, 2011 ($1,823.30)
November 30, 2011 ($4,977.79)
December 31, 2011 ($6,381.08)
January 31, 2012 ($2,363.71)
February 29, 2012 ($4,043.08)
March 31, 2012 ($1,539.84)
April 30, 2012 ($2,689.28)
May 31, 2012 ($2,104.39)
June 30, 2012 ($10,956.97)
July 31, 2012 ($11,026.32)
August 31, 2012 ($5,918.71)
September 30, 2012 is ($1,120.99).

c) Please confirm that zero amounts will be recorded in Account 1592, sub-account HST/OVAT ITCs for the test year and forward. If this is not the case, please explain the reason.

Response: E.L.K. books the entries from July 1, 2010 until the last month before E.L.K.'s new cost of service rates take effect which is not yet determined.

d) Please recalculate the rate riders including 50% of the updated balance (as calculated in part "b" above) for account 1592, sub-account HST/OVAT ITCs.

Response:

Table 9-3 in the application has been updated to reflect one half of the balance in account 1592 as at September 30, 2012 and provided below.

Account Decscription	Account Number	Dec 31, 2011 Account Balances A	Jan 1 to Sept 30, 2012 Interest Amounts B	Total Claim C= A + B
GROUP 1 ACCOUNTS				
LV Variance Account	1550	(37,911)	(418)	(38,329)
RSVA - Wholesale Market Service Charge	1580	(526,104)	(5,800)	(531,905)
RSVA - Retail Transmission Network Charge	1584	(72,340)	(798)	(73,138)
RSVA - Retail Transmission Connection Charge	1586	(154,282)	(1,701)	(155,983)
RSVA - Power (Excluding Global Adjustment)	1588	(3,222,070)	(35,523)	(3,257,593)
RSVA - Power (Global Adjustment Sub-account)	1588	3,468,464	38,240	3,506,704
Recovery of Regulatory Asset Balances	1595	(101,092)	(1,115)	(102,206)
Group 1 Sub-Total		**(645,336)**	**(7,115)**	**(652,451)**
GROUP 2 ACCOUNTS				
Other Regulatory Assets- Sub-Account- OEB Cost Assessements	1508	31,286	345	31,631
Other Regulatory Assets- Sub-Account- Pension Contributions	1508	81,732	901	82,633
Other Regulatory Assets- Sub-Account- Late Payment Penalty	1508	15,515	171	15,686
Special Purpose Charge (SPC) Assessment Variance Account	1521	20,983	103	21,085
Miscellaneous Deferred Debits	1525	3,240	36	3,276
Deferred Payments in Lieu of Taxes	1562	155,453	-	155,453
1592 PILs and Tax Variances for 2006 and Subsequent Years, Sub-account HST/OVAT Input Tax Credits (ITCs) - Balance to Sept 30, 2012	1592	(561)	(6)	(567)
Group 2 Sub-Total		**307,648**	**1,549**	**309,197**
Total		**(337,688)**	**(5,565)**	**(343,253)**

The rate riders have been recalculated to include 50% of the updated balance (as calculated in part "b" above) for account 1592, sub-account HST/OVAT ITCs and provided in the following table.

Class	Residential	GS < 50 kW	GS > 50 kW	Embedded Distributor	USL	Senitnel Lighting	Street Lighting
Deferral and Variance Account Rate Riders	$ (0.0148)	$ (0.0164)	$ (6.0622)	$ (7.6567)	$(0.0145)	$(3.8951)	$(6.1387)
Billing Determinants	kWh	kWh	kW	kW	kWh	kW	kW
Deferral and Variance Account Rate Riders Non RPP - GA Rate Rider	$ 0.0269	$ 0.0269	$ 9.8148	$ 12.0229	$ 0.0269	$ 9.6377	$ 9.6377
Billing Determinants	kWh	kWh	kW	kW	kWh	kW	kW

e) Please confirm that the test year includes the HST impacts in rates going forward. If this is not the case, please explain.

Response: Yes, the test year includes the HST impacts in rates going forward.

Board Staff Interrogatory #40

Ref: Appendix 9-A 1562 Summary Cont. and Supporting Calculations_20121005 PILs Proxy Entitlements

E.L.K. filed a rate application on January 24, 2002. The Board approved the rate change on February 28, 2002 and issued its Decision and Order effective March 1, 2002. This Decision was submitted as PILs evidence by E.L.K.

On April 26, 2002 the Board issued a letter to vary the 2002 rate order by correcting an error in a calculation in the application on which the Board's order was based. Attached to the letter was a revised Schedule of Rates and Charges, including the 2001 and 2002 PILs proxies, with an effective date of May 1, 2002.

E.L.K. did not submit this letter with the attached revised rate schedule as evidence in this proceeding.

a) Please file the amended rate order with the revised 2002 rate schedule as evidence.

   Response: The amended rate order with the revised 2002 rate schedule is attached as Appendix Bd staff 40 (a).

In its PILs 1562 continuity schedule, E.L.K. recorded its entitlement to the full 2001 PILs proxy starting on October 1, 2001 and a pro-rated 2001 and 2002 PILs proxy for the full 2002 year starting on January 1, 2002.

The issue of delayed implementation of rates containing PILs was dealt with by the Board in several cases[5], most notably in Thunder Bay[6] and St. Thomas[7]. The Board decided that the entries in the PILs 1562 continuity schedule should begin with the effective date or the implementation date of the rates that contained PILs.

b) Does E.L.K. agree that the PILs proxy allowance entries (including the variance adjustments calculated in the SIMPIL models) and the recoveries from customers to be recorded in the PILs 1562 continuity schedule cannot begin until May 1, 2002?

   Response: E.L.K. agrees with this timing. A revised PILs continuity schedule is attached as Appendix Board Staff 40 – *revised PILs summary.*

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[5] EB-2012-0061, Veridian, Decision & Order, November 8, 2012, page 4.
[6] EB-2011-0197, Thunder Bay, Decision & Order, April 4, 2012, page 11. EB-2012-0212, Thunder Bay, Decision & Order on Motion to Review, June 28, 2012, page 16.
[7] EB-2011-0196, St. Thomas, Decision & Order, April 19, 2012 page 15. EB-2012-0248, St. Thomas, Decision & Order on Motion to Review & Vary, July 26, 2012, page 8.

c) What regulatory reference supports starting the PILs entitlements earlier than May 1, 2002? Please explain.

   <u>Response:</u> Not applicable, as the SIMPIL carrying charge calculation has been revised.

The sum of the 2001 PILs proxy of $67,077 and the 2002 PILs proxy of $410,255 is $477,332. The rates were determined based on a twelve month rate year which implies a monthly PILs proxy amount of $39,777.67 ($477,332/12) for the period from May 1, 2002 to March 31, 2004, or 23 months. Using this monthly entitlement, the total for the period shown is $914,886 ($39,778 x 23).

d) Does E.L.K. consider Board staff's PILs proxy calculation to reflect fairly the 2002 Board decision? If E.L.K. disagrees, please explain E.L.K.'s rationale for selecting a different amount.

   <u>Response:</u> E.L.K. does not agree with this approach. The rates were approved, initially, for a 12 month period May 1, 2002 to April 30, 2003. Since rates were frozen, the approved proxy continued on from May 1, 2003 to March 31, 2004. This period of time is 23 months but the continued proxy in the 2003/2004 period was actually for a period of less than a year (11 months), so a simple monthly calculation is not appropriate. The monthly amount is $39,777.67 for May 1, 2002 to April 30, 2003 but the monthly amount for May 1, 2003 to March 31, 2004 is $43,394. This averages to $41,507 from May 1, 2002 to March 31, 2004. Using this average makes the PILs proxy for the period total the 12 month approval of $477,332 in rates for each of 2002 and 2003, and 3 months of the approval in 2004. The PILs summary and carrying charge calculation have been revised to reflect the monthly amount of $41,507 for the period May 1, 2002 to March 31, 2004 which is what was approved for inclusion in the rates ($954,663 = 477,332 X 2). The revised schedule is attached in Appendix *Board Staff 40 – revised PILs summary*.

e) E.L.K. has shown recoveries of $842,335 for the same period of May 1, 2002 to March 31, 2004 in its continuity schedule. The monthly PILs proxy calculated above was used to determine the proxy amounts in this table.

Recoveries in Rate Period	**Amount of Recoveries**	**PILs Proxy**
2002 - billings for 8 months only	282,255	318,221
2003	469,955	477,332
2004 – Jan.1 – Mar. 31	90,125	119,333
Sum	**$842,335**	**$914,886**

f) Does E.L.K agree that this approach to determine the PILs proxy for the period from May 1, 2002 is fair to both the utility and its ratepayers? If not, please explain.

Response: As noted in (d) above, E.L.K. does not agree that this approach is fair. The PILs proxy that was approved in rates for the period May 1, 2002 to March 31, 2004 was $954,663. This is the amount that should be compared to customer billings.

g) Please revise the PILs continuity schedule with pro-rated PILs proxy entitlements as described above starting from May 1, 2002, and file the calculations of the final balance in active Excel format.

Response: The PILs continuity schedule has been revised as described in (d) above.

Board Staff Interrogatory #41

Ref: Appendix 9-B Calculations of Collected PILs_20121005 PILs Billed Amounts

Unmetered scattered load (USL) is not listed as one of the components of the billing and recovery in PILs revenue worksheet, although the 2002, 2004, and 2005 Board decisions include USL as one of the rate categories. USL was billed using the GS<50kW rate which included PILs fixed and variable charge slivers.

a) Please explain why the USL connections and energy (kWhs) and the associated rate slivers classified under GS<50kW rate class were not used in the calculation of PILs recoveries from ratepayers.

   Response: Actual customer billing data was used to calculate PILs recoveries from ratepayers. No volumes were billed for the USL connections in 2002, 2004 and 2005.

The volumetric billing determinants for 8 months of 2002 appear to be lower than the full year statistics would indicate. Board staff pro-rated the 2002 statistics as filed in the 2006 EDR application and compared the pro-rated volumes with those used in the PILs recovery calculations.

b) Please explain why the volumes shown as billed in 2002 are much lower than pro-rated actual volumes for the entire 2002 year.

   Response: A simple proration over 8 months does not produce an accurate estimate of the actual billings in May to December of 2002. E.L.K. bills bimonthly. As a result, billings that occurred in May would be mostly for pre-May electricity usage and would therefore not attract any billings on account of PILs. Likewise June has mixture of both pre May and post May electricity usage and therefore has reduce kWh billed that would attract PILs billings. A more accurate reasonableness test would be to pro-rate the 2002 statistics over 6 or 6.5 months rather than 8. The monthly service charge came fully into effect on May 1 and so this issue does not impact the fixed component of the billings.

Customer Class	Billing Parameter	Billed Consumption May 1/02 to Dec 31/02	2002 Statistics Filed in 2006 EDR	Prorated 2002 Statistics Filed in 2006 EDR (8/12)
Residential	kWh	47,333,395	91,843,709	61,229,139
General Service < 50 KW	kWh	12,516,701	27,223,752	18,149,168
General Service > 50 KW	kW	66,311	153,045	102,030
GS > 50 TOU	kW	20,796	37,346	24,898
USL	kWh	-	283,512	189,008
Sentinel Lighting	kW	242	N/A*	N/A
Streetlight - TOU	kW	105	6,135	4,090

*E.L.K. did not report demand data in kW for the Sentinel Lighting rate class in the 2006 EDR.

The trend for the majority of distributors is that the PILs recoveries exceed the proxies for the full years of 2003 to 2005. As demand and population grew, the PILs dollar amounts recovered were higher than the proxy set using 2001 billing determinants. The table below shows E.L.K.'s evidence for the full years from 2003 to 2005 and the 2006 partial year.

c) Please explain why the PILs proxies in rates were greater than the PILs recoveries for the full 2003 and 2004 and partial 2006 years as seen in the table below.

PILs Proxies vs. Recoveries	2003	2004	2005	2006 partial
PILs Proxies in Rates	477,332	427,024	319,414	96,378
PILs Recovery Calculations	-469,955	-373,434	-377,219	-63,304
Difference	**7,377**	**53,590**	**-57,805**	**33,074**

Response: For 2003, the average number of customers billed was 2,500 less than the number of customers used to calculate the PILs rate in the 2002 RAM model. This has resulted in PILs proxies in excess of PILs billed.

In 2004, 3,300,000 fewer kWh were billed compared to the kWh used to set the PILs rate in the 2004 RAM model resulting in PILs recoveries being less than PILs proxies in rates.

An error was found in the spreadsheets accumulating customer billings by month for 2006. Revised PILs recoveries for 2006 are $172,844. Revised PILs summary is attached in Appendix Bd staff 40 – *revised PILs summary.* A summary of revised customer billings by month is attached in Appendix Bd staff 41 – *Customer billings by month.*

d) Please explain why the PILs billed amounts for the months of March and April in 2004 and 2006 appear low compared to the billed amounts for the same months a year before and a year after as seen in the table below.

   Response: For 2004, the calculation of PILs billed used a rate effective date of March 1, 2004 when in fact the new rates were not implemented until April 1, 2004. Customer billings by month has been revised to correct this oversight and is included in Appendix Bd staff 41 – *Customer billings by month.* March customer billings are $40,227 after the correction. April billings remain at $17,710.

   The new rates eliminated the monthly service charge and tripled the volumetric rate. The impact of these rate changes on April activity was an immediate reduction of the monthly service charge (typical service charge for the month is $27,000), however the impact of the increased volumetric rate shows up gradually as the pre-April 1 usage is billed in April, May and June. This results in April's billings being lower than comparable months.

   For 2006, the error described in (c) above explains the billings in March and April below. The revised billings for March 2006 are $$29,553 and for April 2006 are $27,789. The billings are lower than that of 2005 because the rates were reduced on April 1, 2005.

PILs Billed Amount ($)

	2003	2004	2005	2006
March	36,834	13,385	36,427	249
April	38,309	17,710	30,147	150

e) E.L.K. recorded a total of $479 for unbilled revenue accrual as at April 30, 2006. Please explain how E.L.K. determined the PILs amounts associated with unbilled revenue accrual as at April 30, 2006.

Response: The error described in (c) above impacted the unbilled revenue accrual calculation. See the revised PILs summary in Appendix Bd staff 40 – *PILs summary.* Unbilled revenue is now $49,010.

E.L.K.'s billing system provides the calculation of unbilled revenue. When there is a rate change, the effective date of the rate is entered into the system. The system prorates usage between the rate before and after the rate change. kWhs used after the rate change were obtained from the system reports and these kWhs were multiplied by the rate in effect on April 30, 2006 to quantify the amount of unbilled revenue on April 30, 2006.

f) If there are any adjustments that need to be made to the PILs recovery calculations, please update and file the revised PILs continuity schedule in active Excel format.

Response: The revised PILs summary is attached in Appendix Bd staff 40 – *revised PILs summary.* The *r*evised schedule of customer billings by month is attached in Appendix Bd staff 41 – *Customer billings by month.*

Board Staff Interrogatory #42

Ref: Appendix 9-C to 9-G 2001 to 2005 SIMPIL Models Taxable Capital Gains and Gains on Disposals of Fixed Assets

E.L.K. included its fixed assets in the calculation of rate base for the 2000-2001 application. The Board approved the rate base for use in the determination of distribution rates. E.L.K. continued to receive the return on these assets from ratepayers even though it may have disposed of assets during the period 2001 through 2005.

a) In the 2005 SIMPIL model, the variances caused by taxable capital gains and gains on disposal of fixed assets that are input on sheet TAXREC2 are greater than the materiality threshold and true up to ratepayers on sheet TAXCALC rows 107 and 118. Please explain why it should true up to ratepayers.

   Response: The taxable capital gains and gains on disposal of fixed assets were entered in error on TAXREC 2. These should not true up to ratepayers. The taxable capital gains and gains on disposal of fixed assets have been moved to TAXREC 3. The revised SIMPIL model is included in Appendix Bd staff 46(d) – *SIMPIL 2005.* The PILs summary has been revised and is included in Appendix Bd staff 40 – *revised PILs summary*.

b) If E.L.K. agrees that it should not true up to ratepayers, please move the fixed asset transactions to the SIMPIL model sheet TAXREC3 and update the PILs continuity schedule and final balance for disposition.

   Response: The 2005 SIMPIL model and PILs continuity schedule has been adjusted and are attached as Appendix Bd staff 46(d) –*SIMPIL 2005* and Appendix Bd staff 40 – *revised PILs summary,* respectively.

Board Staff Interrogatory #43

Ref: Income Tax Rates Used in SIMPIL Models Sheet TAXCALC

In the Combined Proceeding EB-2008-0381, the three applicants were all subject to the maximum blended income tax rates based on the tax evidence they each submitted in the case. That proceeding was not a generic proceeding, and therefore the Board's findings on income tax rates do not apply to every distributor. Blended income tax rates determined from the applicants' own tax evidence are used to calculate the tax variances in SIMPIL models that form part of the entries in account 1562 deferred PILs. E.L.K. incurred losses or had zero taxable income for tax purposes in 2001 and 2002.

E.L.K. has used income tax rates as shown in the table below in its SIMPIL models. The Board-approved rate base was taken from the 2002 PILs proxy application evidence. Rate base was considered in the 2002 application to be a regulatory proxy for taxable paid-up capital.

	2001	**2002**	**2003**	**2004**	**2005**
Rate base ($)	11,068,045	11,068,045	11,068,045	11,068,045	11,068,045
Income tax rate used in SIMPIL	30.14%	31.66%	36.62%	36.12%	36.12%
Taxable income from tax returns ($)	0	0	1,875,315	2,222,958	793,400
Income tax rates from 2002 and 2005 RAMs	34.12%	38.62%			27.50%

E.L.K. chose the maximum income tax rate for some years and tax rates lower than the maximum for other years.

Corporate taxpayers are eligible for the full federal small business deduction when taxable capital is below $10 million. The small business deduction is phased out on a straight-line basis as taxable capital increases above $10 million, and is completely eliminated when taxable capital reaches $15 million.[8] The taxpayer pays a lower rate of income tax than the maximum rate as long as taxable capital remains below $15 million.

a) Please provide the documents that show all of the calculations that were made to validate the blended income tax rates for 2001 and 2002 that were used in E.L.K.'s SIMPIL models in Excel format.

Response: The calculations for the tax rates used in the submission for 2001 and 2002 and attached as Appendix Bd staff 43(a) – *original tax rate calculations.*

b) Please provide calculations of income tax rates for 2003, 2004 and 2005 using the same methodology used to calculate the tax rates for 2001 and 2002 in Excel format.

Response: In 2003, 2004 and 2005, E.L.K. did not claim a small business deduction and as a result was subject to tax at the maximum rates. These rates are the appropriate tax rates to use in the PILs models for these years as these are the rate to which E.L.K. was subject.

c) Using rate base as the proxy for taxable capital and regulatory taxable income for the 4th quarter 2001 from the 2002 application, please calculate a tax rate for 2001.

Response: Tax rate calculations for 2001 and 2002 are attached in Appendix Bd staff 43(c) – *Regulatory tax rate calculation.*

d) Using rate base as the proxy for taxable capital and regulatory taxable income for 2002 from the 2002 application, please calculate a tax rate for each of 2002, 2003 and 2004 using the tax laws in effect for those years.

Response: Tax rate calculations for 2001 and 2002 are attached in Appendix Bd staff 43(c) – *Regulatory tax rate calculation.* As noted in the response to (b) above, for 2003 and 2004 E.L.K. was subject to the maximum tax rates as used in the SIMPIL models for these years. A separate calculation has not been provided for 2003 and 2004.

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[8] Income Tax Act, section 125 (5.1)

e) Using rate base as the proxy for taxable capital and regulatory taxable income from the 2005 application, please calculate a tax rate for 2005 using the tax laws in effect for 2005.

Response: As noted in the response to (b) above, for 2005 E.L.K. was subject to the maximum tax rates as used in the SIMPIL model for 2005. A separate calculation has not been provided for 2005.

f) Please insert the income tax rates calculated in (c) above in the SIMPIL models for 2003, 2004 and 2005 in active Excel format. Please deduct 1.12% to determine the gross-up tax rate for the appropriate cells. Please file these active Excel SIMPIL models and a revised continuity schedule.

Response: Question (c) above refers specifically to 2001. E.L.K. believes that this question should refer to questions (d) and (e) above. As noted in the response to (d) and (e), E.L.K. was subject to the maximum tax rates as used in the SIMPIL model for 2003, 2004 and 2005. As a result the SIMPIL models for 2003, 2004 and 2005 have not been revised.

g) Please insert the income tax rates calculated in d, e, and f above in the SIMPIL models for 2001, 2002, 2003, 2004 and 2005. Please deduct 1.12% to determine the gross-up tax rate for the appropriate cells. Please file these active Excel SIMPIL models and a revised continuity schedule.

Response: The tax rates calculated in accordance with (d) above for 2001 and 2002 did not result in a change to the tax rates as originally filed in the SIMPIL models.

As noted in the response to (d), (e) and (f), E.L.K. was subject to the maximum tax rates as used in the SIMPIL model for 2003, 2004 and 2005. As a result the SIMPIL models for 2003, 2004 and 2005 have not been revised.

Board Staff Interrogatory #44

Ref: Restatement of Employee Future Benefit Liability 2003 Adjustment

E.L.K. recorded an adjustment for the restatement of employee future benefit liability of $1,084,721 on sheet TAXREC2 line 92 in the 2003 SIMPIL model. Amounts greater than materiality on sheet TAXREC2 true up to ratepayers on sheet TAXCALC. It appears that E.L.K. changed the formula on sheet TAXREC2 line 92 to avoid the true-up of the adjustment to the ratepayers.

a) Please explain why E.L.K. changed the formula in cell E92 in the 2003 SIMPIL model contrary to the Board's instructions.

Response: An amount was entered in cell C92 on TAXREC2 in error. This amount should have been entered on TAXREC3. See explanation in (b) below. Revised SIMPIL models are attached as Appendix Bd staff 46(d) – *SIMPIL 2003.*

b) Please explain why this adjustment which appears on the 2003 T2S1 schedule, and is part of the PILs 1562 methodology, should not true up. Please provide regulatory references to support the explanation.

Response: In 2003, E.L.K. recorded a prior period adjustment in its audited financial statements with respect to employee future benefits. The adjustment related to an incorrect assumption with respect to the expiration date of benefits. The nature of this adjustment would have an impact on the amount of "employee benefit plans-accrued, not paid" that were previously reported (impacting cell C62 of TAXREC for periods prior to 2003). This resulted in a decrease to the liability and a decrease to retained earnings reported on the balance sheet in the amount of $1,084,721 (the amount entered on TAXREC2 line 92). This adjustment related to multiple prior years. Note 12 to the 2003 audited financial statements explains that this adjustment had no impact on the expense amounts previously reported in the 2002 financial statements and therefore no impact on the amounts reported in cell C62 of TAXREC for 2002. The nature of this adjustment to employee future benefit liability is that it pertains to many prior years. The fact that there was no impact on expense for 2002 indicates that there is minimal impact on expense amounts reported in individual years prior to 2002. As a result, this adjustment relates to periods prior to 2001 and therefore should not be trued up to rate payers in 2001, 2002 or 2003.

Board Staff Interrogatory #45

Ref: Financial Statement Reserves on Schedule 1

E.L.K. recorded financial statement reserves in the T2 tax return Schedule 1 for the tax years 2001 through 2005. However, in the SIMPIL models E.L.K. did not record these financial statement reserves on sheets TAXCALC, TAXREC or TAXREC2.

a) Please explain why E.L.K. did not replicate the Schedule 1 entries.

Response: These reserves are employee future benefits. E.L.K. has reported the change in these reserves on cells C62 and C99 of TAXREC as employee benefit plans accrued, not paid and employee benefit plans – paid amounts.

b) Please explain how E.L.K. benefits from the change in disclosure in the SIMPIL true-up entries.

Response: E.L.K. has not benefitted from the change in disclosure in the SIMPIL true-up entries. The change in these reserves has been reported in cells C62 and C99 of TAXREC and are trueing up to the rate payer as can be seen in cells E102 and E109 of TAXCALC.

Reserves From Schedule T2S1	**2001**	**2002**	**2003**	**2004**	**2005**
Beginning of year	1,546,232	1,635,029	1,723,826	644,766	653,229
End of year	1,635,029	1,723,826	644,766	653,229	650,037

Board Staff Interrogatory #46

Ref: Actual and Deemed Interest Expense for Tax Years 2001 to 2005 for True-up Calculations

When the actual interest expense, as reflected in the financial statements and tax returns, exceeds the maximum deemed interest amount approved by the Board, the excess amount is subject to a claw-back penalty and is shown in the TAXCALC worksheet as an extra deduction in the true-up calculations.

a) Please provide a table for the years 2001 to 2005 that shows all of the components of interest expense and the amount associated with each type of interest. For each year, please balance the numbers in the table to the financial statements, to the tax returns and to the amounts used in SIMPIL sheet TAXCALC for the interest true-up calculations.

Response: A schedule of interest expense by year is attached in Appendix Bd staff 46 – *Interest expense.*

b) Did E.L.K. have interest expense related to other than debt that is disclosed as interest expense in its financial statements?

Response: Interest expense disclosed in the financial statements includes interest on the shareholder loan and interest on customer security deposit refunds and for 2004 and 2005, interest expense includes interest charged by the Ministry of Finance.

c) Did E.L.K. net interest income against interest expense in deriving the amount it shows as actual interest expense in the SIMPIL models? If yes, please provide details to what the interest income relates and explain why interest income and expense should be netted to reduce the interest expense used in the true-up calculations.

Response: No, interest revenue was not netted against interest expense for the amounts shown on as interest in the SIMPIL models.

d) The Board decided interest expense used to calculate the interest claw-back variance should not include interest on customer deposits.[9] Please exclude interest expense on customer security deposits in interest expense for purposes of the interest true-up calculations.

[9] Hydro One Brampton, EB-2011-0174, December 22, 2011. Kingston Hydro, EB-2011-0178, April 19, 2012. Innisfil Hydro, EB-2011-0176, April 19, 2012.

Response: Interest on customer deposits has been removed from interest expense and the SIMPIL models for 2001 to 2005 have been revised. Revised SIMPIL models are in Appendix Bd staff 46(d) – *SIMPIL 20XX.*

e) Did E.L.K. include interest income on customer security deposits in the disclosed amount of interest expense in its financial statements and tax returns?

Response: No, interest income was not netted against interest expense.

f) Did E.L.K. incur interest expense or standby fees or charges on IESO or other prudentials? Please provide a table that lists all of the prudential costs by year for 2001-2005 with the amounts by type of charge for letters or lines of credit whether shown as interest expense or as OM&A. The Board has decided that prudential costs are interest expense and should be included in the interest claw-back variance calculations.[10]

Response: Yes E.L.K. incurred a letter of credit fee in 2005 totaling $774.02. This has been added to interest expense and the SIMPIL models have been revised. Revised SIMPIL models are in Appendix Bd staff 46(d) – *SIMPIL 20XX.* A revised PILs continuity schedule is attached as Appendix Bd staff 40 – *revised PILs summary.*

g) Did E.L.K. include interest carrying charges on regulatory assets or liabilities in interest expense?

Response: Carrying charges on regulatory assets and liabilities was not included in interest expense.

h) Did E.L.K. include the amortization of debt issue costs, debt discounts or debt premiums in interest expense?

Response: E.L.K. did not incur any amortization of debt issue costs, debt discounts or debt premiums therefore nothing was included in interest expense.

i) Did E.L.K. deduct capitalized interest in deriving the interest expense disclosed in its financial statements? If the answer is yes, did E.L.K. add back the capitalized

[10] Burlington Hydro, EB-2011-015, March 20, 2012. Kitchener-Wilmot Hydro, EB-2011-0179, April 4, 2012. Thunder Bay Hydro Electricity Distribution Inc., EB-2011-0197, April 4, 2012.

interest to the actual interest expense amount for purposes of the interest true-up calculations? Please explain.

Response: E.L.K. did not capitalize any interest in the years 2001 to 2006.

j) If a revision has been made to the SIMPIL interest claw-back calculations, please file the revised SIMPIL models and update the PILs continuity schedule and final balance for disposition in active Excel format.

Response: Revised SIMPIL models have been provided as noted in E.L.K.'s response to (d) above.

Board Staff Interrogatory #47

Ref: E 9-T4-S1 p.1 – Stranded Meters

Why is E.L.K. proposing that the Stranded Meter Rate Rider (“SMRR”) only come into effect on October 1, 2013?

Response

It should have read that E.L.K. is proposing that the Stranded Meter Rate Rider (“SMRR”) should come into effect on October 1, 2012

Board Staff Interrogatory #48

Ref: E 9-T4-S2 P.5 – Smart Meters

On page 5 of this exhibit, E.L.K. states:

> **Residential and Commercial Deployment of KTI/Sensus Meters**
> To attempt to keep costs at a minimum, E.L.K. estimated the cost of mass deployment and concluded that the most cost-effective approach to converting E.L.K.'s service territory meters to smart meters was to utilize in-house trained personnel who are familiar with E.L.K.'s service territory.

Board staff observes that, for other Ontario electricity distributors which have applied for disposition and recovery of smart meter costs, others have used contracted staff, often with the vendor, or a combination of internal and contracted staff for smart meter deployment. In particular, some utilities have indicated that they used contracted staff for routine deployment to many residential meter swap-outs, while internal staff might have been used for more complicated meter replacements, such as for a larger GS < 50 kW with 2-phase or 3-phase service where the meter swap might have to be scheduled outside of normal business hours to avoid interruption of the customer's normal business.

a) Please provide further explanation of E.L.K.'s analysis that lead it to conclude that smart meter deployment should be totally done with E.L.K.'s own staff.

Response: It was determined after receiving estimated costs verbally of per meter change-out from a third party, that the cost was greater than in-house installation. As well, due to the vast area of E.L.K. service territory for the customer base, knowledgeable individuals familiar with the location would assist in minimizing cost.

b) Please explain if, and if so, how, doing the smart meter deployment with E.L.K.'s staff solely, impacted on other capital and operating projects of E.L.K.'s regular electricity distribution business.

Response: The smart meter deployment with E.L.K. staff did not significantly impact capital projects. However, 2010 OM&A showed a significant decrease due to the implementation of E.L.K.'s approximately 11,000 smart meters all of which were installed in house. As such, labour hours were concentrated for this necessary project. The 2011 increase in OM&A reflects some of the catch up that occurred after 2010.

Board Staff Interrogatory #49

Ref: E9-T4-S2 p.15-16 – Smart Meters – Web Presentment

On pages 15 and 16 of this exhibit, E.L.K. documents its evidence on web presentment, which is intended to provide a means for customers to access their time-of-use ("TOU") data through the internet. On page 16, E.L.K. states:

E.L.K. has continued to explore the area of web presentment to assist our customers. Currently, E.L.K. has inquired into a Harris (current CIS vendor) solution called Customer Connect/Home Connect as well as the Whitecap (My Hydro Eye) solution. E.L.K. will continue to study both of these products to determine which is the best fit for E.L.K. and is looking at implementation for 2013.

a) What is the current status of E.L.K.'s efforts to select and implement web presentment?

Response: There is no additional substantial progress from the above. E.L.K. continues to determine which is the best fit and is still looking at implementation in 2013.

b) Are there any costs for which E.L.K. is seeking recovery, either through the SMDR, or in the 2012 revenue requirement, related to capital or operating expenses for web presentment. If so, please identify the magnitude of these costs and where they show up in either the smart meter costs or in 2012 capital and/or operating costs.

Response: Yes there are costs for which E.L.K. is seeking recovery. The cost is $18,000 for web presentment software, and it shows up in the 2012 capital. However, E.L.K. has not yet selected the vendor that would best accommodate E.L.K. As such, no monies were spent in 2012 related to web presentment software.

Board Staff Interrogatory #50

Ref: E9-T4-S3 – Stranded Meters

E.L.K. has proposed a uniform SMRR of $2.22 per month for Residential and GS < 50 kW customers applicable for one year. In *Guideline G-2011-0001: Smart Meter Funding and Cost Recovery – Final Disposition* ("Guideline G-2011-0001"), issued December 15, 2011, the Board states its expectation that proposals for the SMRR would reflect an allocation of the stranded meter costs reflecting the net book value of the conventional meters stranded by replacement by smart meters. In Section 3.7, page 22, of Guideline G-2011-0001, the Board states:

> The distributor should determine and support its proposed allocation, based on the principles of cost causality and practicality. The stranded meter NBV should be recovered through rate riders for applicable customer classes. A distributor must outline the manner in which it intends to allocate the stranded meter costs to the applicable customer rate classes and the rationale for the selected approach. If a distributor has recorded the NBV of the stranded meters by customer class, it should propose class-specific rate riders for each applicable class (Residential, GS < 50 kW and any other classes approved by the Board for smart meter deployment). If the NBV is not known on a class-specific basis, a distributor should propose an allocation between the affected metered customer classes and support its proposal.

In Table 7-3 of Exhibit 7/Tab 1/Schedule 1/page 1, E.L.K. states that the Capital Weighted Meter Costs of Residential and GS < 50 kW smart meters are, respectively, $77.15 and $150.77, based on sheet I7.1 of the Cost Allocation model. In other words, the average cost of a GS < 50 kW smart meter is just under double that of a residential smart meter. Since we are dealing with the net book value of the conventional meters, the CWMC of smart meters is not appropriate. However, CWMC data from sheet I7.1 of the 2006/7 Cost Allocation Informational Filing would information would have comparable information on the conventional meters.

a) Please provide a copy of Sheet I7.1 from E.L.K.'s 2006/7 Cost Allocation Informational Filing.

   Response: The relevant information from Sheet I7.1 of E.L.K.'s 2006/7 Cost Allocation Informational Filing needed to complete the calculations in part b) is provided below.

		Residential			General Service Less than 50 kW		
		1	2	3	1	2	3
		Number of Meters	Weighted Metering Costs	Weighted Average Costs	Number of Meters	Weighted Metering Costs	Weighted Average Costs
Allocation Percentage Weighted Factor				51.46%			25%
Cost Relative to Residential Average Cost				1.00			4.72
Total		9365	483200	51.59636946	977	237825	243.4237462
Meter Types	**Cost per Meter (Installed)**						
Single Phase 200 Amp - Urban	50	9,281	464050		651	32550	
Single Phase 200 Amp - Rural	150		0			0	
Central Meter	250	10	2500			0	
Network Meter (Costs to be updated)	225	74	16650		51	11475	
Three-phase - No demand	210		0		170	35700	
Smart Meters	300		0			0	
Demand without IT (usually three-phase)	500		0		39	19500	
Demand with IT	2,100		0		66	138600	
Demand with IT and Interval Capability - Secondary	2,300		0			0	
Demand with IT and Interval Capability - Primary	10,000		0			0	
Demand with IT and Interval Capability -Special (WMP)	40,000		0			0	

b) Based on the information provided in a), please provide class-specific SMRRs for the Residential and GS < 50 kW. Please adequately document the methodology for allocating the costs between the classes.

Response: Based on the information provided in a), the following provides the class-specific SMRRs for the Residential and GS < 50 kW. The table documents the methodology for allocating the costs between the classes.

Stranded Meter Rate Rider by Class			
	Total	Residential	GS < 50
Weighted Meter Costs - I7.1 from 2006/7 Cost Allocation Informational Filing (A)	$721,025	$483,200	$237,825
Allocation Factor (B) based on info in (A)	100%	67%	33%
Stranded Meters by Class (C) = Total Cost X (B)	$299,445	$200,675	$98,770
Metered Customers (D)	11,238	10,023	1,214
Stranded Meter Rate Rider by Class (E) = (C) / (D) / 12	$2.22	$1.67	$6.78

c) Please indicate E.L.K.'s preference, with reasons, for either a uniform or class-specific SMRR.

Response: E.L.K. does not have a preference.

Board Staff Interrogatory #51

Ref: Smart Meter Model, Version 2.17 – Tax/PILs Rates

E.L.K. has used the following for the aggregate tax/PILs rates for each year, as input on sheet 3 'Cost of Service Parameters' of the Smart Meter Model, Version 2.17:

Year	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012 and beyond**
Aggregate Tax/PILs rate	36.12%	36.12%	33.50%	33.13%	28.13%	23.51%	29.00%
Maximum Aggregate Federal/provincial tax rate	36.12%	36.12%	33.50%	33.00%	31.00%	28.25%	26.25%

The tax/PILs rates chosen for 2006, 2007 and 2008 have no implications as there are no smart meter costs in those years. E.L.K. has overridden the defaults for 2009 and beyond.

a) E.L.K. has input a tax rate of 33.13% for 2009, which exceeds the maximum aggregate Federal and Ontario income tax rate of 33.00% in that year. Please explain E.L.K.'s input in that year.

Response: The tax rate of 33.13% for 2009 includes a component for the payment of the Ontario capital tax. Once this is removed the aggregate Federal and Ontario income tax rate is 33.00% in 2009.

b) E.L.K. has input a tax rate of 29.00% for 2012 and beyond, which exceeds the aggregate Federal and Ontario income tax rate of 26.25% for 2012, although Board staff understands that the maximum Ontario tax rate remains at 11.5% rather than reducing to 11.0% as of July 1, 2012. With the 15% Federal tax rate, this would imply a maximum tax rate of 26.5% for 2012. Please explain E.L.K.'s input of a 29.00% tax rate for 2012.

Response: The tax rate of 29.00% for 2012 was entered in error and the aggregate Federal and Ontario income tax rate should be 26.25% for 2012.

Board Staff Interrogatory #52

Ref: Smart Meter Model, Version 2.17 – Sheet 8 – Smart Meter Funding Adder Revenues

Per E.L.K.'s existing Tariff of Rates and Charges, as approved in E.L.K.'s 2011 IRM rates application EB-2010-0126 and also shown in Exhibit 8/Tab 1/Schedule 5/Appendix A in this Application, E.L.K.'s Smart Meter Funding Adder ("SMFA") of $1.45 per month per metered customer had a sunset of April 30, 2012.

On Sheet 8 of the Smart Meter Model Version 2.17, E.L.K. shows SMFA revenues of $15,013.34 for each of May 2012 and June 2012.

a) Please explain the entries of SMFA revenues for May and June 2012 after the sunsetting of the SMFA.

   Response: These amounts relate to billing periods prior to May 1, 2012.

Board Staff Interrogatory #53

Ref: Smart Meter Model, Version 2.17

If E.L.K. has made changes or corrections to the inputs of the Smart Meter Model as a result of its responses to interrogatories to Board staff and intervenors, and is in agreement with those changes, please provided updated versions of the class-specific SMDRs, including updated working Excel spreadsheet versions of the Smart Meter Model Version 2.17 and the spreadsheet

'E.L.K._Smart_Meter_Rate_Rider_by_Class_20121005'.

Response:

The change in tax rates outlined in the response to Board Staff #51 reduced the total revenue requirement assumed in the class-specific SMDRs by $1 since only the tax rate change in 2009 impacts the SMDR revenue requirement. As a result, the class specific SMDRs have not changed and there is no need to provide updated smart meter models.

Board Staff Interrogatory #54

<u>Ref: Smart Meter Model, Version 2.17 – Interest on OM&A and Depreciation Expenses</u>

In the Smart Meter Model Version 2.17 filed by E.L.K., the utility has relied upon sheet 8B to calculate the interest on OM&A and depreciation/amortization expenses. Sheet 8B calculates the interest based on the average annual balance of deferred OM&A and depreciation/amortization expenses based on the annual amounts input elsewhere in the model.

The more accurate and preferred method for calculating the interest on OM&A and depreciation/amortization expense is to input the monthly amounts from the sub-account details of Account 1556, using sheet 8A of the model. This approach is analogous to the calculation of interest on SMFA revenues on sheet 8 of the model.

a) Please re-file the smart meter model using the monthly OM&A and depreciation/amortization expense data from Account 1556 records. E.L.K. should also take into account any revisions necessary, such as in its response to the preceding interrogatory.

b) If this is not possible, please explain.

<u>Response (a) and (b)</u>

E.L.K. does not record monthly OM&A and depreciation/amortization expense into the sub-account details of Account 1556. These amounts are recorded into 1556 on an annual basis through the year end audit process provided by KPMG. As a result, E.L.K has relied upon sheet 8B to calculate the interest on OM&A and depreciation/amortization expenses since only annual values are available.

Energy Probe:

9.0 Energy Probe Interrogatory # 33

Ref: Exhibit 9, Tab 2, Schedule 1

What is the period proposed by ELK for which the rate riders shown in Table 9-6 would apply?

Response: Please refer to VECC #35.

9.0 Energy Probe Interrogatory # 34

Ref: Exhibit 9, Tab 4, Schedule 3, Table 9-11 &
Exhibit 2, Tab 1, Schedule 3, Table 2-16

a) Please reconcile the figures shown in Table 9-11 with the disposals shown in account 1860 in Table 2-16.

Response: Please see reconciliation table below

Table 2-16 Disposals	$891,791
Less:	
Disposal of Stranded Meters Table 9-11	$(870,986)
Less: Disposal additional meters	$(20,805)
Difference	$ 0.00

b) Please explain why ELK removed the stranded meter costs and accumulated depreciation in 2010 rather than in 2011.

Response: E.L.K. followed guidance found in the Accounting Procedures Handbook Frequently asked questions issued December 23, 2010 Q.15. As E.L.K. received the document in 2010 E.L.K. removed the stranded meter costs for the 2010 year-end.

c) Did the accumulated depreciation in 2010 include a full year of depreciation for the stranded meters? If not, please provide the amount of depreciation associated with the stranded meters in 2010 as well as the amount had a full year of depreciation been taken in 2010.

Response: The accumulated depreciation in 2010 included a full year of depreciation for stranded meters.

d) What is the depreciation expense associated with the stranded meters in 2011?

Response: The depreciation expense associated with the stranded meters in 2011 is a $34,839.45 debit.

e) Has ELK adjusted the accumulated depreciation associated with the stranded meters to reflect a full year of depreciation in both 2010 and 2011? If not, why not? If not, please calculate the amount to be recovered assuming the net book value at the end of 2011 reflects a full year of depreciation included in the accumulated depreciation in each of 2010 and 2011 and please show all calculations.

Response: Yes, E.L.K. has adjusted the accumulated depreciation associated with the stranded meters to reflect a full year of depreciation in 2010 and 2011.

f) What is the relative cost of a stranded residential meter as compared to a stranded GS < 50 kW meter? What was the relative weighting of meter capital costs in the last cost allocation model filed by ELK?

Response: All meters are captured in the general ledger in one account. Please refer to Board Staff # 50

EnWin:

EnWin Interrogatory #24

24. **Exhibit 9** Tab 4 Schedule 2 Page 14

Does ELK have live monitoring of outages and other meter events through the ODS after regular business hours?

Response: No.

VECC:

VECC Interrogatory #39

39.0 Reference: Exhibit 9, Tab 4, Schedule 3

a) What is the depreciation expense associated with stranded meters in 2012?

Response: The accumulated depreciation for the stranded meters recorded in 2010 was $599,209.92. No further depreciation was taken.

b) Please explain how the proposed uniform stranded meter rider represents the best cost causality methodology as between residential and other rate classes?

Response: The proposed uniform stranded meter rider provided represents the most simplistic method to determine the rider and may not be the best cost causality methodology. However, in response to Board Staff #50 one method of cost causality is used to determine the rider and another method is provided below in response to VECC 41d. As stated in Board Staff #50 c, E.L.K. does not have a preference on which method is used and will seek direction from the Board and/or parties on this matter.

VECC Interrogatory #40

40.0 Reference: Exhibit 9, Tab 4, Schedule 3, pg.5

a) Please explain why in Table 9-10 the total number meters installed does not equal the number of metered customers which are proposed to be charged the SMDR (i.e. 10,802 vs. 11,238)?

Response: The total number of meters installed represents an actual 2011 number reported to the OEB from smart metering RRR reporting and does not equal the number of metered customers which are proposed to be charged as this amount represents an estimate captured from the Load Forecast calculated data.

VECC Interrogatory #41

41.0 Reference: Exhibit 9, Tab 4, Schedule 3, Stranded Meters

a) Does E.L.K. record residential meter costs separately from general service meter costs?

Response: E.L.K. only tracks residential meter costs and general service meter costs separately in one of its CIS system modules, but are all recorded in one general ledger account.

b) Does E.L.K. have any information which would indicate a cost difference between the installed cost of older residential and general service meters?

Response: No

c) Does E.L.K have any reason to believe that the cost differential as between residential and general service smart meters would not make a good proxy for the differential in costs of residential and general service stranded meters?

Response: No, E.L.K. does not have any reason to believe that the cost differential as between residential and general service smart meters would not make a good proxy for the differential in costs of residential and general service stranded meters.

d) Please recalculate the stranded meter rate rider using the weighted meter cost shown in Table 9-10 (E9/T4/S3/pg5.).

Response: The stranded meter rate rider has been calculated using the weighted meter cost shown in Table 9-10 (E9/T4/S3/pg5.). The results are provided in the following table.

Stranded Meter Rate Rider by Class			
	Total	Residential	GS < 50
Smart Meter Cost as per Table 9-10 (A)	$904,482	$758,541	$145,941
Allocation Factor (B) based on info in (A)	100%	84%	16%
Stranded Meters by Class (C) = Total Cost X (B)	$299,445	$251,129	$48,316
Metered Customers (D)	11,238	10,023	1,214
Stranded Meter Rate Rider by Class (E) = (C) / (D) / 12	$2.22	$2.09	$3.32

APPENDIX SEC#2
SHAREHOLDER DECLARATION

REFERENCE: SEC INTERROGATORY 2

RECEIVED MAR 19 2009

THE CORPORATION OF THE TOWN OF ESSEX
SHAREHOLDER DECLARATION
FOR
E.L.K. ENERGY INC.

1. Definitions and Purpose

1.1 Definitions - In this Shareholder Declaration, defined terms have the meanings set out in Appendix "A" attached hereto.

1.2 Purpose - This Shareholder Declaration outlines certain expectations of the Shareholder relating to the governance of the Corporation and in some cases, the Subsidiaries. Except as provided in Section 5, this Shareholder Declaration is not intended to constitute a unanimous shareholder declaration under the OBCA or to formally restrict the exercise of the powers of the Board or the board of directors of any Subsidiary.

2. Permitted Business Activities

2.1 Subject to the restrictions in Section 5, the Corporation and the Subsidiaries may engage in the business activities which are permitted by any law applicable to the Corporation and the Subsidiaries from time to time, and as the Board may authorize. In so doing, the Corporation and its Subsidiaries shall conform to all requirements of the OEB and all other applicable regulatory or governmental authorities.

3. Board of Directors

3.1 Number of Directors -The Corporation shall be governed by the Board which shall consist of a minimum of one and a maximum of twenty directors to be appointed by the Shareholder. The Shareholder shall, by special resolution, or by Shareholder Declaration, designate the number of members of the Board to hold office from time to time.

3.2 Board Committees - The Shareholder expects the Board to establish a Finance Committee to review financial results and related matters. Further Board committees may be established at the Board's discretion.

3.3 Directors' Compensation - The compensation of the Board and of the boards of directors of the Subsidiaries shall be approved by the Shareholder. Directors compensation will initially be set as follows:

(a) all directors of the Corporation or a Subsidiary shall receive $1200 per annum;

(b) any director of the Corporation who is also serving as the Chair of the Corporation or a Subsidiary shall receive the additional sum of $600 per annum, for a total compensation of $1800 per annum;

(c) if a director or chair of the Corporation is also a director or chair of one or more Subsidiaries, such director shall not receive any additional compensation for his or her role as director or chair of a Subsidiary.

The Shareholder may review the compensation of the Board and of the boards of the Subsidiaries at any time in order to ensure that the level of compensation is appropriate and sufficient to attract directors with necessary qualifications.

4. Decisions of the Shareholder and Shareholder Representative

4.1 The Shareholder hereby designates the Mayor and the Town Clerk as the legal representatives of the Shareholder (the "**Shareholder Representative**") for purposes of communicating to the Board pursuant to Subsection 4.2 any consent or approval required by this Shareholder Declaration or by the OBCA otherwise.

4.2 Approvals or decisions of the Shareholder required pursuant to this Shareholder Declaration or the OBCA shall require a resolution or by-law of Council and shall be communicated in writing to the Board and signed by the Shareholder Representative.

5. Matters Requiring Shareholder Approval

In addition to those matters which the OBCA specifies require Shareholder approval, without Shareholder approval given in accordance with Section 4, the Corporation or any Subsidiary, respectively, shall not:

5.1 take on, assume or guarantee any obligation for borrowed money in excess of $500,000;

5.2 sell assets of the Corporation or of a Subsidiary or purchase assets with an aggregate value in excess of 15% of the Consolidated Book Value of all assets of the Corporation and its Subsidiaries;

5.3 materially alter the geographic extent of the service territory of the Corporation; or

5.4 enter into a joint venture, partnership, strategic alliance or other venture, including ventures in respect of the generation or co-generation of electricity which would require an investment equal to or greater than 10% of the Consolidated Book Value of all assets of the Corporation and its Subsidiaries, or which would have a duration of greater than twelve (12) months.

6. Revisions to this Declaration

The Shareholder acknowledges that this Shareholder Declaration may be revised from time to time as circumstances may require and that the Shareholder will consult with the Board prior to completing any revision and will promptly provide the Board with copies of such revision.

DATED at Essex, Ontario the 6th day of March, 2009

THE CORPORATION OF THE TOWN OF ESSEX

By: Ron McDermott

By: Cheryl A Bondy

APPENDIX "A"

DEFINITIONS AND INTERPRETATIONS

In this Shareholder Declaration the following defined terms have the meaning set out below:

"**Board**" means the board of directors of the Corporation;

"**Consolidated Book Value**" of all assets of the Corporation and its Subsidiaries shall be the values reported in the audited consolidated financial statements of the Corporation and its Subsidiaries at the end of its most recently completed fiscal year;

"**Corporation**" means E.L.K. Energy Inc.;

"**Council**" means the Town Council of the Town of Essex;

"**Mayor**" means the Mayor of the Town of Essex;

"**OBCA**" means the *Business Corporations Act* (Ontario);

"**OEB**" means the Ontario Energy Board;

"**Shareholder**" means The Corporation of the Town of Essex;

"**Shareholder Declaration**" means this shareholder declaration;

"**Shareholder Representative**" shall have the meaning set out in Subsection 4.1;

"**Subsidiaries**" means the subsidiary corporations (as defined in the OBCA) of the Corporation; and

"**Town Clerk**" means the Clerk of the Town of Essex.

APPENDIX SEC#4

REFERENCE: SEC INTERROGATORY 4

E.L.K. Energy Inc.

Expenditures

		2010 Budget	2010 Actual	2011 Budget	2011 Actual	2012 Budget
Distribution expenses - operations & maintenance		$ 825,000	$ 544,000	$ 602,000	$ 770,000	$ 749,000
Operation Supervision & engineering	5005	$ 61,000	$ 55,000	$ 61,000	$ 61,000	$ 81,000
Station buildings and fixture expense	5010/5012/5016	$ 7,000	$ 5,000	$ 9,000	$ 1,000	$ 3,000
Overhead distribution lines & feeders	5020/5025	$ 51,000	$ 35,000	$ 51,000	$ 40,000	$ 54,000
Overhead distribution transformers - operation	5035	$ 3,000	$ 2,000	$ 3,000	$ 4,000	$ 4,000
Underground distribution lines & feeders	5040/5045	$ 112,000	$ 77,000	$ 76,000	$ 103,000	$ 100,000
Underground distribution transformers - operation	5055	$ -	$ 1,000	$ 1,000	$ 3,000	$ 1,000
Meter expense	5065	$ 53,000	$ 23,000	$ 22,000	$ 21,000	$ 22,000
Overhead distribution lines & feeders - rental paid	5095	$ 22,000	$ 37,000	$ 22,000	$ 14,000	$ 26,000
Maintenance of poles, towers & fixtures	5120	$ 30,000	$ 28,000	$ 30,000	$ 29,000	$ 29,000
Maintenance of overhead conductors & devices	5125	$ 123,000	$ 65,000	$ 64,000	$ 101,000	$ 90,000
Maintenance of overhead services	5130	$ 48,000	$ 45,000	$ 48,000	$ 35,000	$ 35,000
Overhead distribution lines & feeders	5135	$ 110,000	$ 33,000	$ 76,000	$ 89,000	$ 81,000
Maintenance of underground conductors & devices	5150	$ 64,000	$ 38,000	$ 39,000	$ 86,000	$ 76,000
Maintenance of underground services	5155	$ 64,000	$ 50,000	$ 49,000	$ 130,000	$ 94,000
Maintenance of line transformers	5160	$ 65,000	$ 30,000	$ 31,000	$ 33,000	$ 32,000
Sentinel Lights Labour	5170	$ -	$ 1,000	$ -	$ 2,000	$ 3,000
Maintenance of meters	5175	$ 12,000	$ 19,000	$ 20,000	$ 18,000	$ 18,000
Billing & collecting		$ 869,000	$ 727,000	$ 639,000	$ 800,000	$ 733,000
Supervision	5305	$ 85,000	$ 88,000	$ 90,000	$ 88,000	$ 90,000
Meter reading expense	5310	$ 172,000	$ 131,000	$ 59,000	$ 79,000	$ 58,000
Customer billing & collecting	5315 -5335	$ 602,000	$ 492,000	$ 475,000	$ 629,000	$ 575,000
Community relations	5405-5515	$ 10,000	$ 16,000	$ 15,000	$ 4,000	$ 10,000
Administration & general		$ 811,000	$ 809,000	$ 916,000	$ 836,000	$ 886,000
Executive salaries & expenses	5605	$ 20,000	$ 19,000	$ 20,000	$ 20,000	$ 20,000
Management salaries & expenses	5610	$ 275,000	$ 332,000	$ 341,000	$ 316,000	$ 395,000
General administrative salaries & expenses	5615	$ 73,000	$ 55,000	$ 57,000	$ 62,000	$ 65,000
Office supplies & expenses	5620	$ 85,000	$ 61,000	$ 62,000	$ 82,000	$ 87,000
Outside services employed	5630	$ 1,000	$ 12,000	$ 12,000	$ -	$ 6,000
Accounting		$ 30,000	$ 13,000	$ 30,000	$ 13,000	$ 24,000
Information technology		$ 15,000	$ 14,000	$ 23,000	$ 19,000	$ 17,000
Customer information system		$ 50,000	$ 47,000	$ 59,000	$ 64,000	$ 58,000
Legal		$ 40,000	$ 21,000	$ 20,000	$ 13,000	$ 17,000
Property insurance	5635	$ 30,000	$ 29,000	$ 30,000	$ 42,000	$ 28,000
Injuries & damages	5640	$ 87,000	$ 37,000	$ 86,000	$ 34,000	$ 58,000
Employee pensions & benefits	5645	$ 27,000	$ -	$ 1,000	$ 2,000	$ 1,000
General advertising expenses	5660	$ 1,000	$ -	$ 1,000	$ -	$ 1,000
Miscellaneous general expenses	5665	$ 2,000	$ 11,000	$ 11,000	$ 9,000	$ 10,000
Maintenance of general plant	5675	$ 106,000	$ 78,000	$ 79,000	$ 84,000	$ 64,000
Electrical Safety Authority Fees	5680	$ 5,000	$ 6,000	$ 5,000	$ 6,000	$ 6,000
Special Purpose Charge	5681	$ -	$ 42,000	$ 56,000	$ 35,000	$ -
Late Payment Penalty (Expense)	5682	$ -	$ -	$ -	$ 13,000	$ 6,000
Taxes other than income taxes	6105	$ 17,000	$ 32,000	$ 23,000	$ 22,000	$ 23,000
Amortization	5705	$ 849,000	$ 824,000	$ 829,000	$ 840,000	$ 843,000
Interest	6035/6040	$ 295,000	$ 290,000	$ 292,000	$ 295,000	$ 296,000
Total expenditures before payments in lieu of income tax		$ 3,649,000	$ 3,194,000	$ 3,278,000	$ 3,541,000	$ 3,507,000
Taxation						
` Payments in lieu of income taxes (tax provision to be determined by KPMG)	6110					

APPENDIX SEC 7c CAPITAL BUDGET

REFERENCE: SEC INTERROGATORY 7(c)

E.L.K. Energy Inc.

Capital - Summary
Investing in our distribution system to ensure safe, reliable and efficient delivery of electricity.

		2010 Budget	2010 Actual	2011 Budget	2011 Actual	2012 Budget	2013 Budget	2014 Budget
Renewable Connection Capital Deferral Acct	1531	$ -	$ -	$ -	$ -	$ 73,000	$ -	$ -
Smart meter capital & recovery offset variance account	1555	$ 1,476,000	$ 1,363,370	$ 120,000	$ (43,000)	$ 25,000	$ -	$ -
Smart meter OM & A variance	1556	$ 55,000	$ 30,624	$ 47,000	$ 46,369	$ 55,000	$ -	$ -
Poles, towers & fixtures	1830	$ 64,000	$ 106,000	$ 41,000	$ 51,000	$ 21,000	$ 35,000	$ 81,000
Overhead conductors & devices	1835	$ 116,000	$ 160,000	$ 145,000	$ 186,000	$ 47,000	$ 50,000	$ 70,000
Underground conductors & devices	1840/1845	$ 133,000	$ 339,000	$ 96,000	$ 253,000	$ 267,000	$ 155,000	$ 144,000
Line transformers	1850	$ 206,000	$ 108,000	$ 207,000	$ 86,000	$ 203,000	$ 213,000	$ 233,000
Services	1855	$ 26,000	$ 67,000	$ 33,000	$ 70,000	$ 43,000	$ 49,000	$ 63,000
Meters	1860	$ 18,000	$ (866,000)	$ 52,000	$ 4,000	$ 10,000	$ 38,000	$ 6,000
Land & land rights	1905/1906	$ -	$ -	$ -	$ -	$ -	$ -	
Contributions & Grants (Cash Outlay)	1995	$ -	$ -	$ 160,000	$ 192,000	$ 17,000	$ 83,000	$ 85,000
Building & fixtures	1908	$ 124,000	$ (202,000)	$ 65,000	$ 3,000	$ 14,500	$ -	$ -
Office equipment	1915	$ 55,000	$ 21,000	$ 40,000	$ -	$ 2,500	$ 120,000	$ 5,000
Computer equipment	1920	$ 5,000	$ 4,000	$ 10,000	$ 3,000	$ 5,000	$ 21,000	$ -
Computer software	1925	$ 7,000	$ 1,000	$ 17,000	$ -	$ 19,000	$ 18,000	$ -
Transportation equipment	1930	$ 31,000	$ -	$ 89,250	$ 14,000	$ 89,250	$ 110,000	$ 235,000
Tools, shop & garage	1940	$ 25,000	$ 3,000	$ 20,000	$ 1,000	$ 25,000	$ -	$ -
Total capital expenditures		$ 2,341,000	$ 1,134,994	$ 1,142,250	$ 866,369	$ 916,250	$ 892,000	$ 922,000

Investments by Project – 2012

Conversion (Service Area: Cottam)

• Complete the transfer of secondary services as the final stage of our conversion project for the Cottam service area from 8 kV to 27.6 kV. In previous years, this project was partially funded by our Demand Side Management Program and will reduce our line loss in the area. Additionally, it will increase the system reliability and reduce the reliance on Hydro One during system interruptions. This investment will reduce the current load on the Hydro One owned Cottam Distribution Station which currently supplies the Cottam Service Area and surrounding Hydro One Service Area.

Conversion (Service Area: Kingsville)

• Complete the conversion from 4 kV to 27.6 kV of existing overhead feed from the Mill Street parking lot to Elm Street adjacent to Lions Hall facility.
• Complete the conversion of the Queen Street pumping station from 4 kV to 27.6 kV, which would be the final customer on our Kingsville Distribution Station (DS).
• The decommissioning of the Kingsville DS.

Underground Asset Renewal (Service Area: Essex)

To begin renewing the high voltage underground distribution system in Viscount Estates. This will include installing new duct and high voltage cable as well as replacing the existing live front transformers with new mini pad dead front transformers. The existing infrastructure is 35 - 42 years old.

Past Investments by Project – 2011

Conversion (Service Area: Cottam)
• Work on our conversion project for the Cottam service area from 8 kV to 27.6 kV.

Conversion (Service Area: Kingsville)

• Completion of Prince Albert Street conversion work from 4 kV to 27.6 kV beginning at Main Street and continuing to Mill Street. This will eliminate a three (3) phase rear yard high voltage line and upgrade the secondary network.
• Completion of installation of a new three (3) phase underground distribution feed under Mill Street at Prince Albert Street and along Mill Street to the Lions Hall. A new single phase underground distribution feed along Mill Street from Prince Albert Street to service McDonald Street will eliminate an overhead 16 kV feed along Cemetery Road.

Smart Meters (Service Area: All upon completion of implementation)

The smart metering system includes an Advanced Metering Infrastructure (AMI) and Meter Data Management/Repository (MDM/R) functions. An AMI is the infrastructure within which date and time-stamped hourly meter reads will be remotely collected and transmitted daily to a utility's control computer and eventually, to a centralized MDM/R.

The role of the MDM/R is to provide a common infrastructure for receiving meter reads from all AMI in Ontario, processing the reads to produce rate-ready consumption data (that is, data to support billing), storing and managing data, and providing access to such data to Interested Parties.

In order to meet our obligation, we will be using Sensus FlexNet which includes the following key features:

- Programmable daily, hourly, 15 and 5 minute data intervals, or on-demand reads
- Power Quality Sag/Swell actual volts (peak, min, avg)
- On-demand tunneling access to all meter information
- Time-of-use profile data for variable rate billing and consumption correlation
- Counts momentary outages
- Restoration notification
- Tamper and energy theft detection
- CRC-32 protected, redundant data messages
- 256 bit data encryption
- Two-way and one-way communications options
- Power fail notification on outages > 120 sec
- Automatically relays messages from hard-to-reach meters
- Relays messages to load shed end-points: thermostats, hot water heaters etc
- Supports remote connect/disconnect

Customer requested electric servicing including new subdivisions (Service Area: All)
For electric plant expansions/upgrades, a capital contribution is collected from the customer upfront when the anticipated net present value of the project is calculated as a negative. In addition, an expansion deposit is collected which is refunded over the first five years of the project, based on the # of lots developed for a residential project or the actual load for a general service project.

E.L.K. Energy Inc.

Capital - Distribution Plant (2012)
Investing in our distribution system to ensure safe, reliable and efficient delivery of electricity.

	Renewable Connection Capital Deferral Acct 1531	SM capital & recovery offset variance 1555	SM OM&A variance-operating 1556	Poles, towers & fixtures 1830	Overhead conductors & devices 1835	Underground conductors & devices 1840/1845	Line transformers 1850	Services 1855	Meters 1860	Contributions & Grants 1995	Total
Conversion of Cty Rd 34 East		$ -	$ -	$ -	$ 14,587	$ -	$ -	$ -	$ -		$ 14,587
Renew UG primary cable & transformers in viscount estates		$ -	$ -	$ -	$ -	$ 135,817	$ 84,886	$ -	$ -		$ 220,702
Conversion of the rear yard plant at the old Lions Hall		$ -	$ -	$ -	$ 8,367	$ -	$ 18,807	$ -	$ -		$ 27,174
Conversion of Queen St pumping station		$ -	$ -	$ -	$ -	$ -	$ 10,914	$ -	$ -		$ 10,914
New and upgraded residential service road bores		$ -	$ -	$ -	$ -	$ 30,000	$ -	$ -	$ -		$ 30,000
Planned subdivision work contributed capital		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 17,174.48	$ 17,174
Planned Subdivision Work		$ -	$ -	$ -	$ -	$ 50,000	$ 32,500	$ 5,000	$ -	$ -	$ 87,500
To replace transformers in inventory used through year		$ -	$ -	$ -	$ -	$ -	$ 36,500	$ -	$ -		$ 36,500
100 new smart meters for new service connections		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,703		$ 7,703
Smart Meters by the KTI proposal		$ 50,502	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 50,502
Smart meter incidental metering hardware (seals, rings, adapters)		$ 2,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 2,000
Meter base repair		$ 7,500	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 7,500
System operating expenses (Sensus & Metersense)		$ -	$ 54,720	$ -	$ -	$ -	$ -	$ -	$ -		$ 54,720
Approved Rate Recovery- Smart Meter Rate Adder (4 months)		$ (66,700)									$ (66,700)
KTI Command Link + Trimble Nomad		$ 15,465	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 15,465
Green Energy Microfit Credits	$ 72,900	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	-	$ 72,900
Additional Labour Hours	$ -	$ 16,101	$ -	$ 21,468	$ 23,615	$ 51,523	$ 19,214	$ 37,569	$ 2,684	$ -	$ 172,173
	$ 73,000	$ 25,000	$ 55,000	$ 21,000	$ 47,000	$ 267,000	$ 203,000	$ 43,000	$ 10,000	$ 17,000	$ 761,000

E.L.K. Energy Inc.

Capital - General Plant (2012)

Investing in our distribution system to ensure safe, reliable and efficient delivery of electricity.

Building & fixtures		
	Rear compound drainage	$ 12,000
	Miscellaneous	$ 2,500
		$ 14,500
Office equipment & furniture		
	Miscellaneous replacements	$ 2,500
		$ 2,500
Computer equipment		
	Miscellaneous replacements	$ 5,000
		$ 5,000
Computer software		
	Web Presentment Software TOU	$ 18,000
	AutoCad 3D Subscription	$ 1,000
		$ 19,000
Transportation equipment		
	Extended Cab, 2WD heavy duty chassis & bins, lettering, lights	$ 89,250
	Note: Trade in value of $2500 is included.	
		$ 89,250
Tools, shop & garage		
	3 truck grounds, various hand tools as required, cable grips, linkit gun and ground matts	$ 25,000
		$ 25,000

E.L.K. Energy Inc.

Capital - Distribution Plant (2013)
Investing in our distribution system to ensure safe, reliable and efficient delivery of electricity.

	Poles, towers & fixtures 1830	Overhead conductors & devices 1835	Underground conductors & devices 1840/1845	Line transformers 1850	Services 1855	Meters 1860	Contributions & Grants 1995	Total
Conversion of South Comber- the portion fed from Comber DS along Cty Rd 46 and South of 46 from 8KV to 27.6KV	$ 19,057	$ 23,417	$ 24,470	$ 157,487	$ -	$ 35,399		$ 259,830
New and upgraded service road bores	$ -	$ -	$ 30,000	$ -	$ -	$ -		$ 30,000
Forecasted subdivision work capital from OTC's	$ -	$ -	$ 50,000	$ 40,000	$ 10,000			$ 100,000
Additional Hours	$ 15,770	$ 27,019	$ 50,729	$ 15,439	$ 38,598	$ 2,426	$ 82,710	$ 232,691
	$ 35,000	$ 50,000	$ 155,000	$ 213,000	$ 49,000	$ 38,000	$ 83,000	$ 623,000

E.L.K. Energy Inc.

Capital - General Plant (2013)
Investing in our distribution system to ensure safe, reliable and efficient delivery of electricity.

Building & fixtures		
		$ -
Office equipment & furniture		
	General office workspace configurations improvements	$ 50,000
	Replacment of office flooring	$ 50,000
	Accessibility Bathroom/Updates	$ 15,000
	Miscellaneous replacements	$ 5,000
		$ 120,000
Computer hardware		
	Replacment of CSR workstations	$ 21,000
		$ 21,000
Computer software		
	eDoc File Management Software Insall	$ 8,000
	Upgrade of Server/SQL Server/Accpac	$ 10,000
		$ 18,000
Tools, shop & garage		
		$ -
Transportation equipment		
	Replacement of 2 Radial Boom Derricks with one	$ 110,000
		$ 110,000

E.L.K. Energy Inc.

Capital - Distribution Plant (2014)

Investing in our distribution system to ensure safe, reliable and efficient delivery of electricity.

	Poles, towers & fixtures 1830	Overhead conductors & devices 1835	Underground conductors & devices 1840/1845	Line transformers 1850	Services 1855	Meters 1860	Contributions & Grants 1995	Total
New & upgraded residential service road bores	$ -	$ -	$ 30,000	$ -	$ -	$ -		$ 30,000
Forecasted subdivision work from OTC's	$ -	$ -	$ 50,000	$ 40,000	$ 10,000	$ -		$ 100,000
Conversion of Comber, the portion fed from Comber DS along North of 46 to just south of the train tracks	$ 56,820	$ 22,218	$ 10,673	$ 181,779	$ -	$ -		$ 271,491
Hydro One Load Transfers	$ 13,500	$ 13,500	$ 13,500	$ -	$ 13,500	$ -		$ 54,000
Additional Hours	$ 10,199	$ 33,996	$ 39,945	$ 11,615	$ 39,662	$ 5,666	$ 84,990	$ 226,073
	$ 81,000	$ 70,000	$ 144,000	$ 233,000	$ 63,000	$ 6,000	$ 85,000	$ 682,000

E.L.K. Energy Inc.

Capital - General Plant (2014)

Investing in our distribution system to ensure safe, reliable and efficient delivery of electricity.

Office equipment & furniture		
Equipment replacement/improvements in need of repair/as required	$	5,000
	$	5,000
Transportation equipment		
Replacement of 2 Radial Boom Derricks with one	$	235,000
Note: Trade in value of $5000 on Truck 303		
	$	235,000

APPENDIX SEC#9b

REFERENCE: SEC INTERROGATORY 9(b)

Report to Board

DEPARTMENT: Operations

DATE: August 6, 2009

PREPARED BY: Norm MacAulay

REPORT NUMBER: OM09-02

SUBJECT: New light duty vehicle purchase.

PURPOSE

To replace two (2) existing light duty vehicles with two (2) new hybrid compact sport utility vehicles.

BACKGROUND

The replacement of two (2) existing light duty vehicles was previously approved in the 2009 Budget. Staff reviewed various vehicles to determine the appropriate replacement vehicle for the two (2), currently pickups, being replaced. It was determined that both vehicles would serve E.L.K. best if they were minivans or sport utility vehicles providing some interior/weather proof cargo area.

Appendix 1 & 2, attached, which provide a comparison of vehicles that appeared best suited for E.L.K.'s application. The annual mileage driven by each vehicle was broken down by an estimated percentage of City versus Highway mileage and using the supplied fuel economy ratings the annual litres of fuel was determined. Fuel costs per litre were estimated over the eight (8) year forecast for this vehicle to determine a "Life Fuel Cost" for the vehicle.

Purchase prices for each of the vehicles was attained from the respective websites. This price was added to the life fuel cost less any advertised discounts for the "Net Ownership Costs". The final column is "Difference of Compared Vehicles" which provides the net life savings on that particular vehicle compared to the highest net ownership cost vehicle.

The results supported a hybrid vehicle so a Request for Proposal for two (2) Hybrid Sport Utility vehicles, Appendix 3, was provided to Countryside Chrysler Dodge, Dave Hitchcock Chevrolet, Ken Knapp Ford and Larry Renaud Ford. Renaud's advised they would not be able to provide a proposal, as they would not be handling hybrids until later this year. Proposals were not received from Countryside or Hitchcock's and one (1) was received from Knapp's.

The following is the proposal received and what was previously approved n the 2009 budget.

	Proposal	Budget
2 - 2009 Ford Escape Hybrid, 2WD, price including PST	$ 70,696.00	$ 70,000.00
Trade in on truck 103	$ (700.00)	$ (500.00)
Trade in on Truck 105	$ (500.00)	$ (500.00)
Appendix 4 additional discount	$ (1,604.00)	
Subtotal	$ 67,892.00	$ 69,000.00
PST	$ 5,431.36	$ 5,520.00
Purchase price less GST	$ 73,323.36	$ 74,520.00

As seen above the proposal is within budget but additional funding is available for the purchase of these vehicles. The Ontario Power Authority, OPA, has a LDC Community Initiatives Fund that can be utilized for the purchase of hybrid vehicles providing conservation programs are advertised on the vehicle. Presently we have $14,000 available for each vehicle of which on Appendix 1 & 2 $13,000 has been allocated to each vehicle purchase. The remaining $1,000 is to be used for the purchase and installation of signage for the conservation programs E.L.K. is participating in on the vehicle. This program will essentially covers 33% of the cost of these vehicles.

Purchase price less GST	$ 73,323.36
LDC Community Initiatives Fund	$ (26,000.00)
Net purchase price less GST	$ 47,323.36

Additionally the dealer has contacted us to advise there is a new program, Appendix 4, presently that will allow for an additional price reduction of $802 plus taxes per vehicle if delivery is accepted prior to August 31, 2009. Presently there are 2 vehicles on the lot available to E.L.K.

Appendix 5, attached, is the Ford Escape brochure. Pages 7 & 8 detail some of the benefits of the hybrid vehicle which go well beyond the fuel savings. The vehicles would be delivered in Kiwi green, which Ford has dedicated to their hybrid vehicles. It is staffs' intention to utilize the vehicles colour to help promote E.L.K.'s corporate environmental image as well as the conservation programs E.L.K. is presently supporting.

Staff has received pricing for vehicle wraps. (Wraps are custom fitted printed graphics that are applied to the vehicle for promotional purposes.) The concept being considered is to introduce some of our fleet yellow onto the rear portion of the vehicle with the E.L.K. logo and the OPA conservation program logos on it as well. In essence we have the "Green" vehicle emerging from the yellow.

The vehicle wraps are estimated at $2,300 plus taxes. There was an allowance approved in the budget for lettering and lighting the vehicles of $1,750. As noted above there is an additional $1,000 from the OPA LDC Community Initiatives Fund to use for the wrap as well as we have access to funds from each of the individual conservation programs for advertising.

RECOMMENDATION(S)/CONCLUSION(S)

Operations Manager MacAulay is seeking the Boards approval to purchase two (2) 2009 Ford Escape Hybrid sport utility vehicles from Ken Knapp Ford and trade in our 1995 Chevrolet C1500, #105, and our 1997 Ford F150, #103, as per their proposal dated June 11, 2009 for $73,323.36 plus GST.

APPENDIX SEC#9b1

REFERENCE: SEC INTERROGATORY 9(b)1

To Replace 101 (Locates, meter reads and meter changes)

Assumptions

Annual km's	32900	70% hwgy	30% city
Annual 100km's	329	230.3	98.7

Vehicle:	**Escape 2.5L**												
Fuel consumption rating L/100km's		7.2	10.1										
annual L's of fuel	2655.03	1658.16	996.87										
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	**Life fuel costs**	Purchase price	Discounts	Net Ownership costs	Difference of compared vehicles
Price per litre	$ 0.95	$ 1.00	$ 1.05	$ 1.10	$ 1.15	$ 1.20	$ 1.25	$ 1.30					
Annual fuel cost	$ 2,522.28	$ 2,655.03	$ 2,787.78	$ 2,920.53	$ 3,053.28	$ 3,186.04	$ 3,318.79	$ 3,451.54	**$ 23,895.27**	25258	0	$ 49,153.27	$ (4,294.99)

: Is derviced from the average annual km,s for the vehicle using the advertised fuel

: This is fleet discount price already.

: Is the sum of the life fuel costs plus the purchase price less any applicable discounts.

Vehicle:	**Escape 2.5LHybrid**												
Fuel consumption rating L/100km's		6.4	5.8	10.1									
annual L's of fuel	2116.83206	1473.92	477.43164	165.48042									
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	**Life fuel costs**	Purchase price	Discounts	Net Ownership costs	Difference of compared vehicles
Price per litre	$ 0.95	$ 1.00	$ 1.05	$ 1.10	$ 1.15	$ 1.20	$ 1.25	$ 1.30					
Annual fuel cost	$ 2,010.99	$ 2,116.83	$ 2,222.67	$ 2,328.52	$ 2,434.36	$ 2,540.20	$ 2,646.04	$ 2,751.88	**$ 19,051.49**	34009	13802	$ 39,258.49	$ (14,189.77)

: If the air conditioning is used the gas engine runs so 2 months of mileage was used at the standard city rate for non-hybrids.

: Is derviced from the average annual km,s for the vehicle using the advertised fuel

: $13,000 from the OPA LDC Community Initiatives Fund eligible on Hybrid purchases and $802 Ford

: Is the sum of the life fuel costs plus the purchase price less any applicable discounts.

Vehicle:	**Jeep Patriot 2L**												
Fuel consumption rating L/100km's		8	9.7										
annual L's of fuel	2799.79	1842.4	957.39										
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	**Life fuel costs**	Purchase price	Discounts	Net Ownership costs	Difference of compared vehicles
Price per litre	$ 0.95	$ 1.00	$ 1.05	$ 1.10	$ 1.15	$ 1.20	$ 1.25	$ 1.30					
Annual fuel cost	$ 2,659.80	$ 2,799.79	$ 2,939.78	$ 3,079.77	$ 3,219.76	$ 3,359.75	$ 3,499.74	$ 3,639.73	**$ 25,198.11**	22170	0	$ 47,368.11	$ (6,080.15)

: Is derviced from the average annual km,s for the vehicle using the advertised fuel

: Discount already applied to price.

: Is the sum of the life fuel costs plus the purchase price less any applicable discounts.

Vehicle:	**Grand Caravan**												
Fuel consumption rating L/100km's		8.4	12.6										
annual L's of fuel	3178.14	1934.52	1243.62										
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	**Life fuel costs**	Purchase price	Discounts	Net Ownership costs	Difference of compared vehicles
Price per litre	$ 0.95	$ 1.00	$ 1.05	$ 1.10	$ 1.15	$ 1.20	$ 1.25	$ 1.30					
Annual fuel cost	$ 3,019.23	$ 3,178.14	$ 3,337.05	$ 3,495.95	$ 3,654.86	$ 3,813.77	$ 3,972.68	$ 4,131.58	**$ 28,603.26**	24845		$ 53,448.26	$ -

: Is derviced from the average annual km,s for the vehicle using the advertised fuel

: Discount already applied to price.

: Is the sum of the life fuel costs plus the purchase price less any applicable discounts.

Vehicle:	**Montana**												
Fuel consumption rating L/100km's		8.5	13.1										
annual L's of fuel	3250.52	1957.55	1292.97										
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	**Life fuel costs**	Purchase price	Discounts	Net Ownership costs	Difference of compared vehicles
Price per litre	$ 0.95	$ 1.00	$ 1.05	$ 1.10	$ 1.15	$ 1.20	$ 1.25	$ 1.30					
Annual fuel cost	$ 3,087.99	$ 3,250.52	$ 3,413.05	$ 3,575.57	$ 3,738.10	$ 3,900.62	$ 4,063.15	$ 4,225.68	**$ 29,254.68**	26650	6300	$ 49,604.68	$ (3,843.58)

: Is derviced from the average annual km,s for the vehicle using the advertised fuel

: Canadian Pricing Advantage.

: Is the sum of the life fuel costs plus the purchase price less any applicable discounts.

Vehicle:	**Equinox 3.4L**												
Fuel consumption rating L/100km's		8.3	12.2										
annual L's of fuel	3115.63	1911.49	1204.14										
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	**Life fuel costs**	Purchase price	Discounts	Net Ownership costs	Difference of compared vehicles
Price per litre	$ 0.95	$ 1.00	$ 1.05	$ 1.10	$ 1.15	$ 1.20	$ 1.25	$ 1.30					
Annual fuel cost	$ 2,959.85	$ 3,115.63	$ 3,271.41	$ 3,427.19	$ 3,582.97	$ 3,738.76	$ 3,894.54	$ 4,050.32	**$ 28,040.67**	29685	7500	$ 50,225.67	$ (3,222.59)

: Is derviced from the average annual km,s for the vehicle using the advertised fuel

: Canadian Pricing Advantage.

: Is the sum of the life fuel costs plus the purchase price less any applicable discounts.

APPENDIX SEC#9b2

REFERENCE: SEC INTERROGATORY 9(b)2

To Repalce 102 (Norm & Mike)

Assumptions

Annual km's	15000	70% hwgy	30% city
Annual 100km's	150	105	45

Vehicle:	**Escape 2.5L**												
Fuel consumption rating L/100km's		7.2	10.1										
annual L's of fuel	1210.5	756	454.5										
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8					
Price per litre	$ 0.95	$ 1.00	$ 1.05	$ 1.10	$ 1.15	$ 1.20	$ 1.25	$ 1.30	**Life fuel costs**	Purchase price	Discounts	Net Ownership costs	Difference of compared vehicles
Annual fuel cost	$ 1,149.98	$1,210.50	$1,271.03	$1,331.55	$1,392.08	$1,452.60	$1,513.13	$1,573.65	**$ 10,894.50**	25258	0	$ 36,152.50	$(1,733.50)

: Is derviced from the average annual km,s for the vehicle using the advertised fuel

: This is fleet discount price already.

: Is the sum of the life fuel costs plus the purchase price less any applicable discounts.

Vehicle:	**Escape 2.5LHybrid**												
Fuel consumption rating L/100km's		6.4	5.8	10.1									
annual L's of fuel	965.121	672	217.674	75.447									
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8					
Price per litre	$ 0.95	$ 1.00	$ 1.05	$ 1.10	$ 1.15	$ 1.20	$ 1.25	$ 1.30	**Life fuel costs**	Purchase price	Discounts	Net Ownership costs	Difference of compared vehicles
Annual fuel cost	$ 916.86	$ 965.12	$1,013.38	$1,061.63	$1,109.89	$1,158.15	$1,206.40	$1,254.66	**$ 8,686.09**	34009	13802	$ 28,893.09	$(8,992.91)

: If the air conditioning is used the gas engine runs so 2 months of mileage was used at the standard city rate for non-hybrids.

: Is derviced from the average annual km,s for the vehicle using the advertised fuel

: $13,000 from the OPA LDC Community Initiatives Fund eligible on Hybrid purchases and $802 Ford

: Is the sum of the life fuel costs plus the purchase price less any applicable discounts.

Vehicle:	**Jeep Patriot 2L**												
Fuel consumption rating L/100km's		8	9.7										
annual L's of fuel	1276.5	840	436.5										
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8					
Price per litre	$ 0.95	$ 1.00	$ 1.05	$ 1.10	$ 1.15	$ 1.20	$ 1.25	$ 1.30	**Life fuel costs**	Purchase price	Discounts	Net Ownership costs	Difference of compared vehicles
Annual fuel cost	$ 1,212.68	$1,276.50	$1,340.33	$1,404.15	$1,467.98	$1,531.80	$1,595.63	$1,659.45	**$ 11,488.50**	22170	0	$ 33,658.50	$(4,227.50)

: Is derviced from the average annual km,s for the vehicle using the advertised fuel

: Discount already applied to price.

: Is the sum of the life fuel costs plus the purchase price less any applicable discounts.

Vehicle:	**Grand Caravan**												
Fuel consumption rating L/100km's		8.4	12.6										
annual L's of fuel	1449	882	567										
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8					
Price per litre	$ 0.95	$ 1.00	$ 1.05	$ 1.10	$ 1.15	$ 1.20	$ 1.25	$ 1.30	**Life fuel costs**	Purchase price	Discounts	Net Ownership costs	Difference of compared vehicles
Annual fuel cost	$ 1,376.55	$1,449.00	$1,521.45	$1,593.90	$1,666.35	$1,738.80	$1,811.25	$1,883.70	**$ 13,041.00**	24845		$ 37,886.00	$ -

: Is derviced from the average annual km,s for the vehicle using the advertised fuel

: Discount already applied to price.

: Is the sum of the life fuel costs plus the purchase price less any applicable discounts.

Vehicle:	**Montana**												
Fuel consumption rating L/100km's		8.5	13.1										
annual L's of fuel	1482	892.5	589.5										
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8					
Price per litre	$ 0.95	$ 1.00	$ 1.05	$ 1.10	$ 1.15	$ 1.20	$ 1.25	$ 1.30	**Life fuel costs**	Purchase price	Discounts	Net Ownership costs	Difference of compared vehicles
Annual fuel cost	$ 1,407.90	$1,482.00	$1,556.10	$1,630.20	$1,704.30	$1,778.40	$1,852.50	$1,926.60	**$ 13,338.00**	26650	6300	$ 33,688.00	$(4,198.00)

: Is derviced from the average annual km,s for the vehicle using the advertised fuel

: Canadian Pricing Advantage.

: Is the sum of the life fuel costs plus the purchase price less any applicable discounts.

Vehicle:	**Equinox 3.4L**												
Fuel consumption rating L/100km's		8.3	12.2										
annual L's of fuel	1420.5	871.5	549										
Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8					
Price per litre	$ 0.95	$ 1.00	$ 1.05	$ 1.10	$ 1.15	$ 1.20	$ 1.25	$ 1.30	**Life fuel costs**	Purchase price	Discounts	Net Ownership costs	Paint
Annual fuel cost	$ 1,349.48	$1,420.50	$1,491.53	$1,562.55	$1,633.58	$1,704.60	$1,775.63	$1,846.65	**$ 12,784.50**	29685	7500	$ 34,969.50	$(2,916.50)

: Is derviced from the average annual km,s for the vehicle using the advertised fuel

: Canadian Pricing Advantage.

: Is the sum of the life fuel costs plus the purchase price less any applicable discounts.

APPENDIX SEC #10b INTERROGATORY SUPPORT DSM PLAN

REFERENCE: SEC INTERROGATORY 10(b)

Conservation and Demand Side Management Plan

E.L.K. Energy Inc.

December 2004

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1. Background

The Minister of Energy, Dwight Duncan ("Minister") has authorized distributors to apply for their installment of market adjusted revenue requirement. The Minister has also stated that approval of the recovery of this amount in rates is to be conditional on a financial commitment to invest an amount equal to one year's incremental returns in conservation and demand management activities. One year of incremental returns in for E.L.K. Energy Inc. ("E.L.K. Energy") is approximately $230,939.02. The Ontario Energy Board's has issued a Procedural Order to deal with matters relating to this initiative.

The Ontario Energy Board, in its information bulletin dated August 30, 2004, stated that it is prepared to give approval of planned conservation and demand management activities prior to these costs actually being incurred.

Distributors have three options they can follow in applying for approval:

a. Apply now for an interim order of the Board;
b. Apply now for a final order of the Board (subject to the ultimate review of the actual expenditures); or
c. Apply, in early 2005 as part of their application for 2005 rates, for a final order of the Board (subject only to the ultimate review of actual expenditures).

The choice between requesting an interim order (Option A) and requesting a final order now (Option B) is between a more rapid decision (resulting in an interim order under Option A) and a more certain decision (resulting in a final order under Option B).

E.L.K. Energy has decided to proceed with an Application now for a final order of the Ontario Energy Board. Hence, allowing a degree of certainty and finality to the Conservation and Demand Management initiatives.

E.L.K. Energy is confident that its Conservation and Demand Side Management Plan will support the *Conservation Culture* initiative in Ontario.

2. Objectives

On May 31, 2004, the Minister wrote to E.L.K. Energy with respect to conservation proposals that would be considered for the purpose of cost recovery. Without limiting the innovative proposal that E.L.K. Energy may submit, reasonable new expenditures on planning, delivery and evaluation of the specific measures should be supported by the Ontario Energy Board are:

- Energy efficiency:
- Behavioural and operational changes, including the application of benchmarking or "smart" control systems;
- Load management measures which facilitate interruptible and dispatchable loads, dual fuel applications, thermal storage, and demand response;
- Measures to encourage fuel switching which reduces the total system energy for a given end-use;
- Programs and initiatives targeted to low income and other hard to reach consumers; and
- Distributed energy options behind a customer's meter such as tri-generation, co-generation, ground source heat pumps, solar, wind, and biomass systems.

Partnership opportunities may exist with governments, such as Natural Resources Canada, Canadian Federation of Municipalities and with local community-based conservation agencies and authorities.

3. Filing Requirements

The Ontario Energy Board filing requirements are as follows:

a. a description of the proposed programs identifying the affected customer classes and the specific details of each program;
b. the total program budget including the total amount and schedule of the annual expenses for the 2004-2007 time period; and
c. the anticipated program benefits, including quantifiable benefits where these can be identified (i.e. energy savings (kW or kWh). Where the program has anticipated qualitative benefits (such as enabling technologies or customer education), these expected qualitative benefits must be described.

4. Program Portfolio

Bulb Exchange Program

Compact fluorescent lamps have several advantages over the incandescent lamps including:

- Energy efficient alternative using as little as one-fifth of the power of an incandescent bulb.
- Lasts up to 13 times longer thus lowering maintenance costs.
- Now available in a variety of shapes and colors increasing their versatility.
- High initial cost can be recouped in a short time period.
- Environmentally friendly as it is believed that a single compact fluorescent bulb can save enough electricity (coal fired) to keep a ton of carbon dioxide out of the atmoshphere.

Our bulb exchange program will allow all customer to trade up to 2 incandescent bulbs for an equal number of compact fluorescent bulbs.

Cottam Conversion Program

Beginning in 2006 E.L.K. will convert their distribution system in our Cottam service area from 8,320/4,160 volts to 27,600/16,000 volts. Several efficiencies can be achieved through this conversion. The first being the elimination of the supply from the Distribution Station. Since the Transmission Station supplies at 27,600/16,000 volts the supply can be provided directly to the service area as opposed to being further transformed at the Distribution Station. With each transformation of voltage there are inefficiencies in losses. By eliminating the Distribution Station losses will be reduced.

In converting to the higher distribution voltage most of the transformers will have to be replaced. The new transformers will be constructed to the latest standards and more efficient than the transformers currently in service.

The higher distribution voltage affords for less voltage drop on the system thusly making the system more efficient.

E.L.K. intends to convert approximately 65% of the Cottam Service Area in 2006 with an initial impact of approximately 227,014 kwh's saved annually due to reduced line losses. The balance of the Cottom Service Area will be converted in 2007 with an additional 34,663 kwh's saved annually due to reduced line losses. Capital investment has a 25 year life cycle and theses efficiencies will be enjoyed for their entire life cycle.

Refrigerator Buy Out Program

Consumers often do not realize that old beer fridges are significant energy consumers. For example the typical 20 cubic foot refrigerator in use in 1992 used 94 kwh a month. An energy efficient model built in 2001 uses only 39 kwh a month. This represents a savings to the consumer of 55 kwh a month. Realizing that consumers may be reluctant to give up on a supply of cold beverages, E.L.K. will work with a selected group of appliance dealers within our service area and provide consumers with up to $150 rebate on the purchase of an ENERGY STAR refrigerator provided that an older unit is traded in on purchase. This will guarantee that older units are not just relocated and still consuming significant electricity and addresses short comings of other rebate programs based solely on purchase rather than trade in.

Christmas Light Buy Out Program

L.E.D. holiday lights have become increasingly available during recent years and offers consumers many advantages including:

- A high level of brightness with only a small fraction of energy – the 90% to 99% savings in electricity quickly adds up.
- Unbreakable & constructed of solid flameproof epoxy plastic.
- Lights operate much color than conventional lights making them safer to use either indoors or outdoors.
- Several shapes are available including: mini-ice, raspberry & strawberry with color options including: red, gold, blue, white or multi-colored.

Unfortunately, the higher initial purchase cost can discourage consumers from purchasing this more expense Christmas lighting option in the short term. It is hoped that once consumers trade incandescent lights for L.E.D. lights there advantages will be evident and future Christmas light purchases made by the consumer will be L.E.D. purchases.

The end consumer cost to operate various Christmas lights are as follows:

600 L.E.D. lights	$0.45
600 incandescent mini lights	$6.00
600 incandescent C7 lights	$31.30
Assumes a 30 day usage cost (6 hours per day) and a cost of electricity of 12 cents per kilowatt hour.	

The Christmas light buy out program will allow customer to bring in one strand of mini lights to be replaced with one strand of L.E.D. Consumers who bring in C7 strands will be allowed to trade up to 4 strands for L.E.D. replacements.

CustomerVu Implementation

CustomerVu is an internet bill presentment, bill payment and customer service solution which will provide customers with a significant amount of customer specific information including consumption. Registered users will be able to:

- Enter meter readings during the transitional phase to smart metering.
- Review billed usage information in a graph format.
- Internet bill presentment will eliminate the delay in getting the most current statement of account reading information to the customer.

Although the direct consumption impact of this initiative is not determinable, customers will have access to their consumption information for review and to obtain a better understanding of their consumption patterns.

Conservation Education Program

Conservation is an effort which every single electricity consumer can participate in. Conservation can require a consumer to make an investment in an Energy Star rated appliance to a simple change in habits which has no incremental cost such as turning off lights not in use. Educating consumers in conservation is key to achieving a positive conservation education program.

In educating our elementary aged children, they can actively participate in conservation by encouraging their parents today and practicing in the future when they become a primary consumer. Conservation programs will include suggestions such as:

- Installation of programmable thermostat with a built in timer.
- Keeping blinds, shades and drapes during the hottest part of the day in the summer and open south-facing blinds on sunny winter days.
- Using a solar blanket to keep swimming pool water warm overnight.
- Replacing traditional light bulbs with compact fluorescent light bulbs.
- Reducing phantom loads by unplugging appliances not in use.
- Purchasing of ENERGY STAR appliances.

Smart Metering Initiative

The introduction of smart metering will shift overall demand of electricity by encouraging consumers to use electricity at off-peak times and rewarding those consumers with lower commodity rates for consumption used in off-peak hours. It is E.L.K's intentions to begin the installation of smart meters in 2005 once the final guidelines for smart metering are released. E.L.K.'s plan will see all new connections and meter reverification completed with smart meters.

Year	Meters to be reverified	New installations	Smart meters installed
2005	778	200	978
2006	611	200	811
2007	519	200	719

This smart meter initiative will be in advance of the requirements for smart meter installations prior to 2010. In selecting the smart meter to be used E.L.K. will be reviewing systems that may allow for demand management through third party packages to allow for load shedding at peak or critical times or as an ongoing control offered to the customer. Some of the items being considered are:

- Pool pumps
- Electric water heaters
- Air conditioners

All of these units could be controlled remotely to limit their use during peak times or operated as rotational load shedding during critical times.

5. Budget Summary

	kWh Saved	Cost ($)
Bulb exchange program	8,150,549.00	$ 63,000.00
Cottam Conversion	6,245,600.84	$ 620,000.00
Refriderator buy out	660,000.00	$ 15,000.00
Christmas Lights	46,937.50	$ 2,000.00
CustomerVu	-	$ 3,000.00
Conservation programs	-	$ 20,000.00
Smart meters	-	$ 508,000.00
Total	15,103,087.34	$ 1,231,000.00

It is anticipated that an investment of $823,000 over the period 2005 through 2007 will result in a total savings of 15,279,257 kwh over the life of these assets. Programs for immediate implementation include the bulb exchange program, refrigerator buy out and implementation of CustomerVu. The Conservation programs will be coordinated with our school safety program while the Christmas light exchange will be timed with the 2005 Christmas season. The Cottam conversion timing will be coordinated with Hydro One and finally the smart meter implementation will coincide with the implementation of new applications currently being developed with our technology partners.

6. Contact Information

This document was prepared by E.L.K. Energy Inc. and for additional information about our Conservation and Demand Side Management Plan, please contact:

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Canada

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Facsimile:	(519) 776-5640
E-mail:	customer.service@elkenergyinc.com
URL:	www.elkenergyinc.com

APPENDIX SEC#10i

REFERENCE: SEC INTERROGATORY 10(i)

Report to Board

DEPARTMENT: Operations

DATE: August 15, 2012

PREPARED BY: Norm MacAulay

REPORT NUMBER: OM12-07

SUBJECT: Hydro One Connection Impact Assessment - Standard Study Agreement

PURPOSE

To receive approval for the Chair to execute the Hydro One Connection Impact Assessment (CIA) – Standard Study Agreement for a proposed 60 kW rooftop solar project located at 31 McAffee Street, Harrow.

BACKGROUND

Ontario Power Authority (OPA) - Feed-in Tariff (FIT) Program

In October of 2009 the OPA launched the FIT program for renewable generation. The FIT program deals with renewable generation from 10 kW – 10 MW. The program is further broken down into Capacity Allocation Exempt (CAE) projects.

CAE projects may not exceed 250 kW when connected to feeders with a line voltage less than 15 kV. If the line voltage is greater than 15 kV than the CAE projects may not exceed 500 kW of generation.

For the generators the process is streamlined somewhat if they choose to install a CAE project. The above noted project is CAE connecting at greater than 15 kV. As part of the process the CAE applicant must have a CIA completed, at their expense, by their host local distribution company (LDC) as well as any additional LDC's that may be impacted by the proposed connection. As E.L.K. is embedded in Hydro One's distribution system a CIA must be completed for both Hydro One's and E.L.K.'s distribution systems.

Attached is Hydro One's study agreement to have their CIA completed. Once it is completed and if the project is still viable E.L.K. will retain a consultant to complete the CIA for E.L.K.'s distribution system taking into account the findings of Hydro One's CIA.

RECOMMENDATION(S)/CONCLUSION(S)

Operations Manager MacAulay is seeking the Boards approval to have the Chair execute the Hydro One CIA study agreement 21,640 – 31 McAffee Street – E.L.K. Energy Inc.

APPENDIX SEC#10ii

REFERENCE: SEC INTERROGATORY 10(ii)

E.L.K. Energy Inc.

Report to Board

DEPARTMENT: Operations

DATE: August 17, 2012

PREPARED BY: Norm MacAulay

REPORT NUMBER: OM12-08

SUBJECT: Request for temporary relief from E.L.K.'s sign policy.

PURPOSE

To receive approval for the Town of Lakeshore to install nine (9) temporary signs on E.L.K. poles in our Belle River service area for the United Way "County Awareness Campaign".

BACKGROUND

The Town of Lakeshore has requested permission to attach, via lag bolts, nine (9) signs on E.L.K. poles in our Belle River service area. The signs are proposed to be installed in three (3) locations with signs on three (3) consecutive poles at each location. Proposed locations are as follows:

- Notre Dame Eastbound, immediately west of Trottier, across from the Police Station;
- Notre Dame Westbound between Terra Lou and Ducharme;
- South Street Northbound between St. Peter Street and the High School.

The display period requested is from the third week of September to the middle of December.

E.L.K.'s sign policy deals with the removal of signs from E.L.K.'s poles prior to staff commencing work on said pole to provide a safe work environment. Once a sign is removed it is returned to the owner with the exception of permitted municipal signs which are reinstalled.

After review of the proposed locations it would appear that the United Way signs would have little or no impact on our employees safe work environment as we have full access to said poles with our aerial devices.

Attached is E.L.K.'s Sign Policy and a picture of the United Way signs in question.

RECOMMENDATION(S)/CONCLUSION(S)

Operations Manager MacAulay is recommending the Board grant The Town Of Lakeshore permission to install the nine (9) United Way signs at the proposed locations noted above for the display period of the third week of September to the middle of December.

APPENDIX VEC#3 - OEB 2006 BOARD DECISION

REFERENCE: VECC INTERROGATORY 3

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2005-0020
EB-2005-0358

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

AND IN THE MATTER OF an Application by E.L.K. Energy Inc. for an order or orders approving or fixing just and reasonable distribution rates and other charges, effective May 1, 2006.

BEFORE: Paul Vlahos
Presiding Member

Bob Betts
Member

DECISION AND ORDER

E.L.K. Energy Inc. ("E.L.K. Energy" or the "Applicant") is a licensed distributor providing electrical service to consumers within its defined service area. E.L.K. Energy filed an Application (the "Application") with the Ontario Energy Board (the "Board") for an order or orders approving or fixing just and reasonable rates for the distribution of electricity and other matters, to be effective May 1, 2006.

E.L.K. Energy is one of over 90 electricity distributors in Ontario that are regulated by the Board. To streamline the process for the approval of distribution rates and charges for these distributors, the Board developed and issued the 2006 Electricity Distribution Rate Handbook (the "Handbook") and complementary spreadsheet-based models. These materials were developed after extensive public consultation with distributors, customer groups, public and environmental interest groups, and other interested parties. The Handbook contains requirements and guidelines for filing an application.

The models determine the amounts to be included for the payments in lieu of taxes ("PILs") and calculate rates based on historical financial and other information entered by the distributor.

Also included in this process was a methodology and model for the final recovery of regulatory assets flowing from the Board's decision dated December 9, 2004 on the Review and Recovery of Regulatory Assets – Phase 2 for Toronto Hydro, London Hydro, Enersource Hydro Mississauga and Hydro One Networks Inc. ("Hydro One"). In Chapter 10 of the decision, the Board outlined a Phase 2 process for the remaining distributors. By letter of July 12, 2005, the Board provided guidance and a spreadsheet-based model to the distributors for the inclusion of this recovery as part of their 2006 distribution rate applications.

As a distributor that is embedded in Hydro One Network's low voltage system, the Applicant has included the recovery of certain Regulatory Assets that have been allocated by Hydro One Networks. The amount claimed by the Applicant was provided by Hydro One Networks as a reasonable approximation of the actual amount that Hydro One Networks will assess the Applicant. To the degree that the amount differs from the actual amount approved for Hydro One Networks in another proceeding (RP-2005-0020/EB-2005-0378), this difference will be reconciled at the end of the Regulatory Asset recovery period, as set out in the Phase II regulatory assets decision issued on December 9, 2004 (RP-2004-0064/RP-2004-0069/RP-2004-0100/RP-2004-0117/RP-2004-0118).

In its preliminary review of the 2006 rate applications received from the distributors, the Board identified several issues that appeared to be common to many or all of the distributors. As a result, the Board held a hearing (EB-2005-0529) to consider these issues (the "Generic Issues Proceeding") and released its decision (the "Generic Decision") on March 21, 2006. The rulings flowing from that Generic Decision apply to this Application, except to the extent noted in this Decision. The Board notes that pursuant to ss. 21 (6.1) of the *Ontario Energy Board Act, 1998*, and to the extent that it is pertinent to this Application, the evidentiary record of the Generic Issues Proceeding is part of the evidentiary record upon which the Board is basing this Decision.

In December 2001, the Board authorized the establishment of deferral accounts by the distributors related to the payments that the distributors make to the Ministry of Finance in lieu of taxes. The Board is required, under its enabling legislation, to make an order with respect to non-commodity deferral accounts once every twelve months. The Board has considered the information available with respect to these accounts and orders that the amounts recorded in the accounts will not be reflected in rates as part of the Rate Order that will result from this Decision. The Board will continue to monitor the accounts with a view to clearing them when appropriate.

Public notice of the rate Application made by E.L.K. Energy was given through newspaper publication in its service area. The evidence filed was made available to the public. Interested parties intervened in the proceeding. The evidence in the Application was tested through written interrogatories from Board staff and intervenors, and intervenors and E.L.K. Energy had the opportunity to file written argument. While the Board has considered the entire record in this proceeding, it has made reference in this Decision only to such evidence and argument as is necessary to provide context to its findings.

E.L.K. Energy has requested an amount of $3,884,364 as revenue to be recovered through distribution rates and charges. Included in this amount is a debit of $66,949 for the recovery of regulatory assets. Except where noted in this Decision, the Board finds that E.L.K. Energy has filed its Application in accordance with the Handbook and the guidelines for the recovery of regulatory assets.

Notwithstanding E.L.K. Energy's general compliance with the Handbook and associated models, in considering this Application the Board reviewed the following matters in detail:

- Low Voltage Rates; and
- Consequences of the Generic Decision (EB-2005-0529).

Low Voltage Rates

E.L.K. Energy included in its Application recovery of ongoing Low Voltage ("LV") charges that Hydro One Networks will be levying on E.L.K. Energy for Low Voltage wheeling distribution services provided to E.L.K. Energy.

The Board notes that this estimate reflects Hydro One Networks' current approved LV rate of $0.56/kW. The Board further notes that Hydro One Networks applied for an LV rate of $0.63/kW in its 2006 rate application RP-2005-0020/EB-2005-0378, and the Board has approved this rate.

The Board is of the view that the LV adjustment that E.L.K. Energy has included in its Application is insufficient to recover its expected LV charges in 2006, as this amount does not reflect the updated Hydro One Networks rate. Although the Generic Decision provides that embedded distributors are to track differences between LV costs charged by the host distributor(s) and corresponding revenues recovered from ratepayers, the Board seeks to minimize systemic sources of variance. The Board is of the view that E.L.K. Energy's rates should reflect the LV rates authorized by the Board for the host distributor. Accordingly, the Board has revised the amount for LV charge recovery in E.L.K. Energy's revenue requirement.

Consequences of the Generic Decision on this Application

The Generic Decision contains findings relevant to funding for smart meters for electricity distributors. The Applicant did file a specific smart meter plan in the revenue requirement. In this situation, the Generic Decision provides that an amount determined as $3.50 per meter per month installed during the rate year be reflected in the Applicant's revenue requirement, instead of the smart meter-related costs proposed by the Applicant. Consequently, the amounts that the Applicant has proposed in the 2006 rate Application have been removed and replaced with the amount determined in accordance with the Generic Decision. Furthermore, the Board finds in this Decision that this smart meter revenue will be allocated to all metered customers and recovered through the monthly service charge. The revised amount is reflected in the approved monthly service charges contained in the Tariff of Rates and Charges appended to this Decision. Pursuant to the Generic Decision, a variance account will be established, the details of which will be communicated in due course.

Resulting Revenue Requirement

As a result of the Board's determinations on these issues, the Board has adjusted the revenue requirement to be recovered through distribution rates and charges to $3,923,490, including a debit amount of $66,949 for the recovery of Regulatory Assets.

In its letter of December 20, 2004 to electricity distributors, the Board indicated that it would consider the disposition of the 2005 OEB dues recorded in Account 1508 in this proceeding. However, given that the final 2005 OEB dues are not available because of the difference in fiscal years for the Board and the distributors, and given that the model used to develop the Application does not incorporate this provision, the Board will review and dispose of the 2005 OEB dues at a later time.

Cost Awards

This Application is one of a number of applications before the Board dealing with 2006 rates chargeable by distributors. Intervenors may be parties to multiple applications and, if eligible, their costs associated with a specific distributor may not be separable. Therefore, for these applications, the matter of intervenor cost awards will be addressed by the Board at a later date, upon the conclusion of the current rate applications. If an intervenor that is eligible to recover its costs is able to uniquely identify its costs associated with this Application, it must file its cost claim within 10 days from the receipt of this Decision.

THE BOARD ORDERS THAT:

1. The Tariff of Rates and Charges set out in Appendix “A” of this Order is approved, effective May 1, 2006, for electricity consumed or estimated to have been consumed on and after May 1, 2006. The application of the revised distribution rates shall be prorated to May 1, 2006. If E.L.K. Energy Inc.’s billing system is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors shall be implemented upon the first subsequent billing for each billing cycle.

2. The Tariff of Rates and Charges set out in Appendix “A” of this Order supersedes all previous distribution rate schedules approved by the Ontario Energy Board for E.L.K. Energy Inc., and is final in all respects.

3. E.L.K. Energy Inc. shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

DATED at Toronto, April 12, 2006.

ONTARIO ENERGY BOARD

John Zych
Board Secretary

Appendix “A”

RP-2005-0020
EB-2005-0358

April 12, 2006

ONTARIO ENERGY BOARD

E.L.K. Energy Inc.
TARIFF OF RATES AND CHARGES
Effective May 1, 2006

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

RP-2005-0020
EB-2005-0358

APPLICATION

- The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Codes, Guidelines or Orders of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.
- No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code, Guideline or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.
- This schedule does not contain any rates and charges relating to the electricity commodity (e.g. the Regulated Price Plan).

EFFECTIVE DATES

DISTRIBUTION RATES - May 1, 2006 for all consumption or deemed consumption services used on or after that date.
SPECIFIC SERVICE CHARGES - May 1, 2006 for all charges incurred by customers on or after that date.
LOSS FACTOR ADJUSTMENT – May 1, 2006 unless the distributor is not capable of prorating changed loss factors jointly with distribution rates. In that case, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

SERVICE CLASSIFICATIONS

Residential
This section refers to a service which is less than 50 kW supplied to a single family dwelling unit that is for domestic or household purposes, including seasonal occupancy. At E.L.K.'s discretion, residential rates may be applied to apartment buildings with 6 or less units by simple application of the residential rate or by blocking the residential rate by the number of units.

General Service Less Than 50 kW
This classification refers to premises other than those designated as residential and do not exceed 50 kW in any month of the year. This includes multi-unit residential establishments such as apartment buildings supplied through one service (bulk-metered).

General Service 50 to 4,999 kW
This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. .

General Service 50 to 4,999 kW Time of Use
This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW and that are currently classified as Time of Use.

Unmetered Scattered Load
This classification applies to an account whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. E.L.K. is not in the practice of connecting new unmetered scattered load services.

Sentinel Lighting
This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. E.L.K. is not in the practice of connecting new unmetered scattered load services.

Street Lighting
This classification refers to supplied to street lighting equipment owned by and operated for a municipal corporation. The consumption for these customers will be based on the calculated load times the required lighting times established in the approved OEB street lighting load shape template.

E.L.K. Energy Inc.
TARIFF OF RATES AND CHARGES
Effective May 1, 2006

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

RP-2005-0020
EB-2005-0358

MONTHLY RATES AND CHARGES

Residential

Service Charge	$	11.44
Distribution Volumetric Rate	$/kWh	0.0094
Regulatory Asset Recovery	$/kWh	0.0004
Retail Transmission Rate – Network Service Rate	$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0045
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0010
Regulated Price Plan – Administration Charge	$	0.25

General Service Less Than 50 kW

Service Charge	$	11.36
Distribution Volumetric Rate	$/kWh	0.0031
Regulatory Asset Recovery	$/kWh	0.0004
Retail Transmission Rate – Network Service Rate	$/kWh	0.0045
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0041
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0010
Regulated Price Plan – Administration Charge	$	0.25

General Service 50 to 4,999 kW

Service Charge	$	438.48
Distribution Volumetric Rate	$/kW	3.4174
Regulatory Asset Recovery	$/kW	(0.1832)
Retail Transmission Rate – Network Service Rate	$/kW	1.8352
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.6224
Retail Transmission Rate – Network Service Rate – Interval Metered	$/kW	1.9468
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	$/kW	1.7942
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0010
Regulated Price Plan – Administration Charge (if applicable)	$	0.25

General Service 50 to 4,999 kW – Time of Use

Service Charge	$	845.07
Distribution Volumetric Rate	$/kW	0.7849
Regulatory Asset Recovery	$/kW	0.2148
Retail Transmission Rate – Network Service Rate – Interval Metered	$/kW	1.9468
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	$/kW	1.7942
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0010
Regulated Price Plan – Administration Charge (if applicable)	$	0.25

E.L.K. Energy Inc.
TARIFF OF RATES AND CHARGES
Effective May 1, 2006

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

RP-2005-0020
EB-2005-0358

Unmetered Scattered Load

Service Charge (per connection)	$	5.55
Distribution Volumetric Rate	$/kWh	0.0031
Regulatory Asset Recovery	$/kWh	0.0025
Retail Transmission Rate – Network Service Rate	$/kWh	0.0045
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0041
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0010
Regulated Price Plan – Administration Charge (if applicable)	$	0.25

Sentinel Lighting

Service Charge (per connection)	$	0.40
Distribution Volumetric Rate	$/kW	0.7528
Regulatory Asset Recovery	$/kW	0.0000
Retail Transmission Rate – Network Service Rate	$/kW	1.3911
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.2813
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0010
Regulated Price Plan – Administration Charge (if applicable)	$	0.25

Street Lighting

Service Charge (per connection)	$	0.01
Distribution Volumetric Rate	$/kW	0.5344
Regulatory Asset Recovery	$/kW	3.1481
Retail Transmission Rate – Network Service Rate	$/kW	1.3841
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.2550
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0010
Regulated Price Plan – Administration Charge (if applicable)	$	0.25

Specific Service Charges

Customer Administration		
Arrears certificate	$	15.00
Statement of account	$	15.00
Pulling post dated cheques	$	15.00
Duplicate invoices for previous billing	$	15.00
Request for other billing information	$	15.00
Easement letter	$	15.00
Income tax letter	$	15.00
Notification Charge	$	15.00
Account history	$	15.00
Credit reference/credit check (plus credit agency costs)	$	15.00
Returned cheque charge (plus bank charges)	$	15.00
Charge to certify cheque	$	15.00
Legal letter charge	$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00
Special meter reads	$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00

E.L.K. Energy Inc.
TARIFF OF RATES AND CHARGES
Effective May 1, 2006

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

RP-2005-0020
EB-2005-0358

Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	$	30.00
Collection of account charge – no disconnection – after regular hours	$	165.00
Disconnect/Reconnect charge - At Meter – during regular hours	$	65.00
Disconnect/Reconnect charge - At Meter – after regular hours	$	185.00
Disconnect/Reconnect charge - At Pole - during regular hours	$	185.00
Disconnect/Reconnect charge - At Pole - after regular hours	$	415.00
Install/Remove load control device - during regular hours	$	65.00
Install/Remove load control device - after regular hours	$	185.00
Service call – customer owned equipment	$	30.00
Service call – after regular hours	$	165.00
Temporary Service – Install & remove – overhead – no transformer	$	500.00
Temporary Service – Install & remove – underground – no transformer	$	300.00
Temporary Service – Install & remove – overhead – with transformer	$	1000.00
Specific Charge for Access to the Power Poles – per pole/year	$	22.35
Allowances		
Transformer Allowance for Ownership - per kW of billing demand/month	$	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0791
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0683
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A

Originally Issued April 12, 2006
Revised April 21, 2006

APPENDIX ELK ENERGY 2012 LOAD FORECAST – BOARD STAFF 11

REFERENCE: BOARD STAFF INTERROGATORY 11

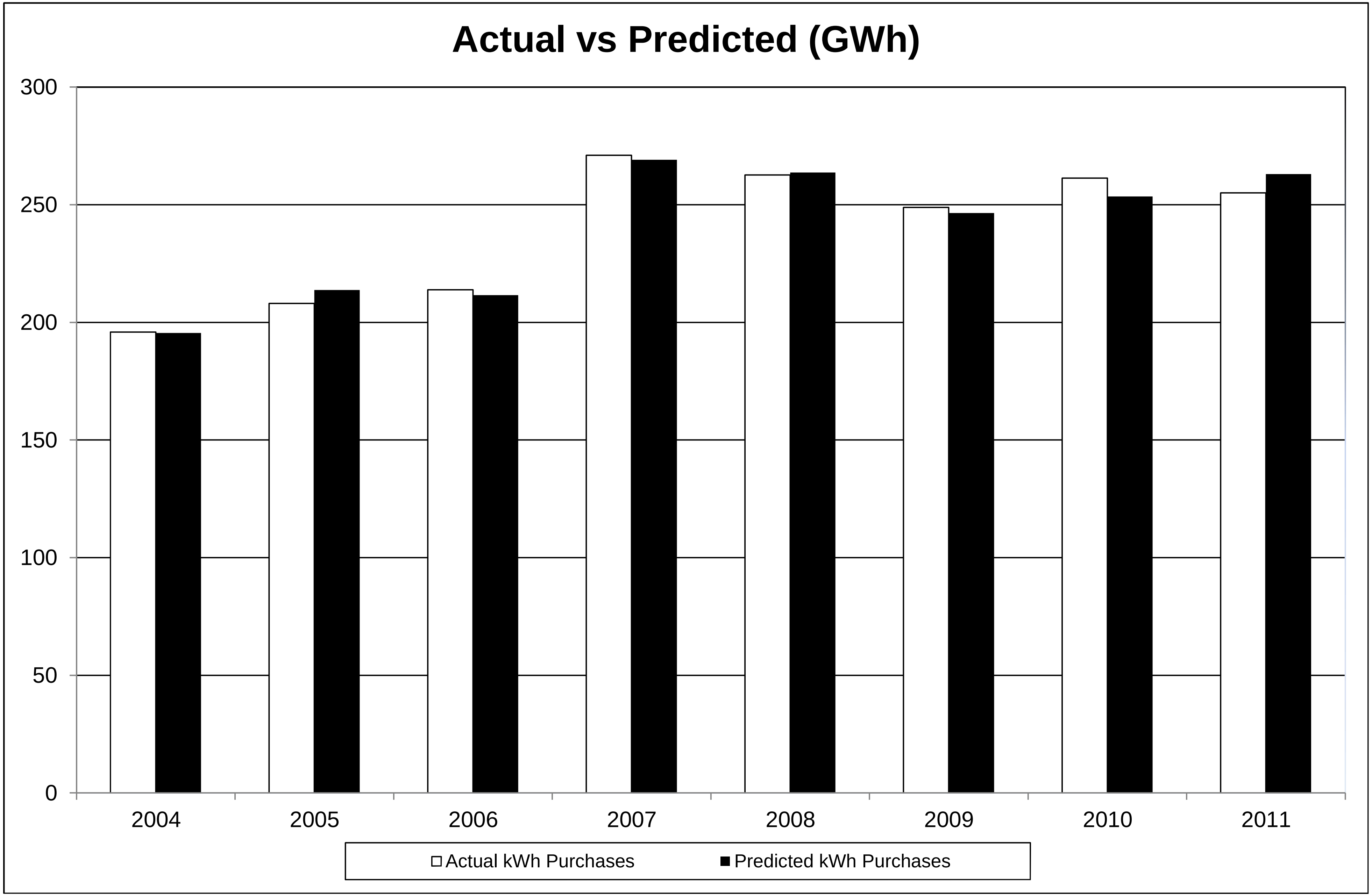
Actual vs Predicted (GWh)
300
250
200
150
100
50
0
2004
2005
2006
2007
2008
2009
2010
2011
Actual kWh Purchases
Predicted kWh Purchases

Table 3-1: Summary of Operating Distribution Revenue									
	2006 Board Approved	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Test at Current Rates	2012 Test at Proposed Rates
Distribution Throughput Revenue									
Residential	$2,121,824	$2,278,947	$2,121,308	$2,848,845	$2,746,530	$1,995,133	$1,917,697	$2,074,165	$2,536,483
General Service < 50 kW	$212,827	$237,874	$221,420	$297,379	$292,141	$191,107	$182,517	$215,076	$448,761
General Service 50 to 4,999 kW	$1,145,060	$1,197,876	$1,115,017	$1,497,717	$1,337,855	$997,220	$855,946	$891,709	$661,267
Sentinel Lighting	$660	$653	$607	$815	$632	$413	$564	$42	$413
Street Lighting	$3,807	$3,797	$3,535	$4,747	$3,092	$2,206	$563	$856	$129,221
Unmetered Scattered Load	$3,374	$3,161	$2,943	$3,952	$3,164	$2,425	$2,054	$2,449	$3,210
Hydro One								$52,472	$160,897
LV Revenue						$198,741	$373,779	$287,404	$287,404
Total	**3,487,553**	**3,722,308**	**3,464,830**	**4,653,455**	**4,383,414**	**3,387,245**	**3,333,120**	**3,524,173**	**4,227,656**
Other Distribution Revenue									
Specific Service Charges	$62,120	$44,778	$64,739	$41,352	$68,261	$52,826	$65,524	$66,000	$66,000
Late Payment Charges	$67,219	$63,348	$78,293	$101,445	$146,753	$99,989	$127,882	$130,000	$130,000
Other Operating Revenues	$55,129	$61,390	$76,379	$58,151	$18,745	$79,053	$66,689	$72,305	$72,305
Other Income or Deductions	$150,807	$649,783	$639,642	$495,052	$526,001	$433,231	$513,834	$411,750	$411,750
Total	**$335,275**	**$819,300**	**$859,053**	**$696,000**	**$759,760**	**$665,099**	**$773,929**	**$680,055**	**$680,055**
Grand Total	**$3,822,828**	**$4,541,608**	**$4,323,882**	**$5,349,455**	**$5,143,174**	**$4,052,344**	**$4,107,049**	**$4,204,228**	**$4,907,711**

	2012 Test at Current Rates	2012 Test at Proposed Rates	% Change in Distribution Rates	% Change in Average Total Bill Without GA	% Change in Average Total Bill With GA	Assumed Average Monthly Usage	% RPP (i.e.without GA)	Current Revenue to Cost Ratio	Proposed Revenue to Cost Ratio
Residential	$2,074,165	$2,290,696	10.4%	(14.6%)	4.0%	800 kWh	85.0%	101.3%	101.3%
GS<50	$215,076	$443,046	106.0%	(11.0%)	9.3%	2000 kWh	90.0%	54.4%	84.5%
GS>50	$891,709	$548,219	(38.5%)	(31.9%)	(10.0%)	75,000 kWh /250 kW	4.0%	207.8%	120.0%
Sentinel Lights	$42	$393	834.1%	12.1%	36.4%	Whole class	0.0%	27.5%	84.5%
Street Lighting	$856	$131,831	15295.6%	24.4%	49.0%	Whole class	0.0%	17.4%	84.5%
Unmetered Scattered Load	$2,449	$2,989	22.1%	(7.3%)	12.6%	250 kWh	0.0%	78.6%	84.5%
Hydro One	$52,472	$149,078	184.1%				0.0%	49.7%	100.0%
LV Revenue	$287,404	$287,404	0.0%						
Total	**3,524,173**	**3,853,656**	9.3%						

1421
240
20

619

Table 3-2: Summary of Load and Customer/Connection Forecast						
Year	**Billed (GWh)**	**Growth (GWh)**	**Percent Change**	**Customer/ Connection Count**	**Growth**	**Percent Change (%)**
Billed Energy (GWh) and Customer Count / Connections						
2006 Board Approved	185.8			13,347		
2004 Actual	179.3			13,361		
2005 Actual	186.3	7.0	3.9%	13,490	130	1.0%
2006 Actual	198.5	12.1	6.5%	13,571	80	0.6%
2007 Actual	253.6	55.1	27.7%	13,656	85	0.6%
2008 Actual	244.7	(8.9)	(3.5%)	13,697	41	0.3%
2009 Actual	229.8	(14.9)	(6.1%)	13,823	126	0.9%
2010 Actual	235.4	5.6	2.4%	13,981	158	1.1%
2011 Actual	238.6	8.7	3.7%	14,054	73	0.5%
2012 Normalized Test	**240.7**	**2.1**	**0.9%**	**14,176**	**122**	**0.9%**

Table 3-3: Billed Energy and Number of Customers / Connections by Rate Class								
Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**	**Hydro One**	**Total**
Billed Energy (GWh)								
2006 Board Approved	92.6	26.4	63.6	2.6	0.2	0.3		185.8
2004 Actual	89.5	26.5	60.9	2.3	0.2	0.0	0.0	179.3
2005 Actual	97.2	28.6	58.2	2.3	0.2	0.0	0.0	186.3
2006 Actual	91.2	27.5	77.1	2.2	0.2	0.3	0.0	198.5
2007 Actual	93.9	27.5	70.5	2.4	0.2	0.4	58.6	253.6
2008 Actual	91.6	27.3	71.8	2.3	0.1	0.3	51.4	244.7
2009 Actual	89.5	27.0	63.0	2.1	0.1	0.3	47.8	229.8
2010 Actual	94.3	27.8	65.6	2.4	0.0	0.3	45.0	235.4
2011 Actual	91.8	30.6	64.3	2.2	0.0	0.2	49.4	238.6
2012 Normalized Test	**96.0**	**32.6**	**66.7**	**2.2**	**0.0**	**0.2**	**43.0**	**240.7**
Number of Customers/Connections								
2006 Board Approved	9,365	977	100	2,731	138	36		13,347
2004 Actual	9,311	1,060	106	2,709	138	36	0	13,361
2005 Actual	9,413	1,071	107	2,736	127	36	0	13,490
2006 Actual	9,497	1,081	108	2,745	105	35	0	13,571
2007 Actual	9,581	1,090	109	2,754	83	35	4	13,656
2008 Actual	9,629	1,096	110	2,763	61	34	4	13,697
2009 Actual	9,741	1,122	113	2,772	39	34	4	13,823
2010 Actual	9,871	1,167	108	2,781	18	34	4	13,981
2011 Actual	9,932	1,194	95	2,790	7	33	4	14,054
2012 Normalized Test	**10,023**	**1,214**	**93**	**2,801**	**7**	**32**	**4**	**14,176**

Table 3-4: Annual Usage per Customer/Connection by Rate Class							
Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**	**Hydro One**
Energy Usage per Customer/Connection (kWh per customer/connection)							
2006 Board Approved	9,892	27,049	636,152	965	1,186	7,875	
2004 Actual	9,614	24,990	571,503	832	1,302	0	
2005 Actual	10,321	26,648	541,502	841	1,283	0	
2006 Actual	9,601	25,461	711,135	820	1,786	7,656	
2007 Actual	9,803	25,206	645,094	875	2,202	12,409	14,648,937
2008 Actual	9,513	24,914	652,998	831	1,530	8,646	12,839,272
2009 Actual	9,186	24,117	560,286	751	1,304	8,396	11,957,731
2010 Actual	9,549	23,869	610,225	867	1,078	8,224	11,254,885
2011 Actual	9,241	25,658	677,097	805	852	6,206	12,342,136
2012 Normalized Test	**9,576**	**26,839**	**713,314**	**794**	**795**	**5,901**	**10,749,196**
Annual Growth Rate in Usage per Customer/Connection							
2006 Board Approved v 2006 Actual	3.0%	6.2%	(10.5%)	17.7%	(33.6%)	2.9%	
2004 Actual							
2005 Actual	7.4%	6.6%	(5.2%)	1.1%	(1.4%)		
2006 Actual	(7.0%)	(4.5%)	31.3%	(2.6%)	39.2%		
2007 Actual	2.1%	(1.0%)	(9.3%)	6.8%	23.3%	62.1%	

2008 Actual	(3.0%)	(1.2%)	1.2%	(5.0%)	(30.5%)	(30.3%)	(12.4%)
2009 Actual	(3.4%)	(3.2%)	(14.2%)	(9.6%)	(14.8%)	(2.9%)	(6.9%)
2010 Actual	3.9%	(1.0%)	8.9%	15.4%	(17.3%)	(2.0%)	(5.9%)
2011 Actual	(3.2%)	7.5%	11.0%	(7.1%)	(21.0%)	(24.5%)	9.7%
2012 Normalized Test	3.6%	4.6%	5.3%	(1.3%)	(6.7%)	(4.9%)	(12.9%)

Table 3-5: Statistcial Results

Statistic	**Value**
R Square	91.9%
Adjusted R Square	91.4%
F Test	168.3
T-stats by Coefficient	
Intercept	(4.0)
Hydro One Uplifted	10.2
Heating Degree Days	7.8
Cooling Degree Days	10.5
Number of Days in Month	4.9
Spring Fall Flag	(3.3)
Ontario Real GDP Monthly %	3.8

Table 3-6: Total System Purchases

Year	**Actual**	**Predicted**	**% Difference**
Purchased Energy (GWh)			
2004	195.9	195.5	(0.2%)
2005	208.1	213.7	2.7%
2006	213.8	211.6	(1.0%)
2007	271.1	269.1	(0.7%)
2008	262.6	263.7	0.4%
2009	248.9	246.5	(1.0%)
2010	261.3	253.5	(3.0%)
2011	255.0	263.1	3.1%
2012 Normalized Test		**263.2**	
2012 Weather Normal - 10 year average		**263.2**	
2012 Weather Normal - 20 year trend		**265.5**	

Table 3-7: Historical Customer/Connection Data

Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**	**Hydro One**	**Total**
Number of Customers/Connections								
2004	9,311	1,060	106	2,709	138	36	0	13,361
2005	9,413	1,071	107	2,736	127	36	0	13,490
2006	9,497	1,081	108	2,745	105	35	0	13,571
2007	9,581	1,090	109	2,754	83	35	4	13,656
2008	9,629	1,096	110	2,763	61	34	4	13,697
2009	9,741	1,122	113	2,772	39	34	4	13,823
2010	9,871	1,167	108	2,781	18	34	4	13,981
2011	9,932	1,194	95	2,790	7	33	4	14,054

Table 3-8: Growth Rate in Customer/Connections

Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**	**Hydro One**
Growth Rate in Customer/Connections							
2004							
2005	1.1%	1.1%	0.9%	1.0%	(8.0%)	(1.4%)	
2006	0.9%	0.9%	0.9%	0.3%	(17.3%)	(1.4%)	
2007	0.9%	0.9%	0.9%	0.3%	(21.0%)	(1.4%)	
2008	0.5%	0.5%	0.5%	0.3%	(26.5%)	(1.4%)	0.0%
2009	1.2%	2.3%	2.4%	0.3%	(36.1%)	0.0%	0.0%
2010	1.3%	4.0%	(4.4%)	0.3%	(55.1%)	(1.5%)	0.0%
2011	0.6%	2.4%	(11.6%)	0.3%	(60.0%)	(3.0%)	0.0%
Geometric Mean	**0.9%**	**1.7%**	**(1.6%)**	**0.4%**	**(34.7%)**	**(1.5%)**	**0.0%**

Table 3-9: Customer/Connection Forecast

Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**	**Hydro One**	**Total**
Forecast Number of Customers/Connections								
2012	**10,023**	**1,214**	**93**	**2,801**	**7**	**32**	**4**	**14,176**

Table 3-10: Historical Annual Usage per Customer

Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**
Annual kWh Usage Per Customer/Connection						
2004	9,614	24,990	571,503	832	1,302	0
2005	10,321	26,648	541,502	841	1,283	0
2006	9,601	25,461	711,135	820	1,786	7,656
2007	9,803	25,206	645,094	875	2,202	12,409
2008	9,513	24,914	652,998	831	1,530	8,646
2009	9,186	24,117	560,286	751	1,304	8,396
2010	9,549	23,869	610,225	867	1,078	8,224
2011	9,241	25,658	677,097	805	852	6,206

Table 3-11: Growth Rate in Usage Per Customer/Connection

Year	**Residential**	**General Service < 50 kW**	**General Service 50 to 4,999 kW**	**Street Lighting**	**Sentinel Lighting**	**Unmetered Scattered Load**
Growth Rate in Customer/Connection						
2004						
2005	7.4%	6.6%	(5.2%)	1.1%	(1.4%)	
2006	(7.0%)	(4.5%)	31.3%	(2.6%)	39.2%	
2007	2.1%	(1.0%)	(9.3%)	6.8%	23.3%	62.1%
2008	(3.0%)	(1.2%)	1.2%	(5.0%)	(30.5%)	(30.3%)
2009	(3.4%)	(3.2%)	(14.2%)	(9.6%)	(14.8%)	(2.9%)
2010	3.9%	(1.0%)	8.9%	15.4%	(17.3%)	(2.0%)
2011	(3.2%)	7.5%	11.0%	(7.1%)	(21.0%)	(24.5%)
Geometric Mean	**(0.6%)**	**0.4%**	**2.5%**	**(0.5%)**	**(5.9%)**	**(4.1%)**

Table 3-12: Forecast Annual kWh Usage per Customer/Connection

Year	Residential	General Service < 50 kW	General Service 50 to 4,999 kW	Street Lighting	Sentinel Lighting	Unmetered Scattered Load
Forecast Annual kWh Usage per Customers/Connection						
2012	**9,189**	**25,755**	**693,697**	**801**	**802**	**5,951**

Table 3-13: Non-normalized Weather Billed Energy Forecast

Year	Residential	General Service < 50 kW	General Service 50 to 4,999 kW	Street Lighting	Sentinel Lighting	Unmetered Scattered Load	Total
NON-normalized Weather Billed Energy Forecast (GWh)							
2012 (Not Normalized)	**92.1**	**31.3**	**64.8**	**2.2**	**0.0**	**0.2**	**190.7**

Table 3-14: Hydro One kWh

	2007	2008	2009	2010	2011	2012
January	5,218,251	5,321,742	5,537,852	4,443,394	5,088,630	4,780,697
February	5,297,740	5,335,312	5,761,928	4,730,331	5,258,621	5,071,821
March	5,430,766	5,063,455	4,729,916	4,066,284	4,539,427	3,932,015
April	5,850,949	4,901,935	4,690,838	3,324,931	4,378,340	3,272,732
May	5,994,376	3,756,481	3,917,562	3,105,799	3,743,060	2,557,462
June	6,426,468	3,636,030	3,591,150	3,327,015	3,594,103	2,322,830
July	4,613,250	4,366,856	4,052,451	3,985,249	4,086,352	3,790,211
August	4,937,277	5,358,891	3,497,596	5,180,907	5,824,158	5,438,499
September	5,381,126	4,892,273	4,859,822	4,944,551	4,902,860	4,724,850
October	4,233,788	4,024,402	3,480,893	3,790,880	3,829,981	3,559,648
November	3,987,920	3,890,338	3,493,143	3,614,966	3,646,274	3,438,928
December	5,225,929	4,317,062	3,484,625	3,580,070	3,848,609	3,043,769
Total	62,597,839	54,864,777	51,097,775	48,094,376	52,740,415	45,933,462

42,996,782

Table 3-15: Non-normalized Weather Billed Energy Forecast - All Classes

Year	Residential	General Service < 50 kW	General Service 50 to 4,999 kW	Street Lighting	Sentinel Lighting	Unmetered Scattered Load	Hydro One	Total
NON-normalized Weather Billed Energy Forecast (GWh)								
2012 (Not Normalized)	**92.1**	**31.3**	**64.8**	**2.2**	**0.0**	**0.2**	**43.0**	**233.7**

Table 3-16: Weather Sensitivity by Rate Class

Residential	General Service < 50 kW	General Service 50 to 4,999 kW	Street Lighting	Sentinel Lighting	Unmetered Scattered Load	Hydro One
Weather Sensitivity						
79%	79%	57%	0%	0%	0%	0%

Table 3-17: Average Net to Gross Percentage

	OPA 2006-2010 Final CDM Results (Gross)	OPA 2006-2010 Final CDM Results (Net)	# Difference	% Difference of Net
2006	954,288	854,482	99,807	11.7%
2007	4,596,498	1,617,801	2,978,697	184.1%
2008	3,114,021	1,853,239	1,260,782	68.0%
2009	4,817,101	3,294,734	1,522,367	46.2%
2010	4,902,523	3,193,071	1,709,452	53.5%
2011	4,638,700	2,924,193	1,714,507	58.6%
2012	4,479,876	2,856,639	1,623,237	56.8%
Total	27,503,007	16,594,159	10,908,848	56.6%

Table 3-18: Schedule to Achieve 4 Year kWh CDM Target

4 Year 2011 to 2014 kWh target					
8,250,000					
	2011	2012	2013	2014	Total
2011 Programs	6.6%	6.6%	6.6%	5.6%	25.5%
2012 Programs		12.4%	12.4%	12.4%	37.3%
2013 Programs			12.4%	12.4%	24.8%
2014 Programs				12.4%	12.4%
	6.6%	19.0%	31.5%	42.9%	100.0%
kWh					
2011 Programs	546,277	546,277	546,277	464,811	2,103,641
2012 Programs	0	1,024,393	1,024,393	1,024,393	3,073,180
2013 Programs	0	0	1,024,393	1,024,393	2,048,786
2014 Programs	0	0	0	1,024,393	1,024,393
	546,277	1,570,670	2,595,063	3,537,990	8,250,000

Table 3-19: 2012 Expected Savings for LRAM Variance Account

	Residential	General Service < 50 kW	General Service 50 to 4,999 kW	Street Lighting	Sentinel Lighting	Unmetered Scattered Load	Hydro One	Total
kWh	**758,767**	**257,680**	**534,121**	**18,486**	**46**	**1,570**		**1,570,670**
kW where applicable			**1,715**	**51**	**0**			**1,766**

Table 3-20: Alignment of Non-normal to Weather Normal Forecast

Year	Residential	General Service < 50 kW	General Service 50 to 4,999 kW	Street Lighting	Sentinel Lighting	Unmetered Scattered Load	Hydro One	Total
Non-normalized Weather Billed Energy Forecast (GWh)								
2012 Non-Normalized Test	**92.1**	**31.3**	**64.8**	**2.2**	**0.0**	**0.2**	**43.0**	**233.7**
Weather Adjustment (GWh)								
2012	**4.7**	**1.6**	**2.4**	**0.0**	**0.0**	**0.0**	**0.0**	**8.6**
CDM Adjustment (GWh)								
2012	**(0.8)**	**(0.3)**	**(0.5)**	**(0.0)**	**(0.0)**	**(0.0)**	**0.0**	**(1.6)**
Weather Normalized Billed Energy Forecast (GWh)								
2012 Normalized Test	**96.0**	**32.6**	**66.7**	**2.2**	**0.0**	**0.2**	**43.0**	**240.7**

Table 3-21: Historical Annual kW per Applicable Rate Class

Year	General Service 50 to 4,999 kW	Street Lighting	Sentinel Lighting	Hydro One	Total
Billed Annual kW					
2004	225,707	6,302	505	0	232,514
2005	200,773	6,403	450	0	207,626
2006	241,321	5,910	496	0	247,727
2007	218,225	6,521	498	115,967	341,211
2008	209,583	6,487	265	112,771	329,106

2009	207,445	5,754	143	109,952	323,294
2010	200,283	6,759	52	107,517	314,610
2011	195,461	5,760	14	113,911	315,146

Table 3-22: Historical kW/KWh Ratio per Applicable Rate Class

Year	General Service 50 to 4,999 kW	Street Lighting	Sentinel Lighting	Hydro One
Ratio of kW to kWh				
2004	0.3708%	0.2796%	0.2812%	
2005	0.3451%	0.2782%	0.2762%	
2006	0.3131%	0.2627%	0.2644%	
2007	0.3094%	0.2706%	0.2724%	0.1979%
2008	0.2920%	0.2825%	0.2839%	0.2196%
2009	0.3291%	0.2763%	0.2812%	0.2299%
2010	0.3053%	0.2805%	0.2757%	0.2388%
2011	0.3039%	0.2565%	0.2348%	0.2307%
Average 2004 to 2011	**0.3211%**	**0.2734%**	**0.2712%**	**0.2234%**

Table 3-23: kW Forecast by Applicable Rate Class

Year	General Service 50 to 4,999 kW	Street Lighting	Sentinel Lighting	Hydro One	Total
Predicted Billed kW					
2012 Normalized Test	**214,067**	**6,083**	**15**	**96,049**	**316,213**

Table 3-24: Summary of Forecast

	2006 Board Approved	2006	2007	2008	2009	2010	2,011	2012 Weather Normalized Test
ACTUAL AND PREDICTED KWH PURCHASES								
Actual kWh Purchases		213,838,930	271,076,220	262,640,600	248,858,578	261,284,908	255,035,715	
Predicted kWh Purchases		211,598,040	269,111,681	263,658,970	246,491,382	253,504,114	263,058,997	263,174,825
% Difference of actual and predicted purchases		(1.0%)	(0.7%)	0.4%	(1.0%)	(3.0%)	3.1%	
BILLING DETERMINANTS BY CLASS								
Residential								
Customers	9,365	9,497	9,581	9,629	9,741	9,871	9,932	10,023
kWh	92,642,708	91,182,112	93,919,803	91,598,924	89,480,942	94,261,084	91,775,630	95,979,438
General Service < 50 kW								
Customers	977	1,081	1,090	1,096	1,122	1,167	1,194	1,214
kWh	26,427,277	27,522,033	27,486,362	27,305,136	27,046,725	27,843,390	30,635,475	32,594,962
General Service 50 to 4,999 kW								
Customers	100	108	109	110	113	108	95	93
kWh	63,615,244	77,078,801	70,538,573	71,763,589	63,032,184	65,599,183	64,324,224	66,668,106
kW	218,553	241,321	218,225	209,583	207,445	200,283	195,461	214,067
Street Lighting								
Customers	2,731	2,745	2,754	2,763	2,772	2,781	2,790	2,801
kWh	2,634,057	2,249,665	2,409,618	2,296,059	2,082,393	2,409,951	2,245,234	2,225,084
kW	6,300	5,910	6,521	6,487	5,754	6,759	5,760	6,083
Sentinel Lighting								
Customers	138	105	83	61	39	18	7	7
kWh	163,647	187,563	182,802	93,339	50,856	18,863	5,962	5,564
kW	0	496	498	265	143	52	14	15
Unmetered Scattered Load								
Customers	36	35	35	34	34	34	33	32
kWh	283,513	267,964	428,118	293,947	285,456	275,513	201,696	188,991
Hydro One								
Customers	0	0	4	4	4	4	4	4
kWh	0	0	58,595,749	51,357,088	47,830,923	45,019,542	49,368,544	42,996,782
kW	0	0	115,967	112,771	109,952	107,517	113,911	96,049
Total								
Customer/Connections	13,347	13,571	13,656	13,697	13,823	13,981	14,054	14,176
kWh	185,766,446	198,488,138	253,561,025	244,708,081	229,809,479	235,427,525	238,556,765	240,658,928
kW from applicable classes	224,853	247,727	341,211	329,106	323,294	314,610	315,146	316,213

Table 3-25: Comparison 2006 Actual to 2006 Board Approved

Throughput Revenue	2006 Board Approved	2006 Actual	Difference $	Difference %
Residential	$2,121,824	$2,278,947	$157,123	7.4%
General Service < 50 kW	$212,827	$237,874	$25,047	11.8%
General Service 50 to 4,999 kW	$1,145,060	$1,197,876	$52,816	4.6%
Sentinel Lighting	$660	$653	($7)	-1.1%
Street Lighting	$3,807	$3,797	($10)	-0.3%
Unmetered Scattered Load	$3,374	$3,161	($212)	-6.3%
Hydro One	$0	$0	$0	
LV Revenue	$0	$0	$0	
Total	$3,487,553	$3,722,308	$234,756	6.7%

Table 3-26: Comparison 2006 Actual to 2006 Board Approved

	Customer/Connections			kWh		kW		
Billing Quantiites	2006 Board Approved	2006 Actual	Difference	2006 Board Approved	2006 Actual	2006 Board Approved	2006 Actual	Volumetric Difference
Residential	9,365	9,497	132	92,642,708	91,182,112			(1,460,596)
General Service < 50 kW	977	1,081	104	26,427,277	27,522,033			1,094,756
General Service 50 to 4,999 kW	100	108	8			218,553	241,321	22,768
Sentinel Lighting	138	105				0	496	496
Street Lighting	2,731	2,745	14			6,300	5,910	(391)
Unmetered Scattered Load	36	35	(1)	283,513	267,964			(15,549)
Hydro One		0	0					0

Total	13,347	13,571	257	119,353,498	118,972,109	224,853	247,727	

Table 3-27: Comparison 2007 Actual to 2006 Actual

Throughput Revenue	2006 Actual	2007	Difference $	Difference %
Residential	$2,278,947	$2,121,308	($157,639)	-6.9%
General Service < 50 kW	$237,874	$221,420	($16,454)	-6.9%
General Service 50 to 4,999 kW	$1,197,876	$1,115,017	($82,859)	-6.9%
Sentinel Lighting	$653	$607	($45)	-6.9%
Street Lighting	$3,797	$3,535	($263)	-6.9%
Unmetered Scattered Load	$3,161	$2,943	($219)	-6.9%
Hydro One	$0	$0	$0	
LV Revenue	$0	$0	$0	
Total	$3,722,308	$3,464,830	($257,479)	-6.9%

Table 3-28: Comparison 2007 Actual to 2006 Actual

	Customer/Connections			**kWh**		**kW**		
Billing Quantiites	2006 Actual	2007	Difference	2006 Actual	2007	2006 Actual	2007	Volumetric Difference
Residential	9,497	9,581	84	91,182,112	93,919,803			2,737,691
General Service < 50 kW	1,081	1,090	10	27,522,033	27,486,362			(35,671)
General Service 50 to 4,999 kW	108	109	1			241,321	218,225	(23,096)
Sentinel Lighting	105	83	(22)			496	498	2
Street Lighting	2,745	2,754	9			5,910	6,521	611
Unmetered Scattered Load	35	35	(1)	267,964	428,118			160,154
Hydro One	0	4	4			0	115,967	115,967
Total	13,571	13,656	85	118,972,109	121,834,283	247,727	341,211	

Table 3-29: Comparison 2008 Actual to 2007 Actual

Throughput Revenue	2007	2008	Difference $	Difference %
Residential	$2,121,308	$2,848,845	$727,537	34.3%
General Service < 50 kW	$221,420	$297,379	$75,959	34.3%
General Service 50 to 4,999 kW	$1,115,017	$1,497,717	$382,700	34.3%
Sentinel Lighting	$607	$815	$208	34.2%
Street Lighting	$3,535	$4,747	$1,212	34.3%
Unmetered Scattered Load	$2,943	$3,952	$1,009	34.3%
Hydro One	$0	$0	$0	
LV Revenue	$0	$0	$0	
Total	$3,464,830	$4,653,455	$1,188,625	34.3%

Table 3-30: Comparison 2008 Actual to 2007 Actual

	Customer/Connections			**kWh**		**kW**		
Billing Quantiites	2007	2008	Difference	2007	2008	2007	2008	Volumetric Difference
Residential	9,581	9,629	48	93,919,803	91,598,924			(2,320,879)
General Service < 50 kW	1,090	1,096	6	27,486,362	27,305,136			(181,226)
General Service 50 to 4,999 kW	109	110	1			218,225	209,583	(8,642)
Sentinel Lighting	83	61	(22)			498	265	(233)
Street Lighting	2,754	2,763	9			6,521	6,487	(34)
Unmetered Scattered Load	35	34	(1)	428,118	293,947			(134,171)
Hydro One	4	4	0			115,967	112,771	(3,197)
Total	13,656	13,697	41	121,834,283	119,198,007	341,211	329,106	

Table 3-31: Comparison 2009 Actual to 2008 Actual

Throughput Revenue	2008	2009	Difference $	Difference %
Residential	$2,848,845	$2,746,530	($102,315)	(3.6%)
General Service < 50 kW	$297,379	$292,141	($5,238)	(1.8%)
General Service 50 to 4,999 kW	$1,497,717	$1,337,855	($159,862)	(10.7%)
Sentinel Lighting	$815	$632	($183)	(22.5%)
Street Lighting	$4,747	$3,092	($1,655)	(34.9%)
Unmetered Scattered Load	$3,952	$3,164	($788)	(19.9%)
Hydro One	$0	$0	$0	
LV Revenue	$0	$0	$0	
Total	$4,653,455	$4,383,414	($270,041)	(5.8%)

Table 3-32: Comparison 2009 Actual to 2008 Actual

	Customer/Connections			**kWh**		**kW**		
Billing Quantiites	2008	2009	Difference	2008	2009	2008	2009	Volumetric Difference
Residential	9,629	9,741	111	91,598,924	89,480,942			(2,117,982)
General Service < 50 kW	1,096	1,122	26	27,305,136	27,046,725			(258,411)
General Service 50 to 4,999 kW	110	113	3			209,583	207,445	(2,138)
Sentinel Lighting	61	39	(22)			265	143	(122)
Street Lighting	2,763	2,772	9			6,487	5,754	(734)
Unmetered Scattered Load	34	34	0	293,947	285,456			(8,491)
Hydro One	4	4	0			112,771	109,952	(2,818)
Total	13,697	13,823	126	119,198,007	116,813,123	329,106	323,294	

Table 3-33: Comparison 2010 Actual to 2009 Actual

Throughput Revenue	2009	2010	Difference $	Difference %
Residential	$2,746,530	$1,995,133	($751,397)	(27.4%)
General Service < 50 kW	$292,141	$191,107	($101,034)	(34.6%)
General Service 50 to 4,999 kW	$1,337,855	$997,220	($340,635)	(25.5%)
Sentinel Lighting	$632	$413	($219)	(34.7%)
Street Lighting	$3,092	$2,206	($886)	(28.7%)
Unmetered Scattered Load	$3,164	$2,425	($739)	(23.4%)
Hydro One	$0	$0	$0	
LV Revenue	$0	$198,741	$198,741	
Total	$4,383,414	$3,387,245	($996,169)	(22.7%)

Table 3-34: Comparison 2010 Actual to 2009 Actual

	Customer/Connections			**kWh**		**kW**		
Billing Quantiites	2009	2010	Difference	2009	2010	2009	2010	Volumetric Difference
Residential	9,741	9,871	131	89,480,942	94,261,084			4,780,142
General Service < 50 kW	1,122	1,167	45	27,046,725	27,843,390			796,665
General Service 50 to 4,999 kW	113	108	(5)			207,445	200,283	(7,163)
Sentinel Lighting	39	18	(22)			143	52	(91)
Street Lighting	2,772	2,781	9			5,754	6,759	1,006
Unmetered Scattered Load	34	34	(1)	285,456	275,513			(9,943)

Hydro One	4	4	0			109,952	107,517	(2,436)
Total	13,823	13,981	158	116,813,123	122,379,987	323,294	314,610	

Table 3-35: Comparison 2011 Actual to 2010 Actual

Throughput Revenue	2010	2011	Difference $	Difference %
Residential	$1,995,133	$1,917,697	($77,436)	(3.9%)
General Service < 50 kW	$191,107	$182,517	($8,590)	(4.5%)
General Service 50 to 4,999 kW	$997,220	$855,946	($141,274)	(14.2%)
Sentinel Lighting	$413	$564	$151	36.6%
Street Lighting	$2,206	$563	($1,643)	(74.5%)
Unmetered Scattered Load	$2,425	$2,054	($371)	(15.3%)
Hydro One	$0	$0	$0	
LV Revenue	$198,741	$373,779	$175,038	88.1%
Total	$3,387,245	$3,333,120	($54,125)	(1.6%)

Table 3-36: Comparison 2011 Actual to 2010 Actual

	Customer/Connections			**kWh**		**kW**		
Billing Quantiites	2010	2011	Difference	2010	2011	2010	2011	Volumetric Difference
Residential	9,871	9,932	61	94,261,084	91,775,630			(2,485,454)
General Service < 50 kW	1,167	1,194	28	27,843,390	30,635,475			2,792,085
General Service 50 to 4,999 kW	108	95	(13)			200,283	195,461	(4,822)
Sentinel Lighting	18	7	(11)			52	14	(38)
Street Lighting	2,781	2,790	9			6,759	5,760	(999)
Unmetered Scattered Load	34	33	(1)	275,513	201,696			(73,817)
Hydro One	4	4	0			107,517	113,911	6,394
Total	13,981	14,054	73	122,379,987	122,612,801	314,610	315,146	

Table 3-37: Comparison 2012 Test to 2011 Actual

Throughput Revenue	2011	2012 Test	Difference $	Difference %
Residential	$1,917,697	$2,536,483	$618,786	32.3%
General Service < 50 kW	$182,517	$448,761	$266,244	145.9%
General Service 50 to 4,999 kW	$855,946	$661,267	($194,679)	(22.7%)
Sentinel Lighting	$564	$413	($151)	(26.7%)
Street Lighting	$563	$129,221	$128,658	22852.2%
Unmetered Scattered Load	$2,054	$3,210	$1,156	56.3%
Hydro One	$0	$160,897	$160,897	
LV Revenue	$373,779	$287,404	($86,375)	(23.1%)
Total	$3,333,120	$4,227,656	$894,536	26.8%

Table 3-38: Comparison 2012 Test to 2011 Actual

	Customer/Connections			**kWh**		**kW**		
Billing Quantiites	2011	2012 Test	Difference	2011	2012 Test	2011	2012 Test	Volumetric Difference
Residential	9,932	10,023	92	91,775,630	95,979,438			4,203,808
General Service < 50 kW	1,194	1,214	20	30,635,475	32,594,962			1,959,487
General Service 50 to 4,999 kW	95	93	(2)			195,461	214,067	18,606
Sentinel Lighting	7	7	0			14	15	1
Street Lighting	2,790	2,801	12			5,760	6,083	323
Unmetered Scattered Load	33	32	(0)	201,696	188,991			(12,705)
Hydro One	4	4	0			113,911	96,049	(17,862)
Total	14,054	14,176	122	122,612,801	128,763,391	315,146	316,213	

Table 3-39: Comparison 2006 Actual to 2006 Board Approved

Other Distribution Revenue	2006 Board Approved	2006	Difference $	Difference %
Specific Service Charges	$62,120	$44,778	($17,342)	(27.9%)
Late Payment Charges	$67,219	$63,348	($3,871)	(5.8%)
Other Operating Revenues	$55,129	$61,390	$6,261	11.4%
Other Income or Deductions	$150,807	$649,783	$498,977	330.9%
Total	$335,275	$819,300	$484,024	144.4%

Table 3-40: Comparison 2007 Actual to 2006 Actual

Other Distribution Revenue	2006	2007	Difference $	Difference %
Specific Service Charges	$44,778	$64,739	$19,961	44.6%
Late Payment Charges	$63,348	$78,293	$14,945	23.6%
Other Operating Revenues	$61,390	$76,379	$14,988	24.4%
Other Income or Deductions	$649,783	$639,642	($10,141)	(1.6%)
Total	$819,300	$859,053	$39,753	4.9%

Table 3-41: Comparison 2008 Actual to 2007 Actual

Other Distribution Revenue	2007	2008	Difference $	Difference %
Specific Service Charges	$64,739	$41,352	($23,387)	(36.1%)
Late Payment Charges	$78,293	$101,445	$23,152	29.6%
Other Operating Revenues	$76,379	$58,151	($18,228)	(23.9%)
Other Income or Deductions	$639,642	$495,052	($144,590)	(22.6%)
Total	$859,053	$696,000	($163,053)	(19.0%)

Table 3-42: Comparison 2009 Actual to 2008 Actual

Other Distribution Revenue	2008	2009	Difference $	Difference %
Specific Service Charges	$41,352	$68,261	$26,909	65.1%
Late Payment Charges	$101,445	$146,753	$45,308	44.7%
Other Operating Revenues	$58,151	$18,745	($39,406)	(67.8%)
Other Income or Deductions	$495,052	$526,001	$30,949	6.3%
Total	$696,000	$759,760	$63,760	9.2%

Table 3-43: Comparison 2010 Actual to 2009 Actual

Other Distribution Revenue	2009	2010	Difference $	Difference %
Specific Service Charges	$68,261	$52,826	($15,435)	(22.6%)
Late Payment Charges	$146,753	$99,989	($46,764)	(31.9%)
Other Operating Revenues	$18,745	$79,053	$60,308	321.7%
Other Income or Deductions	$526,001	$433,231	($92,770)	(17.6%)
Total	$759,760	$665,099	($94,661)	(12.5%)

Table 3-44: Comparison 2011 Actual to 2010 Actual

Other Distribution Revenue	2010	2011	Difference $	Difference %
Specific Service Charges	$52,826	$65,524	$12,698	24.0%

Late Payment Charges	$99,989	$127,882	$27,893	27.9%
Other Operating Revenues	$79,053	$66,689	($12,364)	(15.6%)
Other Income or Deductions	$433,231	$513,834	$80,602	18.6%
Total	$665,099	$773,929	$108,829	16.4%

Table 3-45: Comparison 2012 Test to 2011 Actual

Other Distribution Revenue	2011	2012	Difference $	Difference %
Specific Service Charges	$65,524	$66,000	$476	0.7%
Late Payment Charges	$127,882	$130,000	$2,118	1.7%
Other Operating Revenues	$66,689	$72,305	$5,616	8.4%
Other Income or Deductions	$513,834	$411,750	($102,084)	(19.9%)
Total	$773,929	$680,055	($93,874)	(12.1%)

E.L.K. Energy Weather Normal Load Forecast for 2012 Rate Application

	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Weather Normal	
Actual kWh Purchases	195,862,723	208,079,760	213,838,930	271,076,220	262,640,600	248,858,578	261,284,908	255,035,715		
Predicted kWh Purchases	195,508,416	213,745,834	211,598,040	269,111,681	263,658,970	246,491,382	253,504,114	263,058,997	263,174,825	
% Difference	-0.2%	2.7%	-1.0%	-0.7%	0.4%	-1.0%	-3.0%	3.1%		
Billed kWh	179,298,067	186,343,673	198,488,138	253,561,025	244,708,081	229,809,479	235,427,525	238,556,765	240,658,928	
By Class										
Residential										
Customers	9,311	9,413	9,497	9,581	9,629	9,741	9,871	9,932	10,023	
kWh	89,513,544	97,150,870	91,182,112	93,919,803	91,598,924	89,480,942	94,261,084	91,775,630	95,979,438	
GS<50										
Customers	1,060	1,071	1,081	1,090	1,096	1,122	1,167	1,194	1,214	
kWh	26,488,710	28,551,858	27,522,033	27,486,362	27,305,136	27,046,725	27,843,390	30,635,475	32,594,962	
GS>50										
Customers	106	107	108	109	110	113	108	95	93	
kWh	60,862,095	58,176,696	77,078,801	70,538,573	71,763,589	63,032,184	65,599,183	64,324,224	66,668,106	
kW	225,707	200,773	241,321	218,225	209,583	207,445	200,283	195,461	214,067	
Streetlights										
Customers	2,709	2,736	2,745	2,754	2,763	2,772	2,781	2,790	2,801	
kWh	2,254,100	2,301,306	2,249,665	2,409,618	2,296,059	2,082,393	2,409,951	2,245,234	2,225,084	
kW	6,302	6,403	5,910	6,521	6,487	5,754	6,759	5,760	6,083	
Unmetered Scattered Load										
Connections	36	36	35	35	34	34	34	33	32	
kWh	0	0	267,964	428,118	293,947	285,456	275,513	201,696	188,991	
Sentinel Lights										
Connections	138	127	105	83	61	39	18	7	7	
kWh	179,618	162,943	187,563	182,802	93,339	50,856	18,863	5,962	5,564	
kW	505	450	496	498	265	143	52	14	15	
Hydro One										
Connections				4	4	4	4	4	4	
kWh				58,595,749	51,357,088	47,830,923	45,019,542	49,368,544	42,996,782	
kW				115,967	112,771	109,952	107,517	113,911	96,049	
Total of Above										
Customer/Connections	13,361	13,490	13,571	13,656	13,697	13,823	13,981	14,054	14,176	
kWh	179,298,067	186,343,673	198,488,138	253,561,025	244,708,081	229,809,479	235,427,525	238,556,765	240,658,928	
kW from applicable classes	232,514	207,626	247,727	341,211	329,106	323,294	314,610	315,146	316,213	
Total from Model										
Customer/Connections	13,361	13,490	13,571	13,656	13,697	13,823	13,981	14,054	14,176	
kWh	179,298,067	186,343,673	198,488,138	253,561,025	244,708,081	229,809,479	235,427,525	238,556,765	240,658,928	197,662,146
kW from applicable classes	232,514	207,626	247,727	341,211	329,106	323,294	314,610	315,146	316,213	
Check should all be zero										
Customer/Connections	0	0	0	0	0	0	0	0	0	
kWh	0	0	0	0	0	0	0	0	0	
kW from applicable classes	0	0	0	0	0	0	0	0	0	

	2004	2005	2006	2007	2008	2009	2010	2011
Actual kWh Purchases	196	208	214	271	263	249	261	255
Predicted kWh Purchases	196	214	212	269	264	246	254	263

	Purchased	Hydro One Uplifted	Heating Degree Days	Cooling Degree Days	Number of Days in Month	Spring Fall Flag	Ontario Real GDP Monthly %	Predicted Purchases	Variances (kWh)
Jan-04	18,128,620	0	762.9	0	31	0	127.53	18,979,963	
Feb-04	16,086,300	0	579.4	0	29	0	127.80	16,541,205	
Mar-04	15,841,540	0	429.3	0	31	1	128.06	15,801,498	
Apr-04	14,054,710	0	251.7	4.4	30	1	128.32	14,211,331	
May-04	13,160,650	0	101.6	28.1	31	1	128.59	14,817,814	
Jun-04	17,788,490	0	21.4	62	30	0	128.85	16,071,507	
Jul-04	18,387,330	0	2.2	122.4	31	0	129.12	18,920,303	
Aug-04	17,376,950	0	6.1	74.2	31	0	129.38	17,165,751	
Sep-04	16,685,151	0	23	59.7	30	1	129.65	15,035,768	
Oct-04	14,771,528	0	190.9	0.5	31	1	129.92	14,577,185	
Nov-04	15,762,317	0	354	0	30	1	130.19	15,022,392	
Dec-04	17,819,138	0	593.5	0	31	0	130.45	18,363,700	
Jan-05	18,189,710	0	700.4	0	31	0	130.74	19,108,752	
Feb-05	15,836,100	0	572	0	28	0	131.03	16,390,296	
Mar-05	16,631,550	0	545.3	0	31	1	131.33	17,102,833	
Apr-05	14,405,130	0	242.5	1.4	30	1	131.62	14,587,933	
May-05	14,529,930	0	143.4	5.7	31	1	131.91	14,797,176	
Jun-05	18,470,070	0	4.4	166.9	30	0	132.20	20,490,778	
Jul-05	21,188,220	0	0	194.7	31	0	132.50	22,206,844	
Aug-05	21,540,420	0	0.1	185.5	31	0	132.79	21,908,459	
Sep-05	17,203,800	0	15.3	82.2	30	1	133.09	16,411,066	
Oct-05	15,745,210	0	182.8	19	31	1	133.38	15,803,276	
Nov-05	16,068,980	0	346.2	0	30	1	133.68	15,555,024	
Dec-05	18,270,640	0	659.7	0	31	0	133.98	19,383,396	
Jan-06	17,495,990	0	494.7	0	31	0	134.25	18,354,252	
Feb-06	16,164,900	0	538	0	28	0	134.53	16,752,347	
Mar-06	17,164,270	0	461.4	0	31	1	134.81	17,137,346	
Apr-06	14,641,220	0	219.5	1.1	30	1	135.08	15,005,576	
May-06	13,901,070	0	105.9	40.6	31	1	135.36	16,450,277	
Jun-06	17,912,530	0	8.8	85.7	30	0	135.64	18,020,094	
Jul-06	22,524,750	0	0	197.4	31	0	135.92	22,880,723	
Aug-06	21,130,000	0	0	147.4	31	0	136.20	21,034,966	
Sep-06	15,286,330	0	52.1	22.3	30	1	136.48	14,950,458	
Oct-06	15,621,710	0	251.3	2.3	31	1	136.76	16,181,929	
Nov-06	19,270,390	0	356.8	0	30	1	137.04	16,186,004	
Dec-06	22,725,770	0	460.4	0	31	0	137.33	18,644,068	
Jan-07	23,594,230	5,218,251	602.4	0	31	0	137.55	23,360,976	
Feb-07	23,081,780	5,297,740	706.1	0	28	0	137.78	22,201,607	
Mar-07	22,044,680	5,430,766	429.3	0.2	31	1	138.01	21,376,970	
Apr-07	19,604,320	5,850,949	285.2	0.9	30	1	138.23	20,161,326	
May-07	20,629,530	5,994,376	87.2	46	31	1	138.46	21,362,819	
Jun-07	23,858,190	6,426,468	8.1	132.2	30	0	138.69	24,908,030	
Jul-07	24,738,400	4,613,250	1.3	148.2	31	0	138.92	24,846,691	
Aug-07	26,868,930	4,937,277	4.4	167.4	31	0	139.15	25,865,026	
Sep-07	21,805,090	5,381,126	25.4	76.4	30	1	139.38	21,179,354	
Oct-07	20,415,380	4,233,788	111.2	42.3	31	1	139.61	20,304,326	
Nov-07	20,794,820	3,987,920	400.3	0	30	1	139.84	19,805,430	
Dec-07	23,640,870	5,225,929	595	0	31	0	140.07	23,739,126	
Jan-08	24,088,720	5,321,742	611	0	31	0	139.97	23,895,996	
Feb-08	22,590,240	5,335,312	629	0	29	0	139.86	22,719,261	
Mar-08	22,046,700	5,063,455	542	0	31	1	139.76	22,129,073	
Apr-08	18,811,030	4,901,935	224	1	30	1	139.65	19,330,119	
May-08	18,644,710	3,756,481	143	12	31	1	139.55	18,997,934	
Jun-08	22,711,700	3,636,030	3	124	30	0	139.44	22,679,665	
Jul-08	26,419,990	4,366,856	0	189	31	0	139.34	26,261,277	
Aug-08	24,364,410	5,358,891	1	145	31	0	139.23	25,303,418	
Sep-08	20,565,410	4,892,273	12	65	30	1	139.13	20,267,630	
Oct-08	18,777,310	4,024,402	221	3	31	1	139.02	19,292,600	
Nov-08	20,094,850	3,890,338	413	0	30	1	138.92	19,666,096	
Dec-08	23,525,530	4,317,062	632	0	31	0	138.81	23,115,901	
Jan-09	24,531,230	5,537,852	799	0	31	0	138.39	25,012,252	
Feb-09	20,746,930	5,761,928	553	0	28	0	137.97	21,568,279	
Mar-09	20,762,810	4,729,916	464	0	31	1	137.54	21,012,876	
Apr-09	18,304,870	4,690,838	263	11	30	1	137.13	19,385,477	
May-09	17,564,208	3,917,562	76	15	31	1	136.71	18,320,318	
Jun-09	20,151,815	3,591,150	25	70	30	0	136.29	20,228,856	
Jul-09	21,718,677	4,052,451	1	88	31	0	135.87	21,656,438	
Aug-09	24,301,262	3,497,596	7	124	31	0	135.46	22,596,587	
Sep-09	19,833,254	4,859,822	28	48	30	1	135.05	19,003,559	
Oct-09	19,025,038	3,480,893	248	0	31	1	134.63	18,219,406	
Nov-09	19,026,900	3,493,143	321	0	30	1	134.22	17,991,257	
Dec-09	22,891,585	3,484,625	603	0	31	0	133.81	21,496,077	
Jan-10	23,520,946	4,443,394	680	0	31	0	134.17	22,741,713	
Feb-10	20,573,877	4,730,331	571	0	28	0	134.52	20,367,747	
Mar-10	20,520,862	4,066,284	397	0	31	1	134.87	19,654,431	
Apr-10	17,431,446	3,324,931	183	1	30	1	135.23	17,197,332	
May-10	19,189,808	3,105,799	92	50	31	1	135.58	18,981,964	
Jun-10	23,092,031	3,327,015	6	124	30	0	135.94	21,900,121	
Jul-10	28,187,746	3,985,249	0	216	31	0	136.30	26,522,451	
Aug-10	26,984,638	5,180,907	0	189	31	0	136.65	26,423,536	
Sep-10	19,634,115	4,944,551	43	50	30	1	137.01	19,584,712	
Oct-10	18,062,554	3,790,880	166	1	31	1	137.37	18,415,327	
Nov-10	20,064,654	3,614,966	378	0	30	1	137.73	19,037,983	
Dec-10	24,022,231	3,580,070	664	0	31	0	138.10	22,676,796	
Jan-11	23,397,085	5,088,630	731	0	31	0	138.35	24,237,826	
Feb-11	20,570,362	5,258,621	615	0	28	0	138.60	21,713,908	
Mar-11	21,011,815	4,539,427	520	0	31	1	138.85	21,460,653	
Apr-11	18,252,354	4,378,340	294	0	30	1	139.10	19,268,747	
May-11	18,454,400	3,743,060	112	33	31	1	139.35	19,578,802	
Jun-11	21,528,092	3,594,103	10	105	30	0	139.61	21,999,377	
Jul-11	28,389,523	4,086,352	0	242	31	0	139.86	28,177,824	
Aug-11	24,810,531	5,824,158	0	144	31	0	140.11	25,764,736	
Sep-11	19,628,308	4,902,860	59	48	30	1	140.37	20,134,997	
Oct-11	18,511,823	3,829,981	190	5	31	1	140.62	19,266,320	
Nov-11	18,941,946	3,646,274	315	0	30	1	140.88	19,177,756	
Dec-11	21,539,477	3,848,609	496	0	31	0	141.13	22,278,052	
Jan-12		4,780,697	673	0	31	0	141.42	24,150,935	
Feb-12		5,071,821	595	0	29	0	141.72	22,618,678	
Mar-12		3,932,015	473	0	31	1	142.01	21,248,490	
Apr-12		3,272,732	245	3	30	1	142.30	18,794,659	
May-12		2,557,462	108	29	31	1	142.59	19,061,497	
Jun-12		2,322,830	11	109	30	0	142.89	21,786,456	
Jul-12		3,790,211	1	175	31	0	143.18	25,966,149	
Aug-12		5,438,499	2	147	31	0	143.48	26,168,338	
Sep-12		4,724,850	32	56	30	1	143.77	20,726,760	
Oct-12		3,559,648	195	9	31	1	144.07	19,855,575	
Nov-12		3,438,928	361	0	30	1	144.37	19,906,817	
Dec-12		3,043,769	588	0	31	0	144.66	22,890,471	

Weather Normal 2,179,852,260

2004	195,862,723		195,508,416	(354,307)	(0.18%)
2005	208,079,760		213,745,834	5,666,074	2.72%
2006	213,838,930		211,598,040	(2,240,890)	(1.05%)
2007	271,076,220		269,111,681	(1,964,539)	(0.72%)
2008	262,640,600		263,658,970	1,018,370	0.39%
2009	248,858,578		246,491,382	(2,367,196)	(0.95%)
2010	261,284,908		253,504,114	(7,780,794)	(2.98%)
2011	255,035,715		263,058,997	8,023,282	3.15%
2012			263,174,825		
Total to 2010	1,916,677,435	315,328,645	1,916,677,435	0	
			2,179,852,260	0	

Check totals above sould be zero or explainable

10 Year Average

	Hydro One Uplifted	Heating Degree Days	Cooling Degree Days	Number of Days in Month	Spring Fall Flag	Ontario Real GDP Monthly %	Predicted Purchases	
Jan-12	4,780,697	669	0	31	0	141.42	24,124,331	
Feb-12	5,071,821	591	0	29	0	141.72	22,592,742	
Mar-12	3,932,015	483	0	31	1	142.01	21,307,618	
Apr-12	3,272,732	254	4	30	1	142.30	18,897,489	
May-12	2,557,462	119	24	31	1	142.59	18,968,288	
Jun-12	2,322,830	13	105	30	0	142.89	21,670,493	
Jul-12	3,790,211	1	174	31	0	143.18	25,951,092	
Aug-12	5,438,499	2	147	31	0	143.48	26,157,708	
Sep-12	4,724,850	33	59	30	1	143.77	20,814,916	
Oct-12	3,559,648	204	9	31	1	144.07	19,897,366	
Nov-12	3,438,928	364	0	30	1	144.37	19,929,821	
Dec-12	3,043,769	586	0	31	0	144.66	22,874,978	263,186,842

20 Year Trend

	Hydro One Uplifted	Heating Degree Days	Cooling Degree Days	Number of Days in Month	Spring Fall Flag	Ontario Real GDP Monthly %	Predicted Purchases	
Jan-12	4,780,697	682	0	31	0	141.42	24,209,037	
Feb-12	5,071,821	603	0	29	0	141.72	22,666,677	
Mar-12	3,932,015	480	0	31	1	142.01	21,289,546	
Apr-12	3,272,732	228	4	30	1	142.30	18,716,656	
May-12	2,557,462	101	33	31	1	142.59	19,172,990	
Jun-12	2,322,830	8	120	30	0	142.89	22,207,983	
Jul-12	3,790,211	0	196	31	0	143.18	26,780,323	
Aug-12	5,438,499	0	165	31	0	143.48	26,840,045	
Sep-12	4,724,850	25	65	30	1	143.77	20,994,352	
Oct-12	3,559,648	191	10	31	1	144.07	19,856,333	
Nov-12	3,438,928	339	0	30	1	144.37	19,768,213	
Dec-12	3,043,769	607	0	31	0	144.66	23,011,905	265,514,059

SUMMARY OUTPUT

Regression Statistics	
Multiple R	96%
R Square	92%
Adjusted R Square	91%
Standard Error	992762.5667
Observations	96

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	6	9.95493E+14	1.65916E+14	168.3435139	2.3722E-46
Residual	89	8.77164E+13	9.85578E+11		
Total	95	1.08321E+15			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*
Intercept	(27,238,734)	6820677.025	(3.99)	0.000133686	-40791273.48	-13686194.13
Hydro One Uplifted	0.72	0.070641346	10.18	1.34281E-16	0.578972313	0.859698005
Heating Degree Days	6,517	838.0740711	7.78	1.25067E-11	4851.352599	8181.823183
Cooling Degree Days	37,850	3602.494817	10.51	2.89462E-17	30692.31252	45008.47315
Number of Days in Month	643,421	131002.6225	4.91	4.07667E-06	383121.1822	903720.0119
Spring Fall Flag	(1,092,376)	330513.3457	(3.31)	0.001369568	-1749098.621	-435652.6937
Ontario Real GDP Monthly %	167,023	44288.28606	3.77	0.000291959	79023.30217	255023.0605

	Hydro One Uplift	*ting Degree D*	*ng Degree*	*r of Days in*	*ring Fall Fl*	*eal GDP Monthly %*
Hydro One Uplifted	100%					
Heating Degree Days	6%	100%				
Cooling Degree Days	3%	-71%	100%			
Number of Days in Month	-5%	-18%	20%	100%		
Spring Fall Flag	-4%	-15%	-43%	8%	100%	
Ontario Real GDP Monthly %	76%	-4%	8%	2%	2%	100%

Purchases	Modeled Purchases	Difference	% Difference	Loss Factor	Total Billed	Residential	GS<50

Residential GS<50

Summary of Degree Day Information

Summary of All Heating Degree Days

Month	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	10 Year Avg	20 Year Trend
January	637.20	530.00	843.40	629.70	693.00	712.90	552.20	718.90	679.90	657.60	545.30	759.20	762.90	700.40	494.70	602.40	611.20	799.10	679.70	730.90	669	682
February	559.90	434.00	658.50	633.00	627.00	531.30	443.20	500.40	533.90	544.30	494.80	656.20	579.40	572.00	538.00	706.10	629.30	552.90	570.90	614.60	591	603
March	523.10	336.70	498.90	463.20	599.00	487.30	440.00	517.20	367.70	518.90	513.90	524.10	429.30	545.30	461.40	429.30	541.60	463.80	397.10	520.10	483	480
April	328.10	301.70	268.30	346.70	337.80	322.70	249.10	243.90	293.60	245.30	273.30	303.30	251.70	242.50	219.50	285.20	223.80	263.40	183.40	293.80	254	228
May	148.00	96.70	152.10	109.60	167.00	220.50	42.20	65.80	85.10	82.90	185.10	147.60	101.60	143.40	105.90	87.20	143.40	75.80	91.90	112.30	119	101
June	40.60	26.50	22.00	12.60	4.50	18.10	41.50	19.10	18.00	24.90	16.50	30.30	21.40	4.40	8.80	8.10	3.20	25.30	5.70	10.10	13	8
July	9.00	-	-	1.00	1.30	2.10	-	-	0.90	3.20	-	-	2.20	-	-	1.30	0.30	1.40	0.10	-	1	0
August	12.60	2.10	13.40	-	-	6.30	1.20	1.20	7.70	-	-	-	6.10	0.10	-	4.40	0.90	6.70	-	-	2	0
September	77.70	87.90	38.70	78.50	53.00	50.50	17.70	37.10	76.40	69.90	17.10	50.30	23.00	15.30	52.10	25.40	12.20	28.00	42.90	59.30	33	25
October	257.80	231.10	193.30	178.50	207.40	229.50	181.30	221.40	158.40	202.70	255.90	225.60	190.90	182.80	251.30	111.20	220.70	247.60	165.70	189.50	204	191
November	410.00	391.20	328.90	488.40	489.10	450.20	336.90	324.30	401.30	279.90	417.50	338.80	354.00	346.20	356.80	400.30	413.40	320.50	377.70	315.10	364	339
December	412.50	574.60	513.40	663.60	564.40	555.50	495.70	558.40	771.20	491.60	610.40	541.80	593.50	659.70	460.40	595.00	632.00	603.40	664.30	495.60	586	607
Total	3,416.50	3,012.50	3,530.90	3,604.80	3,743.50	3,586.90	2,801.00	3,207.70	3,394.10	3,121.20	3,329.80	3,577.20	3,316.00	3,412.10	2,948.90	3,255.90	3,432.00	3,387.90	3,179.40	3,341.30		

Summary of All Cooling Degree Days

Month	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	10 Year Avg	20 Year Trend
January	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0
February	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0
March	-	-	-	-	-	-	5.90	-	0.50	-	-	-	-	-	-	0.20	-	-	-	-	0	0
April	-	-	8.70	-	0.10	-	-	-	-	0.40	15.10	2.70	4.40	1.40	1.10	0.90	1.30	11.10	1.40	-	4	4
May	13.30	6.70	17.60	5.80	21.00	-	54.30	26.10	38.60	20.40	12.50	0.20	28.10	5.70	40.60	46.00	11.60	14.80	49.90	33.40	24	33
June	36.40	42.50	105.50	102.00	99.30	93.40	125.70	131.90	98.70	112.50	118.30	64.20	62.00	166.90	85.70	132.20	123.90	70.10	124.20	104.80	105	120
July	81.50	131.70	136.90	167.90	106.40	130.50	159.90	227.80	97.10	156.10	201.10	144.60	122.40	194.70	197.40	148.20	188.60	88.00	216.20	242.30	174	196
August	57.60	125.30	74.30	187.40	135.70	65.20	147.30	102.10	109.90	162.20	149.20	143.10	74.20	185.50	147.40	167.40	144.80	124.30	189.30	144.40	147	165
September	31.20	7.20	46.50	27.90	43.10	26.30	82.40	64.40	45.70	36.20	97.90	37.60	59.70	82.20	22.30	76.40	65.00	47.50	50.00	47.70	59	65
October	1.00	2.10	-	4.70	0.10	17.50	5.20	0.90	3.30	2.90	12.60	1.00	0.50	19.00	2.30	42.30	3.30	-	1.30	4.60	9	10
November	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0
December	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0
Total	221.00	315.50	389.50	495.70	405.70	332.90	580.70	553.20	393.80	490.70	606.70	393.40	351.30	655.40	496.80	613.60	538.50	355.80	632.30	577.20		

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	Total OPA Annual CDM Results (Gross)	Total OPA Annual CDM Results (Net)	# Difference	% Difference of Net	Total Annual CDM Results	Increase over previous year
2005	-	-				-
2006	954,288	854,482	99,807	11.7%	854,482	854,482
2007	4,596,498	1,617,801	2,978,697	184.1%	1,617,801	40,297
2008	3,114,021	1,853,239	1,260,782	68.0%	1,853,239	201,340
2009	4,817,101	3,294,734	1,522,367	46.2%	3,294,734	1,271,131
2010	4,902,523	3,193,071	1,709,452	53.5%	3,193,071	- 1,177,236
2011	4,638,700	2,924,193	1,714,507	58.6%	3,470,469	1,273,521
2012	4,479,876	2,856,639	1,623,237	56.8%	4,427,309	- 120,755
Total	27,503,007	16,594,159	10,908,848	56.6%	18,711,105	

	CDM Activity Variable	
Jan-06	10,955	
Feb-06	21,910	
Mar-06	32,865	
Apr-06	43,820	
May-06	54,774	
Jun-06	65,729	
Jul-06	76,684	
Aug-06	87,639	
Sep-06	98,594	
Oct-06	109,549	
Nov-06	120,504	Check
Dec-06	131,459	854,482
Jan-07	131,975	
Feb-07	132,492	
Mar-07	133,009	
Apr-07	133,525	
May-07	134,042	
Jun-07	134,558	
Jul-07	135,075	
Aug-07	135,592	
Sep-07	136,108	
Oct-07	136,625	
Nov-07	137,142	Check
Dec-07	137,658	1,617,801
Jan-08	140,239	
Feb-08	142,821	
Mar-08	145,402	
Apr-08	147,983	
May-08	150,565	
Jun-08	153,146	
Jul-08	155,727	
Aug-08	158,309	
Sep-08	160,890	
Oct-08	163,471	
Nov-08	166,052	
Dec-08	168,634	1,853,239
Jan-09	184,930	
Feb-09	201,227	
Mar-09	217,523	
Apr-09	233,820	

May-09	250,116	
Jun-09	266,413	
Jul-09	282,709	
Aug-09	299,006	
Sep-09	315,303	
Oct-09	331,599	
Nov-09	347,896	
Dec-09	364,192	3,294,734
Jan-10	349,099	
Feb-10	334,007	
Mar-10	318,914	
Apr-10	303,821	
May-10	288,728	
Jun-10	273,636	
Jul-10	258,543	
Aug-10	243,450	
Sep-10	228,357	
Oct-10	213,265	
Nov-10	198,172	
Dec-10	183,079	3,193,071
Jan-11	199,406	
Feb-11	215,733	
Mar-11	232,061	
Apr-11	248,388	
May-11	264,715	
Jun-11	281,042	
Jul-11	297,369	
Aug-11	313,697	
Sep-11	330,024	
Oct-11	346,351	
Nov-11	362,678	
Dec-11	379,005	3,470,469
Jan-12	377,457	
Feb-12	375,909	
Mar-12	374,361	
Apr-12	372,813	
May-12	371,265	
Jun-12	369,716	
Jul-12	368,168	
Aug-12	366,620	
Sep-12	365,072	
Oct-12	363,524	
Nov-12	361,976	
Dec-12	360,428	4,427,309

	-	Check	
	10,955	854,482	-
	517	1,617,801	-
	2,581	1,853,239	-
	16,297	3,294,734	-
-	15,093	3,193,071	-
	16,327	3,470,469	-
-	1,548	4,427,309	-
			-

Jan	1
Feb	2
Mar	3
Apr	4
May	5
Jun	6
Jul	7
Aug	8
Sep	9
Oct	10
Nov	11
Dec	12
Total	78

1,577,504

1,651,898

2,023,604

4,370,307

2,196,948

4,548,064

4,325,132

4 Year 2011 to 2014 target
8,250,000

2011/2012 Cost of Service Method				
2011	2012	2013	2014	Total
10%	10%	10%	10%	40%
	10%	10%	10%	30%
		10%	10%	20%
			10%	10%
10%	20%	30%	40%	100%
825,000	825,000	825,000	825,000	3,300,000
0	825,000	825,000	825,000	2,475,000
		825,000	825,000	1,650,000
		0	825,000	825,000
825,000	1,650,000	2,475,000	3,300,000	8,250,000

2013 Proposed Cost of Service Method					
2011	2012	2013	2014	Total	
6.6%	6.6%	6.6%	5.6%	25.5%	
	12.4%	12.4%	12.4%	37.3%	
		12.4%	12.4%	24.8%	
			12.4%	12.4%	
6.6%	19.0%	31.5%	42.9%	100.0%	
546,277	546,277	546,277	464,811	2,103,641	based on 2011 final results
	1,024,393	1,024,393	1,024,393	3,073,180	
		1,024,393	1,024,393	2,048,786	
			1,024,393	1,024,393	
546,277	1,570,670	2,595,063	3,537,990	8,250,000	

Appendix 2-P
Loss Factors

		Historical Years					5-Year Average
		2007	**2008**	**2009**	**2010**	**2011**	
	Losses Within Distributor's System						
A(1)	"Wholesale" kWh delivered to distributor (higher value)	271,076,220	262,640,600	248,858,578	261,284,908	255,035,715	259,779,204
A(2)	"Wholesale" kWh delivered to distributor (lower value)	262,162,689	254,004,449	240,675,608	252,693,334	246,649,628	251,237,141
B	Portion of "Wholesale" kWh delivered to distributor for its Large Use Customer(s)						0
C	Net "Wholesale" kWh delivered to distributor = **A(2) - B**	262,162,689	254,004,449	240,675,608	252,693,334	246,649,628	251,237,141
D	"Retail" kWh delivered by distributor	253,561,025	244,708,081	229,809,479	235,427,525	238,556,765	240,412,575
E	Portion of "Retail" kWh delivered by distributor to its Large Use Customer(s)						0
F	Net "Retail" kWh delivered by distributor = **D - E**	253,561,025	244,708,081	229,809,479	235,427,525	238,556,765	240,412,575
G	Loss Factor in Distributor's system = **C / F**	1.034	1.038	1.047	1.073	1.034	1.045
	Losses Upstream of Distributor's System						
H	Supply Facilities Loss Factor	1.034	1.034	1.034	1.034	1.034	1.034
	Total Losses						
I	Total Loss Factor = **G x H**	1.069	1.073	1.083	1.110	1.069	1.081

APPENDIX ENERGY PROBE 17a

REFERENCE: ENERGY PROBE INTERROGATORY 17(a)

Tried but not used (Number of Peak Hours, Number of Customers)

	Purchased	Hydro One Uplifted	Heating Degree Days	Cooling Degree Days	Number of Days in Month	Spring Fall Flag	Ontario Real GDP Monthly %	Number of Peak Hours	Number of Customers	Trend	CDM Activity	Predicted Purchases	Variances (kWh)
Jan-04	18,128,620	0	762.9	0	31	0	127.53	336	13,307	1	0	18,979,963	
Feb-04	16,086,300	0	579.4	0	29	0	127.80	320	13,318	2	0	16,541,205	
Mar-04	15,841,540	0	429.3	0	31	1	128.06	368	13,328	3	0	15,801,498	
Apr-04	14,054,710	0	251.7	4.4	30	1	128.32	336	13,339	4	0	14,211,331	
May-04	13,160,650	0	101.6	28.1	31	1	128.59	320	13,350	5	0	14,817,814	
Jun-04	17,788,490	0	21.4	62	30	0	128.85	352	**13,361**	6	0	16,071,507	
Jul-04	18,387,330	0	2.2	122.4	31	0	129.12	336	13,371	7	0	18,920,303	
Aug-04	17,376,950	0	6.1	74.2	31	0	129.38	336	13,382	8	0	17,165,751	
Sep-04	16,685,151	0	23	59.7	30	1	129.65	336	13,393	9	0	15,035,768	
Oct-04	14,771,528	0	190.9	0.5	31	1	129.92	320	13,404	10	0	14,577,185	
Nov-04	15,762,317	0	354	0	30	1	130.19	352	13,415	11	0	15,022,392	
Dec-04	17,819,138	0	593.5	0	31	0	130.45	336	13,425	12	0	18,363,700	
Jan-05	18,189,710	0	700.4	0	31	0	130.74	320	13,436	13	0	19,108,752	
Feb-05	15,836,100	0	572	0	28	0	131.03	320	13,447	14	0	16,390,296	
Mar-05	16,631,550	0	545.3	0	31	1	131.33	352	13,458	15	0	17,102,833	
Apr-05	14,405,130	0	242.5	1.4	30	1	131.62	336	13,469	16	0	14,587,933	
May-05	14,529,930	0	143.4	5.7	31	1	131.91	336	13,479	17	0	14,797,176	
Jun-05	18,470,070	0	4.4	166.9	30	0	132.20	352	**13,490**	18	0	20,490,778	
Jul-05	21,188,220	0	0	194.7	31	0	132.50	320	13,497	19	0	22,206,844	
Aug-05	21,540,420	0	0.1	185.5	31	0	132.79	352	13,504	20	0	21,908,459	
Sep-05	17,203,800	0	15.3	82.2	30	1	133.09	336	13,510	21	0	16,411,066	
Oct-05	15,745,210	0	182.8	19	31	1	133.38	320	13,517	22	0	15,803,276	
Nov-05	16,068,980	0	346.2	0	30	1	133.68	352	13,524	23	0	15,555,024	
Dec-05	18,270,640	0	659.7	0	31	0	133.98	320	13,530	24	0	19,383,396	
Jan-06	17,495,990	0	494.7	0	31	0	134.25	336	13,537	25	10,955	18,354,252	
Feb-06	16,164,900	0	538	0	28	0	134.53	320	13,544	26	21,910	16,752,347	
Mar-06	17,164,270	0	461.4	0	31	1	134.81	368	13,551	27	32,865	17,137,346	
Apr-06	14,641,220	0	219.5	1.1	30	1	135.08	304	13,557	28	43,820	15,005,576	
May-06	13,901,070	0	105.9	40.6	31	1	135.36	352	13,564	29	54,774	16,450,277	
Jun-06	17,912,530	0	8.8	85.7	30	0	135.64	352	**13,571**	30	65,729	18,020,094	
Jul-06	22,524,750	0	0	197.4	31	0	135.92	320	13,578	31	76,684	22,880,723	
Aug-06	21,130,000	0	0	147.4	31	0	136.20	352	13,585	32	87,639	21,034,966	
Sep-06	15,286,330	0	52.1	22.3	30	1	136.48	320	13,592	33	98,594	14,950,458	
Oct-06	15,621,710	0	251.3	2.3	31	1	136.76	336	13,599	34	109,549	16,181,929	
Nov-06	19,270,390	0	356.8	0	30	1	137.04	352	13,606	35	120,504	16,186,004	
Dec-06	22,725,770	0	460.4	0	31	0	137.33	304	13,613	36	131,459	18,644,068	
Jan-07	23,594,230	5,218,251	602.4	0	31	0	137.55	352	13,620	37	131,975	23,360,976	
Feb-07	23,081,780	5,297,740	706.1	0	28	0	137.78	320	13,627	38	132,492	22,201,607	
Mar-07	22,044,680	5,430,766	429.3	0.2	31	1	138.01	352	13,634	39	133,009	21,376,970	
Apr-07	19,604,320	5,850,949	285.2	0.9	30	1	138.23	320	13,641	40	133,525	20,161,326	
May-07	20,629,530	5,994,376	87.2	46	31	1	138.46	352	13,648	41	134,042	21,362,819	
Jun-07	23,858,190	6,426,468	8.1	132.2	30	0	138.69	336	**13,656**	42	134,558	24,908,030	
Jul-07	24,738,400	4,613,250	1.3	148.2	31	0	138.92	336	13,659	43	135,075	24,846,691	
Aug-07	26,868,930	4,937,277	4.4	167.4	31	0	139.15	352	13,662	44	135,592	25,865,026	
Sep-07	21,805,090	5,381,126	25.4	76.4	30	1	139.38	304	13,666	45	136,108	21,179,354	
Oct-07	20,415,380	4,233,788	111.2	42.3	31	1	139.61	352	13,669	46	136,625	20,304,326	
Nov-07	20,794,820	3,987,920	400.3	0	30	1	139.84	352	13,673	47	137,142	19,805,430	
Dec-07	23,640,870	5,225,929	595	0	31	0	140.07	304	13,676	48	137,658	23,739,126	
Jan-08	24,088,720	5,321,742	611	0	31	0	139.97	352	13,679	49	140,239	23,895,996	
Feb-08	22,590,240	5,335,312	629	0	29	0	139.86	320	13,683	50	142,821	22,719,261	
Mar-08	22,046,700	5,063,455	542	0	31	1	139.76	304	13,686	51	145,402	22,129,073	
Apr-08	18,811,030	4,901,935	224	1	30	1	139.65	352	13,690	52	147,983	19,330,119	
May-08	18,644,710	3,756,481	143	12	31	1	139.55	336	13,693	53	150,565	18,997,934	
Jun-08	22,711,700	3,636,030	3	124	30	0	139.44	336	**13,697**	54	153,146	22,679,665	
Jul-08	26,419,990	4,366,856	0	189	31	0	139.34	352	13,707	55	155,727	26,261,277	
Aug-08	24,364,410	5,358,891	1	145	31	0	139.23	320	13,718	56	158,309	25,303,418	
Sep-08	20,565,410	4,892,273	12	65	30	1	139.13	336	13,728	57	160,890	20,267,630	
Oct-08	18,777,310	4,024,402	221	3	31	1	139.02	352	13,739	58	163,471	19,292,600	
Nov-08	20,094,850	3,890,338	413	0	30	1	138.92	304	13,749	59	166,052	19,666,096	
Dec-08	23,525,530	4,317,062	632	0	31	0	138.81	336	13,760	60	168,634	23,115,901	
Jan-09	24,531,230	5,537,852	799	0	31	0	138.39	336	13,770	61	184,930	25,012,252	
Feb-09	20,746,930	5,761,928	553	0	28	0	137.97	304	13,781	62	201,227	21,568,279	
Mar-09	20,762,810	4,729,916	464	0	31	1	137.54	352	13,791	63	217,523	21,012,876	
Apr-09	18,304,870	4,690,838	263	11	30	1	137.13	320	13,802	64	233,820	19,385,477	
May-09	17,564,208	3,917,562	76	15	31	1	136.71	320	13,812	65	250,116	18,320,318	
Jun-09	20,151,815	3,591,150	25	70	30	0	136.29	352	**13,823**	66	266,413	20,228,856	
Jul-09	21,718,677	4,052,451	1	88	31	0	135.87	352	13,836	67	282,709	21,656,438	
Aug-09	24,301,262	3,497,596	7	124	31	0	135.46	320	13,849	68	299,006	22,596,587	
Sep-09	19,833,254	4,859,822	28	48	30	1	135.05	336	13,862	69	315,303	19,003,559	
Oct-09	19,025,038	3,480,893	248	0	31	1	134.63	336	13,876	70	331,599	18,219,406	
Nov-09	19,026,900	3,493,143	321	0	30	1	134.22	320	13,889	71	347,896	17,991,257	
Dec-09	22,891,585	3,484,625	603	0	31	0	133.81	352	13,902	72	364,192	21,496,077	
Jan-10	23,520,946	4,443,394	680	0	31	0	134.17	320	13,915	73	349,099	22,741,713	
Feb-10	20,573,877	4,730,331	571	0	28	0	134.52	304	13,928	74	334,007	20,367,747	
Mar-10	20,520,862	4,066,284	397	0	31	1	134.87	368	13,941	75	318,914	19,654,431	
Apr-10	17,431,446	3,324,931	183	1	30	1	135.23	320	13,954	76	303,821	17,197,332	
May-10	19,189,808	3,105,799	92	50	31	1	135.58	320	13,967	77	288,728	18,981,964	
Jun-10	23,092,031	3,327,015	6	124	30	0	135.94	352	**13,981**	78	273,636	21,900,121	
Jul-10	28,187,746	3,985,249	0	216	31	0	136.30	336	13,987	79	258,543	26,522,451	
Aug-10	26,984,638	5,180,907	0	189	31	0	136.65	336	13,993	80	243,450	26,423,536	
Sep-10	19,634,115	4,944,551	43	50	30	1	137.01	336	13,999	81	228,357	19,584,712	
Oct-10	18,062,554	3,790,880	166	1	31	1	137.37	320	14,005	82	213,265	18,415,327	
Nov-10	20,064,654	3,614,966	378	0	30	1	137.73	336	14,011	83	198,172	19,037,983	
Dec-10	24,022,231	3,580,070	664	0	31	0	138.10	368	14,017	84	183,079	22,676,796	
Jan-11	23,397,085	5,088,630	731	0	31	0	138.35	336	14,023	85	199,406	24,237,826	
Feb-11	20,570,362	5,258,621	615	0	28	0	138.60	304	14,029	86	215,733	21,713,908	
Mar-11	21,011,815	4,539,427	520	0	31	1	138.85	368	14,035	87	232,061	21,460,653	
Apr-11	18,252,354	4,378,340	294	0	30	1	139.10	320	14,041	88	248,388	19,268,747	
May-11	18,454,400	3,743,060	112	33	31	1	139.35	336	14,047	89	264,715	19,578,802	
Jun-11	21,528,092	3,594,103	10	105	30	0	139.61	352	**14,054**	90	281,042	21,999,377	
Jul-11	28,389,523	4,086,352	0	242	31	0	139.86	320	14,064	91	297,369	28,177,824	
Aug-11	24,810,531	5,824,158	0	144	31	0	140.11	352	14,074	92	313,697	25,764,736	
Sep-11	19,628,308	4,902,860	59	48	30	1	140.37	336	14,084	93	330,024	20,134,997	
Oct-11	18,511,823	3,829,981	190	5	31	1	140.62	320	14,094	94	346,351	19,266,320	
Nov-11	18,941,946	3,646,274	315	0	30	1	140.88	352	14,104	95	362,678	19,177,756	
Dec-11	21,539,477	3,848,609	496	0	31	0	141.13	336	14,115	96	379,005	22,278,052	
Jan-12		4,780,697	673	0	31	0	141.42	336	14,125		377,457	24,150,935	
Feb-12		5,071,821	595	0	29	0	141.72	320	14,135		375,909	22,618,678	
Mar-12		3,932,015	473	0	31	1	142.01	352	14,145		374,361	21,248,490	
Apr-12		3,272,732	245	3	30	1	142.30	320	14,155		372,813	18,794,659	
May-12		2,557,462	108	29	31	1	142.59	352	14,165		371,265	19,061,497	
Jun-12		2,322,830	11	109	30	0	142.89	336	**14,176**		369,716	21,786,456	
Jul-12		3,790,211	1	175	31	0	143.18	336	14,186		368,168	25,966,149	
Aug-12		5,438,499	2	147	31	0	143.48	352	14,196		366,620	26,168,338	
Sep-12		4,724,850	32	56	30	1	143.77	304	14,206		365,072	20,726,760	
Oct-12		3,559,648	195	9	31	1	144.07	352	14,216		363,524	19,855,575	
Nov-12		3,438,928	361	0	30	1	144.37	352	14,226		361,976	19,906,817	
Dec-12		3,043,769	588	0	31	0	144.66	304	14,237		360,428	22,890,471	
			Weather Normal									2,179,852,260	

	Purchased	Hydro One Uplifted	Predicted Purchases	Variances (kWh)	
2004	195,862,723		195,508,416	(354,307)	(0.18%)
2005	208,079,760		213,745,834	5,666,074	2.72%
2006	213,838,930		211,598,040	(2,240,890)	(1.05%)
2007	271,076,220		269,111,681	(1,964,539)	(0.72%)
2008	262,640,600		263,658,970	1,018,370	0.39%
2009	248,858,578		246,491,382	(2,367,196)	(0.95%)
2010	261,284,908		253,504,114	(7,780,794)	(2.98%)
2011	255,035,715		263,058,997	8,023,282	3.15%
2012			263,174,825		
Total to 2010	1,916,677,435	315,328,645	1,916,677,435	0	
			2,179,852,260	0	

Check totals above sould be zero or explainable

SUMMARY OUTPUT - Application

Regression Statistics	
Multiple R	96%
R Square	92%
Adjusted R Square	91%
Standard Error	992762.5667
Observations	96

ANOVA

	df	SS	MS	F	Significance F
Regression	6	9.95493E+14	1.65916E+14	168.3435139	2.3722E-46
Residual	89	8.77164E+13	9.85578E+11		
Total	95	1.08321E+15			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	(27,238,734)	6820677.025	(3.99)	0.000133686	-40791273.48	-13686194.13
Hydro One Uplifted	0.72	0.070641346	10.18	1.34281E-16	0.578972313	0.859698005
Heating Degree Days	6,517	838.0740711	7.78	1.25067E-11	4851.352599	8181.823183
Cooling Degree Days	37,850	3602.494817	10.51	2.89462E-17	30692.31252	45008.47315
Number of Days in Month	643,421	131002.6225	4.91	4.07667E-06	383121.1822	903720.0119
Spring Fall Flag	(1,092,376)	330513.3457	(3.31)	0.001369568	-1749098.621	-435652.6937
Ontario Real GDP Monthly %	167,023	44288.28606	3.77	0.000291959	79023.30217	255023.0605

SUMMARY OUTPUT - Sensitivity 1

Regression Statistics	
Multiple R	96%
R Square	93%
Adjusted R Square	92%
Standard Error	948052.5542
Observations	96

ANOVA

	df	SS	MS	F	Significance F
Regression	10	1.00681E+15	1.00681E+14	112.0168554	1.45832E-44
Residual	85	7.63983E+13	8.98804E+11		
Total	95	1.08321E+15			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	(50,080,841)	72645295.18	(0.69)	0.492456438	-194519150.1	94357467.99
Hydro One Uplifted	0.61	0.087085818	7.01	5.28185E-10	0.437412001	0.783711877
Heating Degree Days	7,241	836.7177245	8.65	2.71595E-13	5576.894972	8904.13297
Cooling Degree Days	40,666	3603.69949	11.28	1.39731E-18	33500.60822	47830.84831
Number of Days in Month	560,456	132829.9833	4.22	6.1027E-05	296354.5059	824557.6917
Spring Fall Flag	(913,281)	323399.4942	(2.82)	0.005907283	-1556286.039	-270276.3676
Ontario Real GDP Monthly %	223,798	52296.59394	4.28	4.89337E-05	119817.8606	327777.1394
CDM Activity	9	2.656813716	3.29	0.001441911	3.468623772	14.03353867
Trend	(41,025.99)	49717.15531	(0.83)	0.411574827	-139877.0191	57825.02961
Number of Customers	1,184	5267.067093	0.22	0.822732838	-9288.700674	11655.98026
Number of Peak Hours	5,992	6034.493571	0.99	0.323572636	-6006.488983	17989.89082

SUMMARY OUTPUT - Sensitivity 2

Regression Statistics	
Multiple R	96%
R Square	92%
Adjusted R Square	92%
Standard Error	969340.988
Observations	96

ANOVA

	df	SS	MS	F	Significance F
Regression	7	1.00052E+15	1.42932E+14	152.1163694	2.426E-46
Residual	88	8.26867E+13	9.39622E+11		
Total	95	1.08321E+15			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	(25,033,373)	6727631.278	(3.72)	0.00034908	-38403126.6	-11663619.7
Hydro One Uplifted	0.62	0.080152984	7.80	1.20701E-11	0.465585579	0.784160006
Heating Degree Days	6,876	832.8770314	8.26	1.39387E-12	5220.338067	8530.674234
Cooling Degree Days	39,214	3566.504513	10.99	3.34778E-18	32125.83656	46301.1931
Number of Days in Month	617,793	128390.694	4.81	6.15136E-06	362643.1087	872942.1586
Spring Fall Flag	(1,012,275)	324567.5361	(3.12)	0.002454281	-1657285.219	-367265.6689
Ontario Real GDP Monthly %	153,871	43615.44045	3.53	0.000668133	67194.95096	240547.9965
CDM Activity	3	1.246186286	2.31	0.023018877	0.40667485	5.359741602

SUMMARY OUTPUT - Sensitivity 3

Regression Statistics	
Multiple R	96%
R Square	92%
Adjusted R Square	91%
Standard Error	993767.5949
Observations	96

ANOVA

	df	SS	MS	F	Significance F
Regression	7	9.96303E+14	1.42329E+14	144.1198825	2.14555E-45
Residual	88	8.69065E+13	9.87574E+11		
Total	95	1.08321E+15			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	(25,047,505)	7243674.208	(3.46)	0.000841052	-39442785.08	-10652224.41
Hydro One Uplifted	0.69	0.077828134	8.86	7.8094E-14	0.535227575	0.844561698
Heating Degree Days	6,574	841.3307877	7.81	1.1092E-11	4902.225799	8246.162094
Cooling Degree Days	38,029	3611.523351	10.53	2.95796E-17	30851.72424	45206.01174
Number of Days in Month	638,056	131268.9954	4.86	5.06695E-06	377186.1517	898925.24
Spring Fall Flag	(1,085,628)	330931.8492	(3.28)	0.00148596	-1743285.07	-427970.0509
Ontario Real GDP Monthly %	150,588	47904.01538	3.14	0.002275642	55389.08491	245787.4134
Trend	5,389	5950.441283	0.91	0.367631285	-6436.654563	17213.84874

SUMMARY OUTPUT - Sensitivity 4

Regression Statistics	
Multiple R	96%
R Square	92%
Adjusted R Square	91%
Standard Error	994272.5477
Observations	96

ANOVA

	df	SS	MS	F	Significance F
Regression	7	9.96215E+14	1.42316E+14	143.960768	2.24315E-45
Residual	88	8.69949E+13	9.88578E+11		
Total	95	1.08321E+15			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	(33,051,846)	9641661.347	(3.43)	0.000926781	-52212621.95	-13891070.2
Hydro One Uplifted	0.70	0.075679989	9.20	1.5778E-14	0.545980073	0.846776224
Heating Degree Days	6,554	840.4919358	7.80	1.19663E-11	4883.724904	8224.327115
Cooling Degree Days	37,934	3609.296059	10.51	3.24693E-17	30761.12211	45106.55707
Number of Days in Month	640,023	131262.1398	4.88	4.76853E-06	379166.9476	900878.7876
Spring Fall Flag	(1,091,387)	331018.0764	(3.30)	0.001410272	-1749215.698	-433557.9616
Ontario Real GDP Monthly %	152,772	47388.47407	3.22	0.001775151	58597.76436	246947.0328
Number of Customers	577	674.8580055	0.85	0.395241748	-764.5867842	1917.690165

SUMMARY OUTPUT - Sensitivity 5

Regression Statistics	
Multiple R	96%
R Square	92%
Adjusted R Square	91%
Standard Error	994915.8732
Observations	96

ANOVA

	df	SS	MS	F	Significance F
Regression	7	9.96102E+14	1.423E+14	143.7584019	2.37388E-45
Residual	88	8.71075E+13	9.89858E+11		
Total	95	1.08321E+15			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	(27,998,041)	6903686.151	(4.06)	0.000107843	-41717666.67	-14278415.64
Hydro One Uplifted	0.72	0.070801245	10.17	1.60552E-16	0.579395241	0.860800434
Heating Degree Days	6,514	839.9010772	7.76	1.46186E-11	4844.374377	8182.628174
Cooling Degree Days	37,739	3613.088719	10.45	4.40557E-17	30558.99157	44919.50076
Number of Days in Month	611,150	137582.9577	4.44	2.58093E-05	337732.7584	884567.1931
Spring Fall Flag	(1,104,506)	331591.1057	(3.33)	0.00126647	-1763473.673	-445538.3861
Ontario Real GDP Monthly %	167,702	44392.78685	3.78	0.000287304	79480.73884	255923.4096
Number of Peak Hours	4,952	6313.21368	0.78	0.434954158	-7594.558191	17497.81293

APPENDIX ENERGY PROBE 17b

REFERENCE: ENERGY PROBE INTERROGATORY 17(b)

	Purchased	Hydro One Uplifted	Heating Degree Days	Cooling Degree Days	Number of Days in Month	Spring Fall Flag	Ontario Real GDP Monthly %	Predicted Purchases	Variances (kWh)	
Jan-04	18,128,620	0	762.9	0	31	0	127.53	19,523,961		
Feb-04	16,086,300	0	579.4	0	29	0	127.80	17,056,546		
Mar-04	15,841,540	0	429.3	0	31	1	128.06	16,407,728		
Apr-04	14,054,710	0	251.7	4.4	30	1	128.32	14,761,363		
May-04	13,160,650	0	101.6	28.1	31	1	128.59	15,302,037		
Jun-04	17,788,490	0	21.4	62	30	0	128.85	16,365,045		
Jul-04	18,387,330	0	2.2	122.4	31	0	129.12	19,343,225		
Aug-04	17,376,950	0	6.1	74.2	31	0	129.38	17,386,168		
Sep-04	16,685,151	0	23	59.7	30	1	129.65	15,514,309		
Oct-04	14,771,528	0	190.9	0.5	31	1	129.92	14,847,576		
Nov-04	15,762,317	0	354	0	30	1	130.19	15,384,672		
Dec-04	17,819,138	0	593.5	0	31	0	130.45	18,477,185		
Jan-05	18,189,710	0	700.4	0	31	0	130.74	19,239,801		
Feb-05	15,836,100	0	572	0	28	0	131.03	16,562,282		
Mar-05	16,631,550	0	545.3	0	31	1	131.33	17,376,478		
Apr-05	14,405,130	0	242.5	1.4	30	1	131.62	14,730,241		
May-05	14,529,930	0	143.4	5.7	31	1	131.91	14,825,663		
Jun-05	18,470,070	0	4.4	166.9	30	0	132.20	20,752,685		
Jul-05	21,188,220	0	0	194.7	31	0	132.50	22,485,150		
Aug-05	21,540,420	0	0.1	185.5	31	0	132.79	22,118,754		
Sep-05	17,203,800	0	15.3	82.2	30	1	133.09	16,557,052		
Oct-05	15,745,210	0	182.8	19	31	1	133.38	15,723,158		
Nov-05	16,068,980	0	346.2	0	30	1	133.68	15,497,214		
Dec-05	18,270,640	0	659.7	0	31	0	133.98	19,109,418		
Jan-06	17,495,990	0	494.7	0	31	0	134.25	17,966,945		
Feb-06	16,164,900	0	538	0	28	0	134.53	16,491,360		
Mar-06	17,164,270	0	461.4	0	31	1	134.81	16,955,374		
Apr-06	14,641,220	0	219.5	1.1	30	1	135.08	14,722,578		
May-06	13,901,070	0	105.9	40.6	31	1	135.36	16,174,220		
Jun-06	17,912,530	0	8.8	85.7	30	0	135.64	17,583,583		
Jul-06	22,524,750	0	0	197.4	31	0	135.92	22,760,820		
Aug-06	21,130,000	0	0	147.4	31	0	136.20	20,702,537		
Sep-06	15,286,330	0	52.1	22.3	30	1	136.48	14,495,335		
Oct-06	15,621,710	0	251.3	2.3	31	1	136.76	15,672,702		
Nov-06	19,270,390	0	356.8	0	30	1	137.04	15,732,455		
Dec-06	22,725,770	0	460.4	0	31	0	137.33	17,873,785		
Jan-07	23,594,230	5,218,251	602.4	0	31	0	137.55	23,041,020		
Feb-07	23,081,780	5,297,740	706.1	0	28	0	137.78	22,049,518		
Mar-07	22,044,680	5,430,766	429.3	0.2	31	1	138.01	21,223,318		
Apr-07	19,604,320	5,850,949	285.2	0.9	30	1	138.23	19,991,685		
May-07	20,629,530	5,994,376	87.2	46	31	1	138.46	21,196,207		
Jun-07	23,858,190	6,426,468	8.1	132.2	30	0	138.69	24,776,781		
Jul-07	24,738,400	4,613,250	1.3	148.2	31	0	138.92	24,554,293		
Aug-07	26,868,930	4,937,277	4.4	167.4	31	0	139.15	25,640,938		
Sep-07	21,805,090	5,381,126	25.4	76.4	30	1	139.38	20,980,359		
Oct-07	20,415,380	4,233,788	111.2	42.3	31	1	139.61	19,861,751		
Nov-07	20,794,820	3,987,920	400.3	0	30	1	139.84	19,351,577		
Dec-07	23,640,870	5,225,929	595	0	31	0	140.07	23,115,896		
Jan-08	24,088,720	5,321,742	611	0	31	0	139.97	23,300,729		
Feb-08	22,590,240	5,335,312	629	0	29	0	139.86	22,238,551		
Mar-08	22,046,700	5,063,455	542	0	31	1	139.76	21,792,333		
Apr-08	18,811,030	4,901,935	224	1	30	1	139.65	18,889,066		
May-08	18,644,710	3,756,481	143	12	31	1	139.55	18,431,481		
Jun-08	22,711,700	3,636,030	3	124	30	0	139.44	22,208,869		
Jul-08	26,419,990	4,366,856	0	189	31	0	139.34	26,044,521		
Aug-08	24,364,410	5,358,891	1	145	31	0	139.23	25,020,102		
Sep-08	20,565,410	4,892,273	12	65	30	1	139.13	20,013,483		
Oct-08	18,777,310	4,024,402	221	3	31	1	139.02	18,817,570		
Nov-08	20,094,850	3,890,338	413	0	30	1	138.92	19,321,235		
Dec-08	23,525,530	4,317,062	632	0	31	0	138.81	22,589,855		
Jan-09	24,531,230	5,537,852	799	0	31	0	138.39	24,713,614		
Feb-09	20,746,930	5,761,928	553	0	28	0	137.97	21,355,611		
Mar-09	20,762,810	4,729,916	464	0	31	1	137.54	20,875,593		
Apr-09	18,304,870	4,690,838	263	11	30	1	137.13	19,283,269		
May-09	17,564,208	3,917,562	76	15	31	1	136.71	18,083,224		
Jun-09	20,151,815	3,591,150	25	70	30	0	136.29	19,947,972		
Jul-09	21,718,677	4,052,451	1	88	31	0	135.87	21,467,613		
Aug-09	24,301,262	3,497,596	7	124	31	0	135.46	22,546,417		
Sep-09	19,833,254	4,859,822	28	48	30	1	135.05	19,177,969		
Oct-09	19,025,038	3,480,893	248	0	31	1	134.63	18,225,866		
Nov-09	19,026,900	3,493,143	321	0	30	1	134.22	18,129,216		
Dec-09	22,891,585	3,484,625	603	0	31	0	133.81	21,486,485		
Jan-10	23,520,946	4,443,394	680	0	31	0	134.17	22,802,394		
Feb-10	20,573,877	4,730,331	571	0	28	0	134.52	20,493,970		
Mar-10	20,520,862	4,066,284	397	0	31	1	134.87	19,751,234		
Apr-10	17,431,446	3,324,931	183	1	30	1	135.23	17,140,796		
May-10	19,189,808	3,105,799	92	50	31	1	135.58	18,949,057		
Jun-10	23,092,031	3,327,015	6	124	30	0	135.94	21,824,768		
Jul-10	28,187,746	3,985,249	0	216	31	0	136.30	26,736,875		
Aug-10	26,984,638	5,180,907	0	189	31	0	136.65	26,592,346		
Sep-10	19,634,115	4,944,551	43	50	30	1	137.01	19,547,607		
Oct-10	18,062,554	3,790,880	166	1	31	1	137.37	18,084,388		
Nov-10	20,064,654	3,614,966	378	0	30	1	137.73	18,795,011		
Dec-10	24,022,231	3,580,070	664	0	31	0	138.10	22,194,079		
Jan-11	23,397,085	5,088,630	731	0	31	0	138.35	23,875,694		
Feb-11	20,570,362	5,258,621	615	0	28	0	138.60	21,416,612		
Mar-11	21,011,815	4,539,427	520	0	31	1	138.85	21,180,439		
Apr-11	18,252,354	4,378,340	294	0	30	1	139.10	18,881,629		
May-11	18,454,400	3,743,060	112	33	31	1	139.35	19,097,048		
Jun-11	21,528,092	3,594,103	10	105	30	0	139.61	21,440,356		
Jul-11	28,389,523	4,086,352	0	242	31	0	139.86	28,068,822		
Aug-11	24,810,531	5,824,158	0	144	31	0	140.11	25,410,599		
Sep-11	19,628,308	4,902,860	59	48	30	1	140.37	19,694,510		
Oct-11	18,511,823	3,829,981	190	5	31	1	140.62	18,574,544		
Nov-11	18,941,946	3,646,274	315	0	30	1	140.88	18,532,001		
Dec-11	21,539,477	3,848,609	496	0	31	0	141.13	21,372,047		
Jan-12	22,039,669	7,756,360	587	0	31	0	141.42	25,141,347		
Feb-12	19,611,362	4,776,734	507	0	29	0	141.72	21,025,939		
Mar-12	18,499,069	4,185,349	268	6	31	1	142.01	19,526,528		
Apr-12	16,877,946	3,719,518	264	1	30	1	142.30	18,340,657		
May-12	18,352,864	3,436,970	50	52	31	1	142.59	19,332,652		
Jun-12	22,640,936	3,549,431	12	135	30	0	142.89	22,838,057		
Jul-12	27,569,300	4,441,889	0	218	31	0	143.18	27,496,210		
Aug-12	23,505,664	5,705,577	1	132	31	0	143.48	24,959,084		
Sep-12	18,912,418	4,759,078	60	49	30	1	143.77	19,802,837		
Oct-12	17,381,318	3,801,585	206	4	31	1	144.07	18,810,919		
Nov-12	18,308,973	3,422,989	407	0	30	1	144.37	19,165,859		
Dec-12	20,133,591	3,656,197	496	0	31	0	144.66	21,390,243		
			Actual 2012 Data					2,160,510,545		
2004	195,862,723							200,369,815	4,507,091	2.30%
2005	208,079,760							214,977,895	6,898,135	3.32%
2006	213,838,930							207,131,694	(6,707,236)	(3.14%)
2007	271,076,220							265,783,343	(5,292,877)	(1.95%)
2008	262,640,600							258,667,795	(3,972,805)	(1.51%)
2009	248,858,578							245,292,848	(3,565,730)	(1.43%)
2010	261,284,908							252,912,523	(8,372,384)	(3.20%)
2011	255,035,715							257,544,301	2,508,586	0.98%
2012	243,833,110							257,830,331	13,997,221	5.74%
Total to 2010	2,160,510,545							2,160,510,545	0	
								Check totals above sould be zero or explainable		

SUMMARY OUTPUT - Application

Regression Statistics	
Multiple R	95%
R Square	90%
Adjusted R Square	89%
Standard Error	1102803.548
Observations	108

ANOVA

	df	SS	MS	F	Significance F
Regression	6	1.06699E+15	1.77832E+14	146.2219363	1.7255E-47
Residual	101	1.22834E+14	1.21618E+12		
Total	107	1.18982E+15			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%
Intercept	(10,441,047)	6404527.356	(1.63)	0.106161274	-23145906.6	2263812.346
Hydro One Uplifted	0.80	0.070669846	11.29	1.34845E-19	0.657356305	0.937736234
Heating Degree Days	7,004	899.44094	7.79	6.18446E-12	5219.86876	8788.366516
Cooling Degree Days	41,434	3760.26188	11.02	5.16682E-19	33974.28291	48892.97905
Number of Days in Month	597,366	139423.592	4.28	4.18644E-05	320786.6273	873944.4312
Spring Fall Flag	(804,829)	346890.3423	(2.32)	0.022345947	-1492965.906	-116691.6532
Ontario Real GDP Monthly %	47,856	38508.14454	1.24	0.216840157	-28534.08952	124245.5109

APPENDIX 2011 FINAL ANNUAL REPORT DATA_ E.L.K. ENERGY INC.

REFERENCE: VECC INTERROGATORY 13

Message from the Vice President:

The OPA is pleased to provide you with the enclosed Final 2011 Results Report.

Despite some of the inertial challenges in 2011 with program start up, on average, year one province-wide forecasts were met and the year finished out with strong momentum which continues to build 2012. There are still challenges for LDCs of all sizes and we are committed to ensuring LDCs are successful in meeting their objectives. We look forward to further dialogue to discover opportunities to improve the current program suite with local program opportunities, best practices and successes to better reach our customers in the years to come.

This report was developed in collaboration with the OPA-LDC Reporting and Evaluation Working Group and is designed to help populate LDC annual report templates that will be submitted to the OEB in late September. Between the draft and final reports several improvements were made to improve clarity and transparency based on feedback provided by LDCs, such as: the addition of a glossary tab, total adjustments to savings are now broken out into both the realization rate and net-to-gross ratio for both peak demand and energy savings and modifications were made to the methodology tab. We invite you to continue to provide your feedback.

All results are now considered final for 2011. Any additional 2011 program activity not captured will be reported in the Final 2012 Results Report. Please continue to monitor saveONenergy E-blasts for any further updates and should you have any other questions or comments please contact LDC.Support@powerauthority.on.ca.

We appreciate your collaboration and cooperation throughout the reporting and evaluation process. We look forward to another successful year in 2012.

Sincerely,
Andrew Pride

Table of Contents

OPA-Contracted Province-Wide CDM Programs FINAL 2011 Results

LDC: E.L.K. Energy Inc.

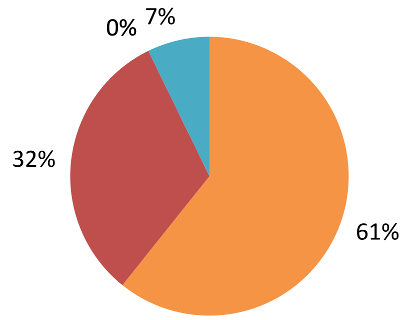
FINAL 2011 Progress to Targets	Incremental 2011	Scenario 1: % of Target Achieved	Scenario 2: % of Target Achieved
Net Annual Peak Demand Savings (MW)	0.2	**5.6%**	**8.7%**
Net Cumulative Energy Savings (GWh)	0.5	**25.5%**	**25.5%**

Scenario 1 = Assumes that demand resource resources have a persistence of 1 year

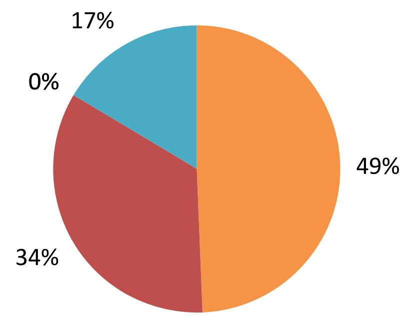
Scenario 2 = Assumes that demand response resources remain in your territory until 2014

Achievement by Sector

2011 Incremental Peak Demand Savings (MW)



2011 Incremental Energy Savings (GWh)



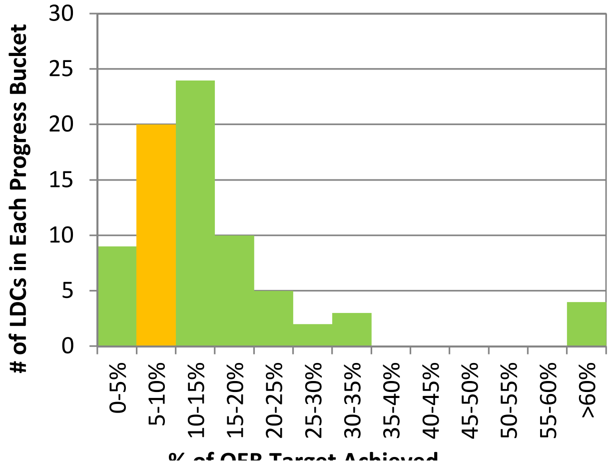
- Consumer Program Total
- Business Program Total
- Industrial Program Total
- Home Assistance Program Total
- Pre-2011 Programs completed in 2011 Total

Comparison: Your Achievement vs. LDC Community Achievement

The following graphs assume that demand response resources remain in your territory until 2014 (aligns with Scenario 2)

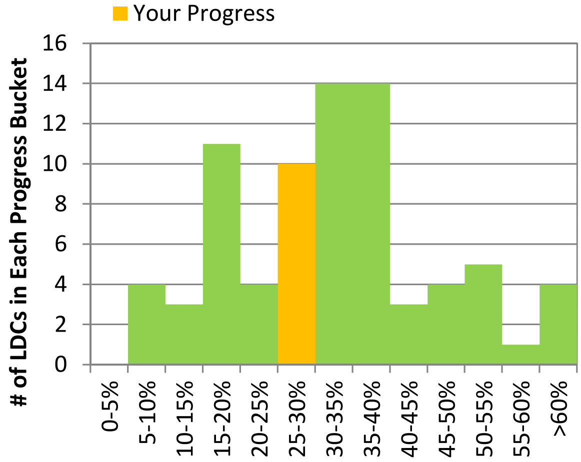
% of OEB Peak Demand Savings Target Achieved

- # of LDCs (Peak Demand Savings Achievement)
- Your Progress



% of OEB Energy Savings Target Achieved

- # of LDCs (Energy Savings Achievement)
- Your Progress



% of OEB Target Achieved

% of OEB Target Achieved

Table 1: Participation[1]

#	Initiative	Unit	Uptake/ Participation Units
Consumer Program			
1	Appliance Retirement	Appliances	40
2	Appliance Exchange	Appliances	19
3	HVAC Incentives	Equipment	305
4	Conservation Instant Coupon Booklet	Products	1,197
5	Bi-Annual Retailer Event	Products	1,975
6	Retailer Co-op	Products	0
7	Residential Demand Response	Devices	91
8	Residential New Construction	Houses	0
Business Program			
9	Efficiency: Equipment Replacement	Projects	0
10	Direct Install Lighting	Projects	56
11	Existing Building Commissioning Incentive	Buildings	0
12	New Construction and Major Renovation Incentive	Buildings	0
13	Energy Audit	Audits	0
14	Commercial Demand Response (part of the Residential program schedule)	Devices	1
15	Demand Response 3 (part of the Industrial program schedule)	Facilities	0
Industrial Program			
16	Process & System Upgrades	Projects[2]	0
17	Monitoring & Targeting	Projects[3]	0
18	Energy Manager	Managers[2 3]	0
19	Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Projects	0
20	Demand Response 3	Facilities	0
Home Assistance Program			
21	Home Assistance Program	Homes	0
Pre 2011 Programs Completed in 2011			
22	Electricity Retrofit Incentive Program	Projects	4
23	High Performance New Construction	Projects	1
24	Toronto Comprehensive	Projects	0
25	Multifamily Energy Efficiency Rebates	Projects	0
26	Data Centre Incentive Program	Projects	0
27	EnWin Green Suites	Projects	0

[1] *Please see "Methodology" tab for more information regarding attributing savings to LDCs*

[2] *Results are based on completed incentive projects (see "Methodology" tab for more information)*

[3] *Includes: Roving Energy Managers, Key Account Managers and Embedded Energy Managers if projects are completed in 2011*

Table 3: OPA Province-Wide Evaluation Findings

#	Initiative	OPA Province-Wide Key Evaluation Findings
Consumer Program		

1	Appliance Retirement	* Overall participation continues to decline year over year
		  * Participation declined 17% from 2010 (from over 67,000 units in 2010 to over 56,000 units in 2011)
		* 97% of net resource savings achieved through the home pick-up stream
		  * Measure Breakdown: 66% refrigerators, 30% freezers, 4% Dehumidifiers and window air conditioners
		* 3% of net resource savings achieved through the Retailer pick-up stream
		  * Measure Breakdown: 90% refrigerators, 10% freezers
		* Net-to-Gross ratio for the initiative was 50%
		  * Measure-level free ridership ranges from 82% for the retailer pick-up stream to 49% for the home pick-up stream
		  * Measure-level spillover ranges from 3.7% for the retailer pick-up stream to 1.7% for the home pick-up stream

2	Appliance Exchange	* Overall eligible units exchanged declined by 36% from 2010 (from over 5,700 units in 2010
		  * Measure Breakdown: 75% window air conditioners, 25% dehumidifiers
		* Dehumidifiers and window air conditioners contributed almost equally to the net energy
		  * Dehumidifiers provide more than three times the energy savings per unit than window air conditioners
		* Window air conditioners contributed to 64% of the net peak demand savings achieved
		* Approximately 96% of consumers reported having replaced their exchanged units (as opposed to retiring the unit)
		* Net-to-Gross ratio for the initiative is consistent with previous evaluations (51.5%)

3	HVAC Incentives	* Total air conditioner and furnace installations increased by 14% (from over 95,800 units in 2010 to over 111,500 units in 2011)
		  * Measure Breakdown: 64% furnaces, 10% tier 1 air conditioners (SEER 14.5) and 26% tier 2 air conditioners (SEER 15)
		  * Measure breakdown did not change from 2010 to 2011
		* The HVAC Incentives initiative continues to deliver the majority of both the energy (45%) and demand (83%) savings in the consumer program
		  * Furnaces accounted for over 91% of energy savings achieved for this initiative
		* Net-to-Gross ratio for the initiative was 17% higher than 2010 (from 43% in 2010 to 60% in
		  * Increase due in part to the removal of programmable thermostats from the program, and an increase in the net-to-gross ratio for both Furnaces and Tier 2 air conditioners (SEER 15)

4	Conservation Instant Coupon Booklet	* Customers redeemed nearly 210,000 coupons, translating to nearly 560,000 products
		  * Majority of coupons redeemed were downloadable (~40%) or LDC-branded (~35%)
		  * Majority of coupons redeemed were for multi-packs of standard spiral CFLs (37%), followed by multi-packs of specialty CFLs (17%)
		* Per unit savings estimates and net-to-gross ratios for 2011 are based on a weighted average of 2009 and 2010 evaluation findings
		* Careful attention in the 2012 evaluation will be made for standard CFLs since it is believed that the market has largely been transformed

#	Initiative	OPA Province-Wide Key Evaluation Findings

5	Bi-Annual Retailer Event	* Customers redeemed nearly 370,000 coupons, translating to over 870,000 products
		  * Majority of coupons redeemed were for multi-packs of standard spiral CFLs (49%), followed by multi-packs of specialty CFLs (16%)
		* Per unit savings estimates and net-to-gross ratios for 2011 are based on a weighted average of 2009 and 2010 evaluation findings
		  * Standard CFLs and heavy duty outdoor timers were reintroduced to the initiative in 2011 and contributed more than 64% of the initiative's 2011 net annual energy savings
		  * While the volume of coupons redeemed for heavy duty outdoor timers was relatively small (less than 1%), the measure accounted for 10% of net annual savings due to high per unit savings
		* Careful attention in the 2012 evaluation will be made for standard CFLs since it is believed that the market has largely been transformed.

6	Retailer Co-op	* Initiative was not evaluated in 2011 due to low uptake. Verified Bi-Annual Retailer Event per unit assumptions and free-ridership rates were used to calculate net resource savings

7	Residential Demand Response	* Approximately 20,000 new devices were installed in 2011
		  * 99% of the new devices enrolled controlled residential central AC (CAC)
		* 2011 only saw 1 atypical event (in both weather and timing) that had limited participation
		  * The ex ante impact developed through the 2009/2010 evaluations was maintained for 2011; residential CAC: 0.56 kW/device, commercial CAC: 0.64 kW/device, and Electric Water Heaters: 0.30 kW/device

8	Residential New Construction	* Initiative was not evaluated in 2011 due to limited uptake * Business case assumptions were used to calculate savings
Business Program		

9	Efficiency: Equipment Replacement	* Gross verified energy savings were boosted by lighting projects in the prescriptive and
		* Lighting projects overall were determined to have a realization rate of 112%; 116% when including interactive energy changes
		  * On average, the evaluation found high realization rates as a result of both longer operating hours and larger wattage reductions than initial assumptions
		  * Low realization rates for engineered lighting projects due to overstated operating hour assumptions
		* Custom non-lighting projects suffered from process issues such as: the absence of required M&V plans, the use of inappropriate assumptions , and the lack of adherence to the M&V plan
		* The final realization rate for summer peak demand was 94%
		  * 84% was a result of different methodologies used to calculate peak demand savings
		  * 10% due to the benefits from reduced air conditioning load in lighting retrofits
		* Overall net-to-gross ratios in the low 70's represent an improvement over the 2009 and
		Strict eligibility requirements and improvements in the pre-approval process contributed to the improvement in net-to-gross ratios

		* Though overall performance is above expectations, participation continues to decline year over year as the initiative reaches maturity * 70% of province-wide resource savings persist to 2014

#	Initiative	OPA Province-Wide Key Evaluation Findings
10	Direct Install Lighting	* Over 35% of the projects for 2011 included at least one CFL measure * Resource savings from CFLs in the commercial sector only persist for the industry standard of 3 years * Since 2009 the overall realization rate for this program has improved * 2011 evaluation recorded the highest energy realization rate to date at 89.5% * The hours of use values were held constant from the 2010 evaluation and continue to be the main driver of energy realization rate * Lights installed in "as needed" areas (e.g., bathrooms, storage areas) were determined to have very low realization rates due to the difference in actual energy saved vs. reported savings
11	Existing Building Commissioning Incentive	* Initiative was not evaluated in 2011, no completed projects in 2011
12	New Construction and Major Renovation Incentive	* Initiative was not evaluated in 2011 due to low uptake * Assumptions used are consistent with preliminary reporting based on the 2010 Evaluation findings and consultation with the C&I Work Group (100% realization rate and 50% net-to-gross ratio)
13	Energy Audit	* The evaluation is ongoing. The sample size for 2011 was too small to draw reliable conclusions.
14	Commercial Demand Response (part of the Residential program schedule)	* See residential demand response (#7)
15	Demand Response 3 (part of the Industrial program schedule)	* See Demand Response 3 (#20)
Industrial Program		
16	Process & System Upgrades	* Initiative was not evaluated in 2011, no completed projects in 2011
17	Monitoring & Targeting	* Initiative was not evaluated in 2011, no completed projects in 2011
18	Energy Manager	* Initiative was not evaluated in 2011, no completed projects in 2011
19	Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	* See Efficiency: Equipment Replacement (#9)
20	Demand Response 3	* Program performance for Tier 1 customers increased with DR-3 participants providing * Industrial customers outperform commercial customers by provide 84% and 76% of contracted MW, respectively * Program continues to diversify but still remains heavily concentrated with less than 5%

#	Initiative	OPA Province-Wide Key Evaluation Findings
		* By increasing the number of contributors in each settlement account and implementation of the new baseline methodology the performance of the program is expected to increase
Home Assistance Program		
21	Home Assistance Program	* Initiative was not evaluated in 2011 due to low uptake * Business Case assumptions were used to calculate savings
Pre-2011 Programs completed in 2011		
22	Electricity Retrofit Incentive Program	* Initiative was not evaluated * Net-to-Gross ratios used are consistent with the 2010 evaluation findings (multifamily buildings 99% realization rate and 62% net-to-gross ratio and C&I buildings 77% realization rate and 52% net-to-gross ratio)
23	High Performance New Construction	* Initiative was not evaluated * Net-to-Gross ratios used are consistent with the 2010 evaluation findings (realization rate of 100% and net-to-gross ratio of 50%)
24	Toronto Comprehensive	* Initiative was not evaluated * Net-to-Gross ratios used are consistent with the 2010 evaluation findings
25	Multifamily Energy Efficiency Rebates	* Initiative was not evaluated * Net-to-Gross ratios used are consistent with the 2010 evaluation findings
26	Data Centre Incentive Program	* Initiative was not evaluated
27	EnWin Green Suites	* Initiative was not evaluated

Table 5: Summarized Program Results

Program	Gross Savings: Incremental Peak Demand Savings (kW)	Gross Savings: Incremental Energy Savings (kWh)		Net Savings: Incremental Peak Demand Savings (kW)	Net Savings: Incremental Energy Savings (kWh)
Consumer Program Total	197	372,834		142	269,539
Business Program Total	70	201,367		75	186,977
Industrial Program Total	0	0		0	0
Home Assistance Program Total	0	0		0	0
Pre-2011 Programs completed in 2011 Total	33	177,495		17	89,760
Total OPA Contracted Province-Wide CDM Programs	**300**	**751,696**		**233**	**546,277**

#	Initiative	Realization Rate: Peak Demand Savings	Realization Rate: Energy Savings	Gross Savings: Incremental Peak Demand Savings (kW)	Gross Savings: Incremental Energy Savings (kWh)	Net-to-Gross Ratio: Peak Demand Savings	Net-to-Gross Ratio: Energy Savings	Net Savings: Incremental Peak Demand Savings (kW)	Net Savings: Incremental Energy Savings (kWh)
Consumer Program									
1	Appliance Retirement	100%	100%	4	33,244	50%	50%	2	15,812
2	Appliance Exchange	100%	100%	3	3,319	52%	52%	2	1,710
3	HVAC Incentives	100%	100%	132	235,574	61%	60%	81	141,626
4	Conservation Instant Coupon Booklet	100%	100%	2	39,648	114%	111%	3	43,695
5	Bi-Annual Retailer Event	100%	100%	3	61,049	113%	110%	4	66,696
6	Retailer Co-op	-	-	0	0	-	-	0	0
7	Residential Demand Response	0%	0%	51	0	-	-	51	0
8	Residential New Construction	-	-	0	0	-	-	0	0
Business Program									
9	Efficiency: Equipment Replacement	-	-	0	0	-	-	0	0
10	Direct Install Lighting	108%	90%	69	201,367	93%	93%	74	186,977
11	Existing Building Commissioning Incentive	-	-	0	0	-	-	0	0
12	New Construction and Major Renovation Incentive	-	-	0	0	-	-	0	0
13	Energy Audit	-	-	0	0	-	-	0	0
14	Commercial Demand Response (part of the Residential program schedule)	0%	0%	1	0	-	-	1	0
15	Demand Response 3 (part of the Industrial program schedule)	76%	100%	0	0	n/a	n/a	0	0
Industrial Program									
16	Process & System Upgrades	-	-	0	0	-	-	0	0
17	Monitoring & Targeting	-	-	0	0	-	-	0	0
18	Energy Manager	-	-	0	0	-	-	0	0
19	Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	-	-	0	0	-	-	0	0
20	Demand Response 3	84%	100%	0	0	n/a	n/a	0	0
Home Assistance Program									
21	Home Assistance Program	-	-	0	0	-	-	0	0
Pre-2011 Programs completed in 2011									
22	Electricity Retrofit Incentive Program	77%	77%	9	50,639	52%	52%	5	26,333
23	High Performance New Construction	100%	100%	25	126,856	50%	50%	12	63,428
24	Toronto Comprehensive	-	-	0	0	-	-	0	0
25	Multifamily Energy Efficiency Rebates	-	-	0	0	-	-	0	0
26	Data Centre Incentive Program	-	-	0	0	-	-	0	0
27	EnWin Green Suites	-	-	0	0	-	-	0	0

Assumes demand response resources have a persistence of 1 year

Program	Contribution to Targets	
	Program-to-Date: Net Annual Peak Demand Savings (kW) in 2014	Program-to-Date: 2011-2014 Net Cumulative Energy Savings (kWh)
Consumer Program Total	89	1,076,841
Business Program Total	44	667,758
Industrial Program Total	0	0
Home Assistance Program Total	0	0
Pre-2011 Programs completed in 2011 Total	17	359,042
Total OPA Contracted Province-Wide CDM Programs	**151**	**2,103,641**

#	Initiative	Contribution to Targets	
		Program-to-Date: Net Annual Peak Demand Savings (kW) in 2014	Program-to-Date: 2011-2014 Net Cumulative Energy Savings (kWh)
Consumer Program			
1	Appliance Retirement	2	63,246
2	Appliance Exchange	0	5,525
3	HVAC Incentives	81	566,503
4	Conservation Instant Coupon Booklet	3	174,782
5	Bi-Annual Retailer Event	4	266,784
6	Retailer Co-op	0	0
7	Residential Demand Response	0	0
8	Residential New Construction	0	0
Business Program			
9	Efficiency: Equipment Replacement	0	0
10	Direct Install Lighting	44	667,758
11	Existing Building Commissioning Incentive	0	0
12	New Construction and Major Renovation Incentive	0	0
13	Energy Audit	0	0
14	Commercial Demand Response (part of the Residential program schedule)	0	0
15	Demand Response 3 (part of the Industrial program schedule)	0	0
Industrial Program			
16	Process & System Upgrades	0	0
17	Monitoring & Targeting	0	0
18	Energy Manager	0	0
19	Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	0	0
20	Demand Response 3	0	0
Home Assistance Program			
21	Home Assistance Program	0	0
Pre-2011 Programs completed in 2011			
22	Electricity Retrofit Incentive Program	5	105,330
23	High Performance New Construction	12	253,712
24	Toronto Comprehensive	0	0
25	Multifamily Energy Efficiency Rebates	0	0
26	Data Centre Incentive Program	0	0
27	EnWin Green Suites	0	0

Assumes demand response resources have a persistence of 1 year

Progress Towards CDM Targets

Results are attributed to target using current OPA reporting policies. Energy efficiency resources persist for the duration of the effective useful life. Any upcoming code changes are taken into account. Demand response resources persist for 1 year. Please see methodology tab for more detailed information.

Yellow cells are intended for the LDC to input information to complete their OEB Reporting Template.

Table 6: Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual			
	2011	2012	2013	2014
2011 - Verified	0.23	0.18	0.18	0.15
2012				
2013				
2014				0.00
Verified Net Annual Peak Demand Savings Persisting in 2014:				**0.15**
E.L.K. Energy Inc. 2014 Annual CDM Capacity Target:				**2.69**
Verified Portion of Peak Demand Savings Target Achieved in 2014(%):				**5.60%**
LDC Milestone submitted for 2011				**-%**
Variance				

Table 7: Net Energy Savings at the End User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011 - Verified	0.55	0.55	0.55	0.46	2.10
2012					
2013					
2014					
Verified Net Cumulative Energy Savings 2011-2014:					**2.10**
E.L.K. Energy Inc. 2011-2014 Cumulative CDM Energy Target:					**8.25**
Verified Portion of Cumulative Energy Target Achieved (%):					**25.50%**
LDC Milestone submitted for 2011					**-%**
Variance					

Table P1: Province-Wide Participation

#	Initiative	Activity Unit	Uptake/ Participation Units
Consumer Program			
1	Appliance Retirement	Appliances	56,110
2	Appliance Exchange	Appliances	3,688
3	HVAC Incentives	Equipment	111,587
4	Conservation Instant Coupon Booklet	Products[4]	559,462
5	Bi-Annual Retailer Event	Products[5]	870,332
6	Retailer Co-op	Products	152
7	Residential Demand Response	Devices	19,577
8	Residential New Construction	Houses	7
Business Program			
9	Efficiency: Equipment Replacement	Projects	2,516
10	Direct Installed Lighting	Projects	20,297
11	Existing Building Commissioning Incentive	Buildings	-
12	New Construction and Major Renovation Incentive	Buildings	10
13	Energy Audit	Audits	103
14	Commercial Demand Response (part of the Residential program schedule)	Devices	264
15	Demand Response 3 (part of the Industrial program schedule)	Facilities	148
Industrial Program			
16	Process & System Upgrades[2]	Projects	-
17	Monitoring & Targeting[2]	Projects	-
18	Energy Manager[2 3]	Managers	-
19	Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)[1]	Projects	433
20	Demand Response 3	Facilities	134
Home Assistance Program			
21	Home Assistance Program	Homes	46
Pre 2011 Programs Completed in 2011			
22	Electricity Retrofit Incentive Program	Projects	2,023
23	High Performance New Construction	Projects	145
24	Toronto Comprehensive	Projects	553
25	Multifamily Energy Efficiency Rebates	Projects	110
26	Data Centre Incentive Program	Projects	5
27	EnWin Green Suites	Projects	3

[2] *Results are based on completed incentive projects (see "Methodology" tab for more information)*

[3] *Includes: Roving Energy Managers, Key Account Managers and Embedded Energy Managers with completed projects*

[4] *209,693 valid coupons redeemed*

[5] *369,446 valid coupons redeemed*

Table P2: Province-Wide Results

Program	Gross Savings: Incremental Peak Demand Savings (kW)	Gross Savings: Incremental Energy Savings (kWh)		Net Savings: Incremental Peak Demand Savings (kW)	Net Savings: Incremental Energy Savings (kWh)
Consumer Program Total	73,757	192,379,633		49,123	133,519,668
Business Program Total	78,048	251,304,448		64,594	198,124,227
Industrial Program Total	68,648	41,493,145		57,099	31,947,577
Home Assistance Program Total	4	56,119		2	39,283
Pre-2011 Programs completed in 2011 Total	87,169	460,822,079		44,833	241,853,020
Total OPA Contracted Province-Wide CDM Programs	**307,626**	**946,055,425**		**215,651**	**605,483,775**

#	Initiative	Realization Rate: Peak Demand Savings	Realization Rate: Energy Savings	Gross Savings: Incremental Peak Demand Savings (kW)	Gross Savings: Incremental Energy Savings (kWh)	Net-to-Gross Ratio: Peak Demand Savings	Net-to-Gross Ratio: Energy Savings	Net Savings: Incremental Peak Demand Savings (kW)	Net Savings: Incremental Energy Savings (kWh)
Consumer Program									
1	Appliance Retirement	100%	100%	6,750	45,971,627	51%	51%	3,299	23,005,812
2	Appliance Exchange	100%	100%	719	873,531	51%	51%	371	450,187
3	HVAC Incentives	100%	100%	53,209	99,413,430	60%	60%	32,037	59,437,670
4	Conservation Instant Coupon Booklet	100%	100%	1,184	19,192,453	114%	111%	1,344	21,211,537
5	Bi-Annual Retailer Event	100%	100%	1,504	26,899,265	112%	110%	1,681	29,387,468
6	Retailer Co-op	100%	100%	0	3,917	68%	68%	0	2,652
7	Residential Demand Response	n/a	n/a	10,390	23,597	n/a	n/a	10,390	23,597
8	Residential New Construction	100%	100%	0	1,813	41%	41%	0	743
Business Program									
9	Efficiency: Equipment Replacement	106%	91%	34,201	184,070,265	72%	74%	24,467	136,002,258
10	Direct Installed Lighting	108%	93%	22,155	65,777,197	108%	93%	23,724	61,076,701
11	Existing Building Commissioning Incentive	-	-	-	-	-	-	-	-
12	New Construction and Major Renovation Incentive	50%	50%	247	823,434	50%	50%	123	411,717
13	Energy Audit	-	-	-	-	-	-	-	-
14	Commercial Demand Response (part of the Residential program schedule)	n/a	n/a	55	131	n/a	n/a	55	131
15	Demand Response 3 (part of the Industrial program schedule)	76%	n/a	21,390	633,421	n/a	n/a	16,224	633,421
Industrial Program									
16	Process & System Upgrades	-	-	-	-	-	-	-	-
17	Monitoring & Targeting	-	-	-	-	-	-	-	-
18	Energy Manager	-	-	-	-	-	-	-	-
19	Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	111%	91%	6,372	38,412,408	72%	75%	4,615	28,866,840
20	Demand Response 3	84%	n/a	62,276	3,080,737	n/a	n/a	52,484	3,080,737
Home Assistance Program									
21	Home Assistance Program	100%	100%	4	56,119	70%	70%	2	39,283
Pre-2011 Programs completed in 2011									
22	Electricity Retrofit Incentive Program	80%	80%	40,418	223,956,390	54%	54%	21,550	120,492,549
23	High Performance New Construction	100%	100%	10,197	52,371,183	49%	49%	5,098	26,185,591
24	Toronto Comprehensive	113%	113%	33,467	174,070,574	50%	52%	15,805	86,964,886
25	Multifamily Energy Efficiency Rebates	93%	93%	2,553	9,774,792	78%	78%	1,981	7,595,683
26	Data Centre Incentive Program	100%	100%	81	533,038	100%	100%	81	533,038
27	EnWin Green Suites	100%	100%	453	116,102	70%	70%	317	81,272

Assumes demand response resources have a persistence of 1 year

Program	Contribution to Targets	
	Program-to-Date: Net Annual Peak Demand Savings (kW) in 2014	Program-to-Date: 2011-2014 Net Cumulative Energy Savings (kWh)
Consumer Program Total	38,405	534,017,835
Business Program Total	41,048	767,657,790
Industrial Program Total	4,613	118,543,019
Home Assistance Program Total	2	157,134
Pre-2011 Programs completed in 2011 Total	44,833	967,412,079
Total OPA Contracted Province-Wide CDM Programs	**128,901**	**2,387,787,856**

#	Initiative	Contribution to Targets	
		Program-to-Date: Net Annual Peak Demand Savings (kW) in 2014	Program-to-Date: 2011-2014 Net Cumulative Energy Savings (kWh)
Consumer Program			
1	Appliance Retirement	3,160	91,903,303
2	Appliance Exchange	181	1,930,651
3	HVAC Incentives	32,037	237,750,681
4	Conservation Instant Coupon Booklet	1,344	84,846,148
5	Bi-Annual Retailer Event	1,681	117,549,874
6	Retailer Co-op	0	10,607
7	Residential Demand Response	0	23,597
8	Residential New Construction	0	2,973
Business Program			
9	Efficiency: Equipment Replacement	24,438	543,856,392
10	Direct Installed Lighting	16,486	221,520,977
11	Existing Building Commissioning Incentive	-	-
12	New Construction and Major Renovation Incentive	123	1,646,869
13	Energy Audit	-	-
14	Commercial Demand Response (part of the Residential program schedule)	0	131
15	Demand Response 3 (part of the Industrial program schedule)	0	633,421
Industrial Program			
16	Process & System Upgrades	-	-
17	Monitoring & Targeting	-	-
18	Energy Manager	-	-
19	Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	4,613	115,462,282
20	Demand Response 3	0	3,080,737
Home Assistance Program			
21	Home Assistance Program	2	157,134
Pre-2011 Programs completed in 2011			
22	Electricity Retrofit Incentive Program	21,550	481,970,197
23	High Performance New Construction	5,098	104,742,366
24	Toronto Comprehensive	15,805	347,859,545
25	Multifamily Energy Efficiency Rebates	1,981	30,382,733
26	Data Centre Incentive Program	81	2,132,152
27	EnWin Green Suites	317	325,086

Assumes demand response resources have a persistence of 1 year

Summary - Provincial Progress

Table P3: Province-Wide Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual			
	2011	2012	2013	2014
2011	215.7	135.2	134.5	127.6
2012				
2013				
2014				
Verified Net Annual Peak Demand Savings in 2014:				127.6
2014 Annual CDM Capacity Target				1,330
Verified Peak Demand Savings Target Achieved - 2011 (%):				9.60%

Table P4: Province-Wide Net Energy Savings at the End-User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011	605.5	599.2	597.2	578.5	2,380
2012					0
2013					0
2014					0
Verified Net Cumulative Energy Savings 2011-2014:					2,380
2011-2014 Cumulative CDM Energy Target:					6,000
Verified Portion of Energy Target Achieved - 2011 (%):					39.67%

METHODOLOGY

All results are at the end-user level (not including transmission and distribution losses)

EQUATIONS:

PRESCRIPTIVE MEASURES/PROJECTS:

Gross Savings = Activity * Per Unit Assumption

Net Savings = Gross Savings * Net-to-Gross Ratio

All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)

ENGINEERED/CUSTOM PROJECTS:

Gross Savings = Reported Savings * Realization Rate

Net Savings = Gross Savings * Net-to-Gross Ratio

All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)

DEMAND RESPONSE:

Peak Demand: Gross Savings = Net Savings = contracted MW at contributor level * Provincial contracted to ex ante ratio

Energy: Gross Savings = Net Savings = provincial ex post energy savings * LDC proportion of total provincial contracted MW

All savings are annualized (i.e. the savings are the same regardless of the time of year a participant began offering DR)

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Consumer Program				
1	Appliance Retirement	Includes both retail and home pickup stream; Retail stream allocated based on average of 2008 & 2009 residential throughput; Home pickup stream directly attributed by postal code or customer selection	Savings are considered to begin in the year the appliance is picked up.	**Peak demand and energy savings** are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
2	Appliance Exchange	When postal code information is provided by customer, results are directly attributed to the LDC. When postal code is not available, results allocated based on average of 2008 & 2009 residential throughput	Savings are considered to begin in the year that the exchange event occurred	
3	HVAC Incentives	Results directly attributed to LDC based on customer postal code	Savings are considered to begin in the year that the installation occurred	

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
4	Conservation Instant Coupon Booklet	LDC-coded coupons directly attributed to LDC; Otherwise results are allocated based on average of 2008 & 2009 residential throughput	Savings are considered to begin in the year in which the coupon was redeemed.	**Peak demand and energy savings** are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level. Initiative was not evaluated in 2011, reported results are presented with verified per unit assumptions and net-to-gross ratio from Bi-Annual Retailer Event and Conservation Instant Coupon Booklet initiatives.
5	Bi-Annual Retailer Event	Results are allocated based on average of 2008 & 2009 residential throughput	Savings are considered to begin in the year in which the event occurs.	
6	Retailer Co-op	When postal code information is provided by the customer, results are directly attributed. If postal code information is not available, results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year of the home visit and installation date.	**Peak demand and energy savings** are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level. Initiative was not evaluated in 2011, reported results are presented with verified per unit assumptions and net-to-gross ratio from Bi-Annual Retailer Event and Conservation Instant Coupon Booklet initiatives.

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
7	Residential Demand Response	Results are directly attributed to LDC based on data provided to OPA through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a ***peaksaver*** PLUS™ participant agreement.	**Peak demand savings** are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. **Energy savings** are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year and accounts for any "snapback" in energy consumption experienced after the event. Savings are assumed to **persist** for only 1 year, reflecting that savings will only occur if the resource is activated.
8	Residential New Construction	Results are directly attributed to LDC based on LDC identified in application in the saveONenergy CRM system; Initiative was not evaluated in 2011, reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year of the project completion date.	**Peak demand and energy savings** are determined using a measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Business Program				

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
9	Efficiency: Equipment Replacement	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	**Peak demand and energy savings** are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
		Additional Note: project counts were derived by filtering out "Application Status" = "Post-Project Submission - Payment denied by LDC" and only including projects with an "Actual Project Completion Date" in 2011 and pulling both the "Application Name" field followed by the "Building Address 1" field from the Post Stage Retrofit Report and finally performing a count of the Building Addresses.		
10	Direct Installed Lighting	Results are directly attributed to LDC based on the LDC specified on the work order	Savings are considered to begin in the year of the actual project completion date.	**Peak demand and energy savings** are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
11	Existing Building Commissioning Incentive	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated, no completed projects in 2011.	Savings are considered to begin in the year of the actual project completion date.	**Peak demand and energy savings** are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
12	New Construction and Major Renovation Incentive	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated, reported results are presented with reported assumptions (as per evaluated results in 2010 and consultation with OPA-LDC Work Groups)	Savings are considered to begin in the year of the actual project completion date.	
13	Energy Audit	No resource savings results determined in 2011; Projects are directly attributed to LDC based on LDC identified in the application	Savings are considered to begin in the year of the audit date.	**Peak demand and energy savings** are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
14	Commercial Demand Response (part of the Residential program schedule)	Results are directly attributed to LDC based on data provided to OPA through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a ***peaksaver*** PLUS™ participant agreement.	**Peak demand savings** are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. **Energy savings** are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year. Savings are assumed to **persist** for only 1 year, reflecting that savings will only occur if the resource is activated.
15	Demand Response 3 (part of the Industrial program schedule)	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	**Peak demand savings** are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. **Energy savings** are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
Industrial Program				

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
16	Process & System Upgrades	Results are directly attributed to LDC based on LDC identified in application in the saveONenergy CRM system; Initiative was not evaluated, no completed projects in 2011.	Savings are considered to begin in the year in which the incentive project was completed.	**Peak demand and energy savings** are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
17	Monitoring & Targeting	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated, no completed projects in 2011.	Savings are considered to begin in the year in which the incentive project was completed.	**Peak demand and energy savings** are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
18	Energy Manager	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated, no completed projects in 2011.	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	**Peak demand and energy savings** are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
19	Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	**Peak demand and energy savings** are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
20	Demand Response 3	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	**Peak demand savings** are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. **Energy savings** are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
Home Assistance Program				
21	Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year in which the measures were installed.	**Peak demand and energy savings** are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Pre-2011 Programs completed in 2011				

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
22	Electricity Retrofit Incentive Program	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, assumptions as per 2010 evaluation	Savings are considered to begin in the year in which a project was completed.	**Peak demand and energy savings** are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). **If energy savings are not available,** an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
23	High Performance New Construction	Results are directly attributed to LDC based on customer data provided to the OPA from Enbridge; Initiative was not evaluated in 2011, assumptions as per 2010 evaluation	Savings are considered to begin in the year in which a project was completed.	
24	Toronto Comprehensive	Program run exclusively in Toronto Hydro-Electric System Limited service territory; Initiative was not evaluated in 2011, assumptions as per 2010 evaluation		
25	Multifamily Energy Efficiency Rebates	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, assumptions as per 2010 evaluation		**Peak demand and energy savings** are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). **If energy savings are not available,** an estimate is made based on the kWh to kW ratio in the provincial results from
26	Data Centre Incentive Program	Program run exclusively in PowerStream Inc. service territory; Initiative was not evaluated in 2011, assumptions as per 2009 evaluation	Savings are considered to begin in the year in which a project was completed.	

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
27	EnWin Green Suites	Program run exclusively in ENWIN Utilities Ltd. service territory; Initiative was not evaluated in 2011, assumptions as per 2010 evaluation		kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).

ERII Sector (C&I vs. Industrial Mapping)	
Building Type	**Sector**
Agribusiness - Cattle Farm	C&I
Agribusiness - Dairy Farm	C&I
Agribusiness - Greenhouse	C&I
Agribusiness - Other	C&I
Agribusiness - Other,Mixed-Use - Office/Retail	C&I
Agribusiness - Other,Office,Retail,Warehouse	C&I
Agribusiness - Other,Office,Warehouse	C&I
Agribusiness - Poultry	C&I
Agribusiness - Poultry,Hospitality - Motel	C&I
Agribusiness - Swine	C&I
Convenience Store	C&I
Education - College / Trade School	C&I
Education - College / Trade School,Multi-Residential - Condominium	C&I
Education - College / Trade School,Multi-Residential - Rental Apartment	C&I
Education - College / Trade School,Retail	C&I
Education - Primary School	C&I
Education - Primary School,Education - Secondary School	C&I
Education - Primary School,Multi-Residential - Rental Apartment	C&I
Education - Primary School,Not-for-Profit	C&I
Education - Secondary School	C&I
Education - University	C&I
Education - University,Office	C&I
Hospital/Healthcare - Clinic	C&I
Hospital/Healthcare - Clinic,Hospital/Healthcare - Long-term Care,Hospital/Healthcare - Medical Building	C&I
Hospital/Healthcare - Clinic,Industrial	C&I
Hospital/Healthcare - Clinic,Retail	C&I
Hospital/Healthcare - Long-term Care	C&I
Hospital/Healthcare - Long-term Care,Hospital/Healthcare - Medical Building	C&I
Hospital/Healthcare - Medical Building	C&I
Hospital/Healthcare - Medical Building,Mixed-Use - Office/Retail	C&I
Hospital/Healthcare - Medical Building,Mixed-Use - Office/Retail,Office	C&I
Hospitality - Hotel	C&I
Hospitality - Hotel,Restaurant - Dining	C&I
Hospitality - Motel	C&I
Industrial	Industrial
Mixed-Use - Office/Retail	C&I
Mixed-Use - Office/Retail,Industrial	Industrial
Mixed-Use - Office/Retail,Mixed-Use - Other	C&I
Mixed-Use - Office/Retail,Mixed-Use - Other,Not-for-Profit,Warehouse	C&I
Mixed-Use - Office/Retail,Mixed-Use - Residential/Retail	C&I
Mixed-Use - Office/Retail,Office,Restaurant - Dining,Restaurant - Quick Serve,Retail,Warehouse	C&I

Mixed-Use - Office/Retail,Office,Warehouse	C&I
Mixed-Use - Office/Retail,Retail	C&I
Mixed-Use - Office/Retail,Warehouse	C&I
Mixed-Use - Office/Retail,Warehouse,Industrial	Industrial
Mixed-Use - Other	C&I
Mixed-Use - Other,Industrial	Industrial
Mixed-Use - Other,Not-for-Profit,Office	C&I
Mixed-Use - Other,Office	C&I
Mixed-Use - Other,Other: Please specify	C&I
Mixed-Use - Other,Retail,Warehouse	C&I
Mixed-Use - Other,Warehouse	C&I
Mixed-Use - Residential/Retail	C&I
Mixed-Use - Residential/Retail,Multi-Residential - Condominium	C&I
Mixed-Use - Residential/Retail,Multi-Residential - Rental Apartment	C&I
Mixed-Use - Residential/Retail,Retail	C&I
Multi-Residential - Condominium	C&I
Multi-Residential - Condominium,Multi-Residential - Rental Apartment	C&I
Multi-Residential - Condominium,Other: Please specify	C&I
Multi-Residential - Rental Apartment	C&I
Multi-Residential - Rental Apartment,Multi-Residential - Social Housing Provider,Not-for-Profit	C&I
Multi-Residential - Rental Apartment,Not-for-Profit	C&I
Multi-Residential - Rental Apartment,Warehouse	C&I
Multi-Residential - Social Housing Provider	C&I
Multi-Residential - Social Housing Provider,Industrial	C&I
Multi-Residential - Social Housing Provider,Not-for-Profit	C&I
Not-for-Profit	C&I
Not-for-Profit,Office	C&I
Not-for-Profit,Other: Please specify	C&I
Not-for-Profit,Warehouse	C&I
Office	C&I
Office,Industrial	Industrial
Office,Other: Please specify	C&I
Office,Other: Please specify,Warehouse	C&I
Office,Restaurant - Dining	C&I
Office,Restaurant - Dining,Industrial	Industrial
Office,Retail	C&I
Office,Retail,Industrial	C&I
Office,Retail,Warehouse	C&I
Office,Warehouse	C&I
Office,Warehouse,Industrial	Industrial
Other: Please specify	C&I
Other: Please specify,Industrial	Industrial
Other: Please specify,Retail	C&I
Other: Please specify,Warehouse	C&I
Restaurant - Dining	C&I
Restaurant - Dining,Retail	C&I

Restaurant - Quick Serve	C&I
Restaurant - Quick Serve,Retail	C&I
Retail	C&I
Retail,Industrial	Industrial
Retail,Warehouse	C&I
Warehouse	C&I
Warehouse,Industrial	Industrial

Consumer Program Allocation Methodology

Results can be allocated based on average of 2008 & 2009 residential throughput for each LDC (below) when additional information is not available. Source: OEB Yearbook Data 2008 & 2009

Local Distribution Company	Allocation
Algoma Power Inc.	0.2%
Atikokan Hydro Inc.	0.0%
Attawapiskat Power Corporation	0.0%
Bluewater Power Distribution Corporation	0.6%
Brant County Power Inc.	0.2%
Brantford Power Inc.	0.7%
Burlington Hydro Inc.	1.4%
Cambridge and North Dumfries Hydro Inc.	1.0%
Canadian Niagara Power Inc.	0.5%
Centre Wellington Hydro Ltd.	0.1%
Chapleau Public Utilities Corporation	0.0%
COLLUS Power Corporation	0.3%
Cooperative Hydro Embrun Inc.	0.0%
E.L.K. Energy Inc.	0.2%
Enersource Hydro Mississauga Inc.	3.9%
ENTEGRUS	0.6%
ENWIN Utilities Ltd.	1.6%
Erie Thames Powerlines Corporation	0.4%
Espanola Regional Hydro Distribution Corporation	0.1%
Essex Powerlines Corporation	0.7%
Festival Hydro Inc.	0.3%
Fort Albany Power Corporation	0.0%
Fort Frances Power Corporation	0.1%
Greater Sudbury Hydro Inc.	1.0%
Grimsby Power Inc.	0.2%
Guelph Hydro Electric Systems Inc.	0.9%
Haldimand County Hydro Inc.	0.4%
Halton Hills Hydro Inc.	0.5%
Hearst Power Distribution Company Limited	0.1%
Horizon Utilities Corporation	4.0%
Hydro 2000 Inc.	0.0%
Hydro Hawkesbury Inc.	0.1%
Hydro One Brampton Networks Inc.	2.8%

Hydro One Networks Inc.	30.0%
Hydro Ottawa Limited	5.6%
Innisfil Hydro Distribution Systems Limited	0.4%
Kashechewan Power Corporation	0.0%
Kenora Hydro Electric Corporation Ltd.	0.1%
Kingston Hydro Corporation	0.5%
Kitchener-Wilmot Hydro Inc.	1.6%
Lakefront Utilities Inc.	0.2%
Lakeland Power Distribution Ltd.	0.2%
London Hydro Inc.	2.7%
Middlesex Power Distribution Corporation	0.1%
Midland Power Utility Corporation	0.1%
Milton Hydro Distribution Inc.	0.6%
Newmarket - Tay Power Distribution Ltd.	0.7%
Niagara Peninsula Energy Inc.	1.0%
Niagara-on-the-Lake Hydro Inc.	0.2%
Norfolk Power Distribution Inc.	0.3%
North Bay Hydro Distribution Limited	0.5%
Northern Ontario Wires Inc.	0.1%
Oakville Hydro Electricity Distribution Inc.	1.5%
Orangeville Hydro Limited	0.2%
Orillia Power Distribution Corporation	0.3%
Oshawa PUC Networks Inc.	1.2%
Ottawa River Power Corporation	0.2%
Parry Sound Power Corporation	0.1%
Peterborough Distribution Incorporated	0.7%
PowerStream Inc.	6.6%
PUC Distribution Inc.	0.9%
Renfrew Hydro Inc.	0.1%
Rideau St. Lawrence Distribution Inc.	0.1%
Sioux Lookout Hydro Inc.	0.1%
St. Thomas Energy Inc.	0.3%
Thunder Bay Hydro Electricity Distribution Inc.	0.9%
Tillsonburg Hydro Inc.	0.1%
Toronto Hydro-Electric System Limited	12.8%
Veridian Connections Inc.	2.4%
Wasaga Distribution Inc.	0.2%
Waterloo North Hydro Inc.	1.0%
Welland Hydro-Electric System Corp.	0.4%
Wellington North Power Inc.	0.1%
West Coast Huron Energy Inc.	0.1%
Westario Power Inc.	0.5%
Whitby Hydro Electric Corporation	0.9%
Woodstock Hydro Services Inc.	0.3%

Reporting Glossary

Annual: the peak demand or energy savings that occur in a given year (includes resource savings from new program activity in a given year and resource savings persisting from previous years).

Cumulative Energy Savings: represents the sum of the annual energy savings that accrue over a defined period (in the context of this report the defined period is 2011 - 2014). This concept does not apply to peak demand savings.

End-User Level: resource savings in this report are measured at the customer level as opposed to the generator level (the difference being line losses).

Free-ridership: the percentage of participants who would have implemented the program measure or practice in the absence of the program.

Incremental: the new resource savings attributable to activity procured in a particular reporting period based on when the savings are considered to 'start' (please see table 5).

Initiative: a Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (i.e. Retrofit, Fridge & Freezer Pickup).

Net-to-Gross Ratio: The ratio of net savings to gross savings, which takes into account factors such as free-ridership and spillover

Net Energy Savings (MWh): energy savings attributable to conservation and demand management activities net of free-riders, etc.

Net Peak Demand Savings (MW): peak demand savings attributable to conservation and demand management activities net of free-riders, etc.

Program: a group of initiatives that target a particular market sector (i.e. Consumer, Industrial).

Realization Rate: A comparison of observed or measured (evaluated) information to original reported savings which is used to adjust the gross savings estimates.

Settlement Account: the grouping of demand response facilities (contributors) into one contractual agreement

Spillover: Reductions in energy consumption and/or demand caused by the presence of the energy efficiency program, beyond the program-related gross savings of the participants. There can be participant and/or non-participant spillover.

Unit: for a specific initiative the relevant type of activity acquired in the market place (i.e. appliances picked up, projects completed, coupons redeemed).

APPENDIX AMPCO #17B

REFERENCE: AMPCO INTERROGATORY 17(b)

The MEARIE Group

2012 Management Salary Survey Of Local Distribution Companies

SURVEY REPORT

August 31, 2012

SURVEY ADMINISTRATOR: HAY GROUP LIMITED

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Section

Appendices

0. Introduction

The MEARIE Group is pleased to present this report of the 2012 Management Salary Survey of Local Distribution Companies (LDCs).

In today's competitive talent market, LDCs are challenged with establishing and maintaining competitive, yet affordable, compensation programs and policies. The MEARIE Group established the Management Salary Survey of Ontario's Local Distribution Companies to assist LDCs in understanding the competitive landscape and to support your efforts to develop pay practices that attract, motivate and retain high quality, high performing employees.

The survey was updated for 2012 through the combined efforts of The MEARIE Group's *HR Information Solutions* team, outside consultants and representatives of our members, all working together to ensure that the Survey continues to meet the evolving needs of member LDCs.

The Survey has been enhanced for 2012 through our partnership with Hay Group, a globally renowned compensation consulting firm. Drawing on their expertise and experience in developing and managing salary surveys across all sectors of the economy and in numerous countries around the world, and working with an Advisory Committee representing a cross-section of LDCs, the 2012 survey includes:

- Improved, market-driven geographic reporting that better reflects the employment and recruitment markets in which you operate.
- Updated benchmark descriptions, supported by the Hay Group job evaluation methodology for improved reporting and greater ability to identify the impact of organization size and structure.
- Reporting of an additional pay element called "total cash compensation" to provide greater depth of information regarding market pay practices.
- An overview of market trends and compensation projections for 2013 budget planning.
- Enhanced survey reporting including Excel versions of position salary tables by All Organizations, Geography, Revenue and Customers to support those organizations that wish to conduct further analysis of the results and to assist in transferring survey results into internal reporting.

The survey enhancements for 2012 include two presentation documents and Excel data tables in four different formats as follows:

- Survey Report Executive Summary containing a complete analysis and a data summary of all the positions, presented in a pdf format.
- Survey Report addendum which includes a complete analysis of each position, presented on one page in a pdf format.
- LDC Survey data table by All Organizations in Excel format for easy data export and printable on one legal sized page.
- LDC Survey data table by Region in Excel format for easy data export and printable on one legal sized page.
- LDC Survey data table by Customer Base in Excel format for easy data export and printable on one legal sized page.
- LDC Survey data table by Revenue in Excel format for easy data export and printable on one legal sized page.

In addition, we would like to thank you for your participation. As a result of the strong response, we are able to provide you with an informative and detailed survey that will help you in support of your organization's compensation programs.

Confidentiality

The MEARIE Group recognizes the importance of maintaining the security of your information and has developed the following policy that applies to all participants (and their delegates) in the Management Salary Survey, as well as Hay Group Limited (survey administrators) and The MEARIE Group.

All of the information collected through this survey has been treated with the utmost confidentiality. All data was submitted by way of password-protected files, and is stored on devices with restricted, password-controlled, access.

Data has been reported on an aggregate basis only, and in such a way as to ensure that individual participant data cannot be identified/attributed. Standards for minimum number of data, as documented in Appendix D to this report, have been strictly enforced to ensure confidentiality. Neither Hay Group nor The MEARIE Group will release or disclose to any other person whatsoever any information pertaining to any individual LDC participant.

The data on which this report is based was provided by the LDCs who participated in the survey. While every effort has been made to "clean" the data received – using analytical tools to identify anomalies and contacting participants where data was incomplete or unclear – the data has not been independently verified. Neither Hay Group nor The MEARIE Group is responsible for the accuracy of the data submitted, nor any conclusions, decisions or actions made or taken based on the results reported herein.

Survey results are being reported only to those LDCs who participated in the survey and provided comprehensive data. The survey includes the following:

- Survey Report in PDF format
- Survey Report Addendum Position Reports in PDF format
- LDC Survey data by All Organizations in Excel format
- LDC Survey data by Region in Excel format
- LDC Survey data by Customer Base in Excel format
- LDC Survey data by Revenue in Excel format

Neither The MEARIE Group nor Hay Group will disclose, sell or otherwise share the results of this survey with organizations that have not participated in the survey.

Participants may not share the survey report/results with non-participant LDCs or any entity under any circumstances. The obligations of confidentiality set out in this policy are subject to the requirements of applicable law. The MEARIE Group will not be liable for breaches by participating LDCs of this disclosure policy.

1. Survey Overview

Survey benchmark positions

The survey covers 50 benchmark positions representing a cross-section of the functions within member organizations. For 2012, the benchmark positions were reviewed by a working group of LDC sector Human Resources professionals. Job profiles for each benchmark were developed and reviewed by the consultants and the HR group.

Senior Management	0000	President & CEO
	0001	Chief Operating Officer (COO)
	0002	Head of Operations and/or Engineering
	0003	CFO / Head of Finance
	0004	Head of Customer Service
	0005	Head of Regulatory Affairs
	0006	Head of Human Resources
Administration	1000	Executive Assistant
	1001	Administrative Assistant
Engineering	2000	Director Engineering
	2001	Engineering Manager and/or Distribution Engineer
	2002	Project Engineer
	2003	Supervisor Engineering
Operations	2500	Director Operations
	2501	Manager Operations
	2502	Manager Control Centre
	2503	Supervisor Control Centre
	2504	Supervisor Protection and Control
	2505	Supervisor Station Maintenance
	2506	Line Supervisor
	2507	Manager Meter Department
	2508	Supervisor Meter Department

Supply Chain / Procurement	3000	Director Supply Chain Management
	3001	Manager Procurement and/or Inventory and/or Facilities and/or Fleet
	3002	Supervisor Stores/Inventory/ Warehouse
Accounting / Finance	4000	Controller or Director Finance
	4001	Manager Accounting
	4002	Manager Risk Management
	4003	Supervisor Accounting
	4004	Financial or Business Analyst
	4005	Accountant
Customer Service	5000	Director Customer Service
	5001	Manager Customer Service and/or Billing
	5002	Supervisor Customer Service and/or Billing and/or Collections
Communications	5500	Director Communications
	5501	Manager Communications
Regulatory Affairs	6000	Director Regulatory Affairs
	6001	Manager Regulatory Affairs
	6002	Regulatory Accountant
Conservation / Demand	7000	Settlement or Rate Analyst
	7001	Director or Officer, Conservation and Demand Management
	7002	Manager Conservation & Demand/Marketing
Information Systems	8000	Director Information Systems
	8001	Manager Information Systems and/or Security
	8002	Systems/Program Administrator or Applications/Systems Support Professional
Human Resources	9000	Human Resources Manager
	9001	Human Resources Generalist
	9002	Human Resources Coordinator
	9003	Payroll
	9004	Manager, Health & Safety

Participants

All organizations in the LDC sector in Ontario were invited to participate in the survey. The following forty-nine (49) organizations submitted data:

- Bluewater Power Distribution Corporation
- Brant County Power Inc.
- Brantford Power Inc.
- Burlington Hydro Inc.
- Cambridge and North Dumfries Hydro Inc.
- Collus Power Corp.
- E.L.K. Energy Inc.
- Enersource Hydro Mississauga Inc.
- Entegrus Powerlines Inc.
- ENWIN Utilities Ltd.
- Festival Hydro Inc.
- Fort Frances Power Corporation
- Greater Sudbury Hydro Inc.
- Grimsby Power Incorporated
- Guelph Hydro Electric Systems Inc.
- Haldimand County Hydro Inc.
- Halton Hills Hydro Inc.
- Horizon Utilities Corporation
- Hydro Ottawa Limited
- Innisfil Hydro Distribution Systems Limited
- Kenora HE Corp. Ltd.
- Kitchener-Wilmot Hydro Inc.
- Lakefront Utilities Inc.
- Lakeland Power Distribution Ltd.
- London Hydro Inc.
- Midland Power Utility Corporation
- Milton Hydro Distribution Inc.
- Newmarket Tay Power Distribution Ltd.
- Niagara Peninsula Energy Inc.
- Norfolk Power Distribution Inc.
- Orangeville Hydro Limited
- Orillia Power Distribution Corporation
- Oshawa PUC Networks Inc.
- Ottawa River Power Corp.
- Peterborough Distribution Inc.
- PowerStream Inc.
- PUC Distribution Inc.
- Renfrew Hydro Inc.
- St. Thomas Energy Inc.
- Sioux Lookout Hydro Inc.
- Thunder Bay Hydro Electricity Distribution Inc.
- Tillsonburg Hydro Inc.
- Veridian Connections Inc.
- Wasaga Distribution Inc.
- Waterloo North Hydro Inc.
- Welland Hydro – Electric System Corp.
- Westario Power Inc.
- Whitby Hydro Electric Corp.
- Woodstock Hydro Services Inc.

Participant Group Profile

All participants provided information regarding their organizational profile. The statistical references for the profile of the organizations are as follows:

Note that the figures below are reported as provided by the participating organizations. Hay Group and MEARIE Group have not independently verified or confirmed the values, especially with regard to whether the values reflect only the LDC business or include other business ventures.

Statistic	P25	P50	P75	Average *
Annual Operating Budget ($ millions)	4.0	11.4	17.3	23.6
Number of Employees (full time equivalent)	27	49	117	103
Number of Customers	11,344	22,000	51,747	53,924
Gross Revenue ($ millions)	20.0	47.4	110.6	137.5

Analyst's note: "average" values are near or above the 75^{th} percentile for each of the data elements, indicating that there are a small number of organizations that are significantly larger than the rest of the population.

All organizations (49) noted that the fiscal year ends in December.

2. Salary Administration

Salary Range Adjustments – 2011 & 2012

The most common month for adjusting salary ranges is January (approximately 62% of reporting organizations) followed by April (approximately 12% of reporting organizations).

Survey participants report adjusting their salary ranges in 2011 by an overall average of 2.6%.

Survey participants report having adjusted, or planning to adjust, ranges in 2012 by an overall average of 2.6%. For comparison, participants in the Hay Group "Compensation Trends" survey (conducted in June & July of 2012) reported average salary range adjustments of 1.7% for 2012 on a national basis, slightly lower than the 2.0% projected for 2012 in the previous year's survey.

The salary range adjustments by employee level and overall are noted in the table below:

Year	CEO	Executive	Director	Management	Professional / Technical	Admin.	OVERALL
2011	2.8	2.9	2.5	2.6	2.5	2.6	**2.6**
2012	2.6	2.6	2.6	2.7	2.7	2.7	**2.6**

Salary Range Adjustments – 2013

The following table summarizes projected/anticipated salary range adjustments for 2013, as reported in a recent "Compensation Trends 2013" survey by Hay Group Limited:

Group	Private Sector - Industrials	Private Sector - Financials	Public Sector	OVERALL
Canada	2.1 %	2.0 %	1.8 %	**2.0 %**
Ontario – all employers	n/a	n/a	n/a	**1.9 %**
Ontario - LDC sector only				**2.4 %**

Base salary increases – 2011 & 2012

The most common timing for adjusting salaries is January (approximately 55% of reporting organizations grant annual salary increases in that month) followed by July and "anniversary" of hire (approximately 12% of reporting organizations for each response).

Survey participants report adjusting actual salaries in 2011 by an overall average of 2.9%.

For 2012, survey participants reported average salary increases of 2.9% (already processed or planned/budgeted for the year). For comparison, participants in the Hay Group "Compensation Trends" survey (conducted in June & July of 2012) reported average base salary increases of 3.0% for 2012 on a national basis, slightly higher than the 2.8% projected for 2012 in the previous year's survey.

The base salary adjustments by employee level are noted in the table below.

Year	CEO	Executive	Director	Management	Professional / Technical	Admin.	OVERALL
2011	3.2	3.3	2.7	2.8	2.7	2.8	**2.9**
2012	3.0	2.8	2.7	2.9	2.7	2.9	**2.9**

Base Salary Increases – 2013

The following table summarizes projected/anticipated salary increases for 2013, as reported in a recent "Compensation Trends 2013" survey by Hay Group Limited:

Group	Private Sector - Industrials	Private Sector - Financials	Public Sector	OVERALL
Canada	2.9 %	2.9 %	2.5 %	**2.9 %**
Ontario – all employers	n/a	n/a	n/a	**2.6 %**
Ontario - LDC sector only				**2.7 %**

Incentive Programs

A majority of organizations (28 of 49 or 57%) indicated that they offer short term incentive pay opportunities to at least some portion of their employees.

Nineteen organizations provided information about their incentive plans.

a. employee participation in short term incentive (STI) plans:
   - ten (10) of the organizations indicated that all employee groups participated in STI.
   - five (5) organizations had at least one STI plan that applied to employees from Admin through Management but may not include senior management and executive (i.e. senior officers covered by a separate plan for which details were not reported).
   - the data indicates that four organizations have STI plans for designated senior management and/or executives that do not extend to management and non-management staff.

b. weighting of performance factors (corporate versus individual versus team/department performance) in the determination of individual bonus payments:
   - The average plan mix, by employee level, is provided in the table below. (Totals may not equal 100% due to rounding).

Performance Factor	CEO	Executive	Director	Management	Professional / Technical	Admin.
Corporate	52 %	39 %	38 %	38 %	32 %	39 %
Team / Dep't	8 %	12 %	11 %	11 %	13 %	9 %
Individual	39 %	49 %	52 %	52 %	55 %	52 %

Incentive Programs
(continued)

Threshold bonus payouts

Formulaic or "target based" bonus programs typically do not pay out until a minimum level of performance (corporate, team and/or individual) has been achieved– i.e. if the threshold performance is not achieved, there is no pay out. Once this threshold performance has been achieved, incentive plans will pay out a minimum level of bonuses; pay out levels typically then increase as performance/results increases, up to a "target" bonus rate when performance goals have been "met".

Six (6) of the 28 organizations with incentive plans reported that they define minimum levels of performance required before any bonuses are generated; for five of these organizations, the bonus rate at the threshold performance was set at 50% of "target" bonus.

Maximum Bonus

Bonus programs are often designed such that there is a maximum level of payout, for example: if a position has a 10% bonus and the maximum payout is 200%, or 2x, then the maximum amount the employee can achieve regardless of performance, is 20% of their current base salary.

The average maximum bonus is provided by employee level in the table below:

Maximum Bonus Payout %	CEO (n = 10)	Executive (n = 11)	Director (n = 11)	Managemen t (n = 11)	Professional / Technical (n = 9)	Admin. (n = 9)
Average	138 %	148 %	148 %	150 %	150 %	164 %

While these figures reflect the information provided by participants, the differences in maximums are statistically insignificant due to the small number of participants. It is noted that 9 of the 12 organizations responding to this question indicated that the maximum bonus (as a % of target) is the same for all levels of employees, 1 indicated that maximums for executives were higher and 2 reported that the maximums were highest for lower level staff.

In the broader market, it is more common to find higher maximum bonus levels (as a % of target) at higher levels of the organization, to reflect the greater influence on organizational performance that more senior roles are perceived to have.

Special (Project) Bonuses

Organizations were asked if they provide any project bonuses for participation in key / special projects – paid on successful achievement of specific milestones and/or on completion of the project – separate and distinct from annual incentive plans.

No organizations reported providing such bonuses.

3. Benefit Policies

Car Benefit

The majority of organizations (36 of 49 or 73%) provide a car benefit to some level of employee.

The tables below summarize the value of car benefits, by position, where provided. An asterisk (*) indicates insufficient data to report:

		Company Owned Car (Value)	Monthly Lease Payment	Car Allowance
CEO	P75	*	*	825
	P50	33,500	905	600
	P25	*	*	475
	Average	34,375	928	695
	Number	4	4	28
Executive / VP	P75	*	*	750
	P50	*	557	505
	P25	*	*	388
	Average	*	579	579
	Number	2	4	16
Sr. Management / Director	P75	*	*	534
	P50	*	*	500
	P25	*	*	350
	Average	*	*	436
	Number	1	2	9

Six organizations reported providing an automobile benefit to specified positions below Senior Management. Specifically, five organizations provide use of a company-owned vehicle and one provides an allowance where the incumbent is required to be available for off-hours call-in, such as operations supervisors, line superintendents, engineers and meter supervisors.

Mileage

The market statistics for mileage rates provided to employees as reimbursement for personal vehicle use is detailed in the table below.

N = 47	Mileage Reimbursement (¢ per km)
P75	53
P50	50
P25	47
Average	50

The most frequently reported mileage rate (9 organizations) is 52 cents per kilometer.

Perquisites

Club Memberships – Fitness

Nineteen organizations reported providing a subsidy for fitness club fees. Typical policy is to provide for reimbursement of a fixed percentage (either 50 or 100%) to a stated maximum amount per year. For seventeen (17) organizations, the same policy and maximum reimbursement applies regardless of job level; for two organizations, executives participate in a Discretionary Spending Plan that includes fitness, and so are not included in the reporting.

	Maximum Reimbursement per year
P75	$ 275
P50	$ 200
P25	$ 150
Average	$ 220

Club Memberships – Social

None of the organizations in the survey report having a separate policy/program for reimbursement of social club fees.

Perquisites (cont'd)

Health Spending Account

Nine (9) organizations reported providing a Health Spending Account (i.e. discretionary spending within a defined range of serves/benefits).

Of the nine organizations, two (2) provide this perquisite to senior officers only while seven (7) provide an HSA at all levels (note that the survey did not cover administrative/clerical roles with regard to benefits). Of those seven, four (4) provide the same funding for all jobs levels while three (3) differentiate by job level.

	CEO	Executive	Director	Management	Professional / Technical
P75	2,000	2,000	1,000	625	625
P50	1,000	1,000	525	300	300
P25	300	300	289	250	238
Average	1,306	1,294	600	464	461
Number	9	9	8	7	7

2nd Opinion Medical Advice

Only one organization in the survey reported having a separate policy/program for this benefit.

Personal Financial/Legal Counseling

Five organizations reported that financial and legal counseling is available via their Employee Assistance Program, which is provided to all employees.

One organization reported that financial counseling is available as part of a Discretionary Spending Account provided to executives.

Perquisites (cont'd)

Executive Medical Plan

Three (3) organizations reported providing enhanced medical coverage for executive levels only. Two organizations reported a maximum dollar value, while one organization reported that a specified group of test/procedures are available (without advising a dollar value).

Personal Computer / Cell Phone / Internet

Fifteen organizations provided information regarding policies and practices related to computers and internet.

The most common policies/practices are:

- Low/no interest rate loans to purchase computer equipment for personal / home office use, typically in the range of $500 - $1,500
- Provision of laptops for particular levels of employee, in addition to office desktop, to allow for mobile work (note: may be a perquisite if personal use of computer is allowed, but not a perquisite if for business use only)
- Reimbursement for cell phone and/or home internet connection for selected employees. (either full reimbursement or 50% reimbursement were both provided in the market place)
- Cash allowance intended to coverage cell phone and/or internet service

The value of these benefits varies dramatically by level within organizations and between organizations; the data does not lend itself to reporting of the value of typical practices.

Other Perquisites

Other programs/practices reported, by less than 4 organizations, include:

- In house fitness facility
- Discretionary spending accounts (executive levels only)
- Reimbursement of dues/fees for professional associations such as Engineers, Accounting (CGA/CMA/CA)

Perquisites (cont'd)

Enhanced Life Insurance Coverage for Senior Officers

Organizations were asked if, for senior level jobs, there was additional, employer paid, life insurance coverage for senior level officers. For example, if the typical life insurance plan was 1.5x employee salary, for senior level jobs, was this enhanced to above 1.5x to some greater number such as 2x, or even 3x ?

Nineteen organizations provided information about their basic/standard life insurance coverage. Of those nineteen, three (3) organizations reported that supplemental life insurance was provided – this number is insufficient to report details.

Unused Vacation

Organizations provided information about their policies and practices with regard to vacation time that was not fully utilized in the year in which it was earned.

Policy Re Carry Over	Number	%
Unused vacation entitlement at year end is paid out (vacation pay adjustment) – no carry over.	2	5%
Any/All unused vacation entitlement may be carried-over with no restrictions.	9	20%
Unused vacation entitlement may be carried over, subject to maximum total accumulated balance.	7	16%
A maximum amount of unused vacation may be carried over.	26	59%
Total	44	100%

Maximum Number of Days of Carry Over	Number
No limit	10
One Year's Entitlement	2
75% of One Year's Entitlement	1
3 or more weeks	4
2 weeks	10
1 week	13
No information provided	2
Total	42

Note: some organizations reported variations to the above policies by job level (i.e. more senior officers may carry over a greater number of days) or by vacation eligibility (i.e. carry over 10 days if eligible for up to 3 weeks' vacation but 20 days if eligible for 4 weeks' vacation), and reported that exceptions are regularly made where workload or special projects caused the employee to be unable to fully utilize vacation time.

Time Limit for Utilizing Carried-Over Vacation Time	Number
No limit	10
One Year	15
Six Months	17
Total	42

Educational assistance / reimbursement

Half of the participating organizations provided details with regards to education assistance/reimbursement policies ranging from eligibility criteria to pay back provisions.

The 2012 Survey focused on assistance for graduate programs (e.g. most commonly in business or engineering but may include any relevant discipline), rather than on broader educational assistance such as support for individual courses or undergraduate level programs.

Twenty seven organizations responded to this series of questions.

- Two organizations reported that they did not have a policy with regard to educational assistance for graduate level programs– it is anticipated that these organizations would address requests for assistance for graduate programs on a case by case basis
- Eleven organizations reported that they have formalized policies for educational assistance, but only two reported specific details regarding graduate level programs. Another eleven organizations reported that they have not formally documented an educational assistance policy but have a consistent approach.

With regard to criteria for supporting assistance, every employer with a formal or informal policy indicates that an academic program MUST be relevant to the employee's current job and function within the organization, and in the case of a post-graduate program must be relevant to the anticipated (or planned) career path for the employee. A small number of organizations reported a requirement that a career map and/or succession plan must be in place for the individual in order to support the investment in a graduate level program. Similarly, a number of organizations indicate that, due to the significant commitment involved, assistance for a graduate program requires approval from the CEO, regardless of the approval processes in place for other educational assistance requests.

Five (5) of the twenty-two organizations with formal or informal/undocumented policies indicated that assistance for graduate programs was restricted to certain segments of the employee population, by job/function and/or job level (e.g. management and above, senior management and above)

Nineteen (19) organizations provided information with regard to maximum education assistance available. Thirteen reported that they do not set maximum values, but consider each request for assistance on its own merits and benefit to the organization. Six organizations have established annual maximum amounts (ranging from $1,500 to 25,000) and two of those have also established "lifetime" maximum amounts which are two or three times their annual maximum.

Most of the responding organizations have established policies (or practices) to address situations where an employee leaves the organization (voluntarily) within a relative short period after receiving educational assistance. The “pay-back” provisions for 21 organizations are summarized below:

Pay Back Provisions	Number	Comment
No policy	2	
At discretion of CEO – case by case basis	2	Requirement for and amount of pay back assessed based on individual circumstances such as position, length of service, etc
Pay Back is Not Required	3	
Policy in place – no details provided	2	
Policy in place – payback rate varies	3	Rate decreases with length of time between course and termination
Policy in place – 50% pay back required if termination occurs within a stated period of time from completion of program	2	Period = 1 year
Policy in place – 100% pay back required if termination occurs within a stated period of time from completion of program	7	Period varies from low of 1.5 years to high of 5 years
Total	21	

4. Benchmark Position Survey Results

Survey Results

This section reports the information collected in aggregate values for each benchmark position. The values reported in this table reflect "all Ontario" data in that the data for all organizations matching to the position are included (regardless of size and geographic location).

Additional summaries, on a job by job basis, are provided in the accompanying "Addendum".

Detailed analysis, with expanded statistical data (i.e., including P25 and P75 data points) as well as analysis of survey results by geographic region, by customer base and by revenue, are reported in Excel files accompanying this report.

ALL ORGANIZATIONS

		JOB MATCHES		COMPENSATION DESIGN						COMPENSATION ACTUAL				
Code	Survey Job Title	# orgs	Hay Pts	Salary Range Minimum	Salary Range Job Rate	Salary Range Maximum	Target Bonus (%)	TOTAL CASH (job rate + target bonus)		Base Salary		Actual Bonus %	TOTAL CASH (base salary + actual bonus)	
			P50	P50	P50	P50	P50	P50	AVG	P50	AVG	P50	P50	AVG
0000	President & CEO	43	1292	139,500	160,700	172,200	25%	166,100	203,100	165,000	176,500	19%	182,100	205,400
0001	Chief Operating Officer	14	904	131,000	143,800	155,500	25%	162,000	191,100	142,000	158,400	15%	158,700	189,000
0002	Head of Operations and/or Engineering	31	830	106,900	125,700	135,900	15%	128,300	139,700	123,600	127,700	11%	131,700	137,800
0003	CFO / Head of Finance	44	729	109,000	130,000	137,600	20%	133,400	152,700	133,300	136,900	13%	140,800	151,900
0004	Head of Customer Service	22	667	95,500	111,800	116,500	15%	115,600	124,600	111,300	112,700	10%	110,700	115,300
0005	Head of Regulatory Affairs	8	897	124,000	141,800	152,600	20%	170,100	164,000	141,000	144,100	14%	151,200	147,100
0006	Head of Human Resources	17	775	102,100	121,900	121,900	20%	133,200	139,700	125,300	124,200	17%	133,600	142,700
1000	Executive Assistant	35	242	56,400	66,800	72,700	5%	69,600	72,100	69,300	71,100	4%	72,900	72,700
1001	Administrative Assistant	20	169	48,400	57,800	61,300	4%	59,700	58,000	59,200	56,800	3%	60,100	57,900
2000	Director Engineering	13	682	104,300	118,200	119,100	15%	122,400	133,600	118,700	122,900	8%	122,500	130,700
2001	Engineering Manager and/or Distribution Manager	28	580	89,000	105,000	110,300	9%	112,000	108,400	102,700	103,900	7%	105,800	108,900
2002	Project Engineer	12	448	74,600	92,500	96,500	9%	94,500	92,400	89,300	86,500	6%	94,500	88,400
2003	Supervisor Engineering	19	421	76,500	89,600	94,800	8%	94,500	94,600	90,300	89,800	6%	94,400	93,500
2500	Director Operations	13	640	95,000	110,000	126,500	15%	115,500	128,000	116,800	119,900	6%	116,800	127,400
2501	Manager Operations	23	516	86,000	101,500	106,000	10%	104,500	107,300	102,900	103,000	5%	105,100	106,500
2502	Manager Control Centre	7	539	89,100	107,000	113,800	10%	117,700	114,700	109,000	106,100	10%	116,500	116,600
2503	Supervisor Control Centre	12	444	80,000	93,600	98,700	8%	95,400	98,500	96,100	97,200	5%	98,500	100,000
2504	Supervisor Protection & Control	5	536	84,800	96,300	111,400	*	96,300	104,400	94,500	98,000	*	94,500	102,600
2505	Supervisor Station Maintenance	12	414	75,600	92,700	103,200	9%	97,800	100,600	93,100	94,800	6%	94,900	91,400
2506	Line Supervisor	39	366	75,600	89,800	93,100	7%	91,800	91,700	91,300	90,900	4%	92,500	93,200
2507	Manager Meter Department	14	545	88,900	105,300	111,100	8%	112,500	111,200	102,700	104,000	7%	110,200	110,200
2508	Supervisor Meter Department	16	380	75,100	88,900	91,400	6%	91,800	93,100	88,300	89,700	6%	90,100	92,400
3000	Director Supply Chain Management	4	668	98,000	113,600	128,800	*	130,700	124,500	122,700	118,900	*	142,900	134,100
3001	Manager Procurement/Inventory/Facilities/Fleet	17	406	79,300	91,500	102,200	9%	95,500	99,700	90,600	93,800	5%	99,500	98,600
3002	Supervisor Stores/Inventory/Warehouse	9	342	67,000	83,700	89,900	6%	89,900	86,100	79,600	81,800	6%	81,800	84,700

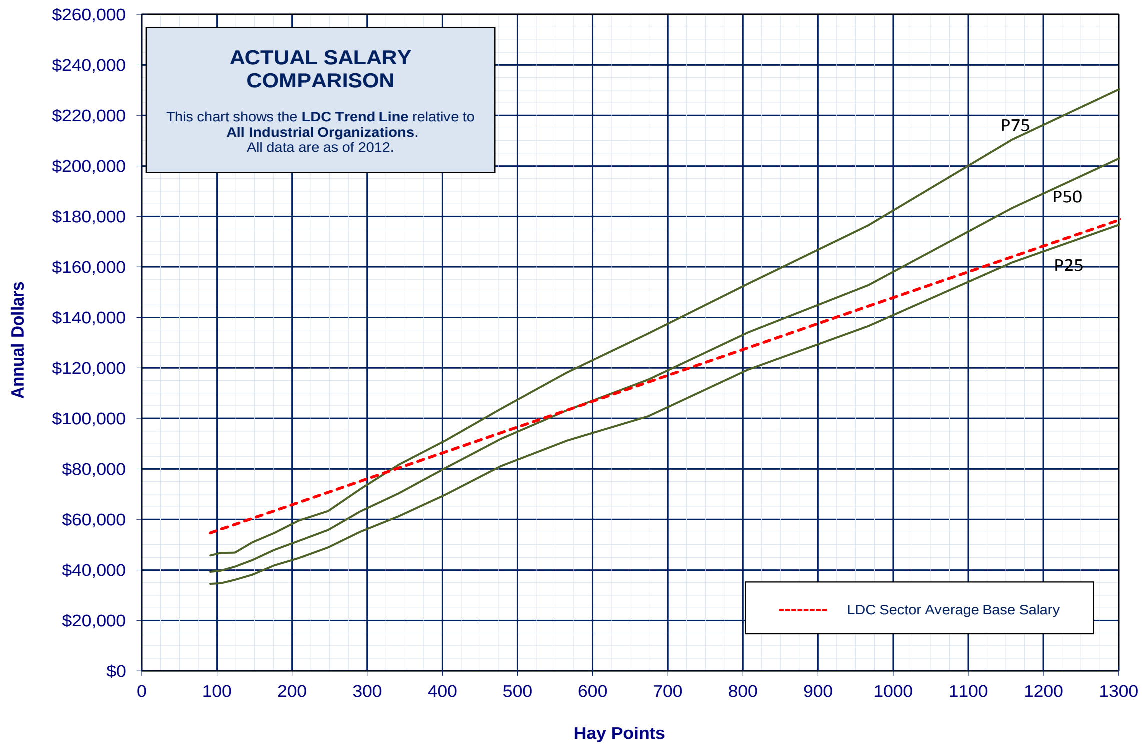
The MEARIE Group

2012 Management Salary Survey Of Local Distribution Companies

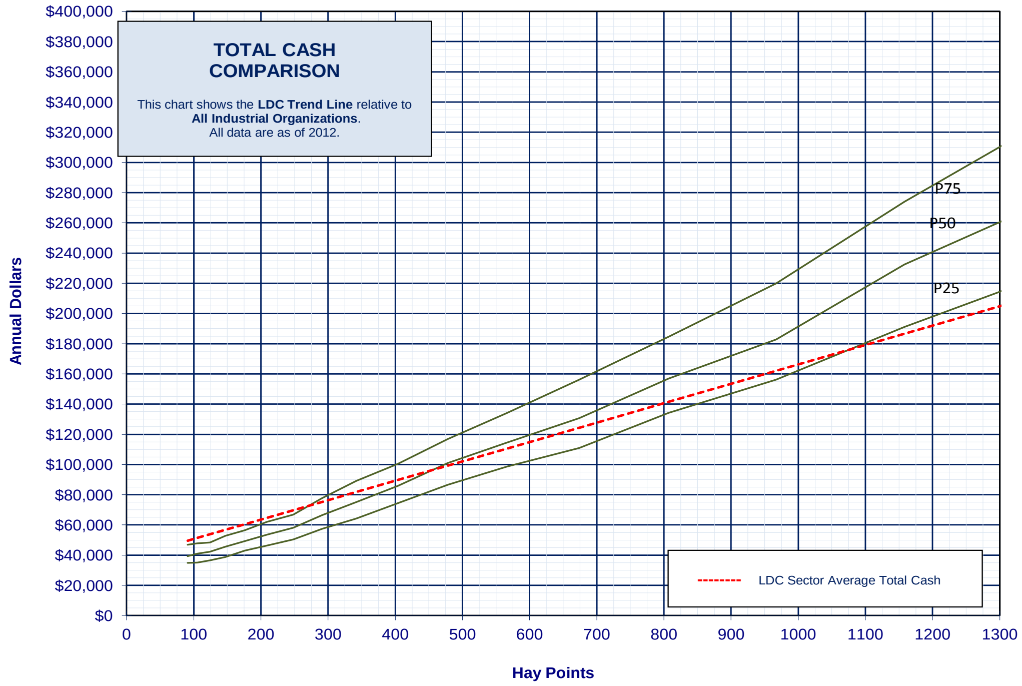
ALL ORGANIZATIONS

Code	Survey Job Title	JOB MATCHES: # orgs	JOB MATCHES: Hay Pts P50	COMPENSATION DESIGN: Salary Range Minimum P50	Salary Range Job Rate P50	Salary Range Maximum P50	Target Bonus (%) P50	TOTAL CASH (job rate + target bonus) P50	TOTAL CASH (job rate + target bonus) AVG	COMPENSATION ACTUAL: Base Salary P50	Base Salary AVG	Actual Bonus % P50	TOTAL CASH (base salary + actual bonus) P50	TOTAL CASH (base salary + actual bonus) AVG
4000	Controller or Director Finance	18	591	88,000	102,800	119,000	13%	106,900	120,000	105,200	107,100	9%	112,500	115,500
4001	Manager Accounting	24	479	77,000	95,900	99,700	8%	96,600	99,300	96,300	95,400	6%	100,200	99,300
4002	Manager Risk Management	3	*	*	*	*	*	*	161,200	*	138,500	*	*	161,200
4003	Supervisor Accounting	12	363	67,200	83,100	90,100	5%	83,900	85,200	80,000	81,200	6%	80,700	84,000
4004	Financial or Business Analyst	14	342	68,500	83,600	89,100	5%	85,600	84,400	79,200	77,500	5%	81,900	80,600
4005	Accountant	10	303	63,300	75,500	79,300	5%	76,300	78,100	74,000	75,500	6%	75,600	78,000
5000	Director Customer Service	9	611	88,900	110,000	112,200	10%	112,200	116,100	110,900	105,300	9%	115,600	115,700
5001	Manager Customer Service and/or Billing	22	443	75,600	89,200	97,000	9%	91,400	96,200	88,800	88,800	6%	91,100	92,500
5002	Supervisor Customer Service / Billing / Collections	26	348	65,300	80,900	82,600	5%	83,000	82,800	78,700	78,700	4%	79,000	80,900
5500	Director Communications	5	852	107,900	135,100	147,000	18%	152,700	151,900	136,100	130,000	15%	160,100	148,200
5501	Manager Communications	8	400	77,000	91,800	104,000	10%	99,500	99,700	87,600	89,000	9%	96,300	94,900
6000	Director Regulatory Affairs	8	763	100,300	125,300	147,100	15%	142,500	142,300	129,200	127,600	14%	144,100	141,800
6001	Manager Regulatory Affairs	17	451	74,700	91,500	94,200	8%	94,200	94,500	89,600	89,800	8%	93,900	93,900
6002	Regulatory Accountant	16	393	66,300	77,400	81,600	7%	78,000	80,600	76,900	76,400	5%	76,900	78,500
7000	Settlement / Rate Analysis	11	342	70,900	86,800	88,700	5%	91,000	89,500	85,900	85,300	6%	86,000	88,000
7001	Director/Officer, Conservation and Demand Manageme	10	690	93,600	114,900	126,400	15%	127,500	120,700	114,200	111,700	8%	125,900	122,700
7002	Manager,Conservation and Demand / Marketing	23	393	69,100	79,100	86,000	9%	83,400	85,900	83,300	82,700	7%	85,300	85,400
8000	Director Information Systems	16	738	101,700	125,400	127,200	15%	137,200	135,500	123,400	124,100	11%	136,900	136,400
8001	Manager Information Systems & Security	18	479	79,200	95,600	99,700	8%	98,200	99,800	94,800	97,500	8%	98,900	102,100
8002	Systems/Program Administrator or Applications/Syste	22	342	65,900	78,200	83,000	5%	81,900	82,400	81,500	80,800	4%	86,100	83,000
9000	Manager Human Resources	9	534	88,800	106,700	112,400	10%	113,000	110,500	104,000	100,800	7%	104,000	105,700
9001	Human Resources Generalist	13	323	65,100	78,800	81,400	6%	79,200	82,700	78,400	77,800	4%	79,200	80,600
9002	Human Resources Coordinator	10	248	54,000	66,100	69,700	8%	66,400	68,600	64,100	63,100	6%	65,600	66,000
9003	Payroll	18	242	57,000	67,000	71,600	4%	69,300	72,200	67,600	70,000	3%	68,700	71,800
9004	Manager Health & Safety	22	406	78,800	92,600	92,700	7%	92,700	97,500	92,300	95,700	5%	93,000	99,600

Comparison of LDC Sector Trend Line to "All Industrial Organizations" (from Hay Group Canadian Compensation Database)



Comparison of LDC Sector Trend Line to "All Industrial Organizations" (from Hay Group Canadian Compensation Database)



APPENDICES

A. Survey Methodology

A brief profile was developed for each benchmark position. These profiles were incorporated into a survey package and distributed to each participant along with a data submission spreadsheet requesting data on survey benchmark positions, as well as the organization's profile and selected salary administration & benefits policies.

Participants matched their jobs to the profiles and provided data for each position, where applicable. For each position where an organization submitted more than one match, the data were aggregated and an average figure was used for that organization. By using this methodology, all organizations carry equal weighting, and no one single organization excessively influences the market statistics by virtue of the size of its employee population.

Once the completed surveys were returned to Hay Group, participants were contacted for data verification as necessary. Hay Group also initiated a number of follow-up actions to clarify information provided by the participants. All of the matches submitted by the participants were reviewed by Hay Group to determine their appropriateness versus the job profiles and the market. If deemed inappropriate, the matches, or outlier data, were removed from the survey results.

Where possible, organization charts or details regarding reporting relationships were provided to Hay Group to enable understanding of the roles. From the job match information, plus a review of organization charts and other contextual information provided, Hay Group has estimated at which Hay Reference Level each organizations' roles fall to facilitate point-based comparisons.

B. Definitions – Compensation Elements

Salary Range	
Minimum	The lowest salary/rate that the organization is prepared to pay for an incumbent in the position. May be the starting salary for inexperienced/non-qualified hire.
Job Rate / Control Point	Typically the midpoint of the salary range, intended to reflect the salary the organization is prepared to pay for sustained competent performance by a fully trained / qualified incumbent.
Maximum	The highest point in the salary range (or step progression). Note: might be the same as "job rate".
Short Term Incentive	*Short Term Incentive (STI) refers to any incentive arrangement designed to reward an individual for performance/results achieved over a performance cycle/period of up to one year.*
Target	Target bonus is the level of award (either a % of salary or a fixed dollar amount) that an employee in this position would expect to receive if all corporate, team and individual performance goals are "met" (as planned). This rate/amount is often communicated to employees as part of the incentive/bonus plan design, e.g. "the target bonus for jobs in grade/band 6 is 8% of salary".
Discretionary	Discretionary plans have no target bonus rate and pay out at the end of the year at the discretion of executive/board.
Current Salary	The amount paid for work performed on a regular, ongoing basis. Does not include variable bonus or incentive payments, sales commissions, shift premiums, or overtime payments.
Actual STI (Paid)	*Total of all STI awards paid to the incumbent(s) for performance/results over the latest completed fiscal year.* May be paid during the year or after year end. (Note: recorded and reported on an annual basis)

C. Definitions – Statistical Elements

Market data are reported using the following statistics:

	Definition	Reporting Requirement (# of Observations Necessary to Report)
P90	90th percentile If all observations were sorted and listed from highest/largest to lowest/smallest, 10% of the observations would fall above the 90th percentile and 90% would fall below	**11**
P75	75th percentile If all observations were sorted and listed from highest/largest to lowest/smallest, 25% of the observations would fall above this value and 75% would fall below	**7**
P50	50th percentile, also referred to as "median" If all observations were sorted and listed from highest/largest to lowest/smallest, 50% of the observations would fall above this value and 50% would fall below	**3**
P25	25th percentile If all observations were sorted and listed from highest/largest to lowest/smallest, 75% of the observations would fall above this value and 25% would fall below	**7**
P10	10th percentile If all observations were sorted and listed from highest/largest to lowest/smallest, 90% of the observations would fall above this value and 10% would fall below	**11**
Average	The arithmetic mean of all values, calculated by adding up all of the values and dividing by the number of observations.	**3**

D. Benchmark Position Profiles

Job Title	Description
President & CEO	Directs the development of short and long term strategic plans, operational objectives, policies, budgets and operating plans for the organization, as approved by the Board of Directors. Establishes an organization hierarchy and delegates limits of authority to subordinate executives regarding policies, contractual commitments, expenditures and human resource matters. Represents the organization to the financial community, industry groups, government and regulatory agencies and the general public.
Chief Operating Officer (COO)	Highest ranking operations position. Reporting to the President/CEO, directs the operational elements of the organization, could include operations & engineering, customer services, metering and information technology. Develops the short and long term strategic plans, directs the development of operational objectives, policies, budgets for his/her areas of accountability. The position reports directly to the President/CEO.
Head of Operations and/or Engineering	Highest ranking operations/engineering position. Reporting to COO or President. Directs both the operations and engineering functions. Develops the short and long term strategic plans, formulates and implements plans, budgets, policies and procedures to facilitate and improve processes. Establishes clear controls, objectives and measures to ensure safe and appropriate delivery of power and power related services. Evaluates the feasibility of new or revised systems or procedures and oversees operations and engineering to ensure compliance with established standards.
CFO / Head of Finance	Highest ranking financially-oriented position within the company. Reporting to the President &CEO, this strategic role plans directs and controls the organization's overall financial plans, policies and accounting practices and relationships with lending institutions, shareholders and the financial community in mid to large organizations. Provides advice and guidance for the Board of Directors on financial matters. May direct such functions as finance, general accounting, tax, payroll, customer billing, regulatory affairs, and information systems and may be responsible for Administration functions. Normally possesses a CA, CMA or CGA designation.
Head of Customer Service	The highest-ranking customer service position in the utility. Provides direction for all departmental activities, services and practices, including customer care/call centre, billing, credit and collections. Accountable for the development, implementation and integration of all customer service related activities to achieve a competitive advantage through customer driven initiatives and strategies. Directs and oversees the implementation of customer service standards, policies and procedures; manages and coordinates budgets.
Head of Regulatory Affairs	Represents the organization on quality and regulatory matters before government agencies and conformity assessment bodies including providing of evidence, regulatory filings, supporting analyses, position papers, interrogatory responses, etc. Keeps abreast of on-going developments in regulatory practices affecting electrical distribution utilities. Ensures that regulatory information is disseminated throughout the organization in a timely and effective manner. Is responsible for the filing of written communications and regulatory submissions to government agencies (OEB) and conformity assessment bodies (IMO). Generally reports to President & CEO or a senior executive.
Head of Human Resources	The highest-ranking human resources position in the organization. Provides direction, support and alignment of organization-wide Human Resources practices and systems with the business in terms of mission, vision and the strategic imperatives. Ensures that existing needs and future demands of internal customers are met through a cost effective and efficient HR services. Directs HR management and staff in the development and implementation of Human Resources strategy, policies and programs covering employment, negotiations & labour relations, training, compensation, organization development, performance management, benefits and may include health & safety. Provides coaching and counsel to the executive and Board of Directors.

Administration

Executive Assistant	Performs advanced, diversified and confidential administrative duties requiring broad knowledge of organizational policies and practices. Initiates and prepares correspondence, reports, either routine or non-routine. Screens telephone calls and visitors and resolves routine and complex inquiries. Schedules appointments, meetings and travel itineraries. In some cases, may have responsibility for routine HR and administrative services. Records, prepares and distributes minutes of meetings, including Board of Director minutes. Reports to the President & CEO and may provide support to other executives.
Administrative Assistant	Performs advanced, diversified and confidential administrative duties for executives and/or senior management, requiring broad and comprehensive experience and knowledge of organizational policies and practices. Prepares correspondence, reports, either routine or non-routine. Screens telephone calls and visitors and resolves routine and complex inquiries. Schedules appointments, meetings and travel itineraries. Reports to a senior executive or executive team.

Engineering	
Director Engineering	Plans and directs the overall engineering activities and engineering staff of the organization. Formulates and implements plans, budgets, policies and procedures to facilitate and improve processes. Coordinates the creation, development, design and improvement of the organization's projects and products in conformance with established programs and objectives. Oversees plans, resources and budgets of the department aligned with business strategy.
Engineering Manager and/or Distribution Engineer	Supervises and directs the work of an engineering division such as distribution, line design, transmission planning, distribution planning and/or civil engineering. Responsible for engineering work involving a wide scope of assignments. Handles personnel coordination and issues of the division, prepares estimates, specifications and designs, including the supervision, planning and scheduling of work within the division – Requires a P. Eng. OR Supervises engineering technicians or service technicians. Directs and coordinates the activities, schedules and projects of the construction and maintenance group of those involved with the distribution of electrical power from transformer substations, construction and maintenance of distribution systems. Consults with other department management on plant design, construction and maintenance. Prepares monthly operating reports, budget estimates, and work and materials specifications. Reviews and approves material requisitions, work authorizations and drawings for facilities. Requires a P. Eng.
Project Engineer	Non-supervisory position. Directs and coordinates activities related to utility engineering project work, such as smart grid systems, renewables, large utility projects, asset renewal, etc. Requires a P. Eng.
Supervisor Engineering	Supervises a small technical work group which may include CAD operators and/or engineering technicians. Coordinates the development and maintenance of engineering and construction standards and systems (GIS, AM/FM, CAD). Organizes, stores and maintains the integrity of hard copy file records, digital formats and mapping standards. Normally requires a C.E.T. or A.Sc. T. Typically reports to an engineering manager.

Operations

Director Operations	NOT the head of function. Plans and directs all operations functions (no engineering responsibility), of the utility. Formulates and implements plans, budgets, policies and procedures to facilitate and improve processes and establishes clear controls, objectives and measures to ensure safe and appropriate delivery of services and clarity of roles and responsibilities. Evaluates the feasibility of new or revised systems or procedures and oversees operations to ensure compliance with established standards.
Manager Operations	NOT the head of function. Supervises, co-ordinates, directs, schedules and controls the construction, maintenance and personnel of the division, including budgets, transportation, equipment and material requirements and fleet management. Division responsibilities include construction, maintenance and repair of all overhead transmission, overhead and underground distribution and may include coordination of tree trimming for geographical area assigned to the division. In smaller utilities, a professional engineer may fill this role.
Manager Control Centre	Supervises, co-ordinates, directs, schedules and controls the control centre and technical staff. Provides leadership in the planning and coordination of the control centre relative to safety, reliability and control of the distribution system. Is responsible for budgets, and the direct operations of the control centre approving system outages, switching and maintenance requirements to maintain and improve system reliability.
Supervisor Control Centre	Directs and supervises control centre technical staff. Provides planning and coordination of control centre scheduling and maintenance required for the safe, reliable operation and control of the distribution system, including the authorization of the operation of system devices, equipment and control access to electrical plant and substations. Approves and coordinates system outages and switching as required for maintenance and system reliability. Oversees power interruptions and emergencies with dispatch staff to affect corrective measures for isolation, emergency repairs and restoration purposes. Monitors feeder load profiles.
Supervisor Protection and Control	Responsible for the management of all Protection & Controls activities related to the installation, maintenance and commissioning of: Protective Relaying Schemes and Station Automation Systems; SCADA System, Visual Display System and Remote Terminal Units; Operations Ethernet and system-wide Area Communications Networks; Distribution Automation Systems, Sectionalizing Devices and Remote Supervisory Controlled Devices. Prepares and administers reports, budgets, Policies and Procedures, record keeping systems.
Supervisor Station Maintenance	Responsible for the planning, coordinating both maintenance and installation of substations, as well as ensuring reliability of the underground plant, through testing and troubleshooting. Supervises, coordinates and schedules the activities of Station Maintenance Electricians and Protection and Control Technicians, Reviews work assignments, daily logs, reports and orders. Co-ordinate crews and plan jobs, assigns work per shift, long-term work and shift coverage to ensure the smooth flow of routine work and that all shifts are covered.
Line Supervisor	Coordinates and directs the lead journey person and/or crews in the construction and maintenance of distribution lines and equipment (overhead and/or underground). Works with lead journey person to develop plans and schedules required in directing and assigning a crew or crews of skilled trade staff in performing construction, maintenance and operation of the distribution system lines in a safe and efficient manner. Supervises and coordinates subcontractors engaged in planning and executing work procedures, interpreting specifications and managing construction.
Manager Meter Department	Supervises the overall operations of the Meter department, prepares budgets, directs the purchase and maintenance of equipment and technology related to the department. Provides direction on the supervision of meter staff, the assignment of work and productivity of staff. Supervises the work related to interactions with electronic meter programming and interaction with/or the operation of the MV90 or similar data collection systems.

Supervisor Meter Department	Responsible for overall operation of the Meter department, including operations, budgeting and supervision of meter technicians or other operations staff. Assigns, monitors and inspects the daily work and productivity of the staff in metering operations to ensure timely delivery of services, maintenance of equipment and identification of issues. Develops work plans for the department that include supervising meter re-verification, new meter installs, record maintenance and monitoring of meter maintenance, damage, reporting and theft issues. Ensures compliance with technical standards for equipment. Responsible for electronic meter programming and interaction with/operation of an MV90 or similar data collection system.

Supply Chain / Procurement

Director Supply Chain Management	Responsible for the overall operation of the Procurement, Inventory, Fleet and/or Facilities programs and initiatives in the organization. Formulates and implements plans, budgets, policies and procedures to facilitate and improve processes and establishes clear controls, objectives and measures to ensure safe and appropriate delivery of services and clarity of roles and responsibilities. Oversees the establishment of user service level agreements, and provides contract management expertise and acts as a resource for contract negotiation, review and approval. Directs the effective capital acquisition and maintenance of the corporate fleet and/or directs the effective maintenance and capital investment of the organizations facilities and assets.
Manager Procurement and/or Inventory and/or Facilities and/or Fleet	Responsible for all purchasing and/or inventory and/or facilities and/or fleet for all areas of the utility. Negotiates vendor agreements and manages the tender process. May also be responsible for stores and inventory control in the warehouse. Is responsible for budgets, policies and procedures and directs the work of the purchasing or buyers and/or stores and/or facilities and/or fleet personnel. Works with the organization in setting partnership relationships to understand and meet the needs of the organization, its operations and risk associated with the effective and efficient operations of the company.
Supervisor Stores/Inventory/ Warehouse	Supervises inventory control, records and stores operation. Orders material to maintain on-hand quantities with procurements approval. Responsible for testing safety equipment, i.e., hoses, blankets, gloves, etc., small tool and equipment repair and reconditioning. Assists procurement department in the sale of obsolete equipment and material.

Accounting / Finance

Controller or Director Finance	NOT the head of function. Responsible for all financial reporting, accounting and record keeping functions. Directs the establishment and maintenance of the organization's accounting and finance principles, practices and procedures for the maintenance of its fiscal records and the preparation of its financial reports. Directs general and property accounting, cost accounting and budgetary control. Appraises operating results in terms of costs, budgets, operating policies, trends and increased profit opportunities. Reports to a CFO/VP Finance.
Manager Accounting	Manages the general accounting functions and the preparation of reports and statistics reflecting earnings, profits, cash balances and other financial results. Formulates and administers approved accounting practices throughout the organization to ensure that financial and operating reports accurately reflect the condition of the business and provide reliable information. Reports to Controller/Director Finance or CFO/VP Finance.
Manager Risk Management	Responsible for risk management activities including cash flow management, credit facilities management, insurance and support for credit and collection policies throughout the corporation. May be responsible for ensuring that cash liquidity risk is managed in an appropriate fashion such that bank account balances are sufficient to meet operational, capital expenditures and debt servicing requirements while minimizing short-term borrowings or surplus investing. Provides leadership in the developing new and refining existing risk management policies to respond to changes in risk tolerances and business conditions and as financial risks are better understood in accordance with industry best practices. Reports to Head of Finance or COO or CEO.

Supervisor Accounting	Coordinates activities of the payable/receivable clerks. Supervises accounts payable and receivable transactions, entries and trial balances; responsible for the accuracy of all journal entries and reconciliation of invoices; updates credit department on account status.
Financial or Business Analyst	Conducts analysis of information for budgeting, investment and financial forecasts; applies principles of accounting to analyze past and present financial operations; estimates future revenues and expenditures; prepares budgets; develops and maintains budgeting systems; processes and prepares business transactions and reports, reconciles ledgers and sub-ledgers, cash flow projections, entry of source documents. Holds a financial designation, either CA, CMA or CGA.
Accountant	Supports the organization decisions through financial information and relevant analysis. Ensures the integrity between the CS work order systems and general ledger system is maintained. Initiate corrective measures when discrepancies occur between the systems. Collects and combines information for the decision making process by management, including financial statements and special projects as assigned (e.g. preparation of rate submission supplemental information).

Customer Service

Director Customer Service	NOT the head of function. Provides direction for all departmental activities, services and practices, including customer care/call centre, billing, credit and collections. Accountable for the implementation and integration of all customer service related activities. Oversees the implementation of customer service standards, policies and procedures; manages budgets; manages activities of CS managers and/or supervisory staff.
Manager Customer Service and/or Billing	NOT the head of function. Manages a team of customer service and/or billing representatives in providing information, receiving and responding to customer inquiries, complaints or requests. Develops and maintains customer information systems, processes and procedures including billing, credit, deposits and collections. Liaises with representatives of other organizations and customer groups to share information and resolve administrative, organizational and technical problems. Responds to elevated customer complaints. This function may also be responsible for coordinating meter installation/maintenance, residential electric service connections, and service calls.
Supervisor Customer Service and/or Billing and/or Collections	Supervises customer service representatives (billing clerks and/or collections clerks) and coordinates customer service programs within the framework of established customer service policies. Schedules and organizes staff to accommodate anticipated workflow from bill inquiries, delinquent accounts, re-connections and disconnections, customer deposits, etc. Recommends corrective steps to address customer issues and refers unique issues to manager for response.

Regulatory Affairs

Director Regulatory Affairs	NOT the head of function. Supports the VP or may represent the organization on regulatory matters before government agencies and conformity assessment bodies including providing of evidence, regulatory filings, supporting analyses, position papers, interrogatory responses, etc. Ensures that regulatory information is disseminated throughout the organization in a timely and effective manner. Is responsible for or supports the filing of written communications and regulatory submissions to government agencies (OEB) and conformity assessment bodies (IMO).
Manager Regulatory Affairs	NOT the head of function. Manages the organization's regulatory staff, programs and activities to ensure compliance. Assists the organization on quality and regulatory matters before government agencies, providing research and analyses. Ensures that regulatory information is disseminated throughout the organization in a timely and effective manner. Coordinates the filing of written communications and regulatory submissions to government agencies (OEB) and conformity assessment bodies (IMO).

Regulatory Accountant	Ensures that the accounting activities for regulatory financial reporting are in compliance with all Ontario Energy Board (OEB) policies and guidelines. Act as a key resource to provide expert advice and recommendations in the implantation of all OEB, OPA and IESO codes and regulations in order to ensure corporate compliance. Track and reconcile all OEB accounts, including business rationale for changes in balances, cost side of accounts subject to prudency review (i.e. conservation, smart meters) and the cost side of Ontario Power Authority (OPA) programs.

Conservation / Demand

Settlement or Rate Analyst	Responsible for recording, creating, analyzing, processing and reconciling metering data. Operates and administers an MV-90 or similar data collection system, downloading, validating, editing, estimating and processing interval meter-related information. Has in-depth understanding of commercial billing practices, the IMO and the OEB's Retail Settlement Code. Analyses rates using rate sensitivity models and develops appropriate rate structures, using the specific models.
Director or Officer, Conservation and Demand Management	This position is responsible for planning, coordinating, evaluating and delivering energy and water conservation and demand management programs. Develops plans for programs in accordance with the OEB's conservation and demand management code to ensure achievement of OEB mandated energy consumption and demand conservation targets.
Manager Conservation & Demand/Marketing	Responsible for managing the development and implementation of CDM initiatives as well as the marketing communications expertise and support required for the successful delivery of the company's Conservation and Demand Management (CDM) programs. Marketing communication plans may include, but are not limited to advertising, media conferences, program launch events, workshops, event displays. Liaising with, as needed, senior marketing and/or communications personnel representing organizations and groups involved in conservation and sustainability including, but not limited to, the Ontario Power Authority (OPA), the Ontario Energy Board (OEB), Ministry of Energy, municipal and regional governments, etc.

Information Systems / Technology

Director Information Systems	Accountable for operations and alignment of the Information and Telecommunication Systems with the business in terms of organization objectives and imperatives. Ensures that existing needs and future demands of internal and external customers are met through a cost effective and efficient information and telecommunication infrastructure. Oversees IS management in areas of computer operations, systems planning, design, security, programming and telecommunications. Reviews and evaluates project feasibility and needs based upon management's and business requirements and priorities. Develops departmental plans, strategy, budgets and resource requirements. Typically reports to President & CEO, or CFO.
Manager Information Systems and/or Security	Manages and directs staff in areas of computer operations, systems planning, design, security, programming and telecommunications. Develops and maintains systems standards and procedures and assigns work to department staff. Reviews and evaluates project feasibility and needs based upon management's and business requirements and priorities. Develops departmental plans, project plans, budgets and resource requirements.
Systems/Program Administrator or Applications/Systems Support Professional	Responsible for maintenance of software systems including system analysis, programming and design, updates and changes. Makes a preliminary study of new applications and recommendations to implement them, including hardware and software. Troubleshoots and corrects problems in existing programs, other than normal problems, usually caused by changes of software or hardware.

Human Resources

Human Resources Manager	NOT the head of function. Develops and implements human resources programs, including compensation, benefits, recruitment, performance management, labour relations/negotiations, training and development, assists in policy development, HR planning, record keeping or payroll etc. May supervise a team of HR professionals or support staff. Reports to a senior HR professional (Director or VP or equivalent).
Human Resources Generalist	Assists in the development and implementation of human resources policies and programs by providing support and guidance to managers and employees in the areas of compensation, labour relations, employee relations, performance management, benefits, recruitment, training and HRIS systems. Acts as a business partner to the organization in the areas of human capital. May assist in the preparation of negotiations.
Human Resources Coordinator	Administrative support to one or more functional areas of HR and/or Safety. Processes, coordinates and enters into a HRIS or other system, a variety of documents including employment applications, benefits, compensation and payroll changes and confidential employee information. Responds to routine employment questions and distributes and maintains manuals and employee program communications.
Payroll	Performs the payroll coordination and administration. Maintains the organizations internal or external payroll system. Prepares monthly requisitions for WSIB, Employee Health Tax, Receiver General, OMERS Pension and Union Dues. Administers employee pension program and provides pension calculation estimates as requested. Reconciles monthly payroll for year-end finance procedures. Prepares annual T4's and T4A's and OMERS Pension and responds to inquiries from employees and pensioners regarding the pension plan.
Manager, Health & Safety	Accountable for the development and implementation of occupational health, safety and environmental programs, including training, maintenance of safe working conditions, investigation and reporting of workplace accidents. Also identifies areas of potential risk and makes recommendations to reduce or eliminate potential accident or health hazards in compliance with government regulations.

Communications

Director Communications	Directs the development, management and execution of internal and external corporate communications strategies for the company, and marketing and public relations initiatives. Acts as the Chief Spokesperson for the organization. Leads the management and development of the corporate brand and identity. Oversees the development, production and distribution of corporate publications including, but not limited to, the annual report, customer newsletters, information brochures, bill inserts, CDM/Green marketing materials, employee newsletters and media releases. Directs the development and management of the company's external (corporate internet site) and internal (corporate intranet site) web presence and strategy. Oversees the management and execution of internal and external corporate events as well as community-relations activities such as sponsorship and donation programs.
Manager Communications	Responsible for managing the development and implementation of all customer communications initiatives as well as the marketing communications expertise and support required for the successful delivery of the company's CDM and customer communications materials/systems. Communication materials may include, but are not limited to, customer newsletters, information brochures, bill form design, employee intranet, LCD information monitors, and website communications. Working in conjunction with Regulatory Affairs, develop materials or other communication methods to communicate regulatory changes/issues that may directly impact the customer. Manages event planning for internal and external company events.

APPENDIX EP 26b

REFERENCE: ENERGY PROBE INTERROGATORY 26(b)

Table 30
Tax Calculations

Item	2006 Actual
Accounting Net Income	**1,171,796**
Additions:	
Provision for income taxes	559,840
Amortization of tangible assets	642,658
Reserves at End of Year on lines 270 and 275 S13	-
Reserves from Financial Statements - balance end of year	654,875
Charitable Donations and gifts S2	
Realized Income from Deferred Credit Accounts	
Non deductible meals and entertainment	
Taxable Capital Gains	8,910
Financing fees deducted in books	
Smart Meter Revenue	
Unrealized loss on investment	
Regulatory Liabilities	-
Deductions:	
Capital cost allowance from Schedule 8	535,958
Gain on disposal of assets per financial statements	17,820
Reserves at End of Year - Post-Employment Benefits	-
Unrealized gain on investment	-
Cumulative Eligible Capital Deduction	42,162
Other Reserves on line 280 from S13	
Reserves from Financial Statements - balance beginning of year	650,037
Miscellaneous deduction	24,713
Capital Tax in Provision	-
Prior Period Adjustment	-
Total Tax Adjustments to Accounting Income	595,593
Income for Tax Purposes	**1,767,389**
Tax Rate Reflecting Tax Credits (Federal + Provincial)	36.09%
Income Taxes	637,939
Capital Tax Calculation:	
Total Rate Base	-
Reduction	7,500,000
Rate	0.300%

Capital Tax	22,361

	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Test
	737,512	**1,231,525**	**983,399**	**536,080**	**316,741**	**722,545**
	594,125	815,549	562,106	295,495	216,887	-
	726,586	813,512	852,414	824,357	839,799	975,107
	-	1,147,577	2,425,215	1,494,533	3,208,673	2,027,261
	1,817,734	2,158,769	3,819,852	3,895,579	2,715,448	2,714,808
				50	25	
						47,863
		859	1,715	1,412	442	
	10,600	-	-	-	-	-
			17,500			
			123,767	77,249	177,653	
		40,251		206	10,914	
	-	-	-	-	-	-
	632,770	782,063	751,488	694,176	763,427	862,566
	21,200			58,654		
	-	-	-	-	-	-
	11,845	-	2,672	-	-	-
	39,211	36,466	33,735	31,552	29,344	27,290
	1,147,577	1,472,589	2,447,159	3,208,673	2,027,261	1,808,053
	654,875	1,817,734	3,797,575	2,181,046	3,895,579	2,715,448
			3,500	3,500	3,500	
	-	-	-	-	-	-
	-	-	-	-	-	-
	641,567	867,665	766,440	411,280	450,730	351,682
	1,379,079	**2,099,190**	**1,749,839**	**947,360**	**767,471**	**1,074,227**
	36.07%	33.50%	43.72%	28.13%	28.25%	22.21%
	497,442	703,229	765,068	266,519	216,787	238,598
	-	-	-	-	-	-
	12,500,000	15,000,000	14,847,434	15,000,000	-	-
	0.285%	0.23%	0.225%	0.15%		

20,779	10,236	3,020	2,116	-	-

APPENDIX ENWIN #17A SHARED SERVICES AGREEMENT WITH E.L.K SOLUTIONS

REFERENCE: AMPCO INTERROGATORY 17(a)

SERVICES AGREEMENT

THIS AGREEMENT made as of the 1st day of January, 2013.

B E T W E E N:

E.L.K. SOLUTIONS INC.

(hereinafter called "**Solutions**")

OF THE FIRST PART;

- and –

E.L.K. ENERGY INC.

(hereinafter called "**Energy**")

OF THE SECOND PART.

WHEREAS Energy is a municipally-owned licensed distributor of electricity pursuant to the *Ontario Energy Board Act*, 1998;

AND WHEREAS Solutions is an affiliate of Energy, as such term is used and defined in the *Affiliates Relationships Code for Electricity Distributors and Transmitters* promulgated by the Ontario Energy Board on April 1, 1999;

AND WHEREAS Solutions is engaged in, or proposes to be engaged in, some of all of the activities which an affiliate of a municipally-owned electricity distributor is permitted to engage in pursuant to Section 71 of the *Ontario Energy Board Act*, 1998;

AND WHEREAS, in order to carry on such activities, Solutions wishes to contract with Energy on the terms and conditions hereinafter set forth for the provision by Energy to Solutions of certain of Energy's resources and the services of certain of Energy's employees;

NOW THEREFORE, the parties agree as follows:

Article I
INTERPRETATION

1.1 Where used in this Agreement, the following expressions shall have the following respective meanings.

(a) "**Act**" means the Ontario Energy Board Act, 1998;

(b) "**Agreement**" means this Agreement and all schedules hereto, as the same may be amended from time to time;

(c) "**Business**" means the business activities now or hereafter carried on by Solutions, being some or all of the activities referred to in Section 71 of the Act;

(d) "**Business Day**" means every day except Saturdays, Sundays and days observed as statutory holidays in the Province of Ontario;

(e) "**Code**" means the *Affiliates Relationships Code for Electricity Distributors and Transmitters*, as revised effective May 16, 2008 by the Ontario Energy Board;

(f) "**Designated Employees**" means the Chief Executive Officer, the Director of Finance and the Operations Manager of Energy, as well as the members of Energy's outside crews;

(g) "**Facilities**" means the office space, office supplies, office furniture and equipment located in Energy's premises at 172 Forest Avenue, Essex, Ontario;

(h) "**Prime Rate**" means the rate of interest per annum announced by the Royal Bank of Canada from time to time as its "prime rate".

(i) "**Services**" means the services of the Designated Employees in the following areas:

  (i) general ledger and bookkeeping;

  (ii) budgeting;

  (iii) tax return preparation and filing;

  (iv) governmental liaison and filings;

  (v) outdoor installation and maintenance work in connection with activities permitted to be conducted by Solutions under Section 73 of the *Ontario Energy Board Act*,

and the use by such Designated Employees of the Facilities in the course of providing such services;

(j) "**Term**" shall have the meaning ascribed thereto in Section 6.1 of this Agreement.

1.2 Time shall be of the essence in the performance of the parties' respective obligations.

1.3 Words denoting the singular include the plural and vice-versa and words denoting any gender include all genders.

1.4 The use of heading is for convenience of reference only and shall not affect the construction of this Agreement.

Article II

OBLIGATIONS OF ENERGY

2.1 From time to time, and at the request of the Chief Executive Officer of Solutions, one or more of the Designated Employees will be made available by Energy to Solutions to provide Services in relation to the Business. All such Services will be performed under the supervision of Solutions, and Energy will have no responsibility for the supervision of Designated Employees while performing such Services, or for ensuring that they achieve any particular result in performing such Services. Solutions may request the Services of each Designated Employee for up to a maximum of twenty (20) hours per week.

2.2 Designated Employees, in the course of performing Services in relation to the Business under Section 2.1, will have full access to, and use of, the Facilities.

2.3 Energy and Solutions agree that if Solutions at any time during the Term becomes an "**energy service provider**" (as such term is used and defined in the Code), any Designated Employee directly involved in collecting, or having access to, "**confidential information**" (as such term is used and defined in the Code) shall cease, from and after such time, to be available to provide services to Solutions hereunder and will cease to be a Designated Employee hereunder.

Article III

CONFIDENTIALITY

3.1 All information relating to the Business to which Energy may become privy by virtue of this Agreement, is proprietary to Solutions and shall be considered confidential information for the purposes of this Agreement and shall be kept confidential by Energy. All information relating to any aspect of Energy's business is proprietary to Energy and, except as may be required in order to comply with Section 8.1 and enable Solutions to verify the charges it is required to pay pursuant to Section 5.1, shall not be disclosed to Solutions. All such information which is disclosed to Solutions shall be kept confidential by Solutions. Both parties shall exercise the same standard of care with respect to the other party's confidential information as it would exercise with its own confidential information of similar value and kind. Neither party shall disclose or divulge the contents of same to any third party without the prior written consent of the other party, provided that:

(a) either party may disclose any such information which has been publicly disclosed (other than by a party in breach of its obligations hereunder), or which has rightfully come into its possession (other than from the other party); and

(b) to the extent that the party may be compelled by legal or regulatory requirements to disclose any of such information, such party may disclose such information if it shall have used all reasonable efforts to obtain, and shall have afforded the other party the opportunity to obtain, an appropriate protective order, or other satisfactory assurance of confidential treatment for the information compelled to be disclosed.

The parties will satisfy their obligations hereunder by taking appropriate action, by agreement or otherwise, with respect to its employees, including all Designated Employees and other persons capable of accessing the information. Such action shall include, without limitation, diligently applying the available protections, informing personnel of applicable restrictions, and using reasonable care to prevent unauthorized use and disclosure of the information.

3.2 Solutions shall not use Energy's confidential information for any purpose whatsoever, other than verifying the charges it is required to pay pursuant to Section 5.1. Energy shall not use Solution's confidential information for any purpose, except in connection with and to the extent necessary for the provision of the Services pursuant to this Agreement.

3.3 The provisions of Sections 3.1 and 3.2 shall survive any termination of this Agreement.

Article IV
SERVICE LEVELS

4.1 Energy agrees to use all commercially reasonable efforts to ensure that the Designated Employees are available to provide Services in connection with the Business to Solutions as and when requested by Solutions pursuant to Section 2.1, and to use commercially reasonable efforts to ensure that such Designated Employees perform such Services conscientiously and diligently, but other than as provided in this Section 4.1 and Section 4.3, makes no representation or warranty concerning the Services.

4.2 Solutions shall have the right to direct the job functions of the Designated Employees while (and only while) they are providing Services, but nothing in this clause shall be deemed to disturb the direct employment relationship between Energy and the Designated Employees, and nothing in this clause shall be deemed to create an employment relationship between the Designated Employees and Solutions.

4.3 Energy agrees that the Facilities (or replacement facilities of a similar quality) will be kept available for the use by Designated Employees in the course of their performance of Services for Solutions to the same extent that such Facilities are available to such Designated Employees in the course of their rendering services for and on behalf of Energy.

Article V
OBLIGATIONS OF SOLUTIONS

5.1 On the final Business Day of each month during the term of this Agreement, Solutions will pay Energy a fee in respect of each Designated Employee who renders Services hereunder during the immediately prior month, which fee will be composed of the following elements:

(a) The aggregate salary payable by Energy to such Designated Employee in or in respect of such month, divided by the number of hours in such month the Designated Employee is required to work (without taking into account overtime), (the "**Aggregate Business Hours**") multiplied by the number of hours such Designated Employee was involved in rendering Services hereunder during such month (the "**DE Hours Worked**"); and

(b) A 40% mark-up on the amount referred to in clause (a) above, representing an allocation of the costs of providing employee benefits to such Designated Employee; and

(c) The Applicable Fraction of the sum obtained by dividing the number of Aggregate Business Hours in such month by the number of DE Hours Worked by such Designated Employee in such month, and multiplying the result by the total amount paid by Energy in respect of rent, electricity, heating and similar occupancy charges in respect of the Facilities in such month;

(d) The Applicable Fraction of the sum obtained by multiplying Monthly Depreciation by a fraction, the numerator of which is the number of DE Hours Worked by such Designated Employee, and the denominator of which is the Aggregate Business Hours for such month, where "**Monthly Depreciation**" means the sum obtained by multiplying the undepreciated capital cost of all capital equipment comprised within the Facilities by a monthly depreciation charge equal to one-twelfth ($1/12^{th}$) of the annual depreciation reflected in Energy's books and records in respect of such capital equipment; and

(e) A percentage mark-up on the aggregate of the amounts referred to in clauses (a) to (d) inclusive equal to the higher of, at such time, Energy's annual weighted average cost of capital which has been approved by the Ontario Energy Board in respect of Energy's operations as at such time, divided by 12.

As used above, the term "**Applicable Fraction**" means a fraction having as its numerator the number one, and having as its denominator the total number of employees of Energy using and occupying the Facilities.

The aggregate charges payable by Solutions in respect of all Designated Employees as set out above will be calculated by Energy and set out in a detailed invoice rendered by Energy to Solutions on or before the tenth (10^{th}) day following the completion of each month during the Term.

Article VI
TERM

6.1 The term of this Agreement shall commence as at the date hereof and shall terminate on December 31, 2013.

Article VII
TERMINATION

7.1 This Agreement shall not be terminated except by expiry at the end of the Term or by operation of law, or by mutual agreement of the parties.

Article VIII
ACCESS, AUDIT AND INSPECTION

8.1 Energy agrees to provide Solutions with full and complete written details and materials as may, from time to time, be required by Solutions in support of any invoice rendered by Energy pursuant to Section 5.1, including, without limitation, payroll records and the like.

Article IX
COMPLIANCE WITH LAW

9.1 Energy and Solutions shall maintain compliance with all federal, provincial legislation, rules, regulations and the like during the Term, including, without limitation:

(a) all workplace health and safety legislation;

(b) all human rights and equity compliance obligations;

(c) all contractual obligations relating to benefits, wages and the like;

(d) all manpower confidentiality, safety and security responsibilities; and

(e) the Code and the Act.

Article X
LIMITATION OF LIABILITY

10.1 The parties agrees that there are no warranties, express or implied, except those expressly stated in this Agreement relating to the provision of the Services by Energy and the use of the Services by Solutions. Energy shall not be liable for any indirect, special or consequential damages, such as, but not limited to, loss of anticipated profits or savings or other economic loss in connection with or arising out of the Services. Energy's aggregate liability hereunder for damages, however caused, shall not exceed the total amount actually paid for the Services by Solutions. The parties agree that the Services are provided on the basis of an independent services contract between Solutions and Energy and that no employee of Energy is or shall be deemed to be an employee of Solutions by virtue of the fact that the employee provides Services under this Agreement. The parties further agree that Energy shall continue to be responsible for the employment of all Designated Employees and shall be responsible for all statutory withholdings, payments and levies applicable to such continued employment.

Article XI
DISPUTE RESOLUTION

11.1 Upon written notice by either party to the other (a "**Notice of Arbitration**"), any dispute hereunder (a "Dispute") shall be finally settled by arbitration in accordance with the provisions of the *Arbitration Act* (Ontario) (the "**Arbitration Act**"), subject to the following:

(a) The arbitration tribunal shall consist of one arbitrator appointed by mutual agreement of the parties, or in the event of failure to agree within 10 Business Days following delivery of the Notice of Arbitration, any party may apply to a judge of the Superior Court of Justice (Ontario) to appoint an arbitrator. The arbitrator shall be qualified by education, training and industry experience to rule upon the particular matter to be decided;

(b) The arbitrator shall be instructed that time is of the essence in the arbitration proceeding and, in any event, the arbitration award must be made within 90 days of the submission of the Dispute to arbitration and within 15 days of the conclusion of any hearing, or, if none, written submissions.

(c) After written notice is given to refer any Dispute to arbitration, the parties will meet within 10 Business Days of delivery of the notice and will negotiate in good faith any changes in these arbitration provisions or the rules of arbitration which are herein adopted, in an effort to expedite the process and otherwise ensure that the process is appropriate given the nature of the Dispute and the values at risk;

(d) The arbitration shall take place in Windsor, Ontario and shall be conducted in the English language;

(e) The arbitration award shall be given in writing and shall be final and binding on the parties, and there shall be no appeal therefrom (including on a question of law). The award shall give reasons and shall deal with the question of costs of arbitration and all related matters;

(f) Judgment upon any award may be entered in any Court having jurisdiction or application may be made to the Court for a judicial recognition of the award or an order of enforcement, as the case may be;

(g) All Disputes referred to arbitration (including the scope of the agreement to arbitrate, any statute of limitations, set-off claims, conflict of laws rules, tort claims and interest claims) shall be governed by the substantive law of Ontario; and

(h) The parties agree that the arbitration shall be kept confidential and that the existence of the proceeding and any element of it (including any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions and any awards) shall not be disclosed beyond the arbitrator, the parties, their counsel and any person necessary to the conduct of the proceeding, except as may lawfully be required in judicial proceedings relating to the arbitration or otherwise.

Article XII
GOVERNING LAW

12.1 The laws of the Province of Ontario and the federal laws of Canada applicable therein shall govern this Agreement.

Article XIII
ASSIGNMENT

13.1 Neither party may assign its rights or obligations under this Agreement without the prior written consent of the other party.

Article XIV
NOTICES

14.1 Notices hereunder may be delivered personally or telecopied to the party at the address shown below. The addresses of the parties for notices are as follows:

(a) Solutions: 172 Forest Avenue,
Essex, Ontario
N8M 2E4

Attention: Chief Executive Officer

(b) Energy: 172 Forest Avenue,
Essex, Ontario
N8M 2E4

Attention: Board Chairperson

Article XV
MODIFICATION OF THIS AGREEMENT

15.1 This Agreement may not be modified except by an instrument in writing signed by both parties.

Article XVI
FORCE MAJEURE

16.1 Except as provided herein, Energy shall not be liable for failure to furnish the Services if due to causes or conditions reasonably beyond the control of Energy. Such causes shall include, but not be limited to, labour, unrest, riots, acts of war, epidemics, governmental regulations imposed after the fact, fire, earthquakes, floods or other disasters. The performance of any obligations shall be delayed to the extent, and for the period of time that Energy is prevent from performing it by reason of the above-mentioned causes.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the day and year written above.

E.L.K. SOLUTIONS INC.

Per: ______________________

E.L.K. ENERGY INC.

Per: Ron McDermott

\2513002.5

APPENDIX SEC 14a PAY EQUITY PLAN

REFERENCE: SEC INTERROGATORY 14(a)

Posted - 9 July 2004
Removed - 12 October 2004

E.L.K. Energy Inc.

COPY

PAY EQUITY PLAN

Establishment and Employer

This pay equity plan covers all employees employed by E.L.K. Energy Inc. who are members of the IBEW Local 636 bargaining unit. A joint union-management job evaluation committee was formed to guide the process.

Posting Date

E.L.K. Energy posted this plan on 9 July 2004.

Job Classes

All jobs within the bargaining unit were grouped into job classes for comparison purposes. A job class may consist of one job or may include a group of jobs which:

- Have similar duties and responsibilities,
- Require similar qualifications,
- Are filled by similar recruiting procedures, and
- Have the same salary range.

Each job class was reviewed to determine whether it was a male, female or gender-neutral job class as defined by the Pay Equity Act.

A listing of all positions and their gender designation for Pay Equity purposes is provided as Schedule I.

Method of Comparison

The method of comparison used was a point factor gender-neutral job evaluation system. The evaluation system contained the mandatory factors of Skill, Effort, Responsibility and Working Conditions. Each of these factors was then divided into sub-factors as follows:

Skill

Education and Experience
Depth of Knowledge
Physical Skill
Communications and Interpersonal Skills
Applied Reasoning and Analytical Skills

Effort

Mental Effort
Physical Effort

Responsibility

Customer Service Focus
Impact of Decisions
Leadership
Responsibility for Health and Safety

Working Conditions

Working Environment

Each factor and sub factor was weighted to provide a point value for each level within each sub-factor.

The committee agreed on a format to collect job information. For each designated job class a questionnaire was completed. All employees in a job class were provided with an opportunity to review the completed questionnaires to be sure the questionnaires were complete and represent the full scope of the jobs.

The joint committee applied the Job Evaluation plan criteria to each job class as described in the questionnaires. A point rating was assigned to each job class. The joint committee agreed the following relationships represent the hierarchy of jobs within the bargaining unit:

Sub-Foreman
Lead Hand
Power Line Maintainer
Senior Customer Service Representative
Customer Service Representative
Apprentice

Method of Comparison

The Pay Equity Act stipulates a specific sequence for comparing the value of a female job class to a male job class. For the employees of the IBEW bargaining unit the only method available is the job-to-job comparison method. The application of this method requires the identification of each female job class and their comparable valued male job class. The job rates for each of these comparably valued female and male job classes are examined to determine if there are differences that need to be rectified. The results are described in the next section.

Pay Equity Comparisons/Job Rates

Through the application of the comparison method described in the previous section the following pay equity comparisons were identified:

Female Job Class	*Job rate*	*Male Job Class*	*Job Rate*
Senior Customer Service Representative	\$19.97/hour	Apprentice	\$22.53/hour
Customer Service Representative	\$18.98/hour	Apprentice	\$22.53/hour

NOTE: All rates shown above are effective April 1, 2004. The Apprentice role evaluated represents the work at the end of the second year, and the rate shown is the rate for the Apprentice at the completion of the second year.

Pay Equity Adjustments

The difference in the job rates for the two female job classes, compared to the Apprentice male job class, results in the following adjustments:

Senior Customer Service Representative: \$22.53 minus \$19.97 = \$2.56/hour
Customer Service Representative: \$22.53 minus \$18.98 = \$3.55/hour

Implementation of pay equity will be made retroactively to 1 January 2000.

Retroactive pay will be calculated using the appropriate difference in hourly rates for each respective calendar/contract period calculated from the implementation date to 9 October 2004.

1. Retroactive pay equity adjustments will be paid on 14 October 2004.
2. Current pay rates for eligible employees in female job classes will be adjusted on a go-forward basis to the required pay equity rate effective 10 October 2004.

Employee Review

This plan has been developed and posted to reflect "changed circumstances" resulting from the creation of E.L.K Energy. Therefore the plan will be posted for 90 days in the workplace, during which time employees may identify any concerns and submit comments to either;

Michael Audet	Dan Giesbrecht
E.L.K. Energy	IBEW

Both parties will review any comments received to determine whether any changes are required to the Pay Equity Plan. If changes are required an amended Plan will be posted no later than 7 days after the review period is completed.

Employee Rights

An employee may, at any time, contact the Pay Equity Commission if, in their opinion, pay equity is not being implemented in accordance with requirements of the Act. Further details are provided in the Pay Equity Act.

AGREEMENT

THIS PLAN HAS BEEN NEGOTIATED AND AGREED-TO BY BOTH E.L.K. ENERGY AND THE IBEW LOCAL 636.

SIGNED AND AGREED TO BY:

E.L.K. ENERGY	IBEW Local 636
Robert Croft 8 July 2004	Dan Giesbrecht July 5/04
Name and Date	Name and Date
[illegible] 8 July 2004	[illegible] July 6/04
Sandra Slater 8 July 2004	Dan [illegible] July 6/04
[illegible] 8 July 2004	

SCHEDULE I

E.L.K. ENERGY INC. PAY EQUITY PLAN

Male job classes	**Female Job classes**
Sub-Foreman	Senior Customer Service Representative.
Lead Hand	Customer Service Representative
Power Line Maintainer	
Apprentice (completion of year 2)	

E.L.K.
Energy Inc.

COPY

Posted Dec 10 '04
Removed MAR 10 '05
(end of Day)

PAY EQUITY PLAN
for
NON-UNION/SUPERVISORY/MANAGEMENT EMPLOYEES

Establishment and Employer

This pay equity plan covers all non-union/supervisory/management employees employed by E.L.K. Energy.

Posting Date

E.L.K. Energy adopted this plan on the 10th of December 2004.

Job Classes

Each job was reviewed to determine whether it was a single incumbent job or a job class as defined by the Act and further whether the job was a male, female or gender-neutral job class as defined by the Pay Equity Act.

A listing of all jobs covered by this plan and their gender designation for Pay Equity purposes is identified in the following section "Method of Comparison".

Method of Comparison

The method of comparison used was a point factor gender-neutral job evaluation system. The evaluation system contained the mandatory factors of Skill, Effort, Responsibility and Working Conditions. Each of these factors was then divided into sub-factors as follows:

Skill

Education and Experience
Depth of Knowledge
Physical Skill
Communications and Interpersonal Skills
Applied Reasoning and Analytical Skills

Responsibility

Customer Service Focus
Impact of Decisions
Leadership
Responsibility for Health and Safety

Effort

Mental Effort and Physical Effort

Working Conditions

Working Environment

Each Factor and sub factor was weighted to provide a point value for each level within each sub-factor.

For each designated job detailed information regarding the content of the job was collected. The Job Evaluation plan criteria were applied to each job. A point rating was assigned to each job.

The following relationships represent the hierarchy of all jobs within the non-union group of employees covered by this plan:

Director of Finance
Operations Manager
Accountant
Customer Service Representative-Part Time
Administrative Assistant-Part Time

Method of Comparison

The Pay Equity Act stipulates a specific sequence for comparing the value of a female job class to a male job class. For the employees of E.L.K. Energy the only method available is the job-to-job comparison method. The application of this method requires the identification of each female job class and their comparably valued male job class. The comparison must first be completed within the non-union group and then if no comparators are found for a female job class the values of male job classes within bargaining units within the same establishment must be examined. The job rates for each of these comparably valued female and male job classes are examined to determine if there are differences in job rates. The results are described in the next section.

Pay Equity Comparisons

Through the application of the method described in the previous section the following pay equity comparisons were identified:

Female Job	***Single Incumbent/ Job Class***	***Male Job***	***Single Incumbent/ Job Class***
Director of Finance	Single Incumbent	Operations Manager	Single Incumbent
Accountant	Single Incumbent	*No comparably valued male job/job class*	
Customer Service Representative Part-time	Single Incumbent	Apprentice* (6 months)	Job Class
Administrative Assistant Part-time	Single Incumbent	Apprentice* (6 months)	Job Class

The Apprentice role evaluated represents the content of the job class at the end of 6 months and therefore the job rate in effect at the end of 6 months is used as the comparative rate.

Pay Equity Adjustments

The job rates for the female job classes with male comparators were compared to determine if differences exist. The job rates for the female job classes with male comparators were at least equal to or higher than their male comparator with the exception of the Customer Service Representative Part-time. The comparable rates are:

Customer Service Representative Part-time: $14.98/hour

Apprentice (6 months) $16.90/hour

> *Therefore the difference of ($16.90 less $14.98) $1.92/hour represents the pay equity adjustment for the female job class of Customer Service Representative Part-time.*

Implementation of pay equity will be made retroactive to January 1, 2000.

Retroactive pay will be calculated using the appropriate difference in hourly rates for each respective calendar/contract period calculated from the implementation date to March 5, 2005.

1. Retroactive pay equity adjustments will be paid on March 17, 2005.
2. Current pay rates for eligible employees in female job classes will be adjusted on a go-forward basis to the required pay equity rate effective March 6, 2005.

Employee Review

This plan has been developed and posted to reflect "changed circumstances" resulting from the creation of E.L.K Energy. Therefore the plan will be posted for 90 days in the workplace, during which time employees may identify any concerns and submit questions and comments to:

Michael Audet

If changes are required, an amended Plan will be developed no later than 7 days after the review period is completed and communicated to all employees covered by this plan

Employee Rights

An employee may, at any time, contact the Pay Equity Commission if, in their opinion, pay equity is not being implemented in accordance with requirements of the Act. Further details are provided in the Pay Equity Act.

THE PAY EQUITY PLAN FOR NON-UNION/SUPERVISORY/MANGEMENT EMPLOYEES OF E.L.K. ENERGY WAS ADOPTED AND AGREED TO ON:

9 December 2004
DATE

Bob Croft

Bob Croft
Chair

MICHAEL AUDET
Chief Executive Officer

APPENDIX SEC 17

REFERENCE: SEC INTERROGATORY 17

E.L.K. Energy Inc.
SEC 17
Reconciliation ofPILs per RRR filing to Table 4.39

	2008	2009	2010	2011
RRR filing, accrued estimate	854	562	580	217
Difference from estimate to actual tax filing	(141)	206		-
Retroactive restatement of 2010 amounts booked in 2011	-	-	(285)	-
Table 4.39, agrees to tax returns	713	768	295 *	217

* Amount differs from tax returns by $0.26

2012

APPENDIX ELK 2012_REV_REQT_WORK_FORM_BOARD STAFF 26

REFERENCE: BOARD STAFF INTERROGATORY 26

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

Choose Your Utility:

Cooperative Hydro Embrun Inc.
E.L.K. Energy Inc.
Enersource Hydro Mississauga Inc.

File Number: EB-2011-0099

Rate Year: 2012

Application Contact Information

Name:	Mark Danelon
Title:	Manager, Finance & Regulatory Affairs
Phone Number:	Tel: 519-776-5291 Ext 204
Email Address:	mdanelon@elkenergy.com

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E.L.K. Energy Inc.

Table of Contents

Notes:

(1)	Pale green cells represent inputs
(2)	Pale green boxes at the bottom of each page are for additional notes
(3)	Pale yellow cells represent drop-down lists
(4)	***Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.***
(5)	***Completed versions of the Revenue Requirement Work Form are required to be filed in working Microsoft Excel***

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

E.L.K. Energy Inc.

Data Input (1)

		Initial Application				(6)	Per Board Decision	
1	**Rate Base**							
	Gross Fixed Assets (average)	$24,601,738			$ 24,601,738		$24,601,738	
	Accumulated Depreciation (average)	($15,504,990)	(5)		($15,504,990)		($15,504,990)	
	Allowance for Working Capital:							
	Controllable Expenses	$2,629,509			$ 2,629,509		$2,629,509	
	Cost of Power	$25,166,131		$82,819	$ 25,248,949		$25,248,949	
	Working Capital Rate (%)	15.00%			15.00%		15.00%	
2	**Utility Income**							
	Operating Revenues:							
	Distribution Revenue at Current Rates	$3,156,142		$71,047	$3,227,189			
	Distribution Revenue at Proposed Rates	$3,859,625		$812	$3,860,437			
	Other Revenue:							
	Specific Service Charges	$66,000		$0	$66,000			
	Late Payment Charges	$130,000		$0	$130,000			
	Other Distribution Revenue	$407,055		$0	$407,055			
	Other Income and Deductions	$77,000		$0	$77,000			
	Total Revenue Offsets	$680,055	(7)	$0	$680,055			
	Operating Expenses:							
	OM+A Expenses	$2,606,509			$ 2,606,509		$2,606,509	
	Depreciation/Amortization	$975,107			$ 975,107		$975,107	
	Property taxes	$23,000			$ 23,000		$23,000	
	Other expenses							
3	**Taxes/PILs**							
	Taxable Income:							
	Adjustments required to arrive at taxable income	$351,682	(3)		$351,682			
	Utility Income Taxes and Rates:							
	Income taxes (not grossed up)	$185,603			$185,722			
	Income taxes (grossed up)	$238,598			$238,758			
	Federal tax (%)	15.00%			15.00%			
	Provincial tax (%)	7.21%			7.21%			
	Income Tax Credits							
4	**Capitalization/Cost of Capital**							
	Capital Structure:							
	Long-term debt Capitalization Ratio (%)	56.0%			56.0%			
	Short-term debt Capitalization Ratio (%)	4.0%	(2)		4.0%	(2)		(2)
	Common Equity Capitalization Ratio (%)	40.0%			40.0%			
	Prefered Shares Capitalization Ratio (%)							
		100.0%			100.0%			
	Cost of Capital							
	Long-term debt Cost Rate (%)	2.71%			2.71%			
	Short-term debt Cost Rate (%)	2.08%			2.08%			
	Common Equity Cost Rate (%)	9.12%			9.12%			
	Prefered Shares Cost Rate (%)							

Notes:

General Data inputs are required on Sheets 3, 10A and 10B. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.

(1) All inputs are in dollars ($) except where inputs are individually identified as percentages (%)

(2) 4.0% unless an Applicant has proposed or been approved for another amount.

(3) Net of addbacks and deductions to arrive at taxable income.

(4) Average of Gross Fixed Assets at beginning and end of the Test Year

(5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.

(6) Select option from drop-down list by clicking on cell M10. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.

(7) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

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E.L.K. Energy Inc.
Rate Base and Working Capital

Rate Base

Line No.	Particulars		Initial Application				Per Board Decision
1	Gross Fixed Assets (average)	(3)	$24,601,738	$ -	$24,601,738	$ -	$24,601,738
2	Accumulated Depreciation (average)	(3)	($15,504,990)	$ -	($15,504,990)	$ -	($15,504,990)
3	Net Fixed Assets (average)	(3)	$9,096,748	$ -	$9,096,748	$ -	$9,096,748
4	Allowance for Working Capital	(1)	$4,169,346	$12,423	$4,181,769	$ -	$4,181,769
5	**Total Rate Base**		$13,266,094	$12,423	$13,278,516	$ -	$13,278,516

Allowance for Working Capital - Derivation

(1)

Line No.	Particulars		Initial Application				Per Board Decision
6	Controllable Expenses		$2,629,509	$ -	$2,629,509	$ -	$2,629,509
7	Cost of Power		$25,166,131	$82,819	$25,248,949	$ -	$25,248,949
8	Working Capital Base		$27,795,640	$82,819	$27,878,459	$ -	$27,878,459
9	Working Capital Rate %	(2)	15.00%	0.00%	15.00%	0.00%	15.00%
10	Working Capital Allowance		$4,169,346	$12,423	$4,181,769	$ -	$4,181,769

Notes

(2) Some Applicants may have a unique rate as a result of a lead-lag study.

(3) Average of opening and closing balances for the year.

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

E.L.K. Energy Inc.

Utility Income

Line No.	Particulars		Initial Application				Per Board Decision
	Operating Revenues:						
1	Distribution Revenue (at Proposed Rates)		$3,859,625	$812	$3,860,437	$ -	$3,860,437
2	Other Revenue	(1)	$680,055	$ -	$680,055	$ -	$680,055
3	Total Operating Revenues		$4,539,680	$812	$4,540,492	$ -	$4,540,492
	Operating Expenses:						
4	OM+A Expenses		$2,606,509	$ -	$2,606,509	$ -	$2,606,509
5	Depreciation/Amortization		$975,107	$ -	$975,107	$ -	$975,107
6	Property taxes		$23,000	$ -	$23,000	$ -	$23,000
7	Capital taxes		$ -	$ -	$ -	$ -	$ -
8	Other expense		$ -	$ -		$ -	
9	Subtotal (lines 4 to 8)		$3,604,617	$ -	$3,604,617	$ -	$3,604,617
10	Deemed Interest Expense		$212,518	$199	$212,717	$ -	$212,717
11	Total Expenses (lines 9 to 10)		$3,817,135	$199	$3,817,334	$ -	$3,817,334
12	**Utility income before income taxes**		$722,545	$613	$723,158	$ -	$723,158
13	Income taxes (grossed-up)		$238,598	$160	$238,758	$ -	$238,758
14	**Utility net income**		$483,947	$453	$484,400	$ -	$484,400

Notes

Other Revenues / Revenue Offsets

		Initial Application				Per Board Decision
(1)	Specific Service Charges	$66,000	$ -	$66,000		$66,000
	Late Payment Charges	$130,000	$ -	$130,000		$130,000
	Other Distribution Revenue	$407,055	$ -	$407,055		$407,055
	Other Income and Deductions	$77,000	$ -	$77,000		$77,000
	Total Revenue Offsets	$680,055	$ -	$680,055	$ -	$680,055

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

E.L.K. Energy Inc.

Taxes/PILs

Line No.	Particulars	Application		Per Board Decision
	Determination of Taxable Income			
1	Utility net income before taxes	$483,947	$484,400	$484,400
2	Adjustments required to arrive at taxable utility income	$351,682	$351,682	$351,682
3	Taxable income	$835,629	$836,082	$836,082
	Calculation of Utility income Taxes			
4	Income taxes	$185,603	$185,722	$185,722
6	Total taxes	$185,603	$185,722	$185,722
7	Gross-up of Income Taxes	$52,995	$53,036	$53,036
8	Grossed-up Income Taxes	$238,598	$238,758	$238,758
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	$238,598	$238,758	$238,758
10	Other tax Credits	$ -	$ -	$ -
	Tax Rates			
11	Federal tax (%)	15.00%	15.00%	15.00%
12	Provincial tax (%)	7.21%	7.21%	7.21%
13	Total tax rate (%)	22.21%	22.21%	22.21%

Notes

Ontario Energy Board
REVENUE REQUIREMENT WORK FORM

Version 2.20

E.L.K. Energy Inc.

Capitalization/Cost of Capital

Initial Application

Line No.	Particulars	Capitalization Ratio (%)	Capitalization Ratio ($)	Cost Rate (%)	Return ($)
	Debt				
1	Long-term Debt	56.00%	$7,429,012	2.71%	$201,481
2	Short-term Debt	4.00%	$530,644	2.08%	$11,037
3	**Total Debt**	60.00%	$7,959,656	2.67%	$212,518
	Equity				
4	Common Equity	40.00%	$5,306,437	9.12%	$483,947
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$5,306,437	9.12%	$483,947
7	**Total**	100.00%	$13,266,094	5.25%	$696,465

Line No.	Particulars	Capitalization Ratio (%)	Capitalization Ratio ($)	Cost Rate (%)	Return ($)
	Debt				
1	Long-term Debt	56.00%	$7,435,969	2.71%	$201,669
2	Short-term Debt	4.00%	$531,141	2.08%	$11,048
3	**Total Debt**	60.00%	$7,967,110	2.67%	$212,717
	Equity				
4	Common Equity	40.00%	$5,311,407	9.12%	$484,400
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$5,311,407	9.12%	$484,400
7	**Total**	100.00%	$13,278,516	5.25%	$697,117

Per Board Decision

Line No.	Particulars	Capitalization Ratio (%)	Capitalization Ratio ($)	Cost Rate (%)	Return ($)
	Debt				
8	Long-term Debt	56.00%	$7,435,969	2.71%	$201,669
9	Short-term Debt	4.00%	$531,141	2.08%	$11,048
10	**Total Debt**	60.00%	$7,967,110	2.67%	$212,717
	Equity				
11	Common Equity	40.00%	$5,311,407	9.12%	$484,400
12	Preferred Shares	0.00%	$ -	0.00%	$ -
13	**Total Equity**	40.00%	$5,311,407	9.12%	$484,400
14	**Total**	100.00%	$13,278,516	5.25%	$697,117

Notes

(1) 4.0% unless an Applicant has proposed or been approved for another amount.

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

E.L.K. Energy Inc.
Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application: At Current Approved Rates	Initial Application: At Proposed Rates	At Current Approved Rates	At Proposed Rates	Per Board Decision: At Current Approved Rates	Per Board Decision: At Proposed Rates
1	Revenue Deficiency from Below		$703,483		$633,248		$633,248
2	Distribution Revenue	$3,156,142	$3,156,142	$3,227,189	$3,227,189	$3,227,189	$3,227,189
3	Other Operating Revenue Offsets - net	$680,055	$680,055	$680,055	$680,055	$680,055	$680,055
4	**Total Revenue**	$3,836,197	$4,539,680	$3,907,244	$4,540,492	$3,907,244	$4,540,492
5	Operating Expenses	$3,604,617	$3,604,617	$3,604,617	$3,604,617	$3,604,617	$3,604,617
6	Deemed Interest Expense	$212,518	$212,518	$212,717	$212,717	$212,717	$212,717
	Total Cost and Expenses	$3,817,135	$3,817,135	$3,817,334	$3,817,334	$3,817,334	$3,817,334
7	**Utility Income Before Income Taxes**	$19,062	$722,545	$89,910	$723,158	$89,910	$723,158
8	Tax Adjustments to Accounting Income per 2009 PILs	$351,682	$351,682	$351,682	$351,682	$351,682	$351,682
9	**Taxable Income**	$370,744	$1,074,227	$441,592	$1,074,840	$441,592	$1,074,840
10	Income Tax Rate	22.21%	22.21%	22.21%	22.21%	22.21%	22.21%
11	**Income Tax on Taxable Income**	$82,346	$238,598	$98,092	$238,758	$98,092	$238,758
12	**Income Tax Credits**	$ -	$ -	$ -	$ -	$ -	$ -
13	**Utility Net Income**	($63,284)	$483,947	($8,182)	$484,400	($8,182)	$484,400
14	**Utility Rate Base**	$13,266,094	$13,266,094	$13,278,516	$13,278,516	$13,278,516	$13,278,516
	Deemed Equity Portion of Rate Base	$5,306,437	$5,306,437	$5,311,407	$5,311,407	$5,311,407	$5,311,407
15	Income/(Equity Portion of Rate Base)	-1.19%	9.12%	-0.15%	9.12%	-0.15%	9.12%
16	Target Return - Equity on Rate Base	9.12%	9.12%	9.12%	9.12%	9.12%	9.12%
17	Deficiency/Sufficiency in Return on Equity	-10.31%	0.00%	-9.27%	0.00%	-9.27%	0.00%
18	Indicated Rate of Return	1.12%	5.25%	1.54%	5.25%	1.54%	5.25%
19	Requested Rate of Return on Rate Base	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%
20	Deficiency/Sufficiency in Rate of Return	-4.13%	0.00%	-3.71%	0.00%	-3.71%	0.00%
21	Target Return on Equity	$483,947	$483,947	$484,400	$484,400	$484,400	$484,400
22	Revenue Deficiency/(Sufficiency)	$547,231	$ -	$492,583	$ -	$492,583	$ -
23	**Gross Revenue Deficiency/(Sufficiency)**	$703,483 **(1)**		$633,248 **(1)**		$633,248 **(1)**	

Notes:

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

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

E.L.K. Energy Inc.

Revenue Requirement

Line No.	Particulars	Application				Per Board Decision	
1	OM&A Expenses	$2,606,509		$2,606,509		$2,606,509	
2	Amortization/Depreciation	$975,107		$975,107		$975,107	
3	Property Taxes	$23,000		$23,000		$23,000	
5	Income Taxes (Grossed up)	$238,598		$238,758		$238,758	
6	Other Expenses	$ -					
7	Return						
	Deemed Interest Expense	$212,518		$212,717		$212,717	
	Return on Deemed Equity	$483,947		$484,400		$484,400	
8	**Service Revenue Requirement (before Revenues)**	$4,539,680		$4,540,492		$4,540,492	
9	Revenue Offsets	$680,055		$680,055		$ -	
10	**Base Revenue Requirement**	$3,859,625		$3,860,437		$4,540,492	
11	Distribution revenue	$3,859,625		$3,860,437		$3,860,437	
12	Other revenue	$680,055		$680,055		$680,055	
13	**Total revenue**	$4,539,680		$4,540,492		$4,540,492	
14	**Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)**	$ -	(1)	$ -	(1)	$ -	(1)

Notes

(1) Line 11 - Line 8

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

E.L.K. Energy Inc.

Bill Impacts - Residential

○ Application of New Loss Factor to all applicable items ○ Application of new Loss Factor to Delivery Items Only

Consumption 800 **kWh**

			Current Board-Approved			Proposed			Impact	
		Charge Unit	**Rate ($)**	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
1	Monthly Service Charge		$ 11.1300	1	$ 11.13	$ 13.3100	1	$ 13.31	$ 2.18	19.59%
2	Smart Meter Rate Adder		$ 1.4500	1	$ 1.45	-$ 0.9400	1	-$ 0.94	-$ 2.39	-164.83%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate		$ 0.0079	800	$ 6.32	$ 0.0095	800	$ 7.60	$ 1.28	20.25%
6	Low Voltage Rate Adder		$ 0.0016	800	$ 1.28	$ 0.0013	800	$ 1.04	-$ 0.24	-18.75%
7	Volumetric Rate Adder(s)			800	$ -		800	$ -	$ -	
8	Volumetric Rate Rider(s)			800	$ -		800	$ -	$ -	
9	Smart Meter Disposition Rider			800	$ -		800	$ -	$ -	
10	LRAM & SSM Rate Rider			800	$ -	$ 0.0007	800	$ 0.56	$ 0.56	
11	Deferral/Variance Account Disposition Rate Rider		$ 0.0086	800	$ 6.88	-$ 0.0150	800	-$ 11.97	-$ 18.85	-274.04%
12	Late Payment		$ 0.1300	1	$ 0.13			$ -	-$ 0.13	-100.00%
13	Stranded Meter				$ -	$ 2.2200	1	$ 2.22	$ 2.22	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 27.19**			**$ 11.82**	**-$ 15.37**	**-56.54%**
17	RTSR - Network		$ 0.0057	863.28	$ 4.92	$ 0.0058	864	$ 5.00	$ 0.08	1.64%
18	RTSR - Line and Transformation Connection		$ 0.0045	863.28	$ 3.88	$ 0.0046	864	$ 3.97	$ 0.08	2.17%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 36.00**			**$ 20.79**	**-$ 15.21**	**-42.25%**
20	Wholesale Market Service Charge (WMSC)		$ 0.0052	863.28	$ 4.49	$ 0.0052	864	$ 4.49	$ 0.00	0.08%
21	Rural and Remote Rate Protection (RRRP)		$ 0.0013	863.28	$ 1.12	$ 0.0011	864	$ 0.95	-$ 0.17	-15.31%
22	Special Purpose Charge			863.28	$ -		864	$ -	$ -	
23	Standard Supply Service Charge		$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)		$ 0.0070	800	$ 5.60	$ 0.0070	800	$ 5.60	$ -	0.00%
25	Energy			863.28	$ -		864	$ -	$ -	
26			$ 0.0750	600	$ 45.00	$ 0.0750	600	$ 45.00	$ -	0.00%
27			$ 0.0880	263.28	$ 23.17	$ 0.0880	264	$ 23.23	$ 0.06	0.27%
28	**Total Bill (before Taxes)**				**$ 115.63**			**$ 100.31**	**-$ 15.31**	**-13.24%**
29	HST		13%		$ 15.03	13%		$ 13.04	-$ 1.99	-13.24%
30	**Total Bill (including Sub-total B)**				**$ 130.66**			**$ 113.35**	**-$ 17.31**	**-13.25%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 13.07**	-10%		**-$ 11.34**	**$ 1.73**	**-13.24%**
32	**Total Bill (including OCEB)**				**$ 117.59**			**$ 102.01**	**-$ 15.58**	**-13.25%**
33	**Loss Factor (%)**	**Note 1**	7.91%			8.00%				

Notes:

(1): Enter existing and proposed total loss factor (Secondary Metered Customer < 5,000 kW) as a percentage.

Ontario Energy Board

REVENUE REQUIREMENT WORK FORM

Version 2.20

E.L.K. Energy Inc.

Bill Impacts - General Service < 50 kW

◉ Application of New Loss Factor to all applicable items ○ Application of new Loss Factor to Delivery Items Only

Consumption 2000 kWh

			Current Board-Approved			Proposed			Impact	
		Charge Unit	**Rate ($)**	**Volume**	**Charge ($)**	**Rate ($)**	**Volume**	**Charge ($)**	**$ Change**	**% Change**
1	Monthly Service Charge		$ 11.0600	1	$ 11.06	$ 25.0100	1	$ 25.01	$ 13.95	126.13%
2	Smart Meter Rate Adder		$ 1.4500	1	$ 1.45	$ 0.9500	1	$ 0.95	-$ 0.50	-34.48%
3	Service Charge Rate Adder(s)			1	$ -		1	$ -	$ -	
4	Service Charge Rate Rider(s)			1	$ -		1	$ -	$ -	
5	Distribution Volumetric Rate		$ 0.0017	2000	$ 3.40	$ 0.0038	2000	$ 7.60	$ 4.20	123.53%
6	Low Voltage Rate Adder		$ 0.0014	2000	$ 2.80	$ 0.0012	2000	$ 2.40	-$ 0.40	-14.29%
7	Volumetric Rate Adder(s)			2000	$ -		2000	$ -	$ -	
8	Volumetric Rate Rider(s)			2000	$ -		2000	$ -	$ -	
9	Smart Meter Disposition Rider			2000	$ -		2000	$ -	$ -	
10	LRAM & SSM Rider			2000	$ -	$ 0.0002	2000	$ 0.40	$ 0.40	
11	Deferral/Variance Account Disposition Rate Rider		$ 0.0067	2000	$ 13.40	-$ 0.0166	2000	-$ 33.23	-$ 46.63	-347.99%
12	Late Payment		$ 0.1200	1	$ 0.12			$ -	-$ 0.12	-100.00%
13	Stranded Meter				$ -	$ 2.2200	1	$ 2.22	$ 2.22	
14					$ -			$ -	$ -	
15					$ -			$ -	$ -	
16	**Sub-Total A - Distribution**				**$ 32.23**			**$ 5.35**	**-$ 26.88**	**-83.40%**
17	RTSR - Network		$ 0.0051	2158.2	$ 11.01	$ 0.0052	2160	$ 11.16	$ 0.15	1.36%
18	RTSR - Line and Transformation Connection		$ 0.0041	2158.2	$ 8.85	$ 0.0042	2160	$ 9.07	$ 0.22	2.52%
19	**Sub-Total B - Delivery (including Sub-Total A)**				**$ 52.09**			**$ 25.58**	**-$ 26.51**	**-50.89%**
20	Wholesale Market Service Charge (WMSC)		$ 0.0052	2158.2	$ 11.22	$ 0.0052	2160	$ 11.23	$ 0.01	0.08%
21	Rural and Remote Rate Protection (RRRP)		$ 0.0013	2158.2	$ 2.81	$ 0.0011	2160	$ 2.38	-$ 0.43	-15.31%
22	Special Purpose Charge			2158.2	$ -		2160	$ -	$ -	
23	Standard Supply Service Charge		$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
24	Debt Retirement Charge (DRC)		$ 0.0070	2000	$ 14.00	$ 0.0070	2000	$ 14.00	$ -	0.00%
25	Energy			2158.2	$ -		2160	$ -	$ -	
26			$ 0.0750	600	$ 45.00	$ 0.0750	600	$ 45.00	$ -	0.00%
27			$ 0.0880	1558.2	$ 137.12	$ 0.0880	1560	$ 137.28	$ 0.16	0.12%
28	**Total Bill (before Taxes)**				**$ 262.49**			**$ 235.72**	**-$ 26.77**	**-10.20%**
29	HST		13%		$ 34.12	13%		$ 30.64	-$ 3.48	-10.20%
30	**Total Bill (including Sub-total B)**				**$ 296.61**			**$ 266.36**	**-$ 30.25**	**-10.20%**
31	**Ontario Clean Energy Benefit (OCEB)**		-10%		**-$ 29.66**	-10%		**-$ 26.64**	**$ 3.02**	**-10.18%**
32	**Total Bill (including OCEB)**				**$ 266.95**			**$ 239.72**	**-$ 27.23**	**-10.20%**
33	**Loss Factor**	(1)	7.91%			8.00%				

Notes:

(1): See Note (1) from Sheet 10A. Bill Impacts - Residential

APPENDIX BD STAFF 40 - REVISED PILS SUMMARY

REFERENCE: BOARD STAFF INTERROGATORY 40

	A	B	C	E	G	I	K	M	O
1	**PILs TAXES**								
2	**Analysis of PILs Tax Account 1562:**								
3	**Utility name: E.L.K. Energy Inc.**								
4	**Reporting period: 2001 to 2006**			**Sign Convention: + for increase; - for decrease**					
5									
6									
7									
8	**Year start:**		01/10/2001	01/01/2002	01/01/2003	01/01/2004	01/01/2005	01/01/2006	
9	**Year end:**		31/12/2001	31/12/2002	31/12/2003	31/12/2004	31/12/2005	30/04/2006	Total
10									
11	**Opening balance:**	=	0	0	81,184	86,605	64,155	-21,898	0
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-		332,057	498,086	432,213	102,564	96,378	1,461,297
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**						216,851		216,851
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-		37,706					37,706
15	**True-up Variance Adjustment (3)**	+/-			40,474	-40,229	-5,583	-1,774	-7,112
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**								0
17	**Deferral Account Variance Adjustment (5)**	+/-		-8,755	-69,023	-19,321	-23,965	97,345	-23,719
18	**Adjustments to reported prior years' variances (6)**	+/-							0
19	**Carrying charges (7)**	+/-	0	2,431	5,840	5,164	1,299	-1,266	13,467
20	**PILs billed to (collected from) customers (8)**	-	0	-282,255	-469,955	-400,276	-377,219	-172,844	-1,702,549
21									
22	**Ending balance: # 1562**		0	81,184	86,605	64,155	-21,898	-4,059	-4,059

Uncollected PILs

NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.
For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: Method 1 (I.e. Alternative 1 per APH FAQ April 2003 Q.1)

(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
If the Board gave more than one decision in the year, calculate a weighted average proxy.
(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.

(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.

(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.
The 2005 PILs tax proxy is being recovered on a volumetric basis by class.

(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.

In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.

In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

	A	B	C	D	E	F	G
1	**EB-XXXX-XX**						
2	**Board Approved Proxy**	**Case**	**Decision**	**Effective**	**Submitted**	**Board**	**Approved**
3		**Reference**	**Date**	**Date of**	**Proxy**	**Adjustments**	**Proxy**
4	**Utility Name: Niagara-on-the-Lake Hydro Inc.**			**Rates**	**Amount**		**Amount**
5							
6							
7							
8	2001 Proxy	**RP-2002-0055/ EB-2002-0064**	26-Feb-02	1-Mar-02	$ 67,077	$ -	$ 67,077
9							
10	2002 Proxy	**RP-2002-0055/ EB-2002-0064**	26-Feb-02	1-Mar-02	$ 410,255	$ -	$ 410,255
11							
12	2004 Proxy	**RP-2004-0040/ EB-2004-0026**		1-Mar-04	$ 410,255	$ -	$ 410,255
13							
14	2005 Proxy	**RP-2005-0013/ EB2005-0021**		1-Apr-05	$ 289,134	$ -	$ 289,134
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							

	A	B	C	D	E	F	G	H	I	J	K	L
1	**EB-XXXX-XX**											
2	**Board Approved Proxy**	**Number**	**Year**	**Number**	**Amount**	**APH**						
3	**Included in Rates for the Year Shown**	**of months**	**of recovery**	**of months**	**Included**	**Proxy**		**Proxy Amount by Recovery Year**				
4	**Utility Name: Niagara-on-the-Lake Hydro Inc.**	**of proxy**		**of**	**in Rates**	**Amount**		**2002**	**2003**	**2004**	**2005**	**2006**
5				**Collection**								
6												
7												
8	2001 Fourth Quarter Proxy	3	2002	10	$ 67,077	$ 67,077		$ 67,077				
9												
10	2001 Fourth Quarter Proxy	3	2003	12	$ 67,077	$ 67,077			$ 67,077			
11												
12	2001 Fourth Quarter Proxy	3	2004	2	$ 67,077	$ 11,180				$ 11,180		
13												
14												
15	2002 Proxy	12	2002	10	$ 410,255	$ 410,255		$ 410,255				
16												
17	2002 Proxy	12	2003	12	$ 410,255	$ 410,255			$ 410,255			
18												
19	2002 Proxy	12	2004	12	$ 410,255	$ 410,255				$ 410,255		
20												
21	2002 Proxy	12	2005	3	$ 410,255	$ 102,564					$ 102,564	
22												
23												
24	2005 Proxy	12	2005	9	$ 289,134	$ 216,851					$ 216,851	
25												
26	2005 Proxy	12	2006	4	$ 289,134	$ 96,378						$ 96,378
27							Totals	477,332	477,332	421,435	319,414	96,378
28												
29												
30	NOTES:											
31	1) Rate recovery is based on a monthly rate derived for a 12-month period.											
32	2) For APH purposes, the 4th quarter 2001 PILs proxy starts on October 1, 2001.											
33	3) For APH purposes, the 2002 PILs proxy starts on January 1, 2002.											

E.L.K. Energy Inc.
Pro-rated PILs Proxy
Period from May 1/02 to Feb 28/04

2001 PILs proxy	67,077
2002 PILs proxy	410,255
Total	477,332
# of months from May 1/02 to Mar 31/04	23
Pro-rated PILs proxy per month	39,778
Pro-rated PILs proxy May 1/02 to Feb 28/04	914,886
Full proxy before proration May 1/02 to Feb 28/04	1,025,834
Difference adjusted in 2002 proxy	110,948
Monthly adjustment	9,246
Monthly 2002 before proration	34,188
Pro-rated monthly 2002 proxy	24,942

	A	B	C	D	E	F	G	H	I
1									
2	Month	Opening Balance	Billed Amount	PILs Proxy Accrual	True-up Variance Adjustment	Deferral Account Variance Adjustment	Ending Balance	Interest Rate	Carrying Charge
3									
4	Oct-01						-	7.25%	-
5	Nov-01	-					-	7.25%	-
6	Dec-01	-					-	7.25%	-
7			-	-	-	-			-
8									
9	Jan-02	-					-	7.25%	-
10	Feb-02	-					-	7.25%	-
11	Mar-02	-					-	7.25%	-
12	Apr-02	-					-	7.25%	-
13	May-02	-	(26,287)	41,507			15,220	7.25%	-
14	Jun-02	15,220	(30,129)	41,507	37,706	(8,755)	55,549	7.25%	92
15	Jul-02	55,549	(36,091)	41,507			60,965	7.25%	336
16	Aug-02	60,965	(38,318)	41,507			64,155	7.25%	368
17	Sep-02	64,155	(39,997)	41,507			65,665	7.25%	388
18	Oct-02	65,665	(39,135)	41,507			68,037	7.25%	397
19	Nov-02	68,037	(36,834)	41,507			72,710	7.25%	411
20	Dec-02	72,710	(35,464)	41,507			78,753	7.25%	439
21	Annual		(282,255)	332,057	37,706	(8,755)			2,431
22									
23									
24									
25	Jan-03	78,753	(33,593)	41,507			86,667	7.25%	476
26	Feb-03	86,667	(42,742)	41,507			85,432	7.25%	524
27	Mar-03	85,432	(36,834)	41,507			90,105	7.25%	516
28	Apr-03	90,105	(38,309)	41,507			93,304	7.25%	544
29	May-03	93,304	(40,437)	41,507			94,374	7.25%	564
30	Jun-03	94,374	(40,343)	41,507	40,474	(69,023)	66,989	7.25%	570
31	Jul-03	66,989	(37,655)	41,507			70,841	7.25%	405
32	Aug-03	70,841	(37,875)	41,507			74,473	7.25%	428
33	Sep-03	74,473	(39,126)	41,507			76,854	7.25%	450
34	Oct-03	76,854	(45,999)	41,507			72,362	7.25%	464
35	Nov-03	72,362	(37,444)	41,507			76,425	7.25%	437
36	Dec-03	76,425	(39,598)	41,507			78,335	7.25%	462
37	Annual		(469,955)	498,086	40,474	(69,023)			5,840
38									
39									
40									
41	Jan-04	78,335	(36,652)	41,507			83,190	7.25%	473
42	Feb-04	83,190	(40,088)	41,507			84,609	7.25%	503
43	Mar-04	84,609	(40,227)	41,507			85,889	7.25%	511
44	Apr-04	85,889	(17,710)	34,188			102,367	7.25%	519
45	May-04	102,367	(32,758)	34,188			103,797	7.25%	618
46	Jun-04	103,797	(30,899)	34,188	(40,229)	(19,321)	47,536	7.25%	627
47	Jul-04	47,536	(29,591)	34,188			52,133	7.25%	287
48	Aug-04	52,133	(33,733)	34,188			52,588	7.25%	315
49	Sep-04	52,588	(30,273)	34,188			56,503	7.25%	318

	A	B	C	D	E	F	G	H	I
1									
2	Month	Opening Balance	Billed Amount	PILs Proxy Accrual	True-up Variance Adjustment	Deferral Account Variance Adjustment	Ending Balance	Interest Rate	Carrying Charge
50	Oct-04	56,503	(35,843)	34,188			54,847	7.25%	341
51	Nov-04	54,847	(36,138)	34,188			52,897	7.25%	331
52	Dec-04	52,897	(36,364)	34,188			50,721	7.25%	320
53	Annual		(400,276)	432,213	(40,229)	(19,321)			5,164
54									
55									
56									
57	Jan-05	50,721	(26,733)	34,188			58,176	7.25%	306
58	Feb-05	58,176	(39,452)	34,188			52,912	7.25%	351
59	Mar-05	52,912	(36,427)	34,188			50,673	7.25%	320
60	Apr-05	50,673	(30,147)	24,095			44,620	7.25%	306
61	May-05	44,620	(32,597)	24,095			36,118	7.25%	270
62	Jun-05	36,118	(27,431)	24,095	(5,583)	(23,965)	3,233	7.25%	218
63	Jul-05	3,233	(26,348)	24,095			980	7.25%	20
64	Aug-05	980	(27,478)	24,095			(2,404)	7.25%	6
65	Sep-05	(2,404)	(42,819)	24,095			(21,128)	7.25%	(15)
66	Oct-05	(21,128)	(28,644)	24,095			(25,678)	7.25%	(128)
67	Nov-05	(25,678)	(31,619)	24,095			(33,202)	7.25%	(155)
68	Dec-05	(33,202)	(27,524)	24,095			(36,632)	7.25%	(201)
69	Annual		(377,219)	319,414	(5,583)	(23,965)			1,299
70									
71									
72									
73	Jan-06	(36,632)	(34,335)	24,095			(46,872)	7.25%	(221)
74	Feb-06	(46,872)	(32,157)	24,095			(54,935)	7.25%	(283)
75	Mar-06	(54,935)	(29,553)	24,095			(60,393)	7.25%	(332)
76	Apr-06	(60,393)	(27,789)	24,095			(64,088)	4.14%	(208)
77	Unbilled @ A	(64,088)	(49,010)				(113,098)	4.14%	(221)
78			(172,844)	96,378	-	-			(1,266)
79									
80									
81									
82	May-06	(113,098)		-			(113,098)	4.14%	(390)
83	Jun-06	(113,098)		-	(1,774)	97,345	(17,527)	4.14%	(390)
84	Jul-06	(17,527)		-			(17,527)	4.59%	(67)
85	Aug-06	(17,527)		-			(17,527)	4.59%	(67)
86	Sep-06	(17,527)		-			(17,527)	4.59%	(67)
87	Oct-06	(17,527)					(17,527)	4.59%	(67)
88	Nov-06	(17,527)					(17,527)	4.59%	(67)
89	Dec-06	(17,527)					(17,527)	4.59%	(67)
90	Subtotal		-	-	(1,774)	97,345			(1,183)
91									
92	Annual		(172,844)	96,378	(1,774)	97,345			(2,448)
93									
94									

	A	B	C	D	E	F	G	H	I
1									
2	Month	Opening Balance	Billed Amount	PILs Proxy Accrual	True-up Variance Adjustment	Deferral Account Variance Adjustment	Ending Balance	Interest Rate	Carrying Charge
95	GRAND TOTAL TO DEC 2006		(1,702,549)	1,678,148	30,594	(23,719)			12,285
96									
97	*Checksum*		-	-	-	-	*(0)*		-
98									
99									
100									
101	Jan-07	(17,527)					(17,527)	4.59%	(67)
102	Feb-07	(17,527)					(17,527)	4.59%	(67)
103	Mar-07	(17,527)					(17,527)	4.59%	(67)
104	Apr-07	(17,527)					(17,527)	4.59%	(67)
105	May-07	(17,527)					(17,527)	4.59%	(67)
106	Jun-07	(17,527)					(17,527)	4.59%	(67)
107	Jul-07	(17,527)					(17,527)	4.59%	(67)
108	Aug-07	(17,527)					(17,527)	4.59%	(67)
109	Sep-07	(17,527)					(17,527)	4.59%	(67)
110	Oct-07	(17,527)					(17,527)	5.14%	(75)
111	Nov-07	(17,527)					(17,527)	5.14%	(75)
112	Dec-07	(17,527)					(17,527)	5.14%	(75)
113	Annual								(829)
114									
115									
116									
117	Jan-08	(17,527)					(17,527)	5.14%	(75)
118	Feb-08	(17,527)					(17,527)	5.14%	(75)
119	Mar-08	(17,527)					(17,527)	5.14%	(75)
120	Apr-08	(17,527)					(17,527)	4.08%	(60)
121	May-08	(17,527)					(17,527)	4.08%	(60)
122	Jun-08	(17,527)					(17,527)	4.08%	(60)
123	Jul-08	(17,527)					(17,527)	3.35%	(49)
124	Aug-08	(17,527)					(17,527)	3.35%	(49)
125	Sep-08	(17,527)					(17,527)	3.35%	(49)
126	Oct-08	(17,527)					(17,527)	3.35%	(49)
127	Nov-08	(17,527)					(17,527)	3.35%	(49)
128	Dec-08	(17,527)					(17,527)	3.35%	(49)
129	Annual								(698)
130									
131									
132									
133	Jan-09	(17,527)					(17,527)	2.45%	(36)
134	Feb-09	(17,527)					(17,527)	2.45%	(36)
135	Mar-09	(17,527)					(17,527)	2.45%	(36)
136	Apr-09	(17,527)					(17,527)	1.00%	(15)
137	May-09	(17,527)					(17,527)	1.00%	(15)
138	Jun-09	(17,527)					(17,527)	1.00%	(15)
139	Jul-09	(17,527)					(17,527)	0.55%	(8)

	A	B	C	D	E	F	G	H	I
1									
2	Month	Opening Balance	Billed Amount	PILs Proxy Accrual	True-up Variance Adjustment	Deferral Account Variance Adjustment	Ending Balance	Interest Rate	Carrying Charge
140	Aug-09	(17,527)					(17,527)	0.55%	(8)
141	Sep-09	(17,527)					(17,527)	0.55%	(8)
142	Oct-09	(17,527)					(17,527)	0.55%	(8)
143	Nov-09	(17,527)					(17,527)	0.55%	(8)
144	Dec-09	(17,527)					(17,527)	0.55%	(8)
145	Annual								(199)
146									
147									
148									
149	Jan-10	(17,527)					(17,527)	0.55%	(8)
150	Feb-10	(17,527)					(17,527)	0.55%	(8)
151	Mar-10	(17,527)					(17,527)	0.55%	(8)
152	Apr-10	(17,527)					(17,527)	0.55%	(8)
153	May-10	(17,527)					(17,527)	0.55%	(8)
154	Jun-10	(17,527)					(17,527)	0.55%	(8)
155	Jul-10	(17,527)					(17,527)	0.89%	(13)
156	Aug-10	(17,527)					(17,527)	0.89%	(13)
157	Sep-10	(17,527)					(17,527)	0.89%	(13)
158	Oct-10	(17,527)					(17,527)	1.20%	(18)
159	Nov-10	(17,527)					(17,527)	1.20%	(18)
160	Dec-10	(17,527)					(17,527)	1.20%	(18)
161	Annual								(140)
162									
163									
164									
165	Jan-11	(17,527)					(17,527)	1.47%	(21)
166	Feb-11	(17,527)					(17,527)	1.47%	(21)
167	Mar-11	(17,527)					(17,527)	1.47%	(21)
168	Apr-11	(17,527)					(17,527)	1.47%	(21)
169	May-11	(17,527)					(17,527)	1.47%	(21)
170	Jun-11	(17,527)					(17,527)	1.47%	(21)
171	Jul-11	(17,527)					(17,527)	1.47%	(21)
172	Aug-11	(17,527)					(17,527)	1.47%	(21)
173	Sep-11	(17,527)					(17,527)	1.47%	(21)
174	Oct-11	(17,527)					(17,527)	1.47%	(21)
175	Nov-11	(17,527)					(17,527)	1.47%	(21)
176	Dec-11	(17,527)					(17,527)	1.47%	(21)
177	Annual								(258)
178									
179									
180									
181	Jan-12	(17,527)					(17,527)	1.47%	(21)
182	Feb-12	(17,527)					(17,527)	1.47%	(21)
183	Mar-12	(17,527)					(17,527)	1.47%	(21)
184	Apr-12	(17,527)					(17,527)	1.47%	(21)
185	Period								(86)
186									

	A	B	C	D	E	F	G	H	I
1									
2	**Month**	**Opening Balance**	**Billed Amount**	**PILs Proxy Accrual**	**True-up Variance Adjustment**	**Deferral Account Variance Adjustment**	**Ending Balance**	**Interest Rate**	**Carrying Charge**
187	**Balance at April 30, 2012**						**$ (17,527)**		**$ 10,076**

APPENDIX VECC 37

REFERENCE: VECC INTERROGATORY 37

	2006	2007	2008	2009	2010	Total
2006 Programs	7,977	6,722	6,750	6,750	1,172	29,372
2007 Programs	0	7,916	3,589	3,285	3,285	18,074
2008 Programs	0	0	7,242	3,268	3,268	13,779
2009 Programs	0	0	0	6,170	3,580	9,750
2010 Programs	0	0	0	0	4,232	4,232
Total	7,977	14,638	17,581	19,474	15,538	75,207
Carring Charge						5,328
Total LRAM						80,535

Initiative Name
Secondary Refrigerator Retirement Pilot
Cool & Hot Savings Rebate
Cool & Hot Savings Rebate
Cool & Hot Savings Rebate
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Demand Response 1
Loblaw & York Region Demand Response
Loblaw & York Region Demand Response
2006 Sub-Total
Great Refrigerator Roundup
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Cool & Hot Savings Rebate
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Summer Savings
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Summer Savings
Social Housing Pilot
Demand Response 1
Loblaw & York Region Demand Response
Loblaw & York Region Demand Response
2007 Sub-Total

Great Refrigerator Roundup
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Summer Sweepstakes
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Summer Sweepstakes
Electricity Retrofit Incentive
High Performance New Construction
Demand Response 1

Demand Response 3
Loblaw & York Region Demand Response
Loblaw & York Region Demand Response
2008 Sub-Total

Great Refrigerator Roundup
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Electricity Retrofit Incentive
High Performance New Construction
Power Savings Blitz
Demand Response 1
Demand Response 2
Demand Response 3
Loblaw & York Region Demand Response
Loblaw & York Region Demand Response

Great Refrigerator Roundup
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Electricity Retrofit Incentive
Electricity Retrofit Incentive
High Performance New Construction
Power Savings Blitz
Multi-Family Energy Efficiency Rebates
Demand Response 2
Demand Response 3
Loblaw & York Region Demand Response
Loblaw & York Region Demand Response

Measure Name	Year
	2006
Energy Star® Central Air Conditioner - Cool Savings	2006
Programmable Thermostat - Cool Savings	2006
Central Air Conditioner Tune-ups - Cool Savings	2006
Energy Star® Central Air Conditioner - Hot Savings	2006
Efficient Furnace with ECM - Hot Savings	2006
Programmable Thermostat - Hot Savings	2006
Energy Star® Compact Fluorescent Light Bulb - Spring Campaign	2006
Electric Timers - Spring Campaign	2006
Programmable Thermostats - Spring Campaign	2006
Energy Star® Ceiling Fans - Spring Campaign	2006
Energy Star® Compact Fluorescent Light Bulb - Autumn Campaign	2006
Seasonal Light Emitting Diode Light String - Autumn Campaign	2006
Programmable Thermostats - Autumn Campaign	2006
Dimmers - Autumn Campaign	2006
Indoor Motion Sensors - Autumn Campaign	2006
Programmable Basebaord Thermostats - Autumn Campaign	2006
Voluntary Load Shedding Project	2006
Rodan Contract	2006
Loblaw Contract	2006
Bottom Freezer Fridge	2007
Chest Freezer	2007
Side by Side Fridge-Freezer	2007
Single Door Fridge	2007
Small Freezer (under 10 cubic feet)	2007
Small Fridge (under 10 cubic feet)	2007
Top Freezer Fridge	2007
Upright Freezer	2007
Window Air Conditioner	2007
Energy Star® Central Air Conditioner - Hot Savings	2007
Efficient Furnace with ECM - Hot Savings	2007
Programmable Thermostat - Hot Savings	2007

Energy Star® Central Air Conditioner, Tier 2 - Cool Savings	2007
Energy Star® Central Air Conditioner, Tier 1 - Cool Savings	2007
Medium Efficiency Furnace with ECM - Cool Savings	2007
High Efficiency Furnace with ECM - Cool Savings	2007
Programmable Thermostat - Cool Savings	2007
Central Air Conditioner Tune-ups - Cool Savings	2007
15 W CFL	2007
20+ W CFL	2007
Energy Star® Light Fixture	2007
T8 Fluorescent Tube	2007
Seasonal LED Light String	2007
Project Porchlight CFL	2007
Solar Light	2007
Energy Star® Ceiling Fan	2007
Furnace Filter	2007
Power Bar with Timer	2007
Lighting Control Device	2007
Outdoor Motion Sensor	2007
Dimmer Switch	2007
Programmable Thermostat	2007
Households, Change in Behaviour Only - Behaviour Related	2007
Households, Change in Behaviour Only - Equipment Related	2007
Households, Change in Behaviour Only - Compact Fluorescent Light Bulb F	2007
Households, Combination of Change in Behaviour and "Pulled Forward" E	2007
Households, Combination of Change in Behaviour and "Pulled Forward" E	2007
Households, Combination of Change in Behaviour and "Pulled Forward" E	2007
Households, Change in Behaviour and Incremental Equipment (With Full E	2007
Households, Change in Behaviour and Incremental Equipment (With Full E	2007
Households, Change in Behaviour and Incremental Equipment (With Full E	2007
Custom Retrofit Projects	2007
Voluntary Load Shedding Project	2007
Rodan Contract	2007
Loblaw Contract	2007

Bottom Freezer Fridge	2008
Chest Freezer	2008
Side by Side Fridge-Freezer	2008
Single Door Fridge	2008
Small Freezer (under 10 cubic feet)	2008
Small Fridge (under 10 cubic feet)	2008
Top Freezer Fridge	2008
Upright Freezer	2008
Window Air Conditioner	2008

2007 Energy Star® Central Air Conditioner, Tier 2	2008
2007 Energy Star® Central Air Conditioner, Tier 1	2008
2007 Medium Efficiency Furnace with ECM	2008
2007 High Efficiency Furnace with ECM	2008
2007 Programmable Thermostat	2008
2007 Central Air Conditioner Tune-ups	2008
2008 Energy Star® Central Air Conditioner, Tier 2	2008
2008 Energy Star® Central Air Conditioner, Tier 1	2008
2008 Efficient Furnace with ECM	2008
2008 Programmable Thermostat	2008
Energy Star® Qualified Compact Fluorescent Light Bulbs	2008
Energy Star® Qualified Dimmable CFLs	2008
Energy Star® Qualified Decorative CFLs	2008
Energy Star® Qualified Compact Fluorescent Floods (Indoor & Outdoor)	2008
Energy Star® Qualified Light Fixtures	2008
T8 Fluorescent Fixtures	2008
Lighting Control Devices	2008
Power Bars with Timers	2008
Car block heater timer	2008
Heavy Duty Timers	2008
Programmable Thermostats - Baseboard	2008
Air Conditioner/Furnace Filters	2008
Awnings	2008
Window Films	2008
Electric Water Heater Blankets	2008
Pipe Wrap	2008
Low-Flow Toilets	2008
Keep Cool Pilot – Dehumidifier	2008
Keep Cool Pilot – Room Air Conditioner	2008
Rewards for Recycling – Dehumidifier	2008
Rewards for Recycling – Room Air Conditioner	2008
Rewards for Recycling – Halogen Lamp	2008
Residential Air Conditioner - Switch	2008
Residential Air Conditioner - Thermostat	2008
Residential Electric Water Heater	2008
Commercial Air Conditioner - Switch	2008
Commercial Air Conditioner - Thermostat	2008
Commercial Electric Water Heater	2008
Registered qualified active households	2008
Registered unqualified active households	2008
Registered qualified inactive households	2008
Registered unqualified inactive households	2008
Non-registered active households	2008
	2008
Custom Project	2008
Voluntary Load Shedding Project	2008

Contractual Load Shedding Project	2008
Rodan Contract	2008
Loblaw Contract	2008

Chest Freezer - Not Replaced - Running Part Time (26% of the time)	2009
Chest Freezer - Standard Efficiency Unit Replacement - Running Part Time	2009
Chest Freezer - Energy Star Unit Replacement - Running Part Time (26% of	2009
Chest Freezer - Not Replaced - Running All Time (100% of time time)	2009
Chest Freezer - Standard Efficiency Unit Replacement - Running All Time (	2009
Chest Freezer - Energy Star Unit Replacement - Running All Time (100% of	2009
Side by Side Fridge-Freezer - Not Replaced - Running Part Time (38% of th	2009
Side by Side Fridge-Freezer - Standard Efficiency Unit Replacement - Runn	2009
Side by Side Fridge-Freezer - Energy Star Unit Replacement - Running Part	2009
Side by Side Fridge-Freezer - Not Replaced - Running All Time (100% of tir	2009
Side by Side Fridge-Freezer - Standard Efficiency Unit Replacement - Runn	2009
Side by Side Fridge-Freezer - Energy Star Unit Replacement - Running All T	2009
Top Freezer Fridge - Not Replaced - Running Part Time (38% of the time)	2009
Top Freezer Fridge - Standard Efficiency Unit Replacement - Running Part	2009
Top Freezer Fridge - Energy Star Unit Replacement - Running Part Time (3	2009
Top Freezer Fridge - Not Replaced - Running All Time (100% of time time)	2009
Top Freezer Fridge - Standard Efficiency Unit Replacement - Running All Ti	2009
Top Freezer Fridge - Energy Star Unit Replacement - Running All Time (10	2009
Upright Freezer - Not Replaced - Running Part Time (26% of the time)	2009
Upright Freezer - Standard Efficiency Unit Replacement - Running Part Tim	2009
Upright Freezer - Energy Star Unit Replacement - Running Part Time (26%	2009
Upright Freezer - Not Replaced - Running All Time (100% of time time)	2009
Upright Freezer - Standard Efficiency Unit Replacement - Running All Time	2009
Upright Freezer - Energy Star Unit Replacement - Running All Time (100%	2009
Energy Star® 14.5 SEER (Tier 1) Central Air Conditioner (CAC)	2009
Energy Star® 14.5 SEER (Tier 1) Central Air Conditioner (CAC) with change	2009
Energy Star® 15.0 SEER (Tier 2) Central Air Conditioner (CAC)	2009
Energy Star® 15.0 SEER (Tier 2) Central Air Conditioner (CAC) with change	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009

Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Furnace with Electronically Commutated Motor (ECM), Home constructed	2009
Programmable Thermostat - Central Air Conditioning (CAC) & Gas heating	2009
Programmable Thermostat - Energy Star® Central Air Conditioning (CAC) 8	2009
Programmable Thermostat - Gas Heating only	2009
Participant Spillover - Lighting	2009
Participant Spillover - Cooling or Heating	2009
Participant Spillover - Water heating	2009
Participant Spillover - Appliances	2009
Participant Spillover - Insulation of other weatherization	2009
Participant Spillover - Windows	2009
Participant Spillover - Roof products	2009
Participant Spillover - Other products	2009
Energy Star Qualified Compact Fluorescent - Spring Campaign - Participan	2009
ENERGY STAR Decorative CFLs - Spring Campaign - Participant Rebated	2009
ENERGY STAR Fixtures - Spring Campaign - Participant Rebated	2009
ENERGY STAR Ceiling Fans - Spring Campaign - Participant Rebated	2009
Heavy Duty Pool and Spa Timers - Spring Campaign - Participant Rebated	2009
Clotheslines - Spring Campaign - Participant Rebated	2009
Pipe Wrap - Spring Campaign - Participant Rebated	2009
Water Blanket - Spring Campaign - Participant Rebated	2009
Window Film - Spring Campaign - Participant Rebated	2009
Energy Star Qualified Window Air Conditioner - Spring Campaign - Particip	2009
Energy Star Qualified Dehumidifiers - Spring Campaign - Participant Promo	2009
Programmable Thermostat - Spring Campaign - Participant Promoted	2009
Solar Power Products - Spring Campaign - Participant Promoted	2009
Control Products - Spring Campaign - Participant Promoted	2009
Window Blinds and Awnings - Spring Campaign - Participant Promoted	2009
Reduce power to electronics (Behavioural) - Spring Campaign - Participant	2009
Installed CFLs - Spring Campaign - Participant Spillover	2009
Washed in Cold Laundry (Behavioural) - Spring Campaign - Participant Spil	2009
Turned off/Reduced lights (Behavioural) - Spring Campaign - Participant S	2009
Dried clothes outside or on rack (Behavioural) - Spring Campaign - Particip	2009
Installed a new energy efficient appliance - Refrigerator - Spring Campaigr	2009
Unplugged devices usually left plugged in (Behavioural) - Spring Campaign	2009
Installed a new energy efficient appliance - Clothes washing machine - Spr	2009
Added ceiling/attic/wall/basement insulation - Spring Campaign - Particip	2009
Installed Programmable Thermostat - Spring Campaign - Participant Spillo	2009
Energy Star Qualified Compact Fluorescent - Spring Campaign - Non-Parti	2009
ENERGY STAR Decorative CFLs - Spring Campaign - Non-Participant Rebate	2009
ENERGY STAR Fixtures - Spring Campaign - Non-Participant Rebated	2009
ENERGY STAR Ceiling Fans - Spring Campaign - Non-Participant Rebated	2009
Heavy Duty Pool and Spa Timers - Spring Campaign - Non-Participant Reba	2009
Clotheslines - Spring Campaign - Non-Participant Rebated	2009

Pipe Wrap - Spring Campaign - Non-Participant Rebated	2009
Water Blanket - Spring Campaign - Non-Participant Rebated	2009
Window Film - Spring Campaign - Non-Participant Rebated	2009
Energy Star Qualified Window Air Conditioner - Spring Campaign - Non-Pa	2009
Energy Star Qualified Dehumidifiers - Spring Campaign - Non-Participant P	2009
Programmable Thermostat - Spring Campaign - Non-Participant Promoted	2009
Solar Power Products - Spring Campaign - Non-Participant Promoted	2009
Control Products - Spring Campaign - Non-Participant Promoted	2009
Window Blinds and Awnings - Spring Campaign - Non-Participant Promote	2009
Energy Star Qualified Compact Fluorescent - Autumn Campaign - Particip	2009
ENERGY STAR Specialty CFLs - Autumn Campaign - Participant Rebated	2009
ENERGY STAR Fixtures - Autumn Campaign - Participant Rebated	2009
Weatherstripping - adhesive foam or V-strip - Autumn Campaign - Particip	2009
Weatherstripping - door frame kits - Autumn Campaign - Participant Reba	2009
Programmable Thermostat - Autumn Campaign - Participant Rebated	2009
Pipe Wrap - Autumn Campaign - Participant Rebated	2009
Water Blanket - Autumn Campaign - Participant Rebated	2009
Lighting/Appliance Controls - Autumn Campaign - Participant Rebated	2009
Energy Star Qualified Holiday LED Lights - Autumn Campaign - Participant	2009
Dimmer Switches - Autumn Campaign - Participant Promoted	2009
Solar Powered Products - Autumn Campaign - Participant Promoted	2009
Washed laundry with cold water - Autumn Campaign - Participant Spillove	2009
Turned off / reduced use of power to electronics - Autumn Campaign - Pa	2009
Turned off / reduced use of lights - Autumn Campaign - Participant Spillov	2009
Dried clothes outside or inside on a rack - Autumn Campaign - Participant	2009
Turned down the thermostat setting on my furnace - Autumn Campaign -	2009
Unplugged devices usually plugged into outlet - Autumn Campaign - Partic	2009
Installed a new energy efficient appliance – Refrigerator - Autumn Campai	2009
Added ceiling/attic/wall/basement insulation - Autumn Campaign - Partici	2009
Replaced my old furnace with a high efficiency furnace - Autumn Campaig	2009
Installed a new energy efficient appliance - Clothes washing machine - Au	2009
Energy Star Qualified Compact Fluorescent - Autumn Campaign - Non-Par	2009
ENERGY STAR Specialty CFLs - Autumn Campaign - Non-Participant Rebate	2009
ENERGY STAR Fixtures - Autumn Campaign - Non-Participant Rebated	2009
Weatherstripping - adhesive foam or V-strip - Autumn Campaign - Non-Pa	2009
Weatherstripping - door frame kits - Autumn Campaign - Non-Participant	2009
Programmable Thermostat - Autumn Campaign - Non-Participant Rebated	2009
Pipe Wrap - Autumn Campaign - Non-Participant Rebated	2009
Water Blanket - Autumn Campaign - Non-Participant Rebated	2009
Lighting/Appliance Controls - Autumn Campaign - Non-Participant Rebate	2009
Energy Star Qualified Holiday LED Lights - Autumn Campaign - Non-Partici	2009
Dimmer Switches - Autumn Campaign - Non-Participant Promoted	2009
Solar Powered Products - Autumn Campaign - Non-Participant Promoted	2009
Working Room Air Conditioner Retirement - Rewards for Recycling Campa	2009
Working Room Dehumidifier Retirement - Rewards for Recycling Campaig	2009
Working Halogen Torchiere Retirement - Rewards for Recycling Campaign	2009
Non-Working Room Air Conditioner Retirement - Rewards for Recycling Ca	2009

Non-Working Room Dehumidifier Retirement - Rewards for Recycling Cam	2009
Non-Working Halogen Torchiere Retirement - Rewards for Recycling Camp	2009
Recycled Second Refrigerator - Rewards for Recycling Campaign - Spillover	2009
Recycled Additional Room Air Conditioner - Rewards for Recycling Campai	2009
Recycled Central Air Conditioner - Rewards for Recycling Campaign - Spillo	2009
Recyled Additional Room Dehumidifier - Rewards for Recycling Campaign	2009
Installed Energy Star® Windows - Rewards for Recycling Campaign - Spillov	2009
Installed Energy Star® CFL Bulbs - Rewards for Recycling Campaign - Spillov	2009
	2009
	2009
	2009
	2009
Voluntary Load Shedding Project	2009
Contractual Load Shifting Project	2009
Contractual Load Shedding Project	2009
Rodan Contract	2009
Loblaw Contract	2009
Dehumidifier	2010
Freezer	2010
Refrigerator	2010
Window Air Conditioner	2010
Energy Star® 14.5 SEER (Tier 1) Central Air Conditioner (CAC)	2010
Energy Star® 14.5 SEER (Tier 1) Central Air Conditioner (CAC) with change	2010
Energy Star® 15.0 SEER (Tier 2) Central Air Conditioner (CAC)	2010
Energy Star® 15.0 SEER (Tier 2) Central Air Conditioner (CAC) with change	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Furnace with Electronically Commutated Motor (ECM), Home constructed	2010
Programmable Thermostat - Central Air Conditioning (CAC) & Gas heating	2010
Programmable Thermostat - Energy Star® Central Air Conditioning (CAC) 8	2010

Programmable Thermostat - Gas Heating only	2010
ENERGY STAR Specialty CFLs-Spring Campaign (Rebated)	2010
ENERGY STAR Fixtures-Spring Campaign (Rebated)	2010
ENERGY STAR Ceiling Fans-Spring Campaign (Rebated)	2010
Clotheslines-Spring Campaign (Rebated)	2010
Smart Power Bars-Spring Campaign (Rebated)	2010
Lighting Controls-Spring Campaign (Rebated)	2010
Energy Star Qualified Window Air Conditioner-Spring Campaign (Promote	2010
Energy Star Qualified Dehumidifiers-Spring Campaign (Promoted)	2010
Programmable Thermostat-Spring Campaign (Promoted)	2010
Solar Power Products-Spring Campaign (Promoted)	2010
Window Blinds and Awnings-Spring Campaign (Promoted)	2010
Turned off / reduced use of lights-Spilllover Actions - Spring	2010
Turned off / reduced use of power to electronics-Spilllover Actions - Sprin	2010
Washed laundry with cold water-Spilllover Actions - Spring	2010
Turned down the thermostat setting on my furnace-Spilllover Actions - Sp	2010
Installed compact fluorescents that were not rebated-Spilllover Actions - S	2010
Dried clothes inside on a rack-Spilllover Actions - Spring	2010
Unplugged devices usually plugged into outlet-Spilllover Actions - Spring	2010
Sealed around windows / doors-Spilllover Actions - Spring	2010
Installed a programmable thermostat-Spilllover Actions - Spring	2010
Installed LED lights-Spilllover Actions - Spring	2010
Energy Star Specialty CFLs-Fall Campaign (Rebated)	2010
Energy Star Fixtures-Fall Campaign (Rebated)	2010
Weatherstripping - adhesive foam or V-strip-Fall Campaign (Rebated)	2010
Weatherstripping - door frame kits-Fall Campaign (Rebated)	2010
Baseboard Programmable Thermostat-Fall Campaign (Rebated)	2010
Pipe Wrap-Fall Campaign (Rebated)	2010
Water Blanket-Fall Campaign (Rebated)	2010
Lighting Controls-Fall Campaign (Rebated)	2010
Power Bar-Fall Campaign (Rebated)	2010
Programmable Thermostat-Fall Campaign (Promoted)	2010
Solar Powered Products-Fall Campaign (Promoted)	2010
Window Sealing Kits-Fall Campaign (Promoted)	2010
Turned off / reduced use of lights-Spillover Actions - Fall	2010
Turned off / reduced use of power to electronics-Spillover Actions - Fall	2010
Washed laundry with cold water-Spillover Actions - Fall	2010
Turned down the thermostat setting on my furnace-Spillover Actions - Fal	2010
Sealed around windows / doors-Spillover Actions - Fall	2010
Unplugged devices usually plugged into outlet-Spillover Actions - Fall	2010
Installed compact fluorescent lights that were not those rebated by the Po	2010
Dried clothes inside on a rack-Spillover Actions - Fall	2010
Energy Star Specialty CFLs-Non-Participant Campaign Products	2010
Energy Star Fixtures-Non-Participant Campaign Products	2010
Weatherstripping - adhesive foam or V-strip-Non-Participant Campaign Pr	2010
Weatherstripping - door frame kits-Non-Participant Campaign Products	2010
Baseboard Programmable Thermostat-Non-Participant Campaign Product	2010

Pipe Wrap-Non-Participant Campaign Products	2010
Water Blanket-Non-Participant Campaign Products	2010
Lighting Controls-Non-Participant Campaign Products	2010
Power Bar-Non-Participant Campaign Products	2010
Programmable Thermostat-Fall Campaign (Non-Participant Promoted)	2010
Solar Powered Products-Fall Campaign (Non-Participant Promoted)	2010
Window Sealing Kits-Fall Campaign (Non-Participant Promoted)	2010
Energy Star 4.0 & 5.0 Television Program	2010
Energy Star 4.0 & 5.0 Television Program - Spillover Actions	2010
Residential Air Conditioner - Thermostat	2010
Commercial Air Conditioner - Thermostat	2010
Business Project	2010
Multi-Family Project	2010
Custom Project	2010
	2010
	2010
Contractual Load Shifting Project	2010
Contractual Load Shedding Project	2010
Rodan Contract	2010
Loblaw Contract	2010

Unit Savings Assumptions

Market	Class	Net Summer Peak Demand Savings (kW)	Net Annual Energy Savings (kWh)	Activity Results (#)	Net Summer Peak Demand Savings (kW)
Consumer	Res	0.18	810.00	15.62	2.87
Consumer	Res	0.36	351.00	32.55	11.69
Consumer	Res	0.16	158.96	24.80	4.04
Consumer	Res	0.38	368.99	22.20	8.39
Consumer	Res	0.10	88.62	6.63	0.64
Consumer	Res	0.29	494.49	13.96	4.09
Consumer	Res	0.01	14.72	12.90	0.10
Consumer	Res	0.00	93.96	3026.80	0.00
Consumer	Res	0.00	164.70	84.86	0.00
Consumer	Res	0.05	194.40	36.91	1.66
Consumer	Res	0.01	126.90	28.08	0.35
Consumer	Res	0.00	93.96	4487.85	0.00
Consumer	Res	0.00	27.68	1080.22	0.00
Consumer	Res	0.11	469.89	71.21	7.55
Consumer	Res	0.00	125.10	56.31	0.00
Consumer	Res	0.00	188.10	20.20	0.00
Consumer	Res	0.00	1319.67	4.24	0.00
Business, Industrial	GS > 50	355.94		1.00	355.94
Business, Industrial	GS > 50	4.02		1.00	4.02
Business, Industrial	GS > 50	13.40		1.00	13.40
Consumer	Res	0.08	777.96	0.45	0.04
Consumer	Res	0.03	215.54	12.20	0.38
Consumer	Res	0.04	352.30	3.75	0.14
Consumer	Res	0.03	282.36	10.38	0.32
Consumer	Res	0.01	101.90	0.45	0.01
Consumer	Res	0.02	147.48	0.81	0.01
Consumer	Res	0.03	286.49	37.60	1.16
Consumer	Res	0.05	339.64	2.36	0.11
Consumer	Res	0.24	103.51	0.00	0.00
Consumer	Res	0.10	88.62	6.71	0.65
Consumer	Res	0.29	494.49	14.13	4.14
Consumer	Res	0.01	14.72	13.06	0.10

Consumer	Res	0.10	88.62	52.24	5.06
Consumer	Res	0.10	88.62	0.00	0.00
Consumer	Res	0.29	494.49	69.33	20.33
Consumer	Res	0.29	494.49	0.00	0.00
Consumer	Res	0.01	14.72	64.77	0.49
Consumer	Res	0.04	36.92	64.22	2.59
Consumer	Res	0.00	33.54	5440.37	5.52
Consumer	Res	0.00	48.44	885.64	1.31
Consumer	Res	0.00	67.60	21.13	0.07
Consumer	Res	0.00	28.64	41.42	0.04
Consumer	Res	0.00	6.71	1441.34	0.00
Consumer	Res	0.00	32.68	1144.83	1.13
Consumer	Res	0.00	0.63	698.46	0.00
Consumer	Res	0.00	49.39	43.88	0.07
Consumer	Res	0.01	20.74	176.82	1.09
Consumer	Res	0.00	55.75	19.33	0.09
Consumer	Res	0.01	39.71	223.80	2.28
Consumer	Res	0.00	87.89	69.87	0.00
Consumer	Res	0.00	13.04	44.40	0.02
Consumer	Res	0.00	41.31	42.66	0.00
Consumer	Res	0.35	654.32	192.89	67.70
Consumer	Res	0.00	0.00	192.89	0.00
Consumer	Res	0.00	0.00	192.89	0.00
Consumer	Res	0.19	350.26	192.89	36.24
Consumer	Res	0.16	199.47	192.89	31.80
Consumer	Res	0.00	20.51	192.89	0.12
Consumer	Res	0.21	578.66	192.89	40.37
Consumer	Res	0.15	77.16	192.89	29.26
Consumer	Res	0.00	23.82	192.89	0.14
Consumer Low-Income	Res			22.16	3.21
Business, Industrial	GS > 50				617.81
Business, Industrial	GS > 50				31.93
Business, Industrial	GS > 50				19.47

Consumer	Res	0.04	426.25	0.35	0.02
Consumer	Res	0.04	384.80	8.28	0.36
Consumer	Res	0.04	426.25	3.28	0.14
Consumer	Res	0.04	426.25	6.36	0.28
Consumer	Res	0.04	384.80	0.10	0.00
Consumer	Res	0.04	426.25	0.19	0.01
Consumer	Res	0.04	426.25	29.81	1.30
Consumer	Res	0.04	384.80	1.62	0.07
Consumer	Res	0.07	70.92	0.00	0.00

Consumer	Res	0.10	88.81	10.30	1.00
Consumer	Res	0.10	88.81	0.00	0.00
Consumer	Res	0.29	494.49	21.45	6.29
Consumer	Res	0.29	494.49	0.00	0.00
Consumer	Res	0.01	14.75	16.70	0.13
Consumer	Res	0.04	36.92	0.00	0.00
Consumer	Res	0.08	71.65	50.94	3.99
Consumer	Res	0.08	71.65	0.00	0.00
Consumer	Res	0.29	484.16	76.83	22.03
Consumer	Res	0.01	14.75	65.28	0.50
Consumer	Res	0.00	27.67	2069.06	2.38
Consumer	Res	0.00	36.84	225.35	0.26
Consumer	Res	0.00	11.72	3495.42	1.29
Consumer	Res	0.00	32.83	970.45	1.00
Consumer	Res	0.00	44.55	1506.06	2.11
Consumer	Res	0.00	12.22	274.01	0.09
Consumer	Res	0.00	46.38	294.54	0.40
Consumer	Res	0.00	21.72	16.16	0.03
Consumer	Res	0.00	0.00	0.00	0.00
Consumer	Res	0.01	100.20	34.09	0.20
Consumer	Res	0.00	29.61	95.03	0.00
Consumer	Res	0.01	13.23	89.44	0.66
Consumer	Res	0.00	0.00	64.99	0.00
Consumer	Res	0.00	0.00	1048.11	0.00
Consumer	Res	0.00	0.00	32.13	0.00
Consumer	Res	0.00	17.79	1930.12	2.71
Consumer	Res	0.00	0.00	252.49	0.00
Consumer	Res	0.10	174.93	0.60	0.06
Consumer	Res	0.06	59.09	0.68	0.04
Consumer	Res	0.13	219.91	18.09	2.31
Consumer	Res	0.06	61.91	19.55	1.22
Consumer	Res	0.00	132.10	15.59	0.07
Consumer, Business	GS < 50	0.78	15.57	0.00	0.00
Consumer, Business	GS < 50	0.78	15.57	125.00	97.31
Consumer, Business	GS < 50	0.27	5.40	0.00	0.00
Consumer, Business	GS < 50	3.33	66.60	0.00	0.00
Consumer, Business	GS < 50	3.33	66.60	0.00	0.00
Consumer, Business	GS < 50	1.67	33.30	0.00	0.00
Consumer	Res	0.09	326.69	99.46	8.57
Consumer	Res	0.09	326.69	149.18	12.85
Consumer	Res	0.09	326.69	9.95	0.86
Consumer	Res	0.09	326.69	37.41	3.22
Consumer	Res	0.00	16.65	4845.13	19.36
Consumer, Business	GS < 50				
Business	GS < 50				0.66
Business, Industrial	GS > 50				852.73

Business, Industrial	GS > 50				164.90
Business, Industrial	GS > 50				37.27
Business, Industrial	GS > 50				19.40
Consumer	Res	0.02	146.18	0.07	0.00
Consumer	Res	0.02	127.90	0.02	0.00
Consumer	Res	0.02	134.96	0.09	0.00
Consumer	Res	0.08	567.69	0.69	0.05
Consumer	Res	0.07	496.71	0.19	0.01
Consumer	Res	0.07	524.13	0.87	0.06
Consumer	Res	0.04	274.68	0.11	0.00
Consumer	Res	0.02	140.80	0.04	0.00
Consumer	Res	0.02	167.57	0.21	0.00
Consumer	Res	0.10	721.25	0.77	0.08
Consumer	Res	0.05	369.70	0.29	0.01
Consumer	Res	0.06	440.01	1.50	0.09
Consumer	Res	0.04	254.66	0.59	0.02
Consumer	Res	0.02	136.53	0.22	0.00
Consumer	Res	0.02	160.15	1.15	0.03
Consumer	Res	0.09	668.70	4.27	0.40
Consumer	Res	0.05	358.50	1.58	0.08
Consumer	Res	0.06	420.54	8.30	0.49
Consumer	Res	0.03	188.80	0.03	0.00
Consumer	Res	0.01	92.97	0.01	0.00
Consumer	Res	0.01	98.10	0.04	0.00
Consumer	Res	0.10	733.19	0.34	0.03
Consumer	Res	0.05	361.06	0.09	0.00
Consumer	Res	0.05	380.99	0.43	0.02
Consumer	Res	0.07	65.10	21.94	1.56
Consumer	Res	0.20	183.06	3.42	0.69
Consumer	Res	0.11	102.13	57.66	6.44
Consumer	Res	0.23	211.57	9.00	2.08
Consumer	Res	0.66	1101.29	4.90	3.22
Consumer	Res	0.07	128.72	20.12	1.46
Consumer	Res	0.02	36.15	1.60	0.03
Consumer	Res	0.67	1120.75	8.64	5.79
Consumer	Res	0.08	148.19	35.51	2.97
Consumer	Res	0.03	55.62	2.82	0.09
Consumer	Res	0.33	609.44	1.42	0.47
Consumer	Res	0.07	128.72	5.82	0.41
Consumer	Res	0.04	76.28	0.46	0.02
Consumer	Res	0.68	1138.24	5.75	3.91
Consumer	Res	0.05	82.24	23.62	1.10
Consumer	Res	-0.01	-19.47	1.88	-0.02
Consumer	Res	0.69	1162.07	10.15	7.05

Consumer	Res	0.06	106.08	41.69	2.49
Consumer	Res	0.00	4.37	3.31	0.01
Consumer	Res	0.34	623.35	1.66	0.57
Consumer	Res	0.04	82.24	6.83	0.31
Consumer	Res	0.02	30.19	0.54	0.01
Consumer	Res	0.01	11.80	45.82	0.47
Consumer	Res	0.01	10.05	61.40	0.53
Consumer	Res	0.00	3.66	13.09	0.00
Consumer	Res	0.00	40.02	6.35	0.01
Consumer	Res	0.09	100.05	2.30	0.20
Consumer	Res	0.01	141.08	3.11	0.03
Consumer	Res	0.01	75.90	4.35	0.03
Consumer	Res	0.03	75.04	6.43	0.18
Consumer	Res	0.09	100.05	5.02	0.43
Consumer	Res	0.00	50.03	2.43	0.01
Consumer	Res	0.00	50.03	2.69	0.01
Consumer	Res	0.00	15.92	241.73	0.12
Consumer	Res	0.00	19.91	573.24	0.35
Consumer	Res	0.00	61.46	46.66	0.09
Consumer	Res	0.00	54.65	20.07	0.03
Consumer	Res	0.05	343.52	7.59	0.35
Consumer	Res	0.00	42.77	19.39	0.09
Consumer	Res	0.00	6.31	15.98	0.01
Consumer	Res	0.00	42.16	2.11	0.01
Consumer	Res	0.00	0.00	5.52	0.00
Consumer	Res	0.07	64.62	19.88	1.30
Consumer	Res	0.02	193.39	18.84	0.32
Consumer	Res	0.02	62.41	46.23	1.05
Consumer	Res	0.00	2.90	120.72	0.00
Consumer	Res	0.00	38.52	60.07	0.05
Consumer	Res	0.00	0.00	62.42	0.00
Consumer	Res	0.00	3.19	25.18	0.01
Consumer	Res	0.00	13.30	22.08	0.01
Consumer	Res	0.00	4.27	21.94	0.01
Consumer	Res	0.00	30.88	20.46	0.02
Consumer	Res	0.00	8.24	17.81	0.02
Consumer	Res	0.00	9.15	16.05	0.02
Consumer	Res	0.00	14.26	15.31	0.02
Consumer	Res	0.00	14.29	9.57	0.02
Consumer	Res	0.01	46.03	9.57	0.12
Consumer	Res	0.00	38.57	9.42	0.03
Consumer	Res	0.00	7.79	184.05	0.04
Consumer	Res	0.00	10.42	91.36	0.03
Consumer	Res	0.00	27.50	86.07	0.07
Consumer	Res	0.00	9.67	25.16	0.01
Consumer	Res	0.01	61.39	15.89	0.13
Consumer	Res	0.00	10.45	58.26	0.07

Consumer	Res	0.00	1.09	135.06	0.01
Consumer	Res	0.00	7.09	19.86	0.01
Consumer	Res	0.00	0.00	56.94	0.00
Consumer	Res	0.04	41.72	33.10	1.40
Consumer	Res	0.01	124.86	39.72	0.43
Consumer	Res	0.01	40.30	62.23	0.91
Consumer	Res	0.00	1.87	403.85	0.00
Consumer	Res	0.00	24.87	139.03	0.07
Consumer	Res	0.00	0.00	233.04	0.00
Consumer	Res	0.00	17.69	1093.94	0.60
Consumer	Res	0.00	14.87	442.38	0.20
Consumer	Res	0.00	83.35	52.80	0.14
Consumer	Res	0.00	8.79	48.91	0.03
Consumer	Res	0.00	9.16	32.02	0.02
Consumer	Res	0.00	21.68	21.24	0.00
Consumer	Res	0.00	2.96	18.29	0.00
Consumer	Res	0.00	35.11	4.06	0.01
Consumer	Res	0.00	15.40	37.09	0.02
Consumer	Res	0.00	8.05	130.24	0.00
Consumer	Res	0.00	11.76	54.88	0.02
Consumer	Res	0.00	2.90	106.49	0.02
Consumer	Res	0.00	5.18	38.77	0.02
Consumer	Res	0.00	4.12	35.77	0.01
Consumer	Res	0.00	43.38	33.31	0.04
Consumer	Res	0.00	9.77	23.48	0.03
Consumer	Res	0.00	50.55	23.48	0.00
Consumer	Res	0.00	12.76	22.12	0.02
Consumer	Res	0.00	15.99	22.12	0.04
Consumer	Res	0.00	86.85	17.75	0.00
Consumer	Res	0.04	68.79	15.84	0.59
Consumer	Res	0.01	27.56	14.47	0.14
Consumer	Res	0.00	3.25	996.37	0.10
Consumer	Res	0.00	4.51	316.50	0.04
Consumer	Res	0.00	8.81	88.22	0.02
Consumer	Res	0.00	1.06	343.52	0.02
Consumer	Res	0.00	1.11	261.91	0.02
Consumer	Res	0.00	14.52	51.83	0.00
Consumer	Res	0.00	0.65	243.17	0.01
Consumer	Res	0.00	8.78	30.33	0.02
Consumer	Res	0.00	4.28	259.71	0.03
Consumer	Res	0.00	4.79	425.13	0.00
Consumer	Res	0.00	6.42	133.99	0.03
Consumer	Res	0.00	1.93	215.04	0.03
Consumer	Res	0.01	12.15	10.37	0.13
Consumer	Res	0.14	140.38	9.43	1.34
Consumer	Res	0.00	29.65	3.17	0.00
Consumer	Res	0.00	0.00	1.15	0.00

Consumer	Res	0.00	0.00	1.05	0.00
Consumer	Res	0.00	0.00	1.56	0.00
Consumer	Res	0.05	445.84	2.17	0.10
Consumer	Res	0.01	10.81	1.81	0.02
Consumer	Res	0.03	25.93	1.69	0.05
Consumer	Res	0.11	111.35	1.89	0.21
Consumer	Res	0.02	282.23	2.98	0.05
Consumer	Res	0.00	8.22	10.02	0.00
Consumer, Business	GS < 50	0.47	0.88	198.77	94.22
Consumer, Business	GS < 50				
Business	GS < 50				
Business	GS < 50				
Business, Industrial	GS > 50			0.05	317.66
Business, Industrial	GS > 50			0.01	215.70
Business, Industrial	GS > 50			0.22	308.14
Business, Industrial	GS > 50	19210.00	0.00	0.00	34.82
Business, Industrial	GS > 50	10000.00	0.00	0.00	18.13
Consumer	Res	0.14	133.56	0.02	0.00
Consumer	Res	0.08	543.40	3.38	0.26
Consumer	Res	0.08	608.04	13.10	1.11
Consumer	Res	0.35	347.04	0.15	0.05
Consumer	Res	0.67	67.14	42.65	28.67
Consumer	Res	0.07	188.84	8.77	0.65
Consumer	Res	0.73	105.36	101.49	73.95
Consumer	Res	0.68	218.30	20.86	14.27
Consumer	Res	0.09	1137.26	10.52	0.90
Consumer	Res	0.74	132.93	27.69	20.51
Consumer	Res	0.34	1232.85	2.26	0.77
Consumer	Res	0.07	1157.36	11.47	0.82
Consumer	Res	0.37	153.03	30.19	11.12
Consumer	Res	0.69	1252.95	2.46	1.71
Consumer	Res	0.05	629.35	2.87	0.14
Consumer	Res	0.85	132.93	7.55	6.38
Consumer	Res	0.71	683.50	0.62	0.44
Consumer	Res	0.06	1175.41	12.35	0.75
Consumer	Res	0.86	84.92	32.50	27.94
Consumer	Res	0.35	1429.78	2.65	0.92
Consumer	Res	0.05	1200.03	13.47	0.62
Consumer	Res	0.38	109.54	35.44	13.32
Consumer	Res	0.07	1454.39	2.89	0.21
Consumer	Res	0.20	643.71	3.37	0.69
Consumer	Res	0.11	84.92	8.86	1.01
Consumer	Res	0.24	697.45	0.72	0.17
Consumer	Res	0.01	12.15	75.56	0.79
Consumer	Res	0.01	10.53	95.76	0.86

Consumer	Res	0.00	3.65	18.89	0.06
Consumer	Res	0.00	7.67	161.18	0.04
Consumer	Res	0.00	60.00	70.93	0.13
Consumer	Res	0.00	19.30	13.81	0.01
Consumer	Res	0.00	21.34	18.47	0.04
Consumer	Res	0.00	7.68	3.13	0.00
Consumer	Res	0.00	6.75	76.52	0.02
Consumer	Res	0.07	71.33	11.84	0.86
Consumer	Res	0.01	113.04	10.68	0.10
Consumer	Res	0.02	36.41	17.01	0.30
Consumer	Res	0.00	1.49	97.00	0.00
Consumer	Res	0.01	12.10	71.31	0.94
Consumer	Res	0.00	10.23		0.01
Consumer	Res	0.00	1.42		0.00
Consumer	Res	0.00	1.24		0.00
Consumer	Res	0.00	9.29		0.00
Consumer	Res	0.00	5.75		0.00
Consumer	Res	0.00	3.86		0.01
Consumer	Res	0.00	6.79		0.01
Consumer	Res	0.00	2.96		0.00
Consumer	Res	0.00	9.44		0.01
Consumer	Res	0.00	1.82		0.00
Consumer	Res	0.00	13.02	217.56	0.09
Consumer	Res	0.00	62.49	14.36	0.03
Consumer	Res	0.00	3.44	49.89	0.01
Consumer	Res	0.00	6.52	32.61	0.01
Consumer	Res	0.00	37.89	10.67	0.00
Consumer	Res	0.00	2.42	24.64	0.00
Consumer	Res	0.00	32.23	4.13	0.01
Consumer	Res	0.00	15.20	54.16	0.03
Consumer	Res	0.00	9.12	7.03	0.00
Consumer	Res	0.01	26.58	26.93	0.37
Consumer	Res	0.00	0.51	44.10	0.00
Consumer	Res	0.00	0.55	49.48	0.00
Consumer	Res	0.00	20.75		0.04
Consumer	Res	0.00	5.58		0.02
Consumer	Res	0.00	1.81		0.01
Consumer	Res	0.00	11.66		0.00
Consumer	Res	0.00	5.20		0.00
Consumer	Res	0.00	18.67		0.05
Consumer	Res	0.00	7.95		0.01
Consumer	Res	0.00	4.67		0.02
Consumer	Res	0.00	1.20		0.01
Consumer	Res	0.00	10.52		0.02
Consumer	Res	0.00	0.30		0.00
Consumer	Res	0.00	0.24		0.00
Consumer	Res	0.00	0.00		0.00

Consumer	Res	0.00	0.02		0.00
Consumer	Res	0.00	0.00		0.00
Consumer	Res	0.00	0.85		0.00
Consumer	Res	0.00	0.52		0.00
Consumer	Res	0.01	20.03		0.46
Consumer	Res	0.00	0.29		0.00
Consumer	Res	0.00	0.12		0.00
Consumer	Res	0.00	56.43	320.94	0.12
Consumer	Res	0.00	13.11		0.00
Consumer, Business	GS < 50	0.56	2.21	73.00	40.88
Consumer, Business	GS < 50	0.64	6.48	11.00	7.04
Consumer, Business	GS < 50			7.00	8
Consumer, Business	GS < 50			0.00	0
Business	GS < 50			0.53	24
Business	GS < 50				
Consumer, Consumer Low-Income	GS < 50				
Business, Industrial	GS > 50			0.01	217.76
Business, Industrial	GS > 50			0.45	460.60
Business, Industrial	GS > 50	19210.00	0.00	0.00	35.15
Business, Industrial	GS > 50	10000.00	0.00	0.00	18.30

(Annualized)
Residential (/kWh)
General Service Less Than 50 kW (/kWh)
General Service 50 to 4,999 kW (/kW)

Net Annual Energy Savings (kWh)	Effective Useful Life (EUL)	Aggregate Net-to-Gross Adjustment (%)	UOM	2006	2007	2008	2009	2010
12,655	6.00	90.00	kWh	12,655	12,655	12,655	12,655	12,655
11,426	14.00	90.00	kWh	11,426	11,426	11,426	11,426	11,426
3,942	18.00	90.00	kWh	3,942	3,942	3,942	3,942	3,942
8,192	8.00	90.00	kWh	8,192	8,192	8,192	8,192	8,192
588	18.00	57.20	kWh	588	588	588	588	588
6,902	15.00	59.10	kWh	6,902	6,902	6,902	6,902	6,902
190	15.00	27.46	kWh	190	190	190	190	190
284,398	4.00	90.00	kWh	284,398	284,398	284,398	284,398	
13,976	20.00	90.00	kWh	13,976	13,976	13,976	13,976	13,976
7,176	15.00	90.00	kWh	7,176	7,176	7,176	7,176	7,176
3,563	20.00	90.00	kWh	3,563	3,563	3,563	3,563	3,563
421,679	4.00	90.00	kWh	421,679	421,679	421,679	421,679	
29,895	30.00	90.00	kWh	29,895	29,895	29,895	29,895	29,895
33,459	18.00	90.00	kWh	33,459	33,459	33,459	33,459	33,459
7,044	10.00	90.00	kWh	7,044	7,044	7,044	7,044	7,044
3,800	20.00	90.00	kWh	3,800	3,800	3,800	3,800	3,800
5,597	18.00	90.00	kWh	5,597	5,597	5,597	5,597	5,597
		100.00	kW	356				
		100.00	kW	4				
		100.00	kW	13				
352	9.00	73.10	kWh		352	352	352	352
2,629	8.00	45.72	kWh		2,629	2,629	2,629	2,629
1,320	9.00	39.15	kWh		1,320	1,320	1,320	1,320
2,931	9.00	39.15	kWh		2,931	2,931	2,931	2,931
45	8.00	30.10	kWh		45	45	45	45
120	9.00	30.10	kWh		120	120	120	120
10,773	9.00	39.15	kWh		10,773	10,773	10,773	10,773
801	8.00	45.72	kWh		801	801	801	801
0	4.50	43.10	kWh		0	0	0	0
595	18.00	57.20	kWh		595	595	595	595
6,987	15.00	59.10	kWh		6,987	6,987	6,987	6,987
192	15.00	27.46	kWh		192	192	192	192

4,629	18.00	57.20	kWh	4,629	4,629	4,629	4,629
0	18.00	57.20	kWh	0	0	0	0
34,283	15.00	59.10	kWh	34,283	34,283	34,283	34,283
0	15.00	59.10	kWh	0	0	0	0
954	15.00	27.46	kWh	954	954	954	954
2,371	5.00	15.71	kWh	2,371	2,371	2,371	2,371
182,470	8.00	78.00	kWh	182,470	182,470	182,470	182,470
42,899	8.00	78.00	kWh	42,899	42,899	42,899	42,899
1,428	16.00	55.00	kWh	1,428	1,428	1,428	1,428
1,186	18.00	77.00	kWh	1,186	1,186	1,186	1,186
9,676	5.00	49.00	kWh	9,676	9,676	9,676	9,676
37,413	8.00	76.00	kWh	37,413	37,413	37,413	37,413
437	5.00	13.00	kWh	437	437	437	437
2,167	10.00	55.00	kWh	2,167	2,167	2,167	2,167
3,666	1.00	55.00	kWh	3,666			
1,078	10.00	77.00	kWh	1,078	1,078	1,078	1,078
8,887	10.00	55.00	kWh	8,887	8,887	8,887	8,887
6,141	10.00	55.00	kWh	6,141	6,141	6,141	6,141
579	10.00	55.00	kWh	579	579	579	579
1,762	15.00	55.00	kWh	1,762	1,762	1,762	1,762
126,212	1.00	12.00	kWh	126,212			
0	0.00	12.00	kWh	0	0	0	0
0	0.00	12.00	kWh	0	0	0	0
67,561	1.00	12.00	kWh	67,561			
38,476	2.00	12.00	kWh	38,476	38,476		
3,956	8.00	12.00	kWh	3,956	3,956	3,956	3,956
111,618	1.00	12.00	kWh	111,618			
14,883	14.00	12.00	kWh	14,883	14,883	14,883	14,883
4,595	8.00	12.00	kWh	4,595	4,595	4,595	4,595
27,247	10.00	100.00	kWh	27,247	27,247	27,247	27,247
	1.00	100.00	kW	617.81			
	1.00	100.00	kW	31.93			
	1.00	100.00	kW	19.47			
150	9.00	55.00	kWh		150	150	150
3,187	8.00	52.00	kWh		3,187	3,187	3,187
1,397	9.00	55.00	kWh		1,397	1,397	1,397
2,713	9.00	55.00	kWh		2,713	2,713	2,713
37	8.00	52.00	kWh		37	37	37
81	9.00	55.00	kWh		81	81	81
12,709	9.00	55.00	kWh		12,709	12,709	12,709
625	8.00	52.00	kWh		625	625	625
0	4.50	36.00	kWh		0	0	0

915	18.00	57.20	kWh	915	915	915
0	18.00	57.20	kWh	0	0	0
10,607	15.00	59.10	kWh	10,607	10,607	10,607
0	15.00	59.10	kWh	0	0	0
246	15.00	27.46	kWh	246	246	246
0	5.00	15.71	kWh	0	0	0
3,649	18.00	57.20	kWh	3,649	3,649	3,649
0	18.00	57.20	kWh	0	0	0
37,197	18.00	59.10	kWh	37,197	37,197	37,197
963	18.00	27.46	kWh	963	963	963
57,260	8.00	52.26	kWh	57,260	57,260	57,260
8,302	6.00	37.67	kWh	8,302	8,302	8,302
40,952	4.00	38.57	kWh	40,952	40,952	40,952
31,859	7.00	37.47	kWh	31,859	31,859	31,859
67,090	16.00	33.37	kWh	67,090	67,090	67,090
3,348	16.00	32.85	kWh	3,348	3,348	3,348
13,660	10.00	45.36	kWh	13,660	13,660	13,660
351	10.00	40.74	kWh	351	351	351
0	0.00	0.00	kWh	0	0	0
3,416	10.00	33.27	kWh	3,416	3,416	3,416
2,814	15.00	46.51	kWh	2,814	2,814	2,814
1,183	1.00	35.09	kWh	1,183		
0	0.00	0.00	kWh	0	0	0
0	0.00	0.00	kWh	0	0	0
0	0.00	0.00	kWh	0	0	0
34,342	6.00	46.82	kWh	34,342	34,342	34,342
0	0.00	0.00	kWh	0	0	0
105	12.00	35.00	kWh	105	105	105
40	9.00	42.00	kWh	40	40	40
3,977	12.00	44.00	kWh	3,977	3,977	3,977
1,210	9.00	44.00	kWh	1,210	1,210	1,210
2,060	16.00	48.00	kWh	2,060	2,060	2,060
0	13.00	90.00	kWh	0	0	0
1,946	13.00	90.00	kWh	1,946	1,946	1,946
0	13.00	90.00	kWh	0	0	0
0	13.00	90.00	kWh	0	0	0
0	13.00	90.00	kWh	0	0	0
0	13.00	90.00	kWh	0	0	0
32,491	5.23	77.59	kWh	32,491	0	0
48,736	5.23	77.59	kWh	48,736	48,528	48,528
3,249	5.23	77.59	kWh	3,249	3,249	3,249
12,223	5.23	77.59	kWh	12,223	12,223	12,223
80,659	5.23	77.59	kWh	80,659	0	0
18,189	15.32	58.00	kWh	18,189	18,189	18,189
557	14.00	70.00	kWh	557	557	557
0	1.00	100.00	kW	853		

0	1.00	100.00	kW	165		
0	1.00	100.00	kW	37		
0	1.00	100.00	kW	19		
10	4.00	51.79	kWh		10	10
2	4.00	51.79	kWh		2	2
12	4.00	51.79	kWh		12	12
390	4.00	51.79	kWh		390	390
94	4.00	51.79	kWh		94	94
455	4.00	51.79	kWh		455	455
29	5.00	54.21	kWh		29	29
6	5.00	54.21	kWh		6	6
35	5.00	54.21	kWh		35	35
557	5.00	54.21	kWh		557	557
106	5.00	54.21	kWh		106	106
661	5.00	54.21	kWh		661	661
150	5.00	54.21	kWh		150	150
30	5.00	54.21	kWh		30	30
184	5.00	54.21	kWh		184	184
2,854	5.00	54.21	kWh		2,854	2,854
567	5.00	54.21	kWh		567	567
3,490	5.00	54.21	kWh		3,490	3,490
6	4.00	51.79	kWh		6	6
1	4.00	51.79	kWh		1	1
4	4.00	51.79	kWh		4	4
251	4.00	51.79	kWh		251	251
34	4.00	51.79	kWh		34	34
165	4.00	51.79	kWh		165	165
1,428	18.00	57.77	kWh		1,428	1,428
627	18.00	57.77	kWh		627	627
5,888	18.00	57.77	kWh		5,888	5,888
1,904	18.00	57.77	kWh		1,904	1,904
5,393	19.00	39.71	kWh		5,393	5,393
2,590	19.00	39.71	kWh		2,590	2,590
58	19.00	39.71	kWh		58	58
9,686	19.00	39.71	kWh		9,686	9,686
5,262	19.00	39.71	kWh		5,262	5,262
157	19.00	39.71	kWh		157	157
863	19.00	39.71	kWh		863	863
749	19.00	39.71	kWh		749	749
35	19.00	39.71	kWh		35	35
6,543	19.00	39.71	kWh		6,543	6,543
1,942	19.00	39.71	kWh		1,942	1,942
-37	19.00	39.71	kWh		-37	-37
11,791	19.00	39.71	kWh		11,791	11,791

4,422	19.00	39.71	kWh	4,422	4,422
14	19.00	39.71	kWh	14	14
1,037	19.00	39.71	kWh	1,037	1,037
562	19.00	39.71	kWh	562	562
16	19.00	39.71	kWh	16	16
541	15.00	39.20	kWh	541	541
617	15.00	39.20	kWh	617	617
48	15.00	39.20	kWh	48	48
254	5.00	100.00	kWh	254	254
230	3.00	100.00	kWh	230	230
438	10.00	100.00	kWh	438	438
331	4.00	100.00	kWh	331	331
482	10.00	100.00	kWh	482	482
502	10.00	100.00	kWh	502	502
121	15.00	100.00	kWh	121	121
135	5.00	100.00	kWh	135	135
3,849	8.00	68.73	kWh	3,849	3,849
11,412	6.00	77.04	kWh	11,412	11,412
2,867	16.00	53.10	kWh	2,867	2,867
1,097	10.00	76.44	kWh	1,097	1,097
2,608	10.00	75.65	kWh	2,608	2,608
829	10.00	55.36	kWh	829	829
101	6.00	78.23	kWh	101	101
89	10.00	80.34	kWh	89	89
0	0.00	48.95	kWh	0	0
1,284	12.00	67.03	kWh	1,284	1,284
3,644	12.00	68.10	kWh	3,644	3,644
2,885	15.00	45.29	kWh	2,885	2,885
350	5.00	60.40	kWh	350	350
2,314	10.00	53.36	kWh	2,314	2,314
0	0.00	28.54	kWh	0	0
80	1.00	14.98	kWh	80	
294	8.00	13.11	kWh	294	294
94	1.00	14.22	kWh	94	
632	1.00	11.75	kWh	632	
147	1.00	11.12	kWh	147	
147	14.00	14.10	kWh	147	147
218	1.00	20.32	kWh	218	
137	14.00	11.68	kWh	137	137
440	20.00	11.68	kWh	440	440
363	15.00	12.51	kWh	363	363
1,434	8.00	34.77	kWh	1,434	1,434
952	6.00	39.81	kWh	952	952
2,366	16.00	40.63	kWh	2,366	2,366
243	10.00	13.52	kWh	243	243
975	10.00	13.52	kWh	975	975
609	10.00	13.52	kWh	609	609

147	6.00	13.52	kWh	147	147
141	10.00	13.52	kWh	141	141
0	0.00	13.52	kWh	0	0
1,381	12.00	43.28	kWh	1,381	1,381
4,960	12.00	43.96	kWh	4,960	4,960
2,508	15.00	29.24	kWh	2,508	2,508
756	5.00	39.00	kWh	756	756
3,458	10.00	34.45	kWh	3,458	3,458
0	0.00	18.43	kWh	0	0
19,355	8.00	69.39	kWh	19,355	19,355
6,580	6.00	71.48	kWh	6,580	6,580
4,401	15.58	70.00	kWh	4,401	4,401
430	15.00	57.50	kWh	430	430
293	15.00	53.46	kWh	293	293
460	15.00	67.44	kWh	460	460
54	6.00	44.93	kWh	54	54
143	10.00	62.95	kWh	143	143
571	17.02	71.82	kWh	571	571
1,049	5.00	58.78	kWh	1,049	1,049
646	10.00	49.63	kWh	646	646
309	3.99	52.28	kWh	309	309
201	1.00	17.26	kWh	201	
148	1.00	19.37	kWh	148	
1,445	1.00	16.51	kWh	1,445	
229	1.00	13.18	kWh	229	
1,187	1.00	18.73	kWh	1,187	
282	1.00	18.19	kWh	282	
354	14.00	24.65	kWh	354	354
1,541	20.00	22.04	kWh	1,541	1,541
1,089	15.00	19.54	kWh	1,089	1,089
399	15.00	19.43	kWh	399	399
3,236	8.00	13.71	kWh	3,236	3,236
1,429	6.00	15.06	kWh	1,429	1,429
777	15.58	24.15	kWh	777	777
365	15.00	7.32	kWh	365	365
290	15.00	6.39	kWh	290	290
753	15.00	17.45	kWh	753	753
159	6.00	10.58	kWh	159	159
266	10.00	22.13	kWh	266	266
1,110	17.02	10.07	kWh	1,110	1,110
2,037	5.00	34.97	kWh	2,037	2,037
860	10.00	27.08	kWh	860	860
415	3.99	41.70	kWh	415	415
126	5.80	38.11	kWh	126	126
1,323	7.70	46.75	kWh	1,323	1,323
94	10.30	50.76	kWh	94	94
0	5.80	38.11	kWh	0	0

0	7.70	46.75	kWh	0	0
0	10.30	50.76	kWh	0	0
969	14.00	36.01	kWh	969	969
20	5.79	36.01	kWh	20	20
44	18.00	36.01	kWh	44	44
211	7.71	36.01	kWh	211	211
840	20.00	18.44	kWh	840	840
82	8.00	18.44	kWh	82	82
175	13.00	90.00	kWh	175	175
406,705			kWh	406,705	406,705
16,040	20.00	70.00	kWh	16,040	16,040
835,127	8.56	95.00	kWh	835,127	835,127
0	1.00	100.00	kW	318	
0	1.00	100.00	kW	216	
0	1.00	100.00	kW	308	
0	1.00	100.00	kW	35	
0	1.00	100.00	kW	18	

3	3.00	0.36	kWh		3
1,837	4.00	0.52	kWh		1,837
7,965	5.00	0.54	kWh		7,965
52	4.00	0.36	kWh		52
2,864	19.00	0.41	kWh		2,864
1,655	19.00	0.41	kWh		1,655
10,693	19.00	0.41	kWh		10,693
4,554	19.00	0.41	kWh		4,554
11,966	19.00	0.41	kWh		11,966
3,681	19.00	0.41	kWh		3,681
2,784	19.00	0.41	kWh		2,784
13,277	19.00	0.41	kWh		13,277
4,620	19.00	0.41	kWh		4,620
3,085	19.00	0.41	kWh		3,085
1,805	19.00	0.41	kWh		1,805
1,003	19.00	0.41	kWh		1,003
421	19.00	0.41	kWh		421
14,519	19.00	0.41	kWh		14,519
2,760	19.00	0.41	kWh		2,760
3,790	19.00	0.41	kWh		3,790
16,161	19.00	0.41	kWh		16,161
3,882	19.00	0.41	kWh		3,882
4,203	18.00	0.60	kWh		4,203
2,167	18.00	0.60	kWh		2,167
752	18.00	0.60	kWh		752
504	18.00	0.60	kWh		504
918	15.00	0.41	kWh		918
1,009	15.00	0.41	kWh		1,009

69	15.00	0.41	kWh	69
1,237	6.00	0.42	kWh	1,237
4,256	16.00	0.39	kWh	4,256
267	10.00	0.37	kWh	267
394	10.00	0.24	kWh	394
24	20.00	0.36	kWh	24
517	10.00	0.33	kWh	517
845	9.00	0.51	kWh	845
1,207	12.00	0.40	kWh	1,207
619	15.00	0.30	kWh	619
144	1.44	0.47	kWh	144
863	10.00	0.30	kWh	863
379	1.00	0.00	kWh	379
41	1.00	0.00	kWh	41
34	1.00	0.00	kWh	34
197	1.00	0.00	kWh	197
113	8.00	0.00	kWh	113
64	1.00	0.00	kWh	64
110	1.00	0.00	kWh	110
39	15.00	0.00	kWh	39
95	15.00	0.00	kWh	95
17	8.00	0.00	kWh	17
2,834	6.00	0.61	kWh	2,834
897	15.57	0.44	kWh	897
172	15.00	0.37	kWh	172
213	15.00	0.44	kWh	213
404	15.00	0.60	kWh	404
60	6.00	0.36	kWh	60
133	10.00	0.58	kWh	133
823	10.00	0.59	kWh	823
64	20.00	0.69	kWh	64
716	15.00	0.22	kWh	716
23	1.06	0.26	kWh	23
27	10.00	0.18	kWh	27
1,383	1.00	0.00	kWh	1,383
284	1.00	0.00	kWh	284
88	1.00	0.00	kWh	88
510	1.00	0.00	kWh	510
179	15.00	0.00	kWh	179
591	1.00	0.00	kWh	591
244	8.00	0.00	kWh	244
140	1.00	0.00	kWh	140
411	6.00	0.00	kWh	411
537	15.57	0.00	kWh	537
43	15.00	0.00	kWh	43
25	15.00	0.00	kWh	25
0	15.00	0.00	kWh	0

2	6.00	0.00	kWh	2
0	10.00	0.00	kWh	0
67	10.00	0.00	kWh	67
39	20.00	0.00	kWh	39
817	15.00	0.00	kWh	817
34	1.06	0.00	kWh	34
13	10.00	0.00	kWh	13
18,112	5.00	0.34	kWh	18,112
2,516	1.46	0.00	kWh	2,516
161	13.00	90.00	kWh	161
71	13.00	90.00	kWh	71
42,918	9.23	0.52	kWh	42,918
545	8.14	0.62	kWh	545
53,862	20.00	70.00	kWh	53,862
186,319			kWh	186,319
44,135			kWh	44,135
0	1.00	100.00	kW	218
0	1.00	100.00	kW	461
0	1.00	100.00	kW	35
0	1.00	100.00	kW	18

2006	2007	2008	2009	2010
0.0081	0.0079	0.0079	0.0079	0.0079
0.0016	0.0017	0.0017	0.0017	0.0017
2.9042	2.8557	2.8568	2.8545	2.8459

LRAM

2006	2007	2008	2009	2010	Total
102	100	100	100	100	502
92	90	90	90	90	453
32	31	31	31	31	156
66	64	65	65	65	325
5	5	5	5	5	23
56	54	55	55	55	274
2	1	2	2	2	8
2,294	2,237	2,247	2,247	0	9,025
113	110	110	110	110	554
58	56	57	57	57	284
29	28	28	28	28	141
3,402	3,317	3,331	3,331	0	13,381
241	235	236	236	236	1,185
270	263	264	264	264	1,326
57	55	56	56	56	279
31	30	30	30	30	151
45	44	44	44	44	222
1,034	0	0	0	0	1,034
12					
39					
7,977	6,722	6,750	6,750	1,172	29,322

0	3	3	3	3	11
0	21	21	21	21	83
0	10	10	10	10	42
0	23	23	23	23	93
0	0	0	0	0	1
0	1	1	1	1	4
0	85	85	85	85	340
0	6	6	6	6	25
0	0	0	0	0	0
0	5	5	5	5	19
0	55	55	55	55	221
0	2	2	2	2	6

0	36	37	37	37	146
0	0	0	0	0	0
0	270	271	271	271	1,082
0	0	0	0	0	0
0	8	8	8	8	30
0	19	19	19	19	75
0	1,435	1,442	1,442	1,442	5,760
0	337	339	339	339	1,354
0	11	11	11	11	45
0	9	9	9	9	37
0	76	76	76	76	305
0	294	296	296	296	1,181
0	3	3	3	3	14
0	17	17	17	17	68
0	29	0	0	0	29
0	8	9	9	9	34
0	70	70	70	70	281
0	48	49	49	49	194
0	5	5	5	5	18
0	14	14	14	14	56
0	993	0	0	0	993
0	0	0	0	0	0
0	0	0	0	0	0
0	531	0	0	0	531
0	303	304	0	0	607
0	31	31	31	31	125
0	878	0	0	0	878
0	117	118	118	118	470
0	36	36	36	36	145
0	214	215	215	215	860
0	1,764	0	0	0	1,764
0	91	0	0	0	91
0	56	0	0	0	56
0	7,916	3,589	3,285	3,285	18,074

0	0	1	1	1	4
0	0	25	25	25	76
0	0	11	11	11	33
0	0	21	21	21	64
0	0	0	0	0	1
0	0	1	1	1	2
0	0	100	100	100	301
0	0	5	5	5	15
0	0	0	0	0	0

0	0	7	7	7	22
0	0	0	0	0	0
0	0	84	84	84	251
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0	0	2	2	2	6
0	0	0	0	0	0
0	0	29	29	29	86
0	0	0	0	0	0
0	0	294	294	294	882
0	0	8	8	8	23
0	0	452	452	452	1,357
0	0	66	66	66	197
0	0	324	324	324	971
0	0	252	252	252	755
0	0	530	530	530	1,590
0	0	26	26	26	79
0	0	108	108	108	324
0	0	3	3	3	8
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0	0	27	27	27	81
0	0	22	22	22	67
0	0	9	0	0	9
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	271	271	271	814
0	0	0	0	0	0
0	0	1	1	1	2
0	0	0	0	0	1
0	0	31	31	31	94
0	0	10	10	10	29
0	0	16	16	16	49
0	0	0	0	0	0
0	0	3	3	3	10
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0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	257	0	0	257
0	0	385	383	383	1,152
0	0	26	26	26	77
0	0	97	97	97	290
0	0	637	0	0	637
0	0	31	31	31	93
0	0	1	1	1	3
0	0	2,436	0	0	2,436

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0	0	106	0	0	106
0	0	55	0	0	55
0	0	7,242	3,268	3,268	13,779

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0	0	0	4	4	9
0	0	0	1	1	2
0	0	0	5	5	10
0	0	0	1	1	2
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0	0	0	1	1	3
0	0	0	23	23	45
0	0	0	4	4	9
0	0	0	28	28	55
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0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	2	2	4
0	0	0	0	0	1
0	0	0	1	1	3
0	0	0	11	11	23
0	0	0	5	5	10
0	0	0	47	47	93
0	0	0	15	15	30
0	0	0	43	43	85
0	0	0	20	20	41
0	0	0	0	0	1
0	0	0	77	77	153
0	0	0	42	42	83
0	0	0	1	1	2
0	0	0	7	7	14
0	0	0	6	6	12
0	0	0	0	0	1
0	0	0	52	52	103
0	0	0	15	15	31
0	0	0	0	0	-1
0	0	0	93	93	186

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0	0	0	4	4	9
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0	0	0	3	3	5
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0	0	0	4	4	8
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0	0	0	90	90	180
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0	0	0	21	21	41
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0	0	0	2	0	2
0	0	0	1	1	2
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0	0	0	3	3	6
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0	0	0	19	19	37
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0	0	0	153	153	306
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0	0	0	4	4	7
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0	0	0	1	1	2
0	0	0	5	5	9
0	0	0	8	8	17
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0	0	0	2	0	2
0	0	0	1	0	1
0	0	0	11	0	11
0	0	0	2	0	2
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0	0	0	12	12	24
0	0	0	9	9	17
0	0	0	3	3	6
0	0	0	26	26	51
0	0	0	11	11	23
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0	0	0	3	3	6
0	0	0	2	2	5
0	0	0	6	6	12
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0	0	0	2	2	4
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0	0	0	27	27	55
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0	0	0	880	0	880
0	0	0	99	0	99
0	0	0	52	0	52
0	0	0	6,170	3,580	9,750
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0	0	0	0	24	24
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0	0	0	0	8	8

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0	0	0	0	4	4
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0	0	0	0	7	7
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0	0	0	0	73	73
0	0	0	0	1	1
0	0	0	0	92	92
0	0	0	0	317	317
0	0	0	0	349	349
0	0	0	0	620	620
0	0	0	0	1,311	1,311
0	0	0	0	100	100
0	0	0	0	52	52
0	0	0	0	4,232	4,232

APPENDIX BOARD STAFF 40 A

REFERENCE: BOARD STAFF INTERROGATORY 40 A

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
26th. Floor
Toronto ON M4P 1E4
Telephone: (416) 481-1967
Facsimile: (416) 440-7656

Commission de l'Énergie de l'Ontario
C.P. 2319
2300, rue Yonge
26e étage
Toronto ON M4P 1E4
Téléphone: (416) 481-1967
Télécopieur: (416) 440-7656

Ontario

April 26, 2002

Mr. Michael Audet
General Manager- Hydro
E.L.K. Energy Inc.
172 Forest Avenue
Essex, Ontario
N8M 3E4

Dear Mr. Audet:

Re: March 1, 2002 Distribution Rate Adjustments
Board File No. RP-2002-0055/EB-2002-0064

This letter is to vary your rate order by correcting an error in a calculation in your application on which the Board's order was based. Attached is a revised Schedule of Rates and Charges which shall take effect on May 1, 2002. Please replace the schedule issued on February 28, 2002 with the attached schedule.

Yours truly,

Peter H. O'Doll
Assistant Board Secretary

Encl.

RECEIVED APR 29 2002

E.L.K. Energy Inc.
Schedule of Rates and Charges
Effective May 1, 2002

RP-2002-0055
EB-2002-0064

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31
Summer: All Hours, April 1 through September 30
Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto) Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.
Off Peak: All Other Hours.

Cost of Power rates are valid only until the opening of the electricity market

RESIDENTIAL

Monthly Service Charge	(per month)	$14.66
Distribution Volumetric Rate	(per kWh)	$0.0078
Cost of Power Rate	(per kWh)	$0.0741

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$15.14
Distribution Volumetric Rate	(per kWh)	$0.0023
Cost of Power Rate	(per kWh)	$0.0731

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$554.38
Distribution Volumetric Rate	(per kW)	$2.7404
Cost of Power Demand Rate	(per kW)	$2.4419
Cost of Power Energy Rate	(per kWh)	$0.0583

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$1,113.07
Distribution Volumetric Rate	(per kW)	$0.1427
Cost of Power - Winter Peak	(per kW)	$10.8450
Cost of Power - Summer Peak	(per kW)	$8.1180
Cost of Power - Winter Peak	(per kWh)	$0.0703
Cost of Power - Winter Off Peak	(per kWh)	$0.0420
Cost of Power - Summer Peak	(per kWh)	$0.0593
Cost of Power - Summer Off Peak	(per kWh)	$0.0311

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	$0.52
Distribution Volumetric Rate	(per kW)	$0.8836
Cost of Power Demand Rate	(per kW)	$22.8471

E.L.K. Energy Inc.
Schedule of Rates and Charges – Page 2
Effective March 1, 2002

RP-2002-0055
EB-2002-0064

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	$0.08
Distribution Volumetric Rate	(per kW)	$0.2438
Cost of Power Demand Rate	(per kW)	$0.0000

UN-METERED SCATTERED LOAD

Monthly Service Charge	(per month)	$15.14
Distribution Volumetric Rate	(per kWh)	$0.0023
Cost of Power Rate	(per kWh)	$0.0731

SPECIFIC SERVICE CHARGES

Account Setup Charge	$	9.00
Arrears Certificate	$	10.70
Late Payment per month		1.50%
per annum		19.56%
Returned Cheque	$	9.00
Collection of Account Charge	$	9.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours	$	20.00
At Meter - After Hours	$	50.00
Dispute involvement charge	$	10.00
Transformation allowance credit, less than 115kV(per kW)	$	0.60

APPENDIX BD STAFF 43(A) - ORIGINAL TAX RATE CALCN

REFERENCE: BOARD STAFF INTERROGATORY 43(a)

E.L.K. Energy Inc.
Tax rate calculation

	2001	2002
Calculation of federal small business deduction impact		
Regulatory taxable income	120,726	623,099
Business limit	50,411	200,000
Gross LCT	-	2,402
	11,250	11,250
Business limit reduction	-	42,702
Reduced business limit	50,411	157,298
Small business deduction @ 16% of least of regulatory taxable income and reduced business limit	8,066	25,168
	(6.68%)	(4.04%)
Federal small business deduction as percent of regulatory taxable income		
Calculation of Ontario small business deduction impact		
Ontario business limit	70,575	280,000
Small business deduction rate	6.50%	6.50%
Small business deduction	4,587	18,200
	3.80%	2.92%
Ontario small business deduction as percent of regulatory taxable income		
Tax rates		
Regular federal tax rate	28.12%	26.12%
Regular provincial tax rate	12.50%	12.50%
Federal small business deduction	(6.68%)	(4.04%)
Ontario small buisness deduction	(3.80%)	(2.92%)
Total tax rate net of SBD	30.14%	31.66%
Federal surtax	1.12%	1.12%
Gross up rate	29.02%	30.54%
	0.225%	0.225%
Taxable capital	14,235,539	15,176,699
		10,000,000
		5,176,699
		11,648

APPENDIX BD STAFF 43(C) - REGULATORY TAX RATE CALCN

REFERENCE: BOARD STAFF INTERROGATORY 43(c)

E.L.K. Energy Inc.
Tax rate calculation

	2001	2002
Calculation of federal small business deduction impact		
Regulatory taxable income	120,726	623,099
Business limit	50,411	200,000
Gross LCT	-	2,402
	11,250	11,250
Business limit reduction	-	42,702
Reduced business limit	50,411	157,298
Small business deduction @ 16% of least of regulatory taxable income and reduced business limit	8,066	25,168
Federal small business deduction as percent of regulatory taxable income	(6.68%)	(4.04%)
Calculation of Ontario small business deduction impact		
Ontario business limit	70,575	280,000
Small business deduction rate	6.50%	6.50%
Small business deduction	4,587	18,200
Ontario small business deduction as percent of regulatory taxable income	3.80%	2.92%
Tax rates		
Regular federal tax rate	28.12%	26.12%
Regular provincial tax rate	12.50%	12.50%
Federal small business deduction	(6.68%)	(4.04%)
Ontario small buisness deduction	(3.80%)	(2.92%)
Total tax rate net of SBD	30.14%	31.66%
Federal surtax	1.12%	1.12%
Gross up rate	29.02%	30.54%
	0.225%	0.225%
Rate base	11,068,045	15,176,699
	10,000,000	10,000,000
Regulatory taxable capital	1,068,045	5,176,699
LCT	2,403	11,648

APPENDIX BD STAFF 46 - INTEREST EXPENSE

REFERENCE: BOARD STAFF INTERROGATORY 46

Interest Expense

	2001	2002	2003	2004	2005
Customer security deposit refunds	11,128	3,511	3,351	8,320	6,420
Shareholder loan		89,085	462,340	415,218	380,777
Ministry of Finance				4,336	91
Miscellaneous	29	294	71	173	31
	11,157	92,890	465,762	428,047	387,319
Per Financial Statements	11,157	92,890	465,762	428,047	387,319
	0	0	0	0	0

Interest Expense for SIMPIL

		2001	2002	2003	2004	2005
Shareholder loan			89,085	462,340	415,218	380,777
Ministry of Finance					4,336	91
Standby/prudential charges						774
Miscellaneous		29	294	71	173	31
Revised interest to be reported on SIMPIL		29	89,379	462,411	419,727	381,673
Interest originally reported on SIMPIL		-	92,890	465,762	428,047	387,319
Adjustment required	-	29	3,511	3,351	8,320	5,646

APPENDIX BD STAFF 46 (d) - SIMPIL 2001

REFERENCE: BOARD STAFF INTERROGATORY 46(d)

	A	B	C	D	E
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**				
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: HYDRONAME**				
4	**Reporting period: Dec. 31, 2001 Revised**				
5					
6	**Days in reporting period:**	92	days		
7	**Total days in the calendar year:**	365	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT			
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT			
24	Accounting Year End		Date	31-Dec	
26	**MARR NO TAX CALCULATIONS**				**Regulatory**
27	**SHEET #7 FINAL RUD MODEL DATA**				**Income**
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			11,068,045	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			947,978	
43	1999 return from RUD Sheet #7			255,161	255,161
45	Total Incremental revenue			692,817	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			230,939	230,939
48	Amount allowed in 2002			230,939	230,939
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			230,939	230,939
50	unless authorized by the Minister and the Board)				0
51					0
52					0
53	**Total Regulatory Income**				947,978
54					
55	Equity			5,534,023	
56					
57	Return at target ROE			546,761	
58					
59	Debt			5,534,023	
60					
61	Deemed interest amount in 100% of MARR			401,217	
62					
63	Phase-in of interest - Year 1 (2001)			205,734	
64	((D43+D47)/D41)*D61				
65	Phase-in of interest - Year 2 (2002)			303,475	
66	((D43+D47+D48)/D41)*D61				
67	Phase-in of interest - Year 3 (2003) and forward			303,475	
68	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
69					
70					
71					

	A	B	C	D	E	F	G	H	I	J	K	L
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	**ITEM**	**Initial**						M of F	M of F	**M of F**	
2	**DEFERRAL/VARIANCE ACCOUNTS**		**Estimate**						Filing	Filing	**Filing**	
3	**TAX CALCULATIONS (TAXCALC)**								Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)								K-C	Explanation	(June)	
5	**0**										**0**	
6			$						$		$	
7	**Utility Name: HYDRONAME**											
8	**Reporting period: Dec. 31, 2001 Revised**										**Column**	
9	**Days in reporting period:**	92	days								**Brought**	
10	**Total days in the calendar year:**	365	days								**From**	
11											**TAXREC**	
12												
13	**I) CORPORATE INCOME TAXES**											
14												
15	Regulatory Net Income REGINFO E53	1	63,790						-63,790		0	
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	***Additions:***											
20	Depreciation & Amortization	2	165,876						-25,397		140,479	
21	Employee Benefit Plans - Accrued, Not Paid	3							123,643		123,643	
22	Tax reserves - beginning of year	4							0		0	
23	Reserves from financial statements - end of year	4							0		0	
24	Regulatory Adjustments - increase in income	5	0						0		0	
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Items from "TAXREC" worksheet	6							0		0	
27	Other Additions (not "Material") "TAXREC"	6							453		453	
28	"Material Items from "TAXREC 2" worksheet	6							0		0	
29	Other Additions (not "Material") "TAXREC 2"	6							100		100	
30												
31	***Deductions:*** ***Input positive numbers***											
32	Capital Cost Allowance and CEC	7	57,506						93,771		151,277	
33	Employee Benefit Plans - Paid Amounts	8							34,846		34,846	
34	Items Capitalized for Regulatory Purposes	9	0						0		0	
35	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0						0		0	
36	Interest Expense Deemed/ Incurred	11	51,434						-51,434		0	
37	Tax reserves - end of year	4							0		0	
38	Reserves from financial statements - beginning of year	4							0		0	
39	Contributions to deferred income plans	3							0		0	
40	Contributions to pension plans	3							0		0	
41	Interest capitalized for accounting but deducted for tax	11							0		0	
42	Other Deductions (See Tab entitled "TAXREC")											
43	"Material" Items from "TAXREC" worksheet	12							0		0	
44	Other Deductions (not "Material") "TAXREC"	12							0		0	
45	Material Items from "TAXREC 2" worksheet	12							0		0	
46	Other Deductions (not "Material") "TAXREC 2"	12							0		0	
47												
48	TAXABLE INCOME/ (LOSS)		120,726						112,192	Before loss C/F	78,552	
49												
50	BLENDED INCOME TAX RATE											
51	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%						-3.9800%		30.14%	
52												
53	REGULATORY INCOME TAX		41,192						-41,192	Actual	0	
54												
55												
56	Miscellaneous Tax Credits	14							0	Actual	0	
57												
58	**Total Regulatory Income Tax**		41,192						-41,192	Actual	0	
59												
60												
61	**II) CAPITAL TAXES**											
62												
63	***Ontario***											
64	Base	15	11,068,045						5,642,059		16,710,104	
65	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000						0		5,000,000	
66	Taxable Capital		6,068,045						5,642,059		11,710,104	
67												
68	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%						0.0000%		0.3000%	
69												
70	Ontario Capital Tax		4,551						4,304		8,855	
71												
72	***Federal Large Corporations Tax***											
73	Base	18	11,068,045						3,167,494		14,235,539	
74	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000						0		10,000,000	
75	Taxable Capital		1,068,045						3,167,494		4,235,539	
76												
77	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%						0.0000%		0.2250%	
78												
79	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		2,403						-1		2,402	
80	Less: Federal Surtax 1.12% x Taxable Income	21	1,352						-1,352		0	
81												
82	Net LCT		0						-1,353		2,402	
83												

	A	B	C	D	E	F	G	H	I	J	K	L
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	**ITEM**	**Initial**						M of F	M of F	**M of F**	
2	**DEFERRAL/VARIANCE ACCOUNTS**		**Estimate**						Filing	Filing	**Filing**	
3	**TAX CALCULATIONS (TAXCALC)**								Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)								K-C	Explanation	(June)	
5	**0**										**0**	
6			$						$		$	
84	**III) INCLUSION IN RATES**											
85												
86	Income Tax Rate used for gross- up (exclude surtax)		34.12%									
87												
88	Income Tax (proxy tax is grossed-up)	22	62,525							**Actual 2004**	0	
89	LCT (proxy tax is grossed-up)	23	0							**Actual 2004**	2,402	
90	Ontario Capital Tax (no gross-up since it is deductible)	24	4,551							**Actual 2004**	8,855	
91												
92												
93	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	67,076							**Actual 2004**	11,257	
94	**RAM DECISION**											
95												
96												
97	***IV) FUTURE TRUE-UPS***											
98	**IV a) Calculation of the True-up Variance**								**DR/(CR)**			
99	***In Additions:***											
100	Employee Benefit Plans - Accrued, Not Paid	3							123,643			
101	Tax reserves deducted in prior year	4							0			
102	Reserves from financial statements-end of year	4							0			
103	Regulatory Adjustments	5							0			
104	Other additions "Material" Items TAXREC	6							0			
105	Other additions "Material" Items TAXREC 2	6							0			
106	***In Deductions - positive numbers***											
107	Employee Benefit Plans - Paid Amounts	8							34,846			
108	Items Capitalized for Regulatory Purposes	9							0			
109	Regulatory Adjustments	10							0			
110	Interest Adjustment for tax purposes **(See Below - cell I204)**	11							0			
111	Tax reserves claimed in current year	4							0			
112	Reserves from F/S beginning of year	4							0			
113	Contributions to deferred income plans	3							0			
114	Contributions to pension plans	3							0			
115	Other deductions "Material" Items TAXREC	12							0			
116	Other deductions "Material" Item TAXREC 2	12							0			
117												
118	Total TRUE-UPS before tax effect	26						=	88,797			
119												
120	Income Tax Rate (excluding surtax) from 2004 Utility's tax return							x	30.14%			
121												
122	Income Tax Effect on True-up adjustments							=	26,763			
123												
124	Less: Miscellaneous Tax Credits	14							0			
125												
126	Total Income Tax on True-ups								26,763			
127												
128	Income Tax Rate used for gross-up (exclude surtax)								29.02%			
129												
130	**TRUE-UP VARIANCE ADJUSTMENT**								37,706			
131												
132	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**											
133												
134	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)							=	120,726			
135												
136	REVISED CORPORATE INCOME TAX RATE							x	30.14%			
137												
138	REVISED REGULATORY INCOME TAX							=	36,387			
139												
140	Less: Revised Miscellaneous Tax Credits							-	1,436			
141												
142	Total Revised Regulatory Income Tax							=	34,951			
143												
144	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)							-	41,192			
145												
146	Regulatory Income Tax Variance							=	-6,241			
147												
148	**Ontario Capital Tax**											
149	Base							=	11,068,045			
150	Less: Exemption from tab Tax Rates, Table 2, cell C39							-	5,000,000			
151	Revised deemed taxable capital							=	6,068,045			
152												
153	Rate - Tab Tax Rates cell C54							x	0.3000%			
154												
155	Revised Ontario Capital Tax							=	4,588			
156	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)							-	4,551			
157	Regulatory Ontario Capital Tax Variance							=	37			
158												
159	**Federal LCT**											
160	Base								11,068,045			
161	Less: Exemption from tab Tax Rates, Table 2, cell C40							-	10,000,000			
162	Revised Federal LCT							=	1,068,045			

	A	B	C	D	E	F	G	H	I	J	K	L
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	**ITEM**	**Initial**						M of F	M of F	**M of F**	
2	**DEFERRAL/VARIANCE ACCOUNTS**		**Estimate**						Filing	Filing	**Filing**	
3	**TAX CALCULATIONS (TAXCALC)**								Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)								K-C	Explanation	(June)	
5	**0**										**0**	
6			$						$		$	
163												

	A	B	C	D	E	F	G	H	I	J	K	L
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	**ITEM**	**Initial**						M of F	M of F	**M of F**	
2	**DEFERRAL/VARIANCE ACCOUNTS**		**Estimate**						Filing	Filing	**Filing**	
3	**TAX CALCULATIONS (TAXCALC)**								Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)								K-C	Explanation	(June)	
5	**0**										**0**	
6			$						$		$	
164	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51								0.2250%			
165												
166	Gross Amount								606			
167	Less: Federal surtax							-	1,352			
168	Revised Net LCT							=	0			
169												
170	Less: Federal LCT reported in the initial estimate column (Cell C82)							-	0			
171	Regulatory Federal LCT Variance							=	0			
172												
173	Actual Income Tax Rate used for gross-up (exclude surtax)								29.02%			
174												
175	Income Tax (grossed-up)							+	-8,792			
176	LCT (grossed-up)							+	0			
177	Ontario Capital Tax							+	37			
178												
179	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**							=	-8,755			
180												
181	**TRUE-UP VARIANCE (from cell I130)**							+	37,706			
182												
183	**Total Deferral Account Entry (Positive Entry = Debit)**							=	28,951			
184	*(Deferral Account Variance + True-up Variance)*											
185												
186												
187												
188	**V) INTEREST PORTION OF TRUE-UP**											
189	**Variance Caused By Phase-in of Deemed Debt**											
190												
191	Total deemed interest (REGINFO)								401,217			
192	Interest phased-in (Cell C36)								51,434			
193												
194	Variance due to phase-in of debt component of MARR in rates								349,783			
195	according to the Board's decision											
196												
197	**Other Interest Variances (i.e. Borrowing Levels**											
198	**Above Deemed Debt per Rate Handbook)**											
199	Interest deducted on MoF filing (Cell K36+K41)								0			
200	Total deemed interest (REGINFO CELL D61)								401,217			
201												
202	Variance caused by excess debt								0			
203												
204	**Interest Adjustment for Tax Purposes (carry forward to Cell I110)**								0			
205												
206	**Total Interest Variance**								349,783			
207												

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
4	**0**		Return			
5					**0**	
6	**Section A: Identification:**					
7	**Utility Name: HYDRONAME**					
8	**Reporting period: Dec. 31, 2001 Revised**					
9	**Taxation Year's start date:**					
10	**Taxation Year's end date:**					
11	**Number of days in taxation year:**		92	days		
12						
13	**Please enter the Materiality Level :**		13,835	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N				
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	0		0	
32	Distribution Revenue	+			0	
33	Other Income	+			0	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-			0	
40	Administration	-			0	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-			0	
44	Ontario Capital Tax	-			0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	-371,600	0	0	
51	Less: Interest expense for accounting purposes	-			0	
52	Provision for payments in lieu of income taxes	-	-858,800		-858,800	
53	**Net Income (loss)**	=	487,200	0	858,800	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	**Section C: Reconciliation of accounting income to taxable income**					
57	***From T2 Schedule 1***					
58	**BOOK TO TAX ADDITIONS:**					
59	Provision for income tax	+	-858,800	0	-858,800	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	140,479	0	140,479	
62	Employee benefit plans-accrued, not paid	+	123,643	0	123,643	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments	+	0	0	0	
66	Material addition items from TAXREC 2	+	0	0	0	
67	Other addition items (not Material) from TAXREC 2	+	100	0	100	
68						
69	*Subtotal*		-594,578	0	-594,578	
70						
71	*Other Additions: (Please explain the nature of the additions)*					
72	Recapture of CCA	+			0	
73	Non-deductible meals and entertainment expense	+	453		453	
74	Capital items expensed	+			0	
75		+			0	
76		+			0	
77		+			0	
78		+			0	
79	*Total Other Additions*	=	453	0	453	
80						
81	Total Additions	=	-594,125	0	-594,125	
82						
83	Recap Material Additions:					
84			0	0	0	
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91	*Total Other additions >materiality level*		0	0	0	
92	Other deductions (less than materiality level)		453	0	453	
93	Total Other Additions		453	0	453	
94						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
4	**0**		Return			
5					**0**	
95	BOOK TO TAX DEDUCTIONS:					
96	Capital cost allowance	-	136,815		136,815	
97	Cumulative eligible capital deduction	-	14,462		14,462	
98	Employee benefit plans-paid amounts	-	34,846		34,846	
99	Items capitalized for regulatory purposes	-			0	
100	*Regulatory adjustments :*	-			0	
101	*CCA*	-			0	
102	*other deductions*	-	0	0	0	
103	*Tax reserves - end of year*	-	0	0	0	
104	*Reserves from financial statements- beginning of year*	-	0	0	0	
105	*Contributions to deferred income plans*	-			0	
106	*Contributions to pension plans*	-			0	
107	Interest capitalized for accounting deducted for tax	-	0	0	0	
108	Material deduction items from TAXREC 2	-	0	0	0	
109	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
110						
111	Subtotal	=	186,123	0	186,123	
112	*Other deductions (Please explain the nature of the deductions)*					
113	Charitable donations - tax basis	-		0	0	
114	*Gain on disposal of assets*	-			0	
115	*Capital Tax*	-			0	
116					0	
117		-			0	
118	*Total Other Deductions*	=	0	0	0	
119						
120	Total Deductions	=	186,123	0	186,123	
121						
122	Recap Material Deductions:					
123			0	0	0	
124			0	0	0	
125			0	0	0	
126			0	0	0	
127			0	0	0	
128	*Total Other Deductions exceed materiality level*		0	0	0	
129	Other Deductions less than materiality level		0	0	0	
130	Total Other Deductions		0	0	0	
131						
132	TAXABLE INCOME	=	-293,048	0	78,552	
133	DEDUCT:					
134	Non-capital loss applied positive number	-			0	
135	Net capital loss applied positive number	-			0	
136					0	
137	NET TAXABLE INCOME	=	-293,048	0	78,552	
138						
139	**FROM ACTUAL TAX RETURNS**					
140	Net Federal Income Tax (Must agree with tax return)	+			0	
141	Net Ontario Income Tax (Must agree with tax return)	+			0	
142	Subtotal	=	0	0	0	
143	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
144	**Total Income Tax**	=	0	0	0	
145						
146	**FROM ACTUAL TAX RETURNS**					
147	Net Federal Income Tax Rate (Must agree with tax return)		28.12%		28.12%	
148	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
149	Blended Income Tax Rate		40.62%		40.62%	
150						
151	**Section D: Detailed calculation of Ontario Capital Tax**					
152						
153	**ONTARIO CAPITAL TAX**					
154	**(From Ontario CT23)**					
155	**PAID-UP CAPITAL**					
156						
157	Paid-up capital stock	+	100		100	
158	Retained earnings (if deficit, deduct)	+/-	8,566,527		8,566,527	
159	Capital and other surplus excluding	+	4,402,373		4,402,373	
160	appraisal surplus	+			0	
161	Loans and advances	+			0	
162	Bank loans	+			0	
163	Bankers acceptances	+			0	
164	Bonds and debentures payable	+	0		0	
165	Mortgages payable	+			0	
166	Lien notes payable	+			0	
167	Deferred credits	+	-865,000		-865,000	
168	Contingent, investment, inventory and similar reserves	+	4,606,104		4,606,104	
169	Other reserves not allowed as deductions	+			0	
170	Share of partnership(s), joint venture(s) paid-up capital	+			0	
171	Sub-total	=	16,710,104	0	16,710,104	
172	Subtract:					
173	Amounts deducted for income tax purposes in excess of amounts booked	-			0	
174	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
175	**Total (Net) Paid-up Capital**	=	16,710,104	0	16,710,104	
176						
177	**ELIGIBLE INVESTMENTS**					
178						
179	Bonds, lien notes, interest coupons	+			0	
180	Mortgages due from other corporations	+			0	
181	Shares in other corporations	+			0	
182	Loans and advances to unrelated corporations	+			0	
183	Eligible loans and advances to related corporations	+			0	
184	Share of partnership(s) or joint venture(s) eligible investments	+			0	
185						
186	**Total Eligible Investments**	=	0	0	0	
187						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
4	**0**		Return			
5					**0**	
188						
189	**TOTAL ASSETS**					
190						
191	Total assets per balance sheet	+	16,179,739		16,179,739	
192	Mortgages or other liabilities deducted from assets	+			0	
193	Share of partnership(s)/ joint venture(s) total assets	+			0	
194	Subtract: Investment in partnership(s)/joint venture(s)	-			0	
195						
196	**Total assets as adjusted**	=	16,179,739	0	16,179,739	
197						
198	Add: (if deducted from assets)					
199	Contingent, investment, inventory and similar reserves	+			0	
200	Other reserves not allowed as deductions	+			0	
201	Subtract:				0	
202	Amounts deducted for income tax purposes in excess of amounts booked	-			0	
203	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
204	Subtract: Appraisal surplus if booked	-			0	
205	Add or subtract: Other adjustments	+/-			0	
206						
207	**Total Assets**	=	16,179,739	0	16,179,739	
208						
209						
210	**Investment Allowance**		0	0	0	
211						
212	**Taxable Capital**					
213						
214	Net paid-up capital	+	16,710,104	0	16,710,104	
215	Subtract: Investment Allowance	-	0	0	0	
216						
217	Taxable Capital	=	16,710,104	0	16,710,104	
218						
219	**Capital Tax Calculation**					
220	Deduction from taxable capital up to maximum of $5,000,000		5,000,000	0	5,000,000	
221	**(Input in tab Tax Rates)**					
222	Net Taxable Capital		11,710,104	0	11,710,104	
223						
224	Rate		0.3000%	0.3000%	0.3000%	
225						
226	Days in taxation year		92	92	92	
227	Divide days by 365		0.25	0.25	0.25	
228						
229	**Ontario Capital Tax (Must agree with CT23 return)**		8,855	0	8,855	
230						
231	**Section E: Detailed calculation of Large Corporation Tax**					
232						
233	**LARGE CORPORATION TAX**					
234	**(From Federal Schedule 33)**					
235	**CAPITAL**					
236	ADD:					
237	Reserves that have not been deducted in computing income for the year under Part I	+	2,131,539		2,131,539	
238	Capital stock	+	100		100	
239	Retained earnings	+	8,566,527		8,566,527	
240	Contributed surplus	+	4,402,373		4,402,373	
241	Any other surpluses	+			0	
242	Deferred unrealized foreign exchange gains	+			0	
243	All loans and advances to the corporation	+			0	
244	All indebtedness- bonds, debentures, notes, mortgages, bankers acceptances, or similar obligations	+			0	
245	Any dividends declared but not paid	+			0	
246	All other indebtedness outstanding for more than 365 days	+			0	
247						
248	Subtotal	=	15,100,539	0	15,100,539	
249						
250	DEDUCT:					
251	Deferred tax debit balance	-	865,000		865,000	
252	Any deficit deducted in computing shareholders' equity	-			0	
253	Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above	-			0	
254	Deferred unrealized foreign exchange losses	-			0	
255						
256	Subtotal	=	865,000	0	865,000	
257						
258	**Capital for the year**		14,235,539	0	14,235,539	
259						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
4	**0**		Return			
5					**0**	
260	**INVESTMENT ALLOWANCE**					
261						
262	Shares in another corporation	+			0	
263	Loan or advance to another corporation	+			0	
264	Bond, debenture, note, mortgage, or	+			0	
265	similar obligation of another corporation	+			0	
266	Long term debt of financial institution	+			0	
267	Dividend receivable from another corporation	+			0	
268	Debts of corporate partnerships that were not exempt from tax under Part I.3	+			0	
269	Interest in a partnership	+			0	
270						
271	**Investment Allowance**	=	0	0	0	
272						
273						
274	**TAXABLE CAPITAL**					
275						
276	Capital for the year	=	14,235,539	0	14,235,539	
277						
278	Deduct: Investment allowance	-	0	0	0	
279						
280	Taxable Capital for taxation year	=	14,235,539	0	14,235,539	
281						
282	Deduct: Capital Deduction - maximum of $50,000,000	-	10,000,000	0	10,000,000	
283	(Input in tab 'Tax Rates')					
284	**Taxable Capital**	=	4,235,539	0	4,235,539	
285						
286	Rate 0.225% in 2002 and 2003; 0.200% in 2004		0.22500%	0.22500%	0.22500%	
287						
288	Days in year		92	92	92	
289	Divide days by 366		0.2521	0.2521	0.2521	
290						
291	**Gross Part I.3 Tax LCT (Must agree with tax return)**	=	2,402	0	2,402	
292						
293	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
294						
295	Less: Federal Surtax = **Actual Surtax from tax return**	-	0		0	
296						
297	**Net Part I.3 Tax - LCT Payable (Must agree with tax return)**	=	2,402	0	2,402	
298	(If surtax is greater than Gross LCT, then zero)					
299						
300	**Section F: Income and Capital Taxes**					
301						
302	**RECAP FROM ABOVE:**					
303	Total Income Taxes	+	0	0	0	
304	Ontario Capital Tax	+	8,855	0	8,855	
305	Federal Large Corporations Tax	+	2,402	0	2,402	
306						
307	**Total income and capital taxes**	=	11,257	0	11,257	
308						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	
2	**Tax and Accounting Reserves**		Corporate	Eliminations	**Tax**	
3	For MoF Column of TAXCALC		Tax		**Return**	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	**0**				**0**	
6						
7	**Utility Name: HYDRONAME**					
8	**Reporting period: Dec. 31, 2001 Revised**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)		0		0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other				0	
19	Other				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		0		0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other				0	
31	Other				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts		0		0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Employee Future benefits				0	
48	Other				0	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		0		0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Employee Future Benefits				0	
60	Other				0	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**0**		Return			
6					**0**	
7						
8	**Utility Name: HYDRONAME**					
9	**Reporting period: Dec. 31, 2001 Revised**					
10	**Number of days in taxation year:**		92			
11	**Materiality Level:**		13,835			
12						
13	**Section C: Reconciliation of accounting income to taxable income**					
14	**Add:**					
15	Recapture of capital cost allowance	+			0	
16	Gain on sale of eligible capital property	+			0	
17	Income or loss for tax purposes- joint ventures or partnerships	+	0		0	
18	Loss in equity of subsidiaries and affiliates	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations	+	100		100	
21	Taxable capital gains	+			0	
22	Depreciation in inventory -end of year	+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Non-deductible club dues and fees	+			0	
27	Non-deductible automobile expenses	+			0	
28	Non-deductible life insurance premiums	+			0	
29	Soft costs on construction and renovation of buildings	+			0	
30	Non-deductible meals and entertainment	+			0	
31	Book loss on joint ventures or partnerships	+			0	
32	Capital items expensed	+			0	
33	Debt issue expense	+			0	
34	Deemed dividend income	+			0	
35	Dividends credited to investment account	+			0	
36	Financing fees deducted in books	+			0	
37	Gain on settlement of debt	+			0	
38	Interest paid on income debentures	+			0	
39	Recapture of SR&ED expenditures	+			0	
40	Share issue expense	+			0	
41	Write down of capital property	+			0	
42	Amounts received in respect of qualifying environment trust	+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44	Debt financing expenses	+			0	
45	Amortization of deferred financing costs	+	0		0	
46		+			0	
47		+			0	
48		+			0	
49		+			0	
50		+			0	
51		+			0	
52		+			0	
53		+				
54	Total Additions	=	100	0	100	
55						
56	Recap of Material Additions:					
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77			0	0	0	
78			0	0	0	
79			0	0	0	
80			0	0	0	
81			0	0	0	
82			0	0	0	

	A	B	C	D	E	F
2	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**0**		Return			
6					**0**	
83			0	0	0	
84			0	0	0	
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92			0	0	0	
93			0	0	0	
94						
95	Total Material additions		0	0	0	
96	Other additions less than materiality level		100	0	100	
97	Total Additions		100	0	100	
98						
99	Deduct:					
100	Gain on disposal of assets per f/s	-			0	
101	Dividends not taxable under section 83	-			0	
102	Terminal loss from Schedule 8	-			0	
103	Depreciation in inventory, end of prior year	-			0	
104	Scientific research expenses claimed in year from Form T661	-			0	
105	Bad debts	-			0	
106	Book income of joint venture or partnership	-			0	
107	Equity in income from subsidiary or affiliates	-			0	
108	Contributions to a qualifying environment trust	-			0	
109	Other income from financial statements	-			0	
110	*Other deductions: (Please explain in detail the nature of the item)*	-				
111	Imputed interest on Reg Assets	-			0	
112	Ont Cap Tax	-	0	0	0	
113	employee future benefit expense	-			0	
114		-			0	
115		-			0	
116		-			0	
117		-			0	
118		-			0	
119		-			0	
120		-			0	
121		-			0	
122	Total Deductions	=	0	0	0	
123						
124	Recap of Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130			0	0	0	
131			0	0	0	
132			0	0	0	
133			0	0	0	
134			0	0	0	
135			0	0	0	
136			0	0	0	
137			0	0	0	
138			0	0	0	
139			0	0	0	
140			0	0	0	
141			0	0	0	
142			0	0	0	
143			0	0	0	
144			0	0	0	
145			0	0	0	
146	Total Deductions exceed materiality level		0	0	0	
147	Other deductions less than materiality level		0	0	0	
148	Total Deductions		0	0	0	
149						

SECTION 93 PILs TAX GROSS-UP "SIMPIL"

Corporate Tax Rates 0

Exemptions, Deductions, or Thresholds 0

Utility Name: HYDRONAME

Reporting period: Dec. 31, 2001 Revised

Table 1

Rates Used in 2002 RAM PILs Applications

Income Range		**0**		**200,001**	
RAM 2002		**to**		**to**	**>700,000**
	Year	**200,000**		**700,000**	
Income Tax Rate					
Proxy Tax Year	***2002***				
Federal (Includes surtax)		0.00%			
and Ontario blended		19.12%		34.12%	40.62%
Blended rate		19.12%	0.00%	34.12%	40.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	**MAX $5MM**	5,000,000			
Federal Large Corporations Tax Exemption **	**MAX $10MM**	10,000,000			

****Exemption amounts must agree with the Board-approved 2002 RAM PILs filing**

Table 2

Expected Rates and Exemptions for 2004

Income Range		**0**	**250,001**	**400,001**	
Expected Rates 2004		**to**	**to**	**to**	**>1,128,000**
	Year	**250,000**	**400,000**	**1,128,000**	
Income Tax Rate					
Current year	***2004***				
Federal (Includes surtax)		13.12%	22.12%	22.12%	22.12%
Ontario		5.50%	5.50%	9.75%	14.00%
Blended rate		18.62%	27.62%	31.87%	36.12%
Capital Tax Rate		0.300%			
LCT rate		0.200%			
Surtax		1.12%			
Ontario Capital Tax Exemption ***	**MAX $5MM**	5,000,000			
Federal Large Corporations Tax Exemption ***	**MAX $50MM**	50,000,000			

*****Allocation of exemptions must comply with the Board's instructions regarding regulated activities.**

Table 3

Input Information from Utility's Actual 2004 Tax Returns

Income Range		**0**	**250,001**	**400,001**	
		to	**to**	**to**	**>1,128,000**
	Year	**250,000**	**400,000**	**1,128,000**	
Income Tax Rate					
Current year	***2004***				
Federal (Includes surtax)		13.12%	22.12%	22.12%	22.12%
Ontario		5.50%	5.50%	9.75%	14.00%
Blended rate		18.62%	27.62%	31.87%	36.12%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption *	**MAX $5MM**	4,969,248			
Federal Large Corporations Tax Exemption *	**MAX $50MM**	10,000,000			

*** Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36**

	A	B	C	D
1		**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**		
2		**Filing Requirements related to the "SIMPIL" model**		**0**
3		**Utility Name: HYDRONAME**		**0**
4		**Reporting period: Dec. 31, 2001 Revised**		
5				
6				
7				
8				
9		**Documents to be submitted to the Board when filing the Ministry of Finance Column information:**		
10		**(Stage 3 filing: normally in July of the year following the reporting period)**		
11				
12		**Please file 3 copies of each paper document and 1 CD or disk**		
13				
14	**1)**	**REGINFO**	Yes	
15				
16	**2)**	**TAXCALC**	Yes	
17				
18	**3)**	**TAXREC**	Yes	
19				
20	**4)**	**Tax Reserves**	Yes	
21				
22	**5)**	**TAXREC 2**	Yes	
23				
24	**6)**	**Tax Rates**	Yes	
25				
26	**7)**	**Checklist**	Yes	
27				
28	**8)**	**Background Questionnaire**	Yes	
29				
30	**9)**	**PILs Variance Analysis**	Yes	
31				
32	**10)**	**Financial statements used to prepare tax returns if different from the audited financial statements submitted to the Board in April 2005**	N/A	
33				
34	**11)**	**Electronic Excel format of the SIMPIL worksheets**	Yes	
35				
36	**12)**	**Notices of assessments, and any re-assessments, for:**		
37		**2001**	Yes	
38		**2002**	Yes	
39		**2003**	Yes	
40		**2004**	Yes	
41				
42	**13)**	**Schedules or pages from CT23 and T2 tax returns**	**Yes**	
43				
44				
45				
46				
47				
48				
49				
50				

	A	B	C
1		**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	
2		**Background Questionnaire**	**0**
3		**Utility Name: HYDRONAME**	**0**
4		**Reporting period: Dec. 31, 2001 Revised**	
5			
6	**1**	**Does the company engage in non-regulated activities?**	
7		**Answer:**	
8		No	
9			
10		**If the answer to question 1 is "NO", please skip questions 2 to 6.**	
11			
12	**2**	**Please identify the types of non-wire operations carried on by the LDC.**	
13		**Answer:**	
14			
15			
16			
17	**3**	**Does the LDC intend to transfer the non-wire operations to a separate legal entity and the expected date?**	
18		**Answer:**	
19			
20			
21			
22	**4**	**Please identify the percentage and amount of gross revenues arising from non-wire operations.**	
23		**Answer:**	
24			
25			
26	**5**	**Please identify the percentage and amount of operating expense incurred pertaining to non-wire operations.**	
27		**Answer:**	
28			
29			
30	**6**	**Please identify the percentage and amount of depreciation and capital cost allowance expenses pertaining to non-wire operations.**	
31		**Answer:**	
32			
33			
34			
35	**7**	**Did the company incur any OPEBs (post employment benefits other than pensions) for accounting and tax purposes? (Please identify the amount.)**	
36		**Answer: Yes - a total recovery of $72,739 was included**	
37			
38			
39	**8**	**Did the company have any reserves for accounting and tax purposes? (Please identify the amount.)**	
40		**Answer: Only for Allowance for doubtful accounts used in schedule 1 - tax and**	
41		**accounting adjustments were the same.**	
42			
43			
44			

	A	B	C	D	E	F	G	H	I	J	K	N	O
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**												
2	**Analysis of Account 1562:**	**Deferred Payments in lieu of Taxes**											
3	**Utility Name: HYDRONAME**												**0**
4	**Reporting period: Dec. 31, 2001 Revised**												**0**
5			**Sign Convention: + for increase; - for decrease**										
6													
7													
8													
9	**Year start:**		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		
10	**Year end:**		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		Total
11													
12	**Opening balance:**	=	0		0		37,706		37,706		37,706		0
13	**Initial Estimate PILs Rate Adjustment (1)**	+/-											0
14	**True-up Variance Adjustment (2)**	+/-			37,706								37,706
15	**Deferral Account Variance Adjustment (3)**	+/-											0
16	**Adjustments to reported prior years' variances (4)**												0
17	**Carrying charges**	+/-											0
18	**PILs collected from customers - Proxy (5)**	-	0										0
19													
20	**Ending balance: # 1562**		0		37,706		37,706		37,706		37,706		37,706
21													
22	**PILs collected from customers - Reg Assets (6)**	-	0		0		0		0		0		0
23													
24	**Note:**												

APPENDIX BD STAFF 46(d) - SIMPIL 2002

REFERENCE: BOARD STAFF INTERROGATORY 46(d)

	A	B	C	D	E
1	**PILs TAXES - EB-2008-381**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: UTILITYNAME**			Colour Code	
4	**Reporting period: 2002**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	365	days		
7	**Total days in the calendar year:**	365	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		99.7%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
24	Accounting Year End		Date	12-31-2002	
26	**MARR NO TAX CALCULATIONS**				**Regulatory**
27	**SHEET #7 FINAL RUD MODEL DATA**				**Income**
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			11,068,045	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			947,978	
43	1999 return from RUD Sheet #7			255,161	255,161
45	Total Incremental revenue			692,817	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			230,939	230,939
48	Amount allowed in 2002			230,939	230,939
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			230,939	0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	**Total Regulatory Income**				717,039
55					
56	Equity			5,534,023	
57					
58	Return at target ROE			546,761	
59					
60	Debt			5,534,023	
61					
62	Deemed interest amount in 100% of MARR			401,217	
63					
64	Phase-in of interest - Year 1 (2001)			205,734	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			303,475	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			303,475	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			401,217	
71					
72					

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: UTILITYNAME**							
7	**Reporting period: 2002**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	717,039		150,918		867,957	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	663,503		30,609		694,112	
21	Employee Benefit Plans - Accrued, Not Paid	3			123,643		123,643	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			725		725	
30	**Items on which true-up does not apply "TAXREC 3"**				504,672		504,672	
31								
32	***Deductions:*** ***Input positive numbers***							
33	Capital Cost Allowance and CEC	7	453,968		427,515		881,483	
34	Employee Benefit Plans - Paid Amounts	8			34,846		34,846	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	303,475		-214,096		89,379	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			826		826	
48	**Items on which true-up does not apply "TAXREC 3"**				24,750		24,750	
49								
50	TAXABLE INCOME/ (LOSS)		623,099		536,726	Before loss C/F	1,159,825	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		0.0000%		38.62%	
54								
55	REGULATORY INCOME TAX		240,641		-224,395	Actual	16,246	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		240,641		-224,395	Actual	16,246	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	11,068,045		-11,068,045			
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-5,000,000		0	
68	Taxable Capital		6,068,045		-16,068,045		0	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		18,204		-18,204	**Overpaid**	0	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	11,068,045		-11,068,045			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		1,068,045		-11,068,045		-10,000,000	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		2,403		-24,903		-22,500	
82	Less: Federal Surtax 1.12% x Taxable Income	21	6,979		-6,979		0	
83								
84	Net LCT		0		-17,924		-22,500	
85								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: UTILITYNAME**							
7	**Reporting period: 2002**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		38.62%					
89								
90	Income Tax (proxy tax is grossed-up)	22	392,051			**Actual 2002**	16,246	
91	LCT (proxy tax is grossed-up)	23	0			**Actual 2002**		
92	Ontario Capital Tax (no gross-up since it is deductible)	24	18,204			**Actual 2002**	28,644	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	410,255			**Actual 2002**	44,890	
96	**RAM DECISION**							
97								
98								
99	***IV) FUTURE TRUE-UPS***							
100	**IV a) Calculation of the True-up Variance**				**DR/(CR)**			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			123,643			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	***In Deductions - positive numbers***							
109	Employee Benefit Plans - Paid Amounts	8			34,846			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes **(See Below - cell I204)**	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	88,797			
121								
122	Income Tax Rate (excluding surtax) from **2002** Utility's tax return			x	31.66%			
123								
124	Income Tax Effect on True-up adjustments			=	28,113			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				28,113			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				30.54%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				40,474			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	623,099			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	31.66%			
139								
140	REVISED REGULATORY INCOME TAX			=	197,273			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	197,273			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	240,641			
147								
148	Regulatory Income Tax Variance			=	-43,368			
149								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: UTILITYNAME**							
7	**Reporting period: 2002**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
150	**Ontario Capital Tax**							
151	Base			=	11,068,045			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	6,068,045			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	18,204			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	18,204			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				11,068,045			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	1,068,045			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				2,403			
169	Less: Federal surtax			-	6,979			
170	Revised Net LCT			=	-4,576			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	-4,576			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				30.54%			
176								
177	**Income Tax (grossed-up)**			+	-62,435			
178	**LCT (grossed-up)**			+	-6,587			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	-69,023			
182								
183	**TRUE-UP VARIANCE (from cell I130)**			+	40,474			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	-28,549			
186	*(Deferral Account Variance + True-up Variance)*							
187								
188								
189								
190	**V) INTEREST PORTION OF TRUE-UP**							
191	**Variance Caused By Phase-in of Deemed Debt**							
192								
193	Total deemed interest (REGINFO)				401,217			
194	Interest phased-in (Cell C36)				303,475			
195								
196	Variance due to phase-in of debt component of MARR in rates				97,741			
197	according to the Board's decision							
198								
199	**Other Interest Variances (i.e. Borrowing Levels**							
200	**Above Deemed Debt per Rate Handbook)**							
201	Interest deducted on MoF filing (Cell K36+K41)				89,379			
202	Total deemed interest (REGINFO CELL D61)				401,217			
203								
204	Variance caused by excess debt				0			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I110)**				0			
207								
208	**Total Interest Variance**				97,741			
209								
210								
211								

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
6	**Section A: Identification:**					
7	**Utility Name: UTILITYNAME**					
8	**Reporting period: 2002**					
9	**Taxation Year's start date:**					
10	**Taxation Year's end date:**					
11	**Number of days in taxation year:**		365	days		
12						
13	**Please enter the Materiality Level :**		13,835	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N	Y			
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	14,177,688		14,177,688	
32	Distribution Revenue	+	2,837,116		2,837,116	
33	Other Income	+	550,256		550,256	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	14,177,688		14,177,688	
40	Administration	-	680,194		680,194	
41	Customer billing and collecting	-	437,968		437,968	
42	Operations and maintenance	-	703,630		703,630	
43	Amortization	-	694,112		694,112	
44	Ontario Capital Tax	-			0	
45	Interest on customer deposits	-	3,511		3,511	
46		-			0	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	867,957	0	867,957	
51	Less: Interest expense for accounting purposes	-	89,379		89,379	
52	Provision for payments in lieu of income taxes	-	306,000		306,000	
53	**Net Income (loss)**	=	472,578	0	472,578	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	**Section C: Reconciliation of accounting income to taxable income**					
57	***From T2 Schedule 1***					
58	**BOOK TO TAX ADDITIONS:**					
59	Provision for income tax	+	306,000	0	306,000	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	694,112	0	694,112	
62	Employee benefit plans-accrued, not paid	+	123,643	0	123,643	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	***Items on which true-up does not apply "TAXREC 3"***		504,672	0	504,672	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	725	0	725	
69						
70	*Subtotal*		1,629,152	0	1,629,152	
71						
72	*Other Additions: (Please explain the nature of the additions)*					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78		+			0	
79		+			0	
80	*Total Other Additions*	=	0	0	0	
81						
82	Total Additions	=	1,629,152	0	1,629,152	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
92	*Total Other additions >materiality level*		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	825,120		825,120	
98	Cumulative eligible capital deduction	-	56,363		56,363	
99	Employee benefit plans-paid amounts	-	34,846		34,846	
100	Items capitalized for regulatory purposes	-			0	
101	*Regulatory adjustments :*	-			0	
102	*CCA*	-			0	
103	*other deductions*	-			0	
104	*Tax reserves - end of year*	-	0	0	0	
105	*Reserves from financial statements- beginning of year*	-	0	0	0	
106	*Contributions to deferred income plans*	-			0	
107	*Contributions to pension plans*	-			0	
108	***Items on which true-up does not apply "TAXREC 3"***		24,750	0	24,750	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	826	0	826	
112						
113	Subtotal	=	941,905	0	941,905	
114	*Other deductions (Please explain the nature of the deductions)*					
115		-			0	
116		-			0	
117		-			0	
118					0	
119		-			0	
120	*Total Other Deductions*	=	0	0	0	
121						
122	Total Deductions	=	941,905	0	941,905	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	*Total Other Deductions exceed materiality level*		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	1,159,825	0	1,159,825	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	151,845		151,845	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	1,007,980	0	1,007,980	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+			0	
143	Net Ontario Income Tax (Must agree with tax return)	+	16,246		16,246	
144	Subtotal	=	16,246	0	16,246	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	**Total Income Tax**	=	16,246	0	16,246	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		26.12%		26.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		38.62%	***************	38.62%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	16,246	0	16,246	
157	Ontario Capital Tax	+	28,644		28,644	
158	Federal Large Corporations Tax	+	11,648		11,648	
159						
160	**Total income and capital taxes**	=	56,538	0	56,538	
161						

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
2	**Tax and Accounting Reserves**		Corporate	Eliminations	**Tax**	
3	For MoF Column of TAXCALC		Tax		**Return**	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	**0**				**Version 2009.1**	
6						
7	**Utility Name: UTILITYNAME**					
8	**Reporting period: 2002**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: UTILITYNAME**					
9	**Reporting period: 2002**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		13,835			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41	ENNERCONNECT LIMITED PARTNERSHIP INCOME	+	725		725	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	725	0	725	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		725	0	725	
79	Total Additions		725	0	725	

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: UTILITYNAME**					
9	**Reporting period: 2002**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		13,835			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92	\	-			0	
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-			0	
97	Taxable dividends under 112	-	826		826	
98		-			0	
99	Total Deductions	=	826	0	826	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		826	0	826	
121	Total Deductions		826	0	826	
122						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**					
3	**TAX RETURN RECONCILIATION (TAXREC 3)**					
4	**Shareholder-only Items should be shown on TAXREC 3**	LINE	M of F	Non-wires	**Wires-only**	
5	**ITEMS ON WHICH TRUE-UP DOES NOT APPLY**		Corporate	Eliminations	**Tax**	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
7	**0**		Return			
8	**Utility Name: UTILITYNAME**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2002**					
12	**Number of days in taxation year:**		365			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	657		657	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**		25		25	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	**Ontario capital tax adjustments**	+			0	
41	**Changes in Regulatory Asset balances**	+	503,990		503,990	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44		+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	504,672	0	504,672	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-	24,625		24,625	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-	125		125	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	**Ontario capital tax adjustments to current or prior year**	-			0	
65		-			0	
66	**Changes in Regulatory Asset balances**	-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	24,750	0	24,750	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	**PILs TAXES - EB-2008-381**									
2	**Corporate Tax Rates**					**Version 2009.1**				
3	**Exemptions, Deductions, or Thresholds**									
4	**Utility Name: UTILITYNAME**									
5	**Reporting period: 2002**									
6										
7						**Table 1**				
8	**Rates Used in 2002 RAM PILs Applications for 2002**									
9	**Income Range**		**0**		**200,001**					
10	**RAM 2002**		**to**		**to**	**>700,000**				
11		**Year**	**200,000**		**700,000**					
12	**Income Tax Rate**									
13	***Proxy Tax Year***	***2002***								
14	***Federal (Includes surtax)***		13.12%		26.12%	26.12%				
15	***and Ontario blended***		6.00%		6.00%	12.50%				
16	***Blended rate***		19.12%		34.12%	38.62%				
17										
18	**Capital Tax Rate**		0.300%							
19	**LCT rate**		0.225%							
20	**Surtax**		1.12%							
21	**Ontario Capital Tax Exemption ****	**MAX $5MM**	5,000,000							
22	**Federal Large Corporations Tax Exemption ****	**MAX $10MM**	10,000,000							
23	****Exemption amounts must agree with the Board-approved 2002 RAM PILs filing**									
24										
25						**Table 2**				
26	**Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002**									
27	**Income Range**		**0**		**200,001**					
28	**Expected Rates**		**to**		**to**	**>700,000**				
29		**Year**	**200,000**		**700,000**					
30	**Income Tax Rate**									
31	***Current year***	***2002***								
32	***Federal (Includes surtax)***	***2002***	13.12%		26.12%	26.12%				
33	***Ontario***	***2002***	6.00%		6.00%	12.50%				
34	***Blended rate***	***2002***	19.12%		32.12%	38.62%				
35										
36	**Capital Tax Rate**	***2002***	0.300%							
37	**LCT rate**	***2002***	0.225%							
38	**Surtax**	***2002***	1.12%							
39	**Ontario Capital Tax Exemption *** 2002**	**MAX $5MM**	5,000,000							
40	**Federal Large Corporations Tax Exemption *** 2002**	**MAX $10MM**	10,000,000							
41	*****Allocation of exemptions must comply with the Board's instructions**									
42	**regarding regulated activities.**									
43						**Table 3**				
44	**Input Information from Utility's Actual 2002 Tax Returns**									
45	**Income Range**		**0**		**200,001**					
46			**to**		**to**	**>700,000**				
47		**Year**	**200,000**		**700,000**					
48	**Income Tax Rate**									
49	***Current year***	***2002***								
50	***Federal (Includes surtax)***		13.12%		22.12%	26.12%		26.12%	0.00%	
51	***Ontario***		6.00%		9.75%	12.50%		12.50%	0.00%	
52	***Blended rate***		19.12%		31.87%	38.62%		38.62%	0.00%	
53										
54	**Capital Tax Rate**		0.300%							
55	**LCT rate**		0.225%							
56	**Surtax**		1.12%							
57	**Ontario Capital Tax Exemption ***	**MAX $5MM**	4,668,892							
58	**Federal Large Corporations Tax Exemption ***	**MAX $10MM**	10,000,000							
59	*** Include copies of the actual tax return allocation calculations in your**									
60	**submission: Ontario CT23 page 11; federal T2 Schedule 36**									
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	**PILs TAXES - EB-2008-381**														
2	**Analysis of PILs Tax Account 1562:**														
3	**Utility Name: UTILITYNAME**														**Version 2009.1**
4	**Reporting period: 2002**				**Sign Convention: + for increase; - for decrease**										**0**
5															
6															
7															
8	**Year start:**		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	**Year end:**		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	**Opening balance:**	=	0		0		0		0		0		0		0
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-					0		0		0		0		0
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**														0
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-													0
15	**True-up Variance Adjustment (3)**	+/-											40,474		40,474
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**														0
17	**Deferral Account Variance Adjustment (5)**	+/-											-69,023		-69,023
18	**Adjustments to reported prior years' variances (6)**	+/-													0
19	**Carrying charges (7)**	+/-													0
20	**PILs billed to (collected from) customers (8)**	-	0												0
21															
22	**Ending balance: # 1562**		0		0		0		0		0		-28,549		-28,549

Uncollected PILs

NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.
For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:

(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
If the Board gave more than one decision in the year, calculate a weighted average proxy.
(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.

(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.

(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.
The 2005 PILs tax proxy is being recovered on a volumetric basis by class.

(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.

In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.

In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

APPENDIX BD STAFF 46(d) - SIMPIL 2003

REFERENCE: BOARD STAFF INTERROGATORY 46(d)

	A	B	C	D	E
1	**PILs TAXES - EB-2008-381**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: UTILITYNAME**			Colour Code	
4	**Reporting period: 2003**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	365	days		
7	**Total days in the calendar year:**	365	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		99.5%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
24	Accounting Year End		Date	12-31-2003	
26	**MARR NO TAX CALCULATIONS**				**Regulatory**
27	**SHEET #7 FINAL RUD MODEL DATA**				**Income**
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			11,068,045	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			947,978	
43	1999 return from RUD Sheet #7			255,161	255,161
45	Total Incremental revenue			692,817	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			230,939	230,939
48	Amount allowed in 2002			230,939	230,939
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			230,939	0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	**Total Regulatory Income**				717,039
55					
56	Equity			5,534,023	
57					
58	Return at target ROE			546,761	
59					
60	Debt			5,534,023	
61					
62	Deemed interest amount in 100% of MARR			401,217	
63					
64	Phase-in of interest - Year 1 (2001)			205,734	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			303,475	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			303,475	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			401,217	
71					

	A	B	C	D	E
72					

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: UTILITYNAME**							
7	**Reporting period: 2003**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	717,039		2,502,819		3,219,858	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	663,503		-46,326		617,177	
21	Employee Benefit Plans - Accrued, Not Paid	3			42,147		42,147	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			2,686		2,686	
30	**Items on which true-up does not apply "TAXREC 3"**				377,651		377,651	
31								
32	***Deductions:*** ***Input positive numbers***							
33	Capital Cost Allowance and CEC	7	453,968		154,710		608,678	
34	Employee Benefit Plans - Paid Amounts	8			36,486		36,486	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	303,475		158,936		462,411	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			15,324		15,324	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	**Items on which true-up does not apply "TAXREC 3"**				1,120,102		1,120,102	
49								
50	TAXABLE INCOME/ (LOSS)		623,099		1,393,419	Before loss C/F	2,016,518	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.0000%		36.62%	
54								
55	REGULATORY INCOME TAX		240,641		429,853	Actual	670,494	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		240,641		429,853	Actual	670,494	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	11,068,045		-11,068,045			
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-313,562		4,686,438	
68	Taxable Capital		6,068,045		-11,381,607		-4,686,438	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		18,204		-18,204		0	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	11,068,045		-11,068,045			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		1,068,045		-11,068,045		-10,000,000	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		2,403		-24,903		-22,500	
82	Less: Federal Surtax 1.12% x Taxable Income	21	6,979		-6,979		0	
83								
84	Net LCT		0		-17,924		-22,500	
85								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: UTILITYNAME**							
7	**Reporting period: 2003**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		38.62%					
89								
90	Income Tax (proxy tax is grossed-up)	22	392,051			**Actual 2003**	670,494	
91	LCT (proxy tax is grossed-up)	23	0			**Actual 2003**	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	18,204			**Actual 2003**	35,381	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	410,255			**Actual 2003**	705,875	
96	**RAM DECISION**							
97								
98								
99	***IV) FUTURE TRUE-UPS***							
100	**IV a) Calculation of the True-up Variance**				**DR/(CR)**			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			42,147			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	***In Deductions - positive numbers***							
109	Employee Benefit Plans - Paid Amounts	8			36,486			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes **(See Below - cell I206)**	11			61,194			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			15,324			
119								
120	Total TRUE-UPS before tax effect	26		=	-70,857			
121								
122	Income Tax Rate (excluding surtax) from **2003** Utility's tax return			x	36.62%			
123								
124	Income Tax Effect on True-up adjustments			=	-25,948			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-25,948			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.50%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**-40,229**			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	623,099			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	228,179			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	228,179			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	240,641			
147								
148	Regulatory Income Tax Variance			=	-12,462			
149								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: UTILITYNAME**							
7	**Reporting period: 2003**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
150	**Ontario Capital Tax**							
151	Base			=	11,068,045			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	6,068,045			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	18,204			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	18,204			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				11,068,045			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	1,068,045			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				2,403			
169	Less: Federal surtax			-	6,979			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%			
176								
177	**Income Tax (grossed-up)**			+	-19,321			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**-19,321**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**-40,229**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**-59,550**			
186	*(Deferral Account Variance + True-up Variance)*							
187								
188								
189								
190	**V) INTEREST PORTION OF TRUE-UP**							
191	**Variance Caused By Phase-in of Deemed Debt**							
192								
193	Total deemed interest (REGINFO)				401,217			
194	Interest phased-in (Cell C36)				303,475			
195								
196	Variance due to phase-in of debt component of MARR in rates				97,741			
197	according to the Board's decision							
198								
199	**Other Interest Variances (i.e. Borrowing Levels**							
200	**Above Deemed Debt per Rate Handbook)**							
201	Interest deducted on MoF filing (Cell K36+K41)				462,411			
202	Actual Interest Paid							
203								
204	Variance caused by excess debt				462,411			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I112)**				61,194			
207								
208	**Total Interest Variance**				-364,670			
209								
210								
211								

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
6	**Section A: Identification:**					
7	**Utility Name: UTILITYNAME**					
8	**Reporting period: 2003**					
9	**Taxation Year's start date:**					
10	**Taxation Year's end date:**					
11	**Number of days in taxation year:**		365	days		
12						
13	**Please enter the Materiality Level :**		13,835	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N	Y			
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	11,940,399		11,940,399	
32	Distribution Revenue	+	5,097,928		5,097,928	
33	Other Income	+	584,147		584,147	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	11,940,399		11,940,399	
40	Administration	-	679,507		679,507	
41	Customer billing and collecting	-	523,212		523,212	
42	Operations and maintenance	-	638,970		638,970	
43	Amortization	-	617,177		617,177	
44	Ontario Capital Tax	-			0	
45	Interest on customer deposits	-	3,351		3,351	
46		-			0	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	3,219,858	0	3,219,858	
51	Less: Interest expense for accounting purposes	-	462,411		462,411	
52	Provision for payments in lieu of income taxes	-	683,000		683,000	
53	**Net Income (loss)**	=	2,074,447	0	2,074,447	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	**Section C: Reconciliation of accounting income to taxable income**					
57	***From T2 Schedule 1***					
58	**BOOK TO TAX ADDITIONS:**					
59	Provision for income tax	+	683,000	0	683,000	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	617,177	0	617,177	
62	Employee benefit plans-accrued, not paid	+	42,147	0	42,147	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	***Items on which true-up does not apply "TAXREC 3"***		377,651	0	377,651	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	2,686	0	2,686	
69						
70	*Subtotal*		1,722,661	0	1,722,661	
71						
72	*Other Additions: (Please explain the nature of the additions)*					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75		+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	*Total Other Additions*	=	0	0	0	
81						
82	Total Additions	=	1,722,661	0	1,722,661	
83						

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	*Total Other additions >materiality level*		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	556,260		556,260	
98	Cumulative eligible capital deduction	-	52,418		52,418	
99	Employee benefit plans-paid amounts	-	36,486		36,486	
100	Items capitalized for regulatory purposes	-			0	
101	*Regulatory adjustments :*	-			0	
102	*CCA*	-			0	
103	*other deductions*	-			0	
104	*Tax reserves - end of year*	-	0	0	0	
105	*Reserves from financial statements- beginning of year*	-	0	0	0	
106	*Contributions to deferred income plans*	-			0	
107	*Contributions to pension plans*	-			0	
108	***Items on which true-up does not apply "TAXREC 3"***		1,120,102	0	1,120,102	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	15,324	0	15,324	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	1,780,590	0	1,780,590	
114	*Other deductions (Please explain the nature of the deductions)*					
115	**Charitable donations - tax basis**	-			0	
116	*Gain on disposal of assets*	-			0	
117		-			0	
118					0	
119		-			0	
120	*Total Other Deductions*	=	0	0	0	
121						
122	Total Deductions	=	1,780,590	0	1,780,590	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	*Total Other Deductions exceed materiality level*		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	2,016,518	0	2,016,518	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	141,203		141,203	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	1,875,315	0	1,875,315	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	452,326		452,326	
143	Net Ontario Income Tax (Must agree with tax return)	+	218,168		218,168	
144	Subtotal	=	670,494	0	670,494	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	**Total Income Tax**	=	670,494	0	670,494	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		24.12%		24.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		36.62%		36.62%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	670,494	0	670,494	
157	Ontario Capital Tax	+	35,381		35,381	
158	Federal Large Corporations Tax	+			0	
159						
160	**Total income and capital taxes**	=	705,875	0	705,875	
161						

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
2	**Tax and Accounting Reserves**		Corporate	Eliminations	**Tax**	
3	For MoF Column of TAXCALC		Tax		**Return**	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	**0**				**Version 2009.1**	
6						
7	**Utility Name: UTILITYNAME**					
8	**Reporting period: 2003**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Employee Future Benefits				0	
48	Other - Please describe				0	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Employee Future Benefits				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: UTILITYNAME**					
9	**Reporting period: 2003**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		13,835			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37	Expenses capitalized for accounting	+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41	ENNERCONNECT LIMITED PARTNERSHIP INCOME	+	2,686		2,686	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	2,686	0	2,686	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: UTILITYNAME**					
9	**Reporting period: 2003**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		13,835			
12						
13						
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		2,686	0	2,686	
79	Total Additions		2,686	0	2,686	

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: UTILITYNAME**					
9	**Reporting period: 2003**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		13,835			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-	0		0	
97	Expenses capitalized for accounting	-	15,324		15,324	
98		-			0	
99	Total Deductions	=	15,324	0	15,324	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117	Expenses capitalized for accounting		15,324	0	15,324	
118			0	0	0	
119	Total Deductions exceed materiality level		15,324	0	15,324	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		15,324	0	15,324	
122						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**					
3	**TAX RETURN RECONCILIATION (TAXREC 3)**					
4	**Shareholder-only Items should be shown on TAXREC 3**	LINE	M of F	Non-wires	**Wires-only**	
5	**ITEMS ON WHICH TRUE-UP DOES NOT APPLY**		Corporate	Eliminations	**Tax**	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
7	**0**		Return			
8	**Utility Name: UTILITYNAME**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2003**					
12	**Number of days in taxation year:**		365			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	2,547		2,547	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	**Ontario capital tax adjustments**	+	37,000		37,000	
41	**Changes in Regulatory Asset balances**	+	338,104		338,104	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44	Bad debts - pre-October 1, 2001 Denied	+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	377,651	0	377,651	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-			0	
58	Income from joint ventures or partnerships	-			0	
59	Restatement of employee future benefit liability	-	1,084,721		1,084,721	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	**Ontario capital tax adjustments to current or prior year**	-	35,381		35,381	
65		-			0	
66	**Changes in Regulatory Asset balances**	-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	1,120,102	0	1,120,102	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	**PILs TAXES - EB-2008-381**									
2	**Corporate Tax Rates**					**Version 2009.1**				
3	**Exemptions, Deductions, or Thresholds**									
4	**Utility Name: UTILITYNAME**									
5	**Reporting period: 2003**									
6										
7						**Table 1**				
8	**Rates Used in 2002 RAM PILs Applications for 2002**									
9	**Income Range**		**0**		**200,001**					
10	**RAM 2002**		**to**		**to**	**>700000**				
11		**Year**	**200,000**		**700,000**					
12	**Income Tax Rate**									
13	***Proxy Tax Year***	***2002***								
14	***Federal (Includes surtax)***		13.12%		26.12%	26.12%				
15	***and Ontario blended***		6.00%		6.00%	12.50%				
16	***Blended rate***		19.12%		34.12%	38.62%				
17										
18	**Capital Tax Rate**		0.300%							
19	**LCT rate**		0.225%							
20	**Surtax**		1.12%							
21	**Ontario Capital Tax Exemption ****	**MAX $5MM**	5,000,000							
22	**Federal Large Corporations Tax Exemption ****	**MAX $10MM**	10,000,000							
23	****Exemption amounts must agree with the Board-approved 2002 RAM PILs filing**									
24										
25						**Table 2**				
26	**Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003**									
27	**Income Range**		**0**		**200,001**					
28	**Expected Rates**		**to**		**to**	**>700000**				
29		**Year**	**200,000**		**700,000**					
30	**Income Tax Rate**									
31	***Current year***	***2003***								
32	***Federal (Includes surtax)***	***2003***	13.12%			24.12%				
33	***Ontario***	***2003***	6.00%			12.50%				
34	***Blended rate***	***2003***	19.12%		34.12%	36.62%				
35										
36	**Capital Tax Rate**	***2003***	0.300%							
37	**LCT rate**	***2003***	0.225%							
38	**Surtax**	***2003***	1.12%							
39	**Ontario Capital Tax Exemption *** 2003**	**MAX $5MM**	5,000,000							
40	**Federal Large Corporations Tax Exemption *** 2003**	**MAX $10MM**	10,000,000							
41	*****Allocation of exemptions must comply with the Board's instructions**									
42	**regarding regulated activities.**									
43						**Table 3**				
44	**Input Information from Utility's Actual 2003 Tax Returns**									
45	**Income Range**		**0**		**200,001**					
46			**to**		**to**	**>700,000**				
47		**Year**	**200,000**		**700,000**					
48	**Income Tax Rate**									
49	***Current year***	***2003***								
50	***Federal (Includes surtax)***		13.12%		0.00%	24.12%		24.12%	0.00%	
51	***Ontario***		6.00%		0.00%	12.50%		12.50%	0.00%	
52	***Blended rate***		19.12%		0.00%	36.62%		36.62%	0.00%	
53										
54	**Capital Tax Rate**		0.300%							
55	**LCT rate**		0.225%							
56	**Surtax**		1.12%							
57	**Ontario Capital Tax Exemption ***	**MAX $5MM**	4,686,438							
58	**Federal Large Corporations Tax Exemption ***	**MAX $10MM**	10,000,000							
59	*** Include copies of the actual tax return allocation calculations in your**									
60	**submission: Ontario CT23 page 11; federal T2 Schedule 36**									

	A	B	C	D	E	F	G	H	I	J
61										

	A	B	C	D	E	F	G	H	I	J
1	**PILs TAXES - EB-2008-381**									
2	**Analysis of PILs Tax Account 1562:**									
3	**Utility Name: UTILITYNAME**									
4	**Reporting period: 2003**				**Sign Convention: + for increase; - for decrease**					
5										
6										
7										
8	**Year start:**		01/10/2001		01/01/2002		01/01/2003		01/01/2004	
9	**Year end:**		31/12/2001		31/12/2002		31/12/2003		31/12/2004	
10										
11	**Opening balance:**	=	0		0		0		0	
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-					0		0	
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**									
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-								
15	**True-up Variance Adjustment (3)**	+/-								
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**									
17	**Deferral Account Variance Adjustment (5)**	+/-								
18	**Adjustments to reported prior years' variances (6)**	+/-								
19	**Carrying charges (7)**	+/-								
20	**PILs billed to (collected from) customers (8)**	-	0							
21										
22	**Ending balance: # 1562**		0		0		0		0	

23
24
25
26 **Uncollected PILs**
27
28 **NOTE:** The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable fro
29 For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and
30
31 **Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:**
32
33 (1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 200
34 Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
35 If the Board gave more than one decision in the year, calculate a weighted average proxy.
36 (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
37 (iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
38 (iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy r
39 (v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy
40 (vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
41
42 (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC sprea
43 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year recon
44
45 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC sprea
46 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
47
48 (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC sprea
49 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole ye

	A	B	C	D	E	F	G	H	I	J
50										
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC sprea									
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.									
53										
54	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will hav									
55										
56	(7) Carrying charges are calculated on a simple interest basis.									
57										
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volum									
59	components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2									
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.									
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.									
62										
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at									
64	by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and J									
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.									
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the									
68	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for Januar									
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the									
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be									
72	to calculate the recovery for the period January 1 to March 31, 2005.									
73										
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PI									
75	will have to include amounts from 1562 and from 1590.									
76										
77										

	K	L	M	N	O
1					
2					
3					**Version 2009.1**
4					**0**
5					
6					
7					
8	01/01/2005		01/01/2006		
9	31/12/2005		30/04/2006		Total
10					
11	0		0		0
12	0		0		0
13					0
14					0
15			-40,229		-40,229
16					0
17			-19,321		-19,321
18					0
19					0
20					0
21					
22	0		-59,550		-59,550
23					
24					
25					
26					
27					
28	n or liability to ratepayers.				
29	I FAQ April 2003.				
30					
31					
32					
33	2.				
34					
35					
36					
37	.				
38	emained.				
39	from April 1 to December 31, 2005.				
40					
41					
42	dsheet. The Q4, 2001 proxy has to be				
43	cilation.				
44					
45	dsheet.				
46					
47					
48	dsheet. The Q4, 2001 proxy has to be				
49	ar reconciliation.				

	K	L	M	N	O
50					
51	dsheet.				
52					
53					
54	e to be reviewed.				
55					
56					
57					
58	hetric charge recovery by class. The PILs rate				
59	2004, the PILs recovery was based on the				
60					
61					
62					
63	period end), multiplied				
64	anuary 1 to March 31, 2004;				
65					
67	e 2004 RAM, sheet 7,				
68	y 1 to March 31, 2004.				
70	e 2005 RAM, sheet 4,				
71	e used				
72					
73					
74	Ls proxy taxes				
75					
76					
77					

APPENDIX BD STAFF 46(d) - SIMPIL 2004

REFERENCE: BOARD STAFF INTERROGATORY 46(d)

	A	B	C	D	E
1	**PILs TAXES - EB-2008-381**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: UTILITYNAME**			Colour Code	
4	**Reporting period: 2004**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	366	days		
7	**Total days in the calendar year:**	366	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory**
27	**SHEET #7 FINAL RUD MODEL DATA**				**Income**
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			11,068,045	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			947,978	
42					
43	1999 return from RUD Sheet #7			255,161	255,161
44					
45	Total Incremental revenue			692,817	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			230,939	230,939
48	Amount allowed in 2002			230,939	230,939
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			230,939	0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	**Total Regulatory Income**				717,039
55					
56	Equity			5,534,023	
57					
58	Return at target ROE			546,761	
59					
60	Debt			5,534,023	
61					
62	Deemed interest amount in 100% of MARR			401,217	
63					
64	Phase-in of interest - Year 1 (2001)			205,734	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			303,475	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			303,475	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			401,217	
71					
72					

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: UTILITYNAME**							
7	**Reporting period: 2004**							
8							**Column**	
9	**Days in reporting period:**	366	days				**Brought**	
10	**Total days in the calendar year:**	366	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	717,039		1,380,794		2,097,833	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	663,503		-55,594		607,909	
21	Employee Benefit Plans - Accrued, Not Paid	3			42,844		42,844	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	**Items on which true-up does not apply "TAXREC 3"**				560,938		560,938	
31								
32	***Deductions:*** ***Input positive numbers***							
33	Capital Cost Allowance and CEC	7	453,968		140,986		594,954	
34	Employee Benefit Plans - Paid Amounts	8			34,381		34,381	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	303,475		116,252		419,727	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	**Items on which true-up does not apply "TAXREC 3"**				37,504		37,504	
49								
50	TAXABLE INCOME/ (LOSS)		623,099		1,599,859	Before loss C/F	2,222,958	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.5000%		36.12%	
54								
55	REGULATORY INCOME TAX		240,641		562,291	Actual	802,932	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		240,641		562,291	Actual	802,932	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	11,068,045		-11,068,045			
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-315,157		4,684,843	
68	Taxable Capital		6,068,045		-11,383,202		-4,684,843	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		18,204		-18,204		0	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	11,068,045		-11,068,045			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		35,995,000		45,995,000	
77	Taxable Capital		1,068,045		24,926,955		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		-0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		2,403		-2,403		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	6,979		-6,979		0	
83								
84	Net LCT		0		4,576		0	
85								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: UTILITYNAME**							
7	**Reporting period: 2004**							
8							**Column**	
9	**Days in reporting period:**	366	days				**Brought**	
10	**Total days in the calendar year:**	366	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		38.62%					
89								
90	Income Tax (proxy tax is grossed-up)	22	392,051			**Actual 2004**	802,932	
91	LCT (proxy tax is grossed-up)	23	0			**Actual 2004**	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	18,204			**Actual 2004**	37,479	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	410,255			**Actual 2004**	840,411	
96	**RAM DECISION**							
97								
98								
99	***IV) FUTURE TRUE-UPS***							
100	**IV a) Calculation of the True-up Variance**				**DR/(CR)**			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			42,844			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	***In Deductions - positive numbers***							
109	Employee Benefit Plans - Paid Amounts	8			34,381			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes **(See Below - cell I206)**	11			18,510			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-10,047			
121								
122	Income Tax Rate (excluding surtax) from **2004** Utility's tax return			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	-3,629			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-3,629			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**-5,583**			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	623,099			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	225,063			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	225,063			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	240,641			
147								
148	Regulatory Income Tax Variance			=	-15,577			
149								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: UTILITYNAME**							
7	**Reporting period: 2004**							
8							**Column**	
9	**Days in reporting period:**	366	days				**Brought**	
10	**Total days in the calendar year:**	366	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
150	**Ontario Capital Tax**							
151	Base			=	11,068,045			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	6,068,045			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	18,204			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	18,204			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				11,068,045			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-38,931,955			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	**Income Tax (grossed-up)**			+	-23,965			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**-23,965**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**-5,583**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**-29,549**			
186	*(Deferral Account Variance + True-up Variance)*							
187								
188								
189								
190	**V) INTEREST PORTION OF TRUE-UP**							
191	**Variance Caused By Phase-in of Deemed Debt**							
192								
193	Total deemed interest (REGINFO)				401,217			
194	Interest phased-in (Cell C36)				303,475			
195								
196	Variance due to phase-in of debt component of MARR in rates				97,741			
197	according to the Board's decision							
198								
199	**Other Interest Variances (i.e. Borrowing Levels**							
200	**Above Deemed Debt per Rate Handbook)**							
201	Interest deducted on MoF filing (Cell K36+K41)				419,727			
202	Actual Interest Paid							
203								
204	Variance caused by excess debt				419,727			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I112)**				18,510			
207								
208	**Total Interest Variance**				-321,986			
209								
210								
211								

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
6	**Section A: Identification:**					
7	**Utility Name: UTILITYNAME**					
8	**Reporting period: 2004**					
9	**Taxation Year's start date:**					
10	**Taxation Year's end date:**					
11	**Number of days in taxation year:**		366	days		
12						
13	**Please enter the Materiality Level :**		13,835	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N	Y			
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	12,574,922		12,574,922	
32	Distribution Revenue	+	3,875,737		3,875,737	
33	Other Income	+	512,938		512,938	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	12,574,922		12,574,922	
40	Administration	-	705,839		705,839	
41	Customer billing and collecting	-	521,215		521,215	
42	Operations and maintenance	-	447,559		447,559	
43	Amortization	-	607,909		607,909	
44	Ontario Capital Tax	-			0	
45	Interest on customer deposits	-	8,320		8,320	
46		-			0	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	2,097,833	0	2,097,833	
51	Less: Interest expense for accounting purposes	-	419,727		419,727	
52	Provision for payments in lieu of income taxes	-	390,000		390,000	
53	**Net Income (loss)**	=	1,288,106	0	1,288,106	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	**Section C: Reconciliation of accounting income to taxable income**					
57	***From T2 Schedule 1***					
58	**BOOK TO TAX ADDITIONS:**					
59	Provision for income tax	+	390,000	0	390,000	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	607,909	0	607,909	
62	Employee benefit plans-accrued, not paid	+	42,844	0	42,844	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	***Items on which true-up does not apply "TAXREC 3"***		560,938	0	560,938	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	*Subtotal*		1,601,691	0	1,601,691	
71						
72	*Other Additions: (Please explain the nature of the additions)*					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75		+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	*Total Other Additions*	=	0	0	0	
81						
82	Total Additions	=	1,601,691	0	1,601,691	
83						
84	Recap Material Additions:					

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	*Total Other additions >materiality level*		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	546,206		546,206	
98	Cumulative eligible capital deduction	-	48,748		48,748	
99	Employee benefit plans-paid amounts	-	34,381		34,381	
100	Items capitalized for regulatory purposes	-			0	
101	*Regulatory adjustments :*	-			0	
102	*CCA*	-			0	
103	*other deductions*	-			0	
104	*Tax reserves - end of year*	-	0	0	0	
105	*Reserves from financial statements- beginning of year*	-	0	0	0	
106	*Contributions to deferred income plans*	-			0	
107	*Contributions to pension plans*	-			0	
108	***Items on which true-up does not apply "TAXREC 3"***		37,504	0	37,504	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	666,839	0	666,839	
114	*Other deductions (Please explain the nature of the deductions)*					
115	**Charitable donations - tax basis**	-			0	
116	*Gain on disposal of assets*	-			0	
117		-			0	
118					0	
119		-			0	
120	*Total Other Deductions*	=	0	0	0	
121						
122	Total Deductions	=	666,839	0	666,839	
123						
124	Recap Material Deductions:					
125				0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	*Total Other Deductions exceed materiality level*		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	2,222,958	0	2,222,958	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	0		0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	2,222,958	0	2,222,958	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	491,718	0	491,718	
143	Net Ontario Income Tax (Must agree with tax return)	+	311,214	0	311,214	
144	Subtotal	=	802,932	0	802,932	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	**Total Income Tax**	=	802,932	0	802,932	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%	
151	Blended Income Tax Rate		36.12%		36.12%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	802,932	0	802,932	
157	Ontario Capital Tax	+	37,479		37,479	
158	Federal Large Corporations Tax	+	0		0	
159						
160	**Total income and capital taxes**	=	840,411	0	840,411	
161						

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
2	**Tax and Accounting Reserves**		Corporate	Eliminations	**Tax**	
3	For MoF Column of TAXCALC		Tax		**Return**	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	**0**				**Version 2009.1**	
6						
7	**Utility Name: UTILITYNAME**					
8	**Reporting period: 2004**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Employee future benefits				0	
48	Other - Please describe				0	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Employee future benefits				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		0	0	0	

	A	B	C	D	E	F
64						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: UTILITYNAME**					
9	**Reporting period: 2004**					
10	**Number of days in taxation year:**		366			
11	**Materiality Level:**		13,835			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: UTILITYNAME**					
9	**Reporting period: 2004**					
10	**Number of days in taxation year:**		366			
11	**Materiality Level:**		13,835			
12						
13						
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: UTILITYNAME**					
9	**Reporting period: 2004**					
10	**Number of days in taxation year:**		366			
11	**Materiality Level:**		13,835			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**					
3	**TAX RETURN RECONCILIATION (TAXREC 3)**					
4	**Shareholder-only Items should be shown on TAXREC 3**	LINE	M of F	Non-wires	**Wires-only**	
5	**ITEMS ON WHICH TRUE-UP DOES NOT APPLY**		Corporate	Eliminations	**Tax**	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
7	**0**		Return			
8	**Utility Name: UTILITYNAME**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2004**					
12	**Number of days in taxation year:**		366			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	1,241		1,241	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**		25		25	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	**Ontario capital tax adjustments**		37,000		37,000	
39		+			0	
40	**Changes in Regulatory Asset balances**	+	522,672		522,672	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44		+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	560,938	0	560,938	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-	25		25	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	**Ontario capital tax adjustments to current or prior year**	-	37,479		37,479	
61		-			0	
62	**Changes in Regulatory Asset balances**	-			0	
63		-			0	
64	Assessment Notice	-			0	
65		-			0	
66		-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	37,504	0	37,504	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	**PILs TAXES - EB-2008-381**									
2	**Corporate Tax Rates**					**Version 2009.1**				
3	**Exemptions, Deductions, or Thresholds**									
4	**Utility Name: UTILITYNAME**									
5	**Reporting period: 2004**									
6										
7						**Table 1**				
8	**Rates Used in 2002 RAM PILs Applications for 2002**									
9	**Income Range**		**0**		**200,001**					
10	**RAM 2002**		**to**		**to**	**>700000**				
11		**Year**	**200,000**		**700,000**					
12	**Income Tax Rate**									
13	***Proxy Tax Year***	***2002***								
14	***Federal (Includes surtax)***		13.12%		26.12%	26.12%				
15	***and Ontario blended***		6.00%		6.00%	12.50%				
16	***Blended rate***		19.12%		34.12%	38.62%				
17										
18	**Capital Tax Rate**		0.300%							
19	**LCT rate**		0.225%							
20	**Surtax**		1.12%							
21	**Ontario Capital Tax Exemption ****	**MAX $5MM**	5,000,000							
22	**Federal Large Corporations Tax Exemption ****	**MAX $10MM**	10,000,000							
23	****Exemption amounts must agree with the Board-approved 2002 RAM PILs filing**									
24										
25						**Table 2**				
26	**Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004**									
27	**Income Range**		**0**	**250,001**	**400,001**					
28	**Expected Rates**		**to**	**to**	**to**	**>1,128,000**				
29		**Year**	**250,000**	**400,000**	**1,128,000**					
30	**Income Tax Rate**									
31	***Current year***	***2004***								
32	***Federal (Includes surtax)***	***2004***	13.12%	22.12%	22.12%	22.12%				
33	***Ontario***	***2004***	5.50%	5.50%	9.75%	14.00%				
34	***Blended rate***	***2004***	18.62%	27.62%	31.87%	36.12%				
35										
36	**Capital Tax Rate**	***2004***	0.300%							
37	**LCT rate**	***2004***	0.200%							
38	**Surtax**	***2004***	1.12%							
39	**Ontario Capital Tax Exemption *** 2004**	**MAX $5MM**	5,000,000							
40	**Federal Large Corporations Tax Exemption *** 2004**	**MAX $50MM**	50,000,000							
41	*****Allocation of exemptions must comply with the Board's instructions**									
42	**regarding regulated activities.**									
43						**Table 3**				
44	**Input Information from Utility's Actual 2004 Tax Returns**									
45	**Income Range**		**0**	**250,001**	**400,001**					
46			**to**	**to**	**to**	**>1,128,000**				
47		**Year**	**250,000**	**400,000**	**1,128,000**					
48	**Income Tax Rate**									
49	***Current year***	***2004***								
50	***Federal (Includes surtax)***		13.12%	22.12%	22.29%	22.12%		22.12%	0.00%	
51	***Ontario***		5.50%	5.50%	13.77%	14.00%		14.00%	0.00%	
52	***Blended rate***		18.62%	27.62%	36.06%	36.12%		36.12%	0.00%	
53										
54	**Capital Tax Rate**		0.300%							
55	**LCT rate**		0.200%							
56	**Surtax**		1.12%							
57	**Ontario Capital Tax Exemption ***	**MAX $5MM**	4,684,843							
58	**Federal Large Corporations Tax Exemption ***	**MAX $50MM**	45,995,000							
59	*** Include copies of the actual tax return allocation calculations in your**									
60	**submission: Ontario CT23 page 11; federal T2 Schedule 36**									

	A	B	C	D	E	F	G	H	I	J
61										

	A	B	C	D	E	F	G	H	I	J
1	**PILs TAXES - EB-2008-381**									
2	**Analysis of PILs Tax Account 1562:**									
3	**Utility Name: UTILITYNAME**									
4	**Reporting period: 2004**				**Sign Convention: + for increase; - for decrease**					
5										
6										
7										
8	**Year start:**		01/10/2001		01/01/2002		01/01/2003		01/01/2004	
9	**Year end:**		31/12/2001		31/12/2002		31/12/2003		31/12/2004	
10										
11	**Opening balance:**	=	0		0		0		0	
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-					0		0	
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**									
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-								
15	**True-up Variance Adjustment (3)**	+/-								
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**									
17	**Deferral Account Variance Adjustment (5)**	+/-								
18	**Adjustments to reported prior years' variances (6)**	+/-								
19	**Carrying charges (7)**	+/-								
20	**PILs billed to (collected from) customers (8)**	-	0							
21										
22	**Ending balance: # 1562**		0		0		0		0	

23
24
25
26 **Uncollected PILs**
27
28 **NOTE:** The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable fro
29 For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and
30
31 **Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:**
32
33 (1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 200
34 Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
35 If the Board gave more than one decision in the year, calculate a weighted average proxy.
36 (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
37 (iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
38 (iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy r
39 (v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy
40 (vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.
41
42 (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC sprea
43 trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year recon
44
45 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC sprea
46 The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
47
48 (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC sprea

A	B	C	D	E	F	G	H	I	J

trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole ye

(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC sprea
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will hav

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volum
components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2
2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.
The 2005 PILs tax proxy is being recovered on a volumetric basis by class.

(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at
by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and J
plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.

In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the
for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for Januar

In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the
for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be
to calculate the recovery for the period January 1 to March 31, 2005.

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PI
will have to include amounts from 1562 and from 1590.

	K	L	M	N	O
1					
2					
3					**Version 2009.1**
4					**0**
5					
6					
7					
8	01/01/2005		01/01/2006		
9	31/12/2005		30/04/2006		Total
10					
11	0		0		0
12	0		0		0
13					0
14					0
15			-5,583		-5,583
16					0
17			-23,965		-23,965
18					0
19					0
20					0
21					
22	0		-29,549		-29,549
23					
24					
25					
26					
27					
28	n or liability to ratepayers.				
29	l FAQ April 2003.				
30					
31					
32					
33	2.				
34					
35					
36					
37	.				
38	emained.				
39	from April 1 to December 31, 2005.				
40					
41					
42	dsheet. The Q4, 2001 proxy has to be				
43	cilation.				
44					
45	dsheet.				
46					
47					
48	dsheet. The Q4, 2001 proxy has to be				

	K	L	M	N	O
49	ar reconciliation.				
50					
51	dsheet.				
52					
53					
54	e to be reviewed.				
55					
56					
57					
58	netric charge recovery by class. The PILs rate				
59	2004, the PILs recovery was based on the				
60					
61					
62					
63	period end), multiplied				
64	anuary 1 to March 31, 2004;				
65					
67	e 2004 RAM, sheet 7,				
68	y 1 to March 31, 2004.				
70	e 2005 RAM, sheet 4,				
71	e used				
72					
73					
74	Ls proxy taxes				
75					
76					
77					

APPENDIX BD STAFF 46(d) - SIMPIL 2005

REFERENCE: BOARD STAFF INTERROGATORY 46(d)

	A	B	C	D	E
1	**PILs TAXES - EB-2008-0381**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: UTILITYNAME**			Colour Code	
4	**Reporting period: 2005**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	365	days		
7	**Total days in the calendar year:**	365	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2005	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory**
27	**SHEET #7 FINAL RUD MODEL DATA**				**Income**
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			11,068,045	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			947,978	
42					
43	1999 return from RUD Sheet #7			0	0
44					
45	Total Incremental revenue			947,978	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			230,939	230,939
48	Amount allowed in 2002			230,939	230,939
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			230,939	230,939
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				
52	Other Board-approved changes to MARR or incremental revenue				
53					0
54	**Total Regulatory Income**				692,817
55					
56	Equity			5,534,023	
57					
58	Return at target ROE			546,761	
59					
60	Debt			5,534,023	
61					
62	Deemed interest amount in 100% of MARR			401,217	
63					
64	Phase-in of interest - Year 1 (2001)			97,741	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			195,483	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			195,483	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			401,217	
71					
72					

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-0381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: UTILITYNAME**							
7	**Reporting period: 2005**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	1,028,724		656,735		1,685,459	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	663,503		-16,690		646,813	
21	Employee Benefit Plans - Accrued, Not Paid	3			38,603		38,603	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			1,218		1,218	
30	**Items on which true-up does not apply "TAXREC 3"**				31,454		31,454	
31								
32	***Deductions:*** ***Input positive numbers***							
33	Capital Cost Allowance and CEC	7	453,968		152,023		605,991	
34	Employee Benefit Plans - Paid Amounts	8			41,795		41,795	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	401,217		-19,544		381,673	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")		103,000					
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			335		335	
48	**Items on which true-up does not apply "TAXREC 3"**				578,943		578,943	
49								
50	TAXABLE INCOME/ (LOSS)		734,042		-42,232	Before loss C/F	794,810	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	27.50%		8.6200%		36.12%	
54								
55	REGULATORY INCOME TAX		201,862		84,714	Actual	286,576	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		201,862		84,714	Actual	286,576	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	11,068,045		-11,068,045			
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		-544,072		6,955,928	
68	Taxable Capital		3,568,045		-11,612,117		-6,955,928	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		10,704		-10,704		0	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	11,068,045		-11,068,045		0	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		-4,005,000		45,995,000	
77	Taxable Capital		0		-15,073,045		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-0381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: UTILITYNAME**							
7	**Reporting period: 2005**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		27.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	278,430			**Actual 2005**	286,576	
91	LCT (proxy tax is grossed-up)	23	0			**Actual 2005**	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	10,704			**Actual 2005**	30,464	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2005***	25	289,134			**Actual 2005**	317,040	
96	**RAM DECISION**							
97								
98								
99	***IV) FUTURE TRUE-UPS***							
100	**IV a) Calculation of the True-up Variance**				**DR/(CR)**			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			38,603			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	***In Deductions - positive numbers***							
109	Employee Benefit Plans - Paid Amounts	8			41,795			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes **(See Below - cell I206)**	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-3,192			
121								
122	Income Tax Rate (excluding surtax) from **2005** Utility's tax return			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	-1,153			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-1,153			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**-1,774**			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	734,042			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	265,136			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	265,136			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	201,862			
147								
148	Regulatory Income Tax Variance			=	63,274			
149								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-0381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: UTILITYNAME**							
7	**Reporting period: 2005**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
150	**Ontario Capital Tax**							
151	Base			=	11,068,045			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	3,568,045			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	10,704			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	10,704			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				11,068,045			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-38,931,955			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	**Income Tax (grossed-up)**			+	97,345			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**97,345**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**-1,774**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**95,572**			
186	*(Deferral Account Variance + True-up Variance)*							
187								
188								
189								
190	**V) INTEREST PORTION OF TRUE-UP**							
191	**Variance Caused By Phase-in of Deemed Debt**							
192								
193	Total deemed interest (REGINFO)				401,217			
194	Interest phased-in (Cell C36)				195,483			
195								
196	Variance due to phase-in of debt component of MARR in rates				205,734			
197	according to the Board's decision							
198								
199	**Other Interest Variances (i.e. Borrowing Levels**							
200	**Above Deemed Debt per Rate Handbook)**							
201	Interest deducted on MoF filing (Cell K36+K41)				381,673			
202	Actual Interest Paid							
203								
204	Variance caused by excess debt				381,673			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I112)**				0			
207								
208	**Total Interest Variance**				-175,939			
209								
210								
211								

	A	B	C	D	E	F	G
1	**PILs TAXES - EB-2008-0381**	**LINE**	**M of F**	Non-wires	**Wires-only**		
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**		
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**		
4	0		**Return**				
5					**Version 2009.1**		
6	**Section A: Identification:**						
7	**Utility Name: UTILITYNAME**						
8	**Reporting period: 2005**						
9	**Taxation Year's start date:**						
10	**Taxation Year's end date:**						
11	**Number of days in taxation year:**		365	days			
12							
13	**Please enter the Materiality Level :**		13,835	< - enter materiality level			
14	**(0.25% x Rate Base x CER)**	Y/N	Y				
15	**(0.25% x Net Assets)**	Y/N					
16	**Or other measure (please provide the basis of the amount)**	Y/N					
17	**Does the utility carry on non-wires related operation?**	Y/N					
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**						
19							
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K						
21							
22	**Section B: Financial statements data:**						
23	*Input unconsolidated financial statement data submitted with Tax returns.*						
24	*The actual categories of the income statements should be used.*						
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*						
26							
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*						
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*						
29							
30	**Income:**						
31	Energy Sales	+	16,965,467		16,965,467		
32	Distribution Revenue	+	3,432,712		3,432,712		
33	Other Income	+	614,745		614,745		
34	Miscellaneous income	+			0		
35		+			0		
36	Revenue should be entered above this line						
37							
38	**Costs and Expenses:**						
39	Cost of energy purchased	-	16,965,467		16,965,467		
40	Administration	-	626,995		626,995		
41	Customer billing and collecting	-	481,419		481,419		
42	Operations and maintenance	-	601,125		601,125		
43	Amortization	-	646,813		646,813		
44	Ontario Capital Tax	-			0		
45	Capitalized	-			0		
46	Interest on customer deposits	-	5,646		5,646		
47		-			0		
48		-			0		
49							
50	**Net Income Before Interest & Income Taxes EBIT**	=	1,685,459	0	1,685,459		
51	Less: Interest expense for accounting purposes	-	381,673		381,673		
52	Provision for payments in lieu of income taxes	-	162,000		162,000		
53	**Net Income (loss)**	=	1,141,786	0	1,141,786		
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)						
55							
56	**Section C: Reconciliation of accounting income to taxable income**						
57	***From T2 Schedule 1***						
58	**BOOK TO TAX ADDITIONS:**						
59	Provision for income tax	+	162,000	0	162,000		
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	646,813	0	646,813		
62	Employee benefit plans-accrued, not paid	+	38,603	0	38,603		
63	Tax reserves - beginning of year	+	0	0	0		
64	Reserves from financial statements- end of year	+	0	0	0		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	***Items on which true-up does not apply "TAXREC 3"***		31,454	0	31,454		
67	Material addition items from TAXREC 2	+	0	0	0		
68	Other addition items (not Material) from TAXREC 2	+	1,218	0	1,218		
69							
70	*Subtotal*		880,088	0	880,088		
71							
72	*Other Additions: (Please explain the nature of the additions)*						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+			0		
75	Capital items expensed	+			0		
76		+	0		0		
77		+			0		
78		+			0		
79		+			0		
80	*Total Other Additions*	=	0	0	0		
81							
82	Total Additions	=	880,088	0	880,088		
83							
84	Recap Material Additions:						
85			0	0	0		

	A	B	C	D	E	F	G
1	**PILs TAXES - EB-2008-0381**	**LINE**	**M of F**	Non-wires	**Wires-only**		
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**		
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**		
4	**0**		**Return**				
5					**Version 2009.1**		
86			0	0	0		
87			0	0	0		
88			0	0	0		
89			0	0	0		
90			0	0	0		
91			0	0	0		
92	*Total Other additions >materiality level*		0	0	0		
93	Other additions (less than materiality level)		0	0	0		
94	Total Other Additions		0	0	0		
95							

	A	B	C	D	E	F	G
1	**PILs TAXES - EB-2008-0381**	**LINE**	**M of F**	Non-wires	**Wires-only**		
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**		
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**		
4	**0**		**Return**				
5					**Version 2009.1**		
96	BOOK TO TAX DEDUCTIONS:						
97	Capital cost allowance	-	560,655		560,655		
98	Cumulative eligible capital deduction	-	45,336		45,336		
99	Employee benefit plans-paid amounts	-	41,795		41,795		
100	Items capitalized for regulatory purposes	-			0		
101	*Regulatory adjustments :*	-			0		
102	*CCA*	-			0		
103	*other deductions*	-			0		
104	*Tax reserves - end of year*	-	0	0	0		
105	*Reserves from financial statements- beginning of year*	-	0	0	0		
106	*Contributions to deferred income plans*	-			0		
107	*Contributions to pension plans*	-			0		
108	***Items on which true-up does not apply "TAXREC 3"***		578,943	0	578,943		
109	Interest capitalized for accounting deducted for tax	-			0		
110	Material deduction items from TAXREC 2	-	0	0	0		
111	Other deduction items (not Material) from TAXREC 2	-	335	0	335		
112							
113	Subtotal	=	1,227,064	0	1,227,064		
114	*Other deductions (Please explain the nature of the deductions)*						
115	**Charitable donations - tax basis**	-			0		
116		-			0		
117		-			0		
118					0		
119		-			0		
120	*Taxable dividends under 112*		1,410		1,410		
121	*Total Other Deductions*	=	1,410	0	0		
122							
123	Total Deductions	=	1,228,474	0	1,227,064		
124							
125	Recap Material Deductions:						
126			0	0	0		
127			0	0	0		
128			0	0	0		
129			0	0	0		
130			0	0	0		
131	*Total Other Deductions exceed materiality level*		0	0	0		
132	Other Deductions less than materiality level		1,410	0	0		
133	Total Other Deductions		1,410	0	0		
134							
135	TAXABLE INCOME	=	793,400	0	794,810		
136	DEDUCT:						
137	Non-capital loss applied positive number	-	0		0		
138	Net capital loss applied positive number	-			0		
139					0		
140	NET TAXABLE INCOME	=	793,400	0	794,810		
141							
142	**FROM ACTUAL TAX RETURNS**						
143	Net Federal Income Tax (Must agree with tax return)	+	175,500	0	175,500		
144	Net Ontario Income Tax (Must agree with tax return)	+	111,076	0	111,076		
145	Subtotal	=	286,576	0	286,576		
146	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
147	**Total Income Tax**	=	286,576	0	286,576		
148							
149	**FROM ACTUAL TAX RETURNS**						
150	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%		Divide federal income tax by the taxable i
151	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%		Divide Ontario income tax by the taxable
152	Blended Income Tax Rate		36.12%		36.12%		
153							
154	**Section F: Income and Capital Taxes**						
155							
156	**RECAP**						
157	Total Income Taxes	+	286,576	0	286,576		
158	Ontario Capital Tax	+	30,464		30,464		
159	Federal Large Corporations Tax	+	0		0		
160							
161	**Total income and capital taxes**	=	317,040	0	317,040		
162							

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-0381**	LINE	M of F	Non-wires	**Wires-only**	
2	**Tax and Accounting Reserves**		Corporate	Eliminations	**Tax**	
3	For MoF Column of TAXCALC		Tax		**Return**	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	**0**				**Version 2009.1**	
6						
7	**Utility Name: UTILITYNAME**					
8	**Reporting period: 2005**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		0		0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts		0		0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Employee future benefits				0	
48	Other - Please describe				0	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		0		0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Employee future benefits				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		0	0	0	

	A	B	C	D	E	F
64						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-0381**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: UTILITYNAME**					
9	**Reporting period: 2005**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		13,835			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41	ENNERCONNECT LIMITED PARTNERSHIP INCOME	+	1,218		1,218	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	1,218	0	1,218	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-0381**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: UTILITYNAME**					
9	**Reporting period: 2005**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		13,835			
12						
13						
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		1,218	0	1,218	
79	Total Additions		1,218	0	1,218	

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-0381**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: UTILITYNAME**					
9	**Reporting period: 2005**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		13,835			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92	Ennerconnect loss	-	335		335	
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	335	0	335	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		335	0	335	
121	Total Deductions		335	0	335	
122						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-0381**					
3	**TAX RETURN RECONCILIATION (TAXREC 3)**					
4	**Shareholder-only Items should be shown on TAXREC 3**	LINE	M of F	Non-wires	**Wires-only**	
5	**ITEMS ON WHICH TRUE-UP DOES NOT APPLY**		Corporate	Eliminations	**Tax**	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
7	**0**		Return			
8	**Utility Name: UTILITYNAME**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2005**					
12	**Number of days in taxation year:**		365			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+	16,851		16,851	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	1,176		1,176	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**		695		695	
36	Interest and penalties on unpaid taxes		12,732		12,732	
37	Management bonuses unpaid after 180 days of year end				0	
38	**Ontario capital tax adjustments**				0	
39		+			0	
40	**Changes in Regulatory Asset balances**	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44		+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	31,454	0	31,454	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-	35,956		35,956	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-	695		695	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	**Ontario capital tax adjustments to current or prior year**	-			0	
61		-			0	
62	**Changes in Regulatory Asset balances**	-	542,292		542,292	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	578,943	0	578,943	
74						
75						

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-0381**					
2	**Corporate Tax Rates**					**Version 2009.1**
3	**Exemptions, Deductions, or Thresholds**					
4	**Utility Name: UTILITYNAME**					
5	**Reporting period: 2005**					
6						
7						**Table 1**
8	**Rates Used in 2005 RAM PILs Applications for 2005**					
9	**Income Range**		**0**		**400,001**	
10	**RAM 2005**		**to**		**to**	**>1,128,000**
11		**Year**	**400,000**		**1,128,000**	
12	**Income Tax Rate**					
13	***Proxy Tax Year***	***2005***				
14	***Federal (Includes surtax)***		13.12%		17.75%	22.12%
15	***and Ontario blended***		5.50%		9.75%	14.00%
16	***Blended rate***		18.62%		27.50%	36.12%
17						
18	**Capital Tax Rate**		0.300%			
19	**LCT rate**		0.175%			
20	**Surtax**		1.12%			
21	**Ontario Capital Tax Exemption ****	**MAX $7.5MM**	7,500,000			
22	**Federal Large Corporations Tax Exemption ****	**MAX $50MM**	50,000,000			
23	****Exemption amounts must agree with the Board-approved 2005 RAM PILs filing**					
24						
25						**Table 2**
26	**Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005**					
27	**Income Range**		**0**	**250,001**	**400,001**	
28	**Expected Rates**		**to**	**to**	**to**	**>1,128,000**
29		**Year**	**250,000**	**400,000**	**1,128,000**	
30	**Income Tax Rate**					
31	***Current year***	***2005***				
32	***Federal (Includes surtax)***	***2005***	13.12%	22.12%	22.12%	22.12%
33	***Ontario***	***2005***	5.50%	5.50%	9.75%	14.00%
34	***Blended rate***	***2005***	18.62%	27.62%	31.87%	36.12%
35						
36	**Capital Tax Rate**	***2005***	0.300%			
37	**LCT rate**	***2005***	0.200%			
38	**Surtax**	***2005***	1.12%			
39	**Ontario Capital Tax Exemption *** 2005**	**MAX $7.5MM**	7,500,000			
40	**Federal Large Corporations Tax Exemption *** 2005**	**MAX $50MM**	50,000,000			
41	*****Allocation of exemptions must comply with the Board's instructions**					
42	**regarding regulated activities.**					
43						**Table 3**
44	**Input Information from Utility's Actual 2005 Tax Returns**					
45	**Income Range**		**0**	**250,001**	**400,001**	
46			**to**	**to**	**to**	**>1,128,000**
47		**Year**	**250,000**	**400,000**	**1,128,000**	
48	**Income Tax Rate**					
49	***Current year***	***2005***				
50	***Federal (Includes surtax)***		13.12%	22.12%	22.12%	22.12%
51	***Ontario***		5.50%	5.50%	14.00%	14.00%
52	***Blended rate***		18.62%	27.62%	36.12%	36.12%
53						
54	**Capital Tax Rate**		0.300%			
55	**LCT rate**		0.200%			
56	**Surtax**		1.12%			
57	**Ontario Capital Tax Exemption ***	**MAX $7.5MM**	6,955,928			
58	**Federal Large Corporations Tax Exemption ***	**MAX $50MM**	45,995,000			
59	*** Include copies of the actual tax return allocation calculations in your**					
60	**submission: Ontario CT23 page 11; federal T2 Schedule 36**					

	A	B	C	D	E	F	G	H	I	J
61										

	A	B	C	D	E	F	G	H	I	J
1	**PILs TAXES - EB-2008-0381**									
2	**Analysis of PILs Tax Account 1562:**									
3	**Utility Name: UTILITYNAME**									
4	**Reporting period: 2005**				**Sign Convention: + for increase; - for decrease**					
5										
6										
7										
8	**Year start:**		01/10/2001		01/01/2002		01/01/2003		01/01/2004	
9	**Year end:**		31/12/2001		31/12/2002		31/12/2003		31/12/2004	
10										
11	**Opening balance:**	=	0		0		0		0	
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-					0		0	
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**									
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-								
15	**True-up Variance Adjustment (3)**	+/-								
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**									
17	**Deferral Account Variance Adjustment (5)**	+/-								
18	**Adjustments to reported prior years' variances (6)**	+/-								
19	**Carrying charges (7)**	+/-								
20	**PILs billed to (collected from) customers (8)**	-								
21										
22	**Ending balance: # 1562**		0		0		0		0	
23										
24										
25										
26	**Uncollected PILs**									
27										
28	**NOTE:** The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable fro									
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and									
30										
31	**Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:**									
32										
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 200									
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.									
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.									
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.									
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.									
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy r									
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy									
40	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.									
41										
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC sprea									
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year recon									
44										
45	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC sprea									
46	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.									
47										
48	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC sprea									

	A
49	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole ye
50	
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC sprea
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
53	
54	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will hav
55	
56	(7) Carrying charges are calculated on a simple interest basis.
57	
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volum
59	components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
62	
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at
64	by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and J
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the
68	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for Januar
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be
72	to calculate the recovery for the period January 1 to March 31, 2005.
73	
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PI
75	will have to include amounts from 1562 and from 1590.
76	
77	

	K	L	M	N	O
1					
2					
3					**Version 2009.1**
4					**0**
5					
6					
7					
8	01/01/2005		01/01/2006		
9	31/12/2005		30/04/2006		Total
10					
11	0		0		0
12	0		0		0
13					0
14					0
15					0
16					0
17					0
18					0
19					0
20					0
21					
22	0		0		0
23					
24					
25					
26					
27					
28	n or liability to ratepayers.				
29	l FAQ April 2003.				
30					
31					
32					
33	2.				
34					
35					
36					
37	.				
38	emained.				
39	from April 1 to December 31, 2005.				
40					
41					
42	dsheet. The Q4, 2001 proxy has to be				
43	cilation.				
44					
45	dsheet.				
46					
47					
48	dsheet. The Q4, 2001 proxy has to be				

	K	L	M	N	O
49	ar reconciliation.				
50					
51	dsheet.				
52					
53					
54	e to be reviewed.				
55					
56					
57					
58	netric charge recovery by class. The PILs rate				
59	2004, the PILs recovery was based on the				
60					
61					
62					
63	period end), multiplied				
64	anuary 1 to March 31, 2004;				
65					
67	e 2004 RAM, sheet 7,				
68	y 1 to March 31, 2004.				
70	e 2005 RAM, sheet 4,				
71	e used				
72					
73					
74	Ls proxy taxes				
75					
76					
77					