

HORIZON EXHIBIT K2.1

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Subdivision – Offer to Connect

June 5, 2012

Multi-Area Developments Inc.
301 Fruitland Road, Suite 10
Stoney Creek, ON L8E 5M1

Attention: Mr. Steve Spicer

RE: "Summit Park- Phase 7"
Fletcher Road – Hamilton, ON
HORIZON UTILITIES CORPORATION PROJECT – 11683

Based on the preliminary information provided, please find enclosed Horizon Utilities Corporation (**Horizon Utilities**) required Capital Contribution and Expansion Deposit to connect to Horizon Utilities' electrical distribution system (**Offer to Connect**). This Offer to Connect is based upon the estimated costs and forecast revenues of connecting the Customer in accordance with the five-year load projection of the forecasted consumption for each metered service, and the Approved for Construction electrical system design approved by Horizon Utilities Corporation. If the Customer or Customer's Consultant submits revised plans, Horizon Utilities may provide, at the Customer's expense, a new Offer to Connect based on the revised plans. This is an estimate only. Please refer to the bottom of each Schedule B attached for a summary of costs for each of the two construction options available to the Customer.

Once the Customer facilities have been commissioned into service and are energized, Horizon Utilities will carry out a final economic evaluation based on the forecasted revenues and actual costs incurred in accordance with the methodology set out by the Ontario Energy Board (**OEB**) in the Distribution System Code (**Code**). In accordance with the Code, the capital contribution that will be charged to the Customer will not exceed the difference between the present value of the projected capital costs and on-going maintenance costs of the facilities and the present value of the projected revenue for distribution services provided by those facilities.

The estimated Capital Contribution and the actual Capital Contribution will be calculated at no expense to the Customer.

Horizon Utilities will provide the preliminary planning, design and engineering specifications for the connection. These costs will be included in the capital cost calculation for the work.

1. INITIAL CAPITAL CONTRIBUTION

The estimated cost of the work necessary to connect the Customer is:

Material	\$651,298.50
Labour	\$434,199.00
Equipment	\$289,466.00
Engineering & Administration	\$72,366.50
Work Order Costs	\$1,447,330.00

Horizon Utilities Corporation
55 John Street North, Hamilton, ON • Tel: 1-866-458-1236
Mail to: PO Box 2249 STN LCD 1, Hamilton, ON L8N 3E4
www.horizonutilities.com



Subdivision – Offer to Connect

Upstream Electrical Distribution System Costs	\$130,628.44
Total Project Costs	\$1,577,958.44

Based upon the enclosed economic evaluation of the estimated costs and forecast revenues, the initial Capital Contribution required from the Customer is **\$1,229,609.99** (including HST).

The initial Capital Contribution includes \$152,301.40 that represents the basic connection charge to non-residential Customers (service and metering costs).

2. ALTERNATIVE BIDS

Where section 1 above indicates that an initial Capital Contribution is payable by the Customer, the Customer requesting the connection has the option of obtaining alternative bids (**Alternative Bid Option**) for any work that either Horizon Utilities or the Customer will perform (**Contestable Work**).

If the Customer chooses the Alternative Bid Option, the customer will be responsible for the Contestable Work and responsibilities as described below.

Contestable Work:

- **Transformation:** Supply and install all pad-mounted transformers and required concrete foundations.
- **Primary Cable & Terminations:** Supply and install high voltage cables and terminations from the point of supply to the transformers.
- **Primary and Secondary Cable Duct Bank:** Supply and install all primary and secondary cable duct bank per the approved construction drawing.

Horizon Utilities estimates that the costs of the Contestable Work will be:

(i) Material:	\$611,648.50
(ii) Labour (including design, engineering and construction):	\$291,999.00
(iii) Equipment:	\$286,536.00
(iv) Overhead (including administration):	<u>\$72,366.50</u>
Total:	\$1,262,550.00

In addition, the customer is responsible to:

- Provide notice in writing to Horizon Utilities that the Customer is proceeding with the Alternative Bid Option
- The complete construction of all Contestable Work
- Choosing contractors that have been pre-qualified by Horizon Utilities to perform Contestable Work
- Purchasing materials required for the Contestable Work from a Horizon Utilities approved supplier
- Selecting, hiring and paying the contractor
- Administering any contract with the contractor

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Subdivision – Offer to Connect

- Acquiring all required permissions, permits and easements and obtaining any **certifications required under Ontario Regulation 22/04**
- Completing all of the Contestable Work
- Ensuring that the Contestable Work is done in accordance with Horizon Utilities design and technical standards and specifications
- Once the system has been accepted and commissioned into service, provide a warranty for the Contestable Work for a period of two (2) years after completion
- Paying Horizon Utilities for all costs incurred by Horizon Utilities associated with the expansion including, but not limited to, all costs associated with any additional design, engineering or installation of the facilities required to complete the project and any costs of inspection or approval of the work performed by the contractor. The additional costs that will occur as a result of the Alternative Bid being chosen are estimated at \$133,484.08.

Uncontestable Work:

Horizon Utilities will perform the following Uncontestable Work:

- **Connection:** Final connection of the expansion to the distribution system.
- **Site-Specific Costs:** None required for this project.

Horizon Utilities estimates that the costs of the Uncontestable Work will be:

(i) Materials:	\$39,650.00
(ii) Labour (including design, engineering and construction):	\$142,200.00
(iii) Equipment:	\$2,930.00
(iv) Overhead (including administration):	<u>\$0.00</u>
Total:	\$184,780.00

3. CAPITAL COST RECOVERY AGREEMENT

The Customer will be required to enter into a Capital Cost Recovery Agreement with Horizon Utilities. Horizon Utilities will forward the Capital Cost Recovery Agreement upon the Customer's written acceptance of this Offer to Connect. Execution of the Capital Cost Recovery Agreement, including payment of the initial Capital Contribution, Expansion Deposit and any other amount specified therein, is required prior to Horizon Utilities commencing with any portion of the work, including procurement of long-lead materials.

A \$1,500.00 Non-Refundable Engineering Fee will be charged for any significant (as determined by Horizon Utilities) Customer requested redesign(s). Horizon Utilities must receive this fee prior to the commencement of any redesign(s).

When the Customer transfers the facilities that it constructed under the Alternative Bid Option to Horizon Utilities, Horizon Utilities will pay the Customer a transfer price calculated in accordance with the Capital Cost Recovery Agreement.



Subdivision – Offer to Connect

This Offer to Connect is valid for six (6) months from the date hereof.

The Customer will be required to enter into the Capital Cost Recovery Agreement within six (6) months of the date hereof failing which this Offer to Connect shall become null and void.

Please acknowledge the acceptance of this Offer to Connect by indicating the construction option preferred on the following page and returning mail or fax (905-523-5764) to our office.

*This offer to connect is subject to a service area amendment approved by the OEB.

*The information provided herein is confidential and should not be shared with other parties without the express written consent of Horizon Utilities Corporation.

Regards,

A handwritten signature in black ink, appearing to read "Scott Beaudrie", is written over a light blue horizontal line.

Scott Beaudrie
Supervisor, Engineering Design
Horizon Utilities Corporation

Cc:

RTG Systems Inc.
3518 Mainway - Suite 203
Burlington, ON
L7M 1A8

Attn: Mr H. Marfisi, CET



Subdivision – Offer to Connect

I, Mr./Ms. _____ of _____
acknowledges and accepts the terms and conditions of this "Offer to Connect" provided by Horizon Utilities to
service **Summit Park- Phase 7** in Hamilton. In accepting this Offer to Connect the Customer's Consultant
requests Horizon Utilities undertake the Contestable Work and Uncontestable Work as described within.
The initial Capital Contribution and Expansion Deposit as required by the Customer shall be as noted above.

Signature

Date

-OR-

I, Mr./Ms. _____ of _____
acknowledges and accepts the terms and conditions of this "Offer to Connect" provided by Horizon Utilities to
service the **Summit Park- Phase 7** in Hamilton and will be pursuing the **Alternative Bid Option**. The initial Capital
Contribution and Expansion Deposit as required by Horizon Utilities shall be as noted above. The Customer will be
required to pay the associated costs as outlined in Section 9 above in addition to a Capital Contribution and/or
Expansion Deposit as required.

Signature

Date

Horizon Utilities

Expansion Summary From Economic Evaluation

PROJECT SUMMARY INPUTS

Project Number:	11683
Subdivision Name:	SUMMIT PARK - PHASE 7
Developer Name:	MULTI - AREA DEVELOPMENTS

Direct Project Costs	Quantity	Avg Unit Cost	
Detached Home / Townhouse Connections	293	\$3,750	Year 3
Number of Transformers	30	\$5,460	
Subdivision Connection Costs - Uncontestable		\$50,000	
Costs in Excess of Unit Costing - Contestable			

Street lighting Costs	Quantity	Avg Unit Cost	
Regular Streetlights		\$3,500	Year 1
Pedestal Streetlights		\$3,500	Year 1
Developer Supplied & Installed		\$0	Year 1

Direct Project Costs	\$
Distribution Lines & Transformers	\$1,312,550
Services & Metering	\$134,780
Total Estimated Project Costs	\$1,447,330

Fully Recoverable Costs

Total Street lighting Costs

-

Other Recoverable Work:

1.		
2.		
3.		

Total Other Recoverable Work

-

Total Recoverable Work

-

Total Estimated Project Costs

Direct Project Costs	\$
Material Costs @ 45% of Direct Project Costs	651,298.50
Labour Costs @ 30% of Direct Project Costs	434,199.00
Equipment @ 20% of Direct Project Costs	289,466.00
Engineering & Admin. @ 5% of Direct Project Costs	72,366.50
Sub-Total	1,447,330.00

Upstream Electrical Distribution System Costs

130,628.44

Total Project Costs

1,577,958.44

Capital Contribution

1,088,150.44

H.S.T. on Capital Contribution @ 13%

141,459.56

Total Capital Contribution Required including H.S.T.

1,229,609.99



Horizon Utilities Corporation

Capital Cost Recovery Agreement – Alternative Bid Subdivision

Schedule B - Cost and Revenue

COST

Horizon Utilities Corporation's Work Estimate

Horizon Utilities Corporation Work Estimate of total costs:

	Contestable	Uncontestable	Total
i. Material	611,648.50	39,650.00	651,298.50
ii. Labour	291,999.00	142,200.00	434,199.00
iii. Equipment	286,536.00	2,930.00	289,466.00
iv. Engineering & Administration	72,366.50		72,366.50
Work Order Costs	1,262,550.00	184,780.00	1,447,330.00
Upstream Electrical Distribution System Costs		130,628.44	130,628.44
Total Project Costs		\$	1,577,958.44

Number of Residential Customers To Be Connected

293

Developer has Elected To Use The Alternative Bid Option

No Capital Contribution currently, this will be determined once final Transfer Price is known.

\$0.00

Prepayments Required:

Estimated Final Connection Costs

\$50,000.00

Inspection & Engineering Administration:

First \$50,000 @ 15%

\$7,500.00

Balance @ 5%

\$60,627.50

\$68,127.50

\$118,127.50

HST @ 13%

\$15,356.58

Prepayments Required

\$133,484.08

Expansion Deposit

\$1,262,550.00

Transfer Price (estimated - not including HST)

To be finalized at the time of final economic evaluation

\$427,307.06

Fully Recoverable Work

Description of Fully Recoverable work and deposit required

\$0.00

\$0.00

\$0.00

\$0.00

Customer Acknowledges that:

1.	it has elected to use the Alternative Bid Option		
2.	it is responsible for the Capital Contribution, Expansion Deposit, any security or other payment, fee or costs specified herein		
3.	that the final Capital Contribution, Transfer Price, Expansion Deposit will be determined at the time of completing the final Economic Evaluation		
4.	they will be responsible for paying the amounts specified below as follows:		
	(i) Capital Contribution (initial as per Offer to Connect)	\$0.00	Execution of Agreement
	(ii) Fees and Costs	\$133,484.08	Execution of Agreement
	(iii) Fully Recoverable Work	\$0.00	Execution of Agreement
	(iv) Estimated Expansion Deposit (to be finalized prior to energization)		
	- 10% of Contestable Work for 2 year Maintenance	\$126,255.00	Prior to Energization
	- Portion to complete, repair or bring up to standard the facilities		
	(v) Service and Metering Costs @ \$460 per Residential Customer	\$152,301.40	Prior to Energization
5.	for the Transfer Price they have requested (An option must be selected):		
	<input type="checkbox"/> Distributor apply the Transfer Price against the required Expansion Deposit and the Services and Metering Costs (if any)		
	<input type="checkbox"/> Distributor not apply the Transfer Price against the required Expansion Deposit and the Services and Metering Costs		

* A Letter of Credit is acceptable as payment of the Expansion Deposit. Please refer to Schedule C - Form Letter of Credit



Horizon Utilities Corporation

Capital Cost Recovery Agreement – Horizon Constructed Subdivision

Schedule B - Cost and Revenue

COST

Horizon Utilities Corporation's Work Estimate

Horizon Utilities Corporation Work Estimate of total costs:

	Contestable	Uncontestable	Total
i. Material	611,648.50	39,650.00	651,298.50
ii. Labour	291,999.00	142,200.00	434,199.00
iii. Equipment	286,536.00	2,930.00	289,466.00
iv. Engineering & Administration	72,366.50		72,366.50
Work Order Costs	1,262,550.00	184,780.00	1,447,330.00
Upstream Electrical Distribution System Costs		130,628.44	130,628.44
Total Project Costs			\$ 1,577,958.44

Number of Residential Customers To Be Connected

293

Developer has chosen to have Horizon Utilities construct the project

Initial Capital Contribution

NPV Components

Capital Expenditures - Project costs & upstream costs	-\$1,447,487.55
Incremental Operating, Maintenance & Administration Costs	-\$516,621.89
Distribution Revenue	875,959.01
Net Present Value	-\$1,088,150.44
HST @ 13%	-\$141,459.56
Total Initial Capital Contribution	-\$1,229,609.99

Expansion Deposit

\$359,179.56

Fully Recoverable Work

Description of Fully Recoverable work and deposit required

Street lighting Deposit	\$0.00
	\$0.00
	\$0.00
	\$0.00
	\$0.00

Customer Acknowledges that:

1.	it has elected to have the Distributor construct the project		
2.	it is responsible for the Capital Contribution, Expansion Deposit, any security or other payment or costs specified herein		
3.	that the final Capital Contribution and Expansion Deposit will be determined at the time of completing the final Economic Evaluation		
4.	they will be responsible for paying the amounts specified below as follows:		
	- Capital Contribution (initial as per Offer to Connect)	\$1,229,609.99	Execution of Agreement
	- Expansion Deposit	\$359,179.56	Execution of Agreement
	- Fully Recoverable Work	\$0.00	Execution of Agreement

*A Letter of Credit is acceptable as payment of the Expansion Deposit. Please refer to Schedule C - Form Letter of Credit

HORIZON EXHIBIT K2.1

	A	B	C	D	E	F	G	H	I	J	K
1		Project name	SUMMIT PARK - PHASE 7								
2	Table No.	Customer Name	MULTI - AREA DEVELOPMENTS					New Customer Model			
3	1	Forecasted customer additions (non-cumulative)									
4		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
5		Residential						293			
6		General Service < 50kW									
7		General Service > 50kW (non-TOU)									
8		General Service > 50kW (TOU)									
9		Large User									
10		Unmetered & scattered - (non-demand)									
11		Street lighting	0								
12	2	Estimate of average energy per added customer (monthly kWh)									
13		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
14		Residential	651.27	651.27	651.27	651.27	651.27	651.27			
15		General Service < 50kW	2,748.96	2,748.96	2,748.96	2,748.96	2,748.96	2,748.96			
16		Unmetered & scattered - (non-demand)	374.43	374.43	374.43	374.43	374.43	374.43			
17	3	Estimate of average demand per added customer kW									
18		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
19		General Service > 50kW (non-TOU)									
20		General Service > 50kW (TOU)									
21		Large User									
22		Street lighting	0.175	0.175	0.175	0.175	0.175	0.175			
23	4	Approved wires only rates per rate schedule - monthly fixed charge									
24		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
25		Residential	14.45	14.45	14.45	14.45	14.45	14.45			
26		General Service < 50kW	32.16	32.16	32.16	32.16	32.16	32.16			
27		General Service > 50kW (non-TOU)	293.26	293.26	293.26	293.26	293.26	293.26			
28		General Service > 50kW (TOU)	293.26	293.26	293.26	293.26	293.26	293.26			
29		Large User	22,642.10	22,642.10	22,642.10	22,642.10	22,642.10	22,642.10			
30		Unmetered & scattered - (non-demand)	9.11	9.11	9.11	9.11	9.11	9.11			
31		Street lighting	2.31	2.31	2.31	2.31	2.31	2.31			
32	5	Approved wires only rates per rate schedule - variable charge (per kWh)									
33		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
34		Residential	0.0142	0.0142	0.0142	0.0142	0.0142	0.0142			
35		General Service < 50kW	0.0084	0.0084	0.0084	0.0084	0.0084	0.0084			
36		Unmetered & scattered - (non-demand)	0.0141	0.0141	0.0141	0.0141	0.0141	0.0141			
37	6	Approved wires only rates per rate schedule - demand charge (per kW)									
38		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25	Transformer Discount	Current Rate	Transformer Discount Rate
39		General Service > 50kW (non-TOU)	2.0341	2.0341	2.0341	2.0341	2.0341	2.0341		2.0341	(0.73)
40		General Service > 50kW (TOU)	2.0341	2.0341	2.0341	2.0341	2.0341	2.0341		2.0341	(0.73)
41		Large User	1.3359	1.3359	1.3359	1.3359	1.3359	1.3359			
42		Street lighting	6.1604	6.1604	6.1604	6.1604	6.1604	6.1604			
43	7	New facilities and/or reinforcement investments									
44		Capital elements	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
45		Transformer stations	19,532.44	-	-	-	-	-			
46		Distribution feeders	111,095.00	-	-	-	-	-			
47		Distribution lines	1,148,750.00	-	-	-	-	-			
48		Distribution transformers	163,800.00	-	-	-	-	-			
49		Credit for previous work on service	-	-	134,760.00	-	-	-			
50		Services & metering (Residential Only)	-	-	-	-	-	-			
51		Services & metering	-	-	-	-	-	-			
52		Upstream cost credit (where applicable)	-	-	-	-	-	-			
53		Total	1,443,178.44	-	134,760.00	-	-	-			
54		Assessed value of land	-	-	-	-	-	-			
55	8	Incremental overheads at project level applicable to distribution system expansion (per customer addition)									
56		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
57		Residential									
58		General Service < 50kW									
59		General Service > 50kW (non-TOU)									
60		General Service > 50kW (TOU)									
61		Large User									
62		Unmetered & scattered - (non-demand)									
63		Street lighting									
64	9	Attributable incremental annual operating, maintenance and administration expenditures (per customer addition)									
65		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
66		Residential	125.77	125.77	125.77	125.77	125.77	125.77			
67		General Service < 50kW	248.75	248.75	248.75	248.75	248.75	248.75			
68		General Service > 50kW (non-TOU)	-	-	-	-	-	-			
69		General Service > 50kW (TOU)	-	-	-	-	-	-			
70		Large User	-	-	-	-	-	-			
71		Unmetered & scattered - (non-demand)	6.32	6.32	6.32	6.32	6.32	6.32			
72		Street lighting	2.13	2.13	2.13	2.13	2.13	2.13			

HORIZON EXHIBIT K2.1

	A	B	C	D	E	F	G	H	I	J	K
73	10	Discount rate data									
74		Incremental after-tax cost of capital	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
75		Long Term Borrowing rate	5.79%	5.79%	5.79%	5.79%	5.79%	5.79%			
76		Short Term Borrowing rate	2.46%	2.46%	2.46%	2.46%	2.46%	2.46%			
77		Rate of return on common equity	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%			
78		Long-Term debt outstanding (%)	56.00%	56.00%	56.00%	56.00%	56.00%	56.00%			
79		Short-Term debt outstanding (%)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%			
80		Total common equity (%)	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%			
81		Marginal income tax rate	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%			
82		Incremental after-tax weighted average cost of capital	6.2892%	6.2892%	6.2892%	6.2892%	6.2892%	6.2892%			
83	11	Tax rate data									
84		Type of tax	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
85		Municipal tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
86		Marginal income tax rate	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%			
87		Federal capital tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
88		Federal surtax	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
89		Provincial capital tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
90		Capital cost allowance rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%			
91		Taxable capital employed in Canada	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65			
92		Capital Deduction (Federal purposes)	-	-	-	-	-	-			
93		Base for Federal capital tax	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65			
94	12	Measurement Quantities for Upstream Costs Calculations									
95		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
96		Residential	651,266	651,266	651,266	651,266	651,266	651,266			
97		General Service < 50kW	2,748,957	2,748,957	2,748,957	2,748,957	2,748,957	2,748,957			
98		General Service > 50kW (non-TOU)									
99		General Service > 50kW (TOU)									
100		Large User									
101		Unmetered & scattered - (non-demand)	374,427	374,427	374,427	374,427	374,427	374,427			
102		Street lighting	0.175	0.175	0.175	0.175	0.175	0.175			
103	13	Transformer Station Upstream Costs									
104		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
105		Residential (kWh)	0.1024	0.1024	0.1024	0.1024	0.1024	0.1024			
106		General Service < 50kW (kWh)	0.0436	0.0436	0.0436	0.0436	0.0436	0.0436			
107		General Service > 50kW (non-TOU) (kW)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323			
108		General Service > 50kW (TOU) (kW)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323			
109		Large User (kW)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323			
110		Unmetered & scattered (kWh)	0.0185	0.0185	0.0185	0.0185	0.0185	0.0185			
111		Street lighting (kW)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323			
112	14	Distribution Feeders Upstream Costs									
113		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
114		Residential (kWh)	0.5822	0.5822	0.5822	0.5822	0.5822	0.5822			
115		General Service < 50kW (kWh)	0.2480	0.2480	0.2480	0.2480	0.2480	0.2480			
116		General Service > 50kW (non-TOU) (kW)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300			
117		General Service > 50kW (TOU) (kW)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300			
118		Large User (kW)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300			
119		Unmetered & scattered (kWh)	0.1055	0.1055	0.1055	0.1055	0.1055	0.1055			
120		Street lighting (kW)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300			
121	15	Operations Maintenance & Administration Costs									
122		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
123		Residential (kWh)	0.1931	0.1931	0.1931	0.1931	0.1931	0.1931			
124		General Service < 50kW (kWh)	0.0905	0.0905	0.0905	0.0905	0.0905	0.0905			
125		General Service > 50kW (non-TOU) (kW)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444			
126		General Service > 50kW (TOU) (kW)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444			
127		Large User (kW)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444			
128		Unmetered & scattered (kWh)	0.0169	0.0169	0.0169	0.0169	0.0169	0.0169			
129		Street lighting (kW)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444			
130	16	Operations Maintenance & Administration Costs (Customer Owned Tx)									
131		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
132		General Service > 50kW (non-TOU) (kW)	11.76	11.76	11.76	11.76	11.76	11.76			
133		General Service > 50kW (TOU) (kW)	11.76	11.76	11.76	11.76	11.76	11.76			
134		Large User (kW)	11.76	11.76	11.76	11.76	11.76	11.76			
135	17	Services & Metering Standard Cost									
136		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
137		Residential (kWh)	460.00	460.00	460.00	460.00	460.00	460.00			

Upstream Cost Calculations

Transformer Station Upstream Costs	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Residential (kWh)	0.00	0.00	19,532.44	0.00	0.00	19,532.44
General Service < 50kW (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
General Service > 50kW (non-TOU) (kW)	0.00	0.00	0.00	0.00	0.00	0.00
General Service > 50kW (TOU) (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Large User (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Unmetered & scattered (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
Street lighting (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	19,532.44	0.00	0.00	19,532.44

Distribution Feeders Upstream Costs	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Residential (kWh)	0.00	0.00	111,096.00	0.00	0.00	111,096.00
General Service < 50kW (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
General Service > 50kW (non-TOU) (kW)	0.00	0.00	0.00	0.00	0.00	0.00
General Service > 50kW (TOU) (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Large User (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Unmetered & scattered (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
Street lighting (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	111,096.00	0.00	0.00	111,096.00

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Subdivision – Offer to Connect

July 27, 2012

Multi-Area Developments Inc.
301 Fruitland Road, Suite 10
Stoney Creek, ON L8E 5M1

Attention: Mr. Steve Spicer

RE: "Summit Park- Phase 7"
Fletcher Road – Hamilton, ON
HORIZON UTILITIES CORPORATION PROJECT – 11683

Please find enclosed Horizon Utilities Corporation (**Horizon Utilities**) required Capital Contribution and Expansion Deposit to connect to Horizon Utilities' electrical distribution system (**Offer to Connect**). This Offer to Connect is based upon the estimated costs and forecast revenues of connecting the Customer in accordance with the five-year load projection of the forecasted consumption for each metered service, and the Approved for Construction electrical system design approved by Horizon Utilities Corporation. If the Customer or Customer's Consultant submits revised plans, Horizon Utilities may provide, at the Customer's expense, a new Offer to Connect based on the revised plans. This is an estimate only. Please refer to the bottom of each Schedule B attached for a summary of costs for each of the two construction options available to the Customer.

Once the Customer facilities have been commissioned into service and are energized, Horizon Utilities will carry out a final economic evaluation based on the forecasted revenues and actual costs incurred in accordance with the methodology set out by the Ontario Energy Board (**OEB**) in the Distribution System Code (**Code**). In accordance with the Code, the capital contribution that will be charged to the Customer will not exceed the difference between the present value of the projected capital costs and on-going maintenance costs of the facilities and the present value of the projected revenue for distribution services provided by those facilities.

The estimated Capital Contribution and the actual Capital Contribution will be calculated at no expense to the Customer.

Horizon Utilities will provide the preliminary planning, design and engineering specifications for the connection. These costs will be included in the capital cost calculation for the work.

1. INITIAL CAPITAL CONTRIBUTION

The estimated cost of the work necessary to connect the Customer is:

Material	\$627,646.50
Labour	\$418,431.00
Equipment	\$278,954.00
Engineering & Administration	\$69,738.50
Work Order Costs	\$1,394,770.00
Upstream Electrical Distribution System Costs	\$127,953.45

Horizon Utilities Corporation
55 John Street North, Hamilton, ON • Tel: 1-866-458-1236
Mail to: PO Box 2249 STN LCD 1, Hamilton, ON L8N 3E4
www.horizonutilities.com



Subdivision – Offer to Connect

Total Project Costs

\$1,522,723.45

Based upon the enclosed economic evaluation of the estimated costs and forecast revenues, the initial Capital Contribution required from the Customer is **\$1,179,437.40** (including HST).

The initial Capital Contribution includes \$149,182.60 that represents the basic connection charge to non-residential Customers (service and metering costs).

2. ALTERNATIVE BIDS

Where section 1 above indicates that an initial Capital Contribution is payable by the Customer, the Customer requesting the connection has the option of obtaining alternative bids (**Alternative Bid Option**) for any work that either Horizon Utilities or the Customer will perform (**Contestable Work**).

If the Customer chooses the Alternative Bid Option, the customer will be responsible for the Contestable Work and responsibilities as described below.

Contestable Work:

- **Transformation:** Supply and install all pad-mounted transformers and required concrete foundations.
- **Primary Cable & Terminations:** Supply and install high voltage cables and terminations from the point of supply to the transformers.
- **Primary and Secondary Cable Duct Bank:** Supply and install all primary and secondary cable duct bank per the approved construction drawing.

Horizon Utilities estimates that the costs of the Contestable Work will be:

(i) Material:	\$588,296.50
(ii) Labour (including design, engineering and construction):	\$278,631.00
(iii) Equipment:	\$276,084.00
(iv) Overhead (including administration):	\$69,738.50
Total:	\$1,212,750.00

In addition, the customer is responsible to:

- Provide notice in writing to Horizon Utilities that the Customer is proceeding with the Alternative Bid Option
- The complete construction of all Contestable Work
- Choosing contractors that have been pre-qualified by Horizon Utilities to perform Contestable Work
- Purchasing materials required for the Contestable Work from a Horizon Utilities approved supplier
- Selecting, hiring and paying the contractor
- Administering any contract with the contractor
- Acquiring all required permissions, permits and easements and obtaining any **certifications required under Ontario Regulation 22/04**

Horizon Utilities Corporation

55 John Street North, Hamilton, ON • Tel: 1-866-458-1236

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Subdivision – Offer to Connect

- Completing all of the Contestable Work
- Ensuring that the Contestable Work is done in accordance with Horizon Utilities design and technical standards and specifications
- Once the system has been accepted and commissioned into service, provide a warranty for the Contestable Work for a period of two (2) years after completion
- Paying Horizon Utilities for all costs incurred by Horizon Utilities associated with the expansion including, but not limited to, all costs associated with any additional design, engineering or installation of the facilities required to complete the project and any costs of inspection or approval of the work performed by the contractor. The additional costs that will occur as a result of the Alternative Bid being chosen are estimated at \$130,670.38.

Uncontestable Work:

Horizon Utilities will perform the following Uncontestable Work:

- **Connection:** Final connection of the expansion to the distribution system.
- **Site-Specific Costs:** None required for this project.

Horizon Utilities estimates that the costs of the Uncontestable Work will be:

(i) Materials:	\$39,350.00
(ii) Labour (including design, engineering and construction):	\$139,800.00
(iii) Equipment:	\$2,870.00
(iv) Overhead (including administration):	<u>\$0.00</u>
Total:	\$182,020.00

3. CAPITAL COST RECOVERY AGREEMENT

The Customer will be required to enter into a Capital Cost Recovery Agreement with Horizon Utilities. Horizon Utilities will forward the Capital Cost Recovery Agreement upon the Customer's written acceptance of this Offer to Connect. Execution of the Capital Cost Recovery Agreement, including payment of the initial Capital Contribution, Expansion Deposit and any other amount specified therein, is required prior to Horizon Utilities commencing with any portion of the work, including procurement of long-lead materials.

A **\$1,500.00** Non-Refundable Engineering Fee will be charged for any significant (as determined by Horizon Utilities) Customer requested redesign(s). Horizon Utilities must receive this fee prior to the commencement of any redesign(s).

When the Customer transfers the facilities that it constructed under the Alternative Bid Option to Horizon Utilities, Horizon Utilities will pay the Customer a transfer price calculated in accordance with the Capital Cost Recovery Agreement.

This Offer to Connect is valid for six (6) months from the date hereof.



Subdivision – Offer to Connect

The Customer will be required to enter into the Capital Cost Recovery Agreement within six (6) months of the date hereof failing which this Offer to Connect shall become null and void.

Please acknowledge the acceptance of this Offer to Connect by indicating the construction option preferred on the following page and returning mail or fax (905-523-5764) to our office.

Regards,

A handwritten signature in blue ink, appearing to read "Paige Webb".

Paige Webb
Engineering Technician
Horizon Utilities Corporation

Cc:

RTG Systems Inc.
3518 Mainway - Suite 203
Burlington, ON
L7M 1A8
Attn: Mr. H. Marfisi, CET



Subdivision – Offer to Connect

I, Mr./Ms. _____ of _____
acknowledges and accepts the terms and conditions of this "Offer to Connect" provided by Horizon Utilities to
service **Summit Park- Phase 7** in Hamilton. In accepting this Offer to Connect the Customer's Consultant
requests Horizon Utilities undertake the Contestable Work and Uncontestable Work as described within.
The initial Capital Contribution and Expansion Deposit as required by the Customer shall be as noted above.

Signature

Date

-OR-

I, Mr./Ms. _____ of _____
acknowledges and accepts the terms and conditions of this "Offer to Connect" provided by Horizon Utilities to
service the **Summit Park- Phase 7** in Hamilton and will be **pursuing the Alternative Bid Option**. The initial Capital
Contribution and Expansion Deposit as required by Horizon Utilities shall be as noted above. The Customer will be
required to pay the associated costs as outlined in Section 9 above in addition to a Capital Contribution and/or
Expansion Deposit as required.

Signature

Date

Horizon Utilities

Expansion Summary From Economic Evaluation

PROJECT SUMMARY INPUTS

Project Number:
Subdivision Name:
Developer Name:

11683
SUMMIT PARK - PHASE 7
MULTI - AREA DEVELOPMENTS

Direct Project Costs	Quantity	Avg Unit Cost	
Detached Home / Townhouse Connections	287	\$3,750	Year 3
Number of Transformers	25	\$5,460	
Subdivision Connection Costs - Uncontestable		\$50,000	
Costs in Excess of Unit Costing - Contestable			

Street lighting Costs	Quantity	Avg Unit Cost	
Regular Streetlights		\$3,500	Year 1
Pedestal Streetlights		\$3,500	Year 1
Developer Supplied & Installed		\$0	Year 1

Direct Project Costs	\$
Distribution Lines & Transformers	\$1,262,750
Services & Metering	\$132,020
Total Estimated Project Costs	\$1,394,770

Fully Recoverable Costs

Total Street lighting Costs

-

Other Recoverable Work:

1.		
2.		
3.		

Total Other Recoverable Work

-

Total Recoverable Work

-

Total Estimated Project Costs

Direct Project Costs	\$
Material Costs @ 45% of Direct Project Costs	627,646.50
Labour Costs @ 30% of Direct Project Costs	418,431.00
Equipment @ 20% of Direct Project Costs	278,954.00
Engineering & Admin. @ 5% of Direct Project Costs	69,738.50
Sub-Total	1,394,770.00

Upstream Electrical Distribution System Costs

127,953.45

Total Project Costs

1,522,723.45

Capital Contribution

1,043,749.91

H.S.T. on Capital Contribution @ 13%

135,687.49

Total Capital Contribution Required including H.S.T.

1,179,437.40

HORIZON EXHIBIT K2.1

	A	B	C	D	E	F	G	H	I	J	K
1		Project name	SUMMIT PARK - PHASE 7								
2	Table No.	Customer Name	MULTI - AREA DEVELOPMENTS				New Customer Model				
3	1	Forecasted customer additions (non-cumulative)									
4		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
5		Residential			287						
6		General Service < 50kW									
7		General Service > 50kW (non-TOU)									
8		287									
9		Large User									
10		Unmetered & scattered - (non-demand)									
11		Street lighting	0								
12	2	Estimate of average energy per added customer (monthly kWh)									
13		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
14		Residential	651.27	651.27	651.27	651.27	651.27	651.27			
15		General Service < 50kW	2,748.96	2,748.96	2,748.96	2,748.96	2,748.96	2,748.96			
16		Unmetered & scattered - (non-demand)	374.43	374.43	374.43	374.43	374.43	374.43			
17	3	Estimate of average demand per added customer kW									
18		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
19		General Service > 50kW (non-TOU)									
20		General Service > 50kW (TOU)									
21		Large User									
22		Street lighting	0.175	0.175	0.175	0.175	0.175	0.175			
23	4	Approved wires only rates per rate schedule - monthly fixed charge									
24		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
25		Residential	14.45	14.45	14.45	14.45	14.45	14.45			
26		General Service < 50kW	32.16	32.16	32.16	32.16	32.16	32.16			
27		General Service > 50kW (non-TOU)	293.26	293.26	293.26	293.26	293.26	293.26			
28		General Service > 50kW (TOU)	293.26	293.26	293.26	293.26	293.26	293.26			
29		Large User	22,642.10	22,642.10	22,642.10	22,642.10	22,642.10	22,642.10			
30		Unmetered & scattered - (non-demand)	9.11	9.11	9.11	9.11	9.11	9.11			
31		Street lighting	2.31	2.31	2.31	2.31	2.31	2.31			
32	5	Approved wires only rates per rate schedule - variable charge (per kWh)									
33		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
34		Residential	0.0142	0.0142	0.0142	0.0142	0.0142	0.0142			
35		General Service < 50kW	0.0084	0.0084	0.0084	0.0084	0.0084	0.0084			
36		Unmetered & scattered - (non-demand)	0.0141	0.0141	0.0141	0.0141	0.0141	0.0141			
37	6	Approved wires only rates per rate schedule - demand charge (per kW)									
38		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25	Transformer Discount	Current Rate	Transformer Discount Rate
39		General Service > 50kW (non-TOU)	2,0341	2,0341	2,0341	2,0341	2,0341	2,0341		2,0341	(0.73)
40		General Service > 50kW (TOU)	2,0341	2,0341	2,0341	2,0341	2,0341	2,0341		2,0341	(0.73)
41		Large User	1,3359	1,3359	1,3359	1,3359	1,3359	1,3359			
42		Street lighting	6,1604	6,1604	6,1604	6,1604	6,1604	6,1604			
43	7	New facilities and/or reinforcement investments									
44		Capital elements	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
45		Transformer stations	19,132.48	-	-	-	-	-			
46		Distribution feeders	108,820.99	-	-	-	-	-			
47		Distribution lines	1,126,250.00								
48		Distribution transformers	135,500.00								
49		Credit for previous work on service									
50		Services & metering (Residential Only)	-	-	132,020.00	-	-	-			
51		Services & metering									
52		Upstream cost credit (where applicable)									
53		Total	1,390,703.45	-	132,020.00	-	-	-			
54		Assessed value of land									
55	8	Incremental overheads at project level applicable to distribution system expansion (per customer addition)									
56		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
57		Residential									
58		General Service < 50kW									
59		General Service > 50kW (non-TOU)									
60		General Service > 50kW (TOU)									
61		Large User									
62		Unmetered & scattered - (non-demand)									
63		Street lighting									
64	9	Attributable incremental annual operating, maintenance and administration expenditures (per customer addition)									
65		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
66		Residential	125.77	125.77	125.77	125.77	125.77	125.77			
67		General Service < 50kW	248.75	248.75	248.75	248.75	248.75	248.75			
68		General Service > 50kW (non-TOU)	-	-	-	-	-	-			
69		General Service > 50kW (TOU)	-	-	-	-	-	-			
70		Large User	-	-	-	-	-	-			
71		Unmetered & scattered - (non-demand)	6.32	6.32	6.32	6.32	6.32	6.32			
72		Street lighting	2.13	2.13	2.13	2.13	2.13	2.13			

HORIZON EXHIBIT K2.1

	A	B	C	D	E	F	G	H	I	J	K
73	10	Discount rate data									
74		Incremental after-tax cost of capital	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
75		Long Term Borrowing rate	5.79%	5.79%	5.79%	5.79%	5.79%	5.79%			
76		Short Term Borrowing rate	2.46%	2.46%	2.46%	2.46%	2.46%	2.46%			
77		Rate of return on common equity	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%			
78		Long-Term debt outstanding (%)	56.00%	56.00%	56.00%	56.00%	56.00%	56.00%			
79		Short-Term debt outstanding (%)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%			
80		Total common equity (%)	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%			
81		Marginal income tax rate	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%			
82		Incremental after-tax weighted average cost of capital	6.2892%	6.2892%	6.2892%	6.2892%	6.2892%	6.2892%			
83	11	Tax rate data									
84		Type of tax	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
85		Municipal tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
86		Marginal income tax rate	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%			
87		Federal capital tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
88		Federal surtax	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
89		Provincial capital tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
90		Capital cost allowance rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%			
91		Taxable capital employed in Canada	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65			
92		Capital Deduction (Federal purposes)	-	-	-	-	-	-			
93		Base for Federal capital tax	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65			
94	12	Measurement Quantities for Upstream Costs Calculations									
95		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
96		Residential	651,266	651,266	651,266	651,266	651,266	651,266			
97		General Service < 50kW	2,748,957	2,748,957	2,748,957	2,748,957	2,748,957	2,748,957			
98		General Service > 50kW (non-TOU)									
99		General Service > 50kW (TOU)									
100		Large User									
101		Unmetered & scattered - (non-demand)	374,427	374,427	374,427	374,427	374,427	374,427			
102		Street lighting	0.175	0.175	0.175	0.175	0.175	0.175			
103	13	Transformer Station Upstream Costs									
104		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
105		Residential (kWh)	0.1024	0.1024	0.1024	0.1024	0.1024	0.1024			
106		General Service < 50kW (kWh)	0.0436	0.0436	0.0436	0.0436	0.0436	0.0436			
107		General Service > 50kW (non-TOU) (kW)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323			
108		General Service > 50kW (TOU) (kW)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323			
109		Large User (kW)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323			
110		Unmetered & scattered (kWh)	0.0185	0.0185	0.0185	0.0185	0.0185	0.0185			
111		Street lighting (kW)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323			
112	14	Distribution Feeders Upstream Costs									
113		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
114		Residential (kWh)	0.5822	0.5822	0.5822	0.5822	0.5822	0.5822			
115		General Service < 50kW (kWh)	0.2480	0.2480	0.2480	0.2480	0.2480	0.2480			
116		General Service > 50kW (non-TOU) (kW)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300			
117		General Service > 50kW (TOU) (kW)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300			
118		Large User (kW)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300			
119		Unmetered & scattered (kWh)	0.1055	0.1055	0.1055	0.1055	0.1055	0.1055			
120		Street lighting (kW)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300			
121	15	Operations Maintenance & Administration Costs									
122		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
123		Residential (kWh)	0.1931	0.1931	0.1931	0.1931	0.1931	0.1931			
124		General Service < 50kW (kWh)	0.0905	0.0905	0.0905	0.0905	0.0905	0.0905			
125		General Service > 50kW (non-TOU) (kW)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444			
126		General Service > 50kW (TOU) (kW)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444			
127		Large User (kW)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444			
128		Unmetered & scattered (kWh)	0.0169	0.0169	0.0169	0.0169	0.0169	0.0169			
129		Street lighting (kW)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444			
130	16	Operations Maintenance & Administration Costs (Customer Owned Tx)									
131		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
132		General Service > 50kW (non-TOU) (kW)	11.76	11.76	11.76	11.76	11.76	11.76			
133		General Service > 50kW (TOU) (kW)	11.76	11.76	11.76	11.76	11.76	11.76			
134		Large User (kW)	11.76	11.76	11.76	11.76	11.76	11.76			
135	17	Services & Metering Standard Cost									
136		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 25			
137		Residential (kWh)	460.00	460.00	460.00	460.00	460.00	460.00			

Upstream Cost Calculations

Transformer Station Upstream Costs		Year 1	Year 2	Year 3	Year 4	Year 5	Total
Residential	(kWh)	0.00	0.00	19,132.46	0.00	0.00	19,132.46
General Service < 50kW	(kWh)	0.00	0.00	0.00	0.00	0.00	0.00
General Service > 50kW (non-TOU)	(kW)	0.00	0.00	0.00	0.00	0.00	0.00
General Service > 50kW (TOU)	(kW)	0.00	0.00	0.00	0.00	0.00	0.00
Large User	(kW)	0.00	0.00	0.00	0.00	0.00	0.00
	287	0.00	0.00	0.00	0.00	0.00	0.00
Street lighting	(kW)	0.00	0.00	0.00	0.00	0.00	0.00
Total		0.00	0.00	19,132.46	0.00	0.00	19,132.46

Distribution Feeders Upstream Costs		Year 1	Year 2	Year 3	Year 4	Year 5	Total
Residential	(kWh)	0.00	0.00	108,820.99	0.00	0.00	108,820.99
General Service < 50kW	(kWh)	0.00	0.00	0.00	0.00	0.00	0.00
General Service > 50kW (non-TOU)	(kW)	0.00	0.00	0.00	0.00	0.00	0.00
General Service > 50kW (TOU)	(kW)	0.00	0.00	0.00	0.00	0.00	0.00
Large User	(kW)	0.00	0.00	0.00	0.00	0.00	0.00
Unmetered & scattered	(kWh)	0.00	0.00	0.00	0.00	0.00	0.00
Street lighting	(kW)	0.00	0.00	0.00	0.00	0.00	0.00
Total		0.00	0.00	108,820.99	0.00	0.00	108,820.99

HORIZON EXHIBIT K2.1

[illegible]

OPERATIONS

[illegible]

* Revenues received for the balance of the revenue horizon beyond year 6 are the same as year 6

Incremental Operations & Maintenance

[illegible]

* Current year customer additions are divided by two in order to recognize level activities throughout the year.

CAPITAL COSTS

[illegible]

* There is assumption made here that there are no up front capital costs in the first year, that Costs in the first year are incurred evenly during the year.

HORIZON EXHIBIT K2.1

	Total	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	
Present Value Of CCA Tax Shield																											
Opening undepreciated capital cost	1,360,733	333,075	366,429	408,654	375,962	345,865	318,214	292,767	269,336	247,790	227,898	209,729	190,851	177,515	163,513	150,248	138,220	127,170	116,937	107,637	98,626	91,104	83,616	77,110	70,941		
Less: Contributed Capital	(1,043,759)																										
CCA Capital cost allowance	413,707	13,879	29,646	29,755	32,532	30,077	27,671	25,457	23,421	21,547	19,823	18,237	16,778	15,438	14,201	13,065	12,023	11,058	10,174	9,360	8,611	7,922	7,288	6,705	6,169		
Closing undepreciated capital cost	333,075	365,429	408,654	375,952	345,966	318,214	292,767	269,336	247,790	227,866	209,729	192,851	177,816	163,513	150,248	138,223	127,170	116,897	107,837	99,026	91,124	82,918	77,110	70,941	65,266		
CCA Annual Income Tax Savings	3,671	7,649	7,681	8,647	7,868	7,319	6,733	6,186	5,899	5,243	4,824	4,439	4,093	3,769	3,466	3,179	2,926	2,891	2,476	2,278	2,099	1,969	1,774	1,632	1,561		
Present Value of CCA Tax Shield	65,647	3,680	5,432	6,768	5,995	6,048	4,530	3,921	3,394	2,837	2,642	2,291	1,908	1,649	1,427	1,235	1,069	920	801	693	600	519	460	389	337		
Present Value of Operating Cash Flow																											
Present Value of Net Operating Cash																											
Cashflow (revenue - total)	716,913	0	0	40,000	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616	81,616		
Less: Total Incremental O & M	(812,138)	0	0	(18,048)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)	(36,096)		
Net (Wired) Operating Cash before Income Tax	(95,225)	0	0	21,952	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521	45,521		
Present value of Net Operating Cash	478,867	0	0	19,541	35,770	34,535	32,540	30,632	28,810	27,105	25,502	23,993	22,573	21,237	19,980	18,796	17,666	16,640	15,805	14,720	13,857	13,037	12,306	11,640	10,857		
Present Value of Taxes																											
Income Taxes	276,886	0	0	6,020	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040		
Provincial Capital Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Federal Capital Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Annual Municipal Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total Taxes	276,886	0	0	6,020	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040	12,040		
PV of Taxes	126,678	0	0	5,169	9,729	9,160	8,608	8,099	7,623	7,159	6,746	6,346	5,971	5,617	5,286	4,972	4,678	4,401	4,141	3,888	3,666	3,443	3,244	3,062	2,872		
PV of Municipal Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		

Net Present Value Summary

1.		
PV of Operating Cash Flow		
a) PV of Net Operating Cash Flow	478,557.00	
b) PV of Taxes	(126,678.33)	
PV of Operating Cash Flow	351,878.67	
2.		
PV of Capital	(1,462,275.13)	
3.		
PV of CCA Tax Shield	66,546.55	
NET PRESENT VALUE	(1,043,749.91)	Capital Contribution required from Customers

(A) HORIZON EXHIBIT K2.1



Horizon Utilities Corporation

Capital Cost Recovery Agreement – Horizon Constructed Subdivision

Schedule B - Cost and Revenue

COST

Horizon Utilities Corporation's Work Estimate

Horizon Utilities Corporation Work Estimate of total costs:

	287	Contestable	Uncontestable	Total
i. Material		588,296.50	39,350.00	627,646.50
ii. Labour		278,631.00	139,800.00	418,431.00
iii. Equipment		276,084.00	2,870.00	278,954.00
iv. Engineering & Administration		69,738.50		69,738.50
Work Order Costs		1,212,750.00	182,020.00	1,394,770.00
Upstream Electrical Distribution System Costs			127,953.45	127,953.45
Total Project Costs			\$	1,522,723.45

Number of Residential Customers To Be Connected

287

Developer has chosen to have Horizon Utilities construct the project

Initial Capital Contribution

NPV Components

Capital Expenditures - Project costs & upstream costs	- \$1,395,728.58
Incremental Operating, Maintenance & Administration Costs	- \$506,042.60
Distribution Revenue	858,021.28
Net Present Value	- \$1,043,749.91
HST @ 13%	- \$135,687.49
Total Initial Capital Contribution	- \$1,179,437.40

Expansion Deposit

\$351,020.09

Fully Recoverable Work

Description of Fully Recoverable work and deposit required

Street lighting Deposit	\$0.00
	\$0.00
	\$0.00
	\$0.00
	\$0.00

Customer Acknowledges that:

1.	it has elected to have the Distributor construct the project
2.	it is responsible for the Capital Contribution, Expansion Deposit, any security or other payment or costs specified herein
3.	that the final Capital Contribution and Expansion Deposit will be determined at the time of completing the final Economic Evaluation
4.	they will be responsible for paying the amounts specified below as follows:
	- Capital Contribution (initial as per Offer to Connect) \$1,179,437.40 Execution of Agreement
	- Expansion Deposit \$351,020.09 Execution of Agreement
	- Fully Recoverable Work \$0.00 Execution of Agreement

* A Letter of Credit is acceptable as payment of the Expansion Deposit. Please refer to Schedule C - Form Letter of Credit

Horizon Utilities Corporation
Capital Cost Recovery Agreement – Alternative Bid Subdivision

Schedule B - Cost and Revenue

COST

Horizon Utilities Corporation's Work Estimate

Horizon Utilities Corporation Work Estimate of total costs:

	287	Contestable	Uncontestable	Total
i. Material		588,296.50	39,350.00	627,646.50
ii. Labour		278,631.00	139,800.00	418,431.00
iii. Equipment		276,084.00	2,870.00	278,954.00
iv. Engineering & Administration		69,738.50		69,738.50
Work Order Costs		1,212,750.00	182,020.00	1,394,770.00
Upstream Electrical Distribution System Costs			127,953.45	127,953.45
Total Project Costs			\$	1,522,723.45

Number of Residential Customers To Be Connected

287

Developer has Elected To Use The Alternative Bid Option

No Capital Contribution currently, this will be determined once final Transfer Price is known.

\$0.00

Prepayments Required:

Estimated Final Connection Costs

\$50,000.00

Inspection & Engineering Administration:

First \$50,000 @ 15%

\$7,500.00

Balance @ 5%

\$58,137.50

\$65,637.50

\$115,637.50

\$15,032.88

HST @ 13%

\$130,670.38

Prepayments Required

Expansion Deposit

\$1,212,750.00

Transfer Price (estimated - not including HST)

To be finalized at the time of final economic evaluation

\$416,657.59

Fully Recoverable Work

Description of Fully Recoverable work and deposit required

\$0.00

\$0.00

\$0.00

\$0.00

Customer Acknowledges that:

1.	it has elected to use the Alternative Bid Option		
2.	it is responsible for the Capital Contribution, Expansion Deposit, any security or other payment, fee or costs specified herein		
3.	that the final Capital Contribution, Transfer Price, Expansion Deposit will be determined at the time of completing the final Economic Evaluation		
4.	they will be responsible for paying the amounts specified below as follows:		
	(i) Capital Contribution (initial as per Offer to Connect)	\$0.00	Execution of Agreement
	(ii) Fees and Costs	\$130,670.38	Execution of Agreement
	(iii) Fully Recoverable Work	\$0.00	Execution of Agreement
	(iv) Estimated Expansion Deposit (to be finalized prior to energization)		
	- 10% of Contestable Work for 2 year Maintenance	\$121,275.00	Prior to Energization
	- Portion to complete, repair or bring up to standard the facilities		
	(v) Service and Metering Costs @ \$460 per Residential Customer	\$149,182.60	Prior to Energization
5.	for the Transfer Price they have requested (An option must be selected):		
<input type="checkbox"/>	Distributor apply the Transfer Price against the required Expansion Deposit and the Services and Metering Costs (if any)		
<input type="checkbox"/>	Distributor not apply the Transfer Price against the required Expansion Deposit and the Services and Metering Costs		

* A Letter of Credit is acceptable as payment of the Expansion Deposit. Please refer to Schedule C - Form Letter of Credit

HORIZON EXHIBIT K2.1



Horizon Utilities Corporation

Capital Cost Recovery Agreement – Alternative Bid Subdivision

Schedule B - Cost and Revenue

COST

Horizon Utilities Corporation's Work Estimate

Horizon Utilities Corporation Work Estimate of total costs:

	Contestable	Uncontestable	Total
i. Material	520,797.20	14,350.00	535,147.20
ii. Labour	241,964.80	114,800.00	356,764.80
iii. Equipment	234,973.20	2,870.00	237,843.20
iv. Engineering & Administration	59,460.80		59,460.80
Work Order Costs	1,057,196.00	132,020.00	1,189,216.00

Upstream Electrical Distribution System Costs

127,953.45

Total Project Costs

127,953.45
\$ 1,317,169.45

Number of Residential Customers To Be Connected

287

Developer has Elected To Use The Alternative Bid Option

No Capital Contribution currently, this will be determined once final Transfer Price is known.

\$0.00

Prepayments Required:

Estimated Final Connection Costs

\$0.00

Inspection & Engineering Administration:

First \$50,000 @ 15%

\$7,500.00

Balance @ 5%

\$50,359.80

\$57,859.80

\$57,859.80

HST @ 13%

\$7,521.77

Prepayments Required

\$65,381.57

Expansion Deposit

\$1,057,196.00

Transfer Price (estimated - not including HST)

To be finalized at the time of final economic evaluation

\$401,667.63

Fully Recoverable Work

Description of Fully Recoverable work and deposit required

\$0.00

\$0.00

\$0.00

\$0.00

Customer Acknowledges that:

1.	it has elected to use the Alternative Bid Option		
2.	it is responsible for the Capital Contribution, Expansion Deposit, any security or other payment, fee or costs specified herein		
3.	that the final Capital Contribution, Transfer Price, Expansion Deposit will be determined at the time of completing the final Economic Evaluation		
4.	they will be responsible for paying the amounts specified below as follows:		
	(i) Capital Contribution (initial as per Offer to Connect)	\$0.00	Execution of Agreement
	(ii) Fees and Costs	\$65,381.57	Execution of Agreement
	(iii) Fully Recoverable Work	\$0.00	Execution of Agreement
	(iv) Estimated Expansion Deposit (to be finalized prior to energization)		
	- 10% of Contestable Work for 2 year Maintenance	\$105,719.60	Prior to Energization
	- Portion to complete, repair or bring up to standard the facilities		
	(v) Service and Metering Costs @ \$460 per Residential Customer	\$149,182.60	Prior to Energization
5.	for the Transfer Price they have requested (An option must be selected):		
	<input type="checkbox"/> Distributor apply the Transfer Price against the required Expansion Deposit and the Services and Metering Costs (if any)		
	<input type="checkbox"/> Distributor not apply the Transfer Price against the required Expansion Deposit and the Services and Metering Costs		

*A Letter of Credit is acceptable as payment of this Expansion Deposit. Please refer to Schedule C - Form Letter of Credit

HORIZON EXHIBIT K2.1

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HORIZON EXHIBIT K2.1

MULTI-SERVICE CONNECTION COST AGREEMENT

Between

Multi- Area Developments Inc.

And

Hydro One Networks Inc.



for

Summit Park Phase 7

MULTI-AREA DEVELOPMENTS INC. (the "Developer") has requested and **HYDRO ONE NETWORKS INC.** ("Hydro One") has agreed to perform certain work pertaining to the connection of the project described below, on the terms and conditions set forth in this Multi-Service Connection Cost Agreement dated this 27th day of July 2012 (the "Agreement"). The attached Standard Terms and Conditions for Multi-Service Connection Projects V1 06-2011 (the "Standard Terms and Conditions") and the following schedules, as amended, supplemented or restated from time to time, are to be read with and form part of the Agreement:

- Schedule "A" (Description of the Non-Contestable Work and the Contestable Work);
- Schedule "B" (Description of Civil Work);
- Schedule "C" (Specifications);
- Schedule "D" (Hydro One Design - Drawing # 00351-12-116 Rev 06)
- Schedule "E" (Developer's Load Forecast)"
- Schedule "F" (Economic Evaluation Results)
- Schedule "G" (Option A/Option B Chart)
- Schedule "H" (Form of Transfer of Ownership of Primary Distribution System, Secondary Distribution System, Line Expansion and Residential Service Cables)
- Schedule "I" – certified copy of the Band Council resolution where the Developer is a Band of Indians, authorizing the execution of this Agreement and the issuance of any permits required under Section 28(2) of the *Indian Act* (Canada).

Unless otherwise defined herein, all capitalized terms herein shall have the meaning ascribed to them in the Standard Terms and Conditions.

I. Project Summary

The Developer is planning to:

expand or develop a residential subdivision known as Summit Park Phase 7 at the property located at Part of Lots 4 & 5, Block 4, Conc. 1, Binbrook, in the City of Hamilton in the Province of Ontario, as more particularly described in PIN 17385 1563, and where a plan of subdivision has been registered as _____ at ____ a.m./p.m. on the _____ day of _____, _____ (the foregoing being hereinafter described as "Project").

Hydro One hereby commits to honouring all the prices stated hereunder in the Agreement even if it becomes necessary, for any reason, for Hydro One to supply the said subdivision by means of a feeder or feeders other than the feeder or feeders stated hereunder in the Agreement.

HORIZON EXHIBIT K2.1

IV. Miscellaneous:

Developer's HST Registration Number:¹

Expansion Deposit:²

\$1,425,258.67

Easement Date:³

5th day of September 2012

Customer Connection Horizon:

5 years

Required Execution Date:

27th day of January 2013

Revenue Horizon:

25 years

Developer Notice Info:⁴

Multi-Area Developments Inc.
10-301 Fruitland Road, Stoney Creek, Ontario L8E 5M1

Attention: Steve Spicer

Fax: 905-662-8401

V. Entire Agreement

Subject to Section 2.4 of the Standard Terms and Conditions, this Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior oral or written representations and agreements concerning the subject matter of this Agreement.

[SIGNATURE PAGE FOLLOWS]

¹ See Subsection 1.1(e) of the Standard Terms and Conditions.

² See Sections 6.1 and 6.2 of the Standard Terms and Conditions.

³ See Subsections 5.2(l) of the Standard Terms and Conditions.


⁴ See Section 13.5 of the Standard Terms and Conditions.

VI. Amendments

It is recognized that from time to time during the currency of the Agreement the parties hereto may mutually, unless otherwise provided for in the Agreement, alter, amend, modify or vary the provisions of the Agreement and such alteration, amendment, modification, variation or substitution shall be effected in writing and attached hereto and shall be deemed to form part hereof and shall, from the date agreed upon, alter, amend, modify, vary or substitute the Agreement in the manner and to the extent set forth in writing by the parties. Subject to the foregoing, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement.

HYDRO ONE NETWORKS INC.



Name: Gordon Messervy

Title: Supervising Planning & Design

Date: Sept 10, 2012

I have the authority to bind the Corporation.

Multi-Area Development Inc.



Name: Aldo De Santis

Title: PRESIDENT

Date: SEPTEMBER 7, 2012

Name:

Title:

Date:

I/We have the authority to bind the Corporation.

Schedule "A" Description of the Contestable and Non-Contestable Work

See attached Drawing **00351-12-116 Rev 06**

Description of Non-Contestable Work Hydro One MUST perform:

For Underground Lines (Including Submarine):

1. Perform make ready work on existing Hydro One facilities (dip pole or existing transformer or kiosk)
2. Termination of all primary and secondary cables within the Electrical Distribution System
3. Installation of transformers and kiosks including inserts, elbows, insulating caps, arrestors and feed through
4. Install kiosks including insulating caps
5. Install numbering, signs, locks and phase markings on transformers and kiosks
6. Connection of grounds to transformers and kiosks
7. Install switching/isolation of existing Hydro One facilities
8. Perform Inspection

For Overhead Lines:

1. Perform make ready work on existing Hydro One facilities
2. Termination of all primary cables at transformer and switch locations and secondary cables transitioning to underground within the Electrical Distribution System
3. Install transformers and transformer framing
4. Install switches

Description of Contestable Work Hydro One or Developer/Contractor can perform (Unless otherwise stated on Drawing):

For Underground Lines (Including Submarine):

1. Supply and install primary and secondary cables
2. Install secondary splices

For Overhead Lines:

1. Install new poles, primary and secondary conductor, guys and anchors
2. Install primary and secondary framing
3. Install grounding (Plates and Rods)

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

Schedule "D" - Hydro One Design - Drawing # 00351-12-116 Rev 06

HORIZON EXHIBIT K2.1

Schedule "E" – "Developer's Load Forecast"

Residential Services

Rate Class	#of Lots	Sq. Ftge	Load Type	Service Size (Amps)
UR	101	2500 sqft	Base + AC	200 amps
UR	185	1500 sqft	Base + AC	200 amps

Commercial Services

Rate Class	#of Lots	Secondary Voltage	Service Size (Amps)	Usage	Business Type
Gse	1	120/240V	200 amps	Single Shift	Commercial

Submitted by the Developer on this 12th day of June 2012.

Multi-Area Development Inc.



Name: ALDO DE SANTIS

Title: PRESIDENT

Date: SEPTEMBER 7, 2012

Name:

Title:

Date:

I/We have the authority to bind the Corporation.

HORIZON EXHIBIT K2.1
Schedule "F": Economic Evaluation Results

Basic Discounted Cash Flow Calculation

Capital Costs and Charges				Hydro One does all the work (Option A)	Alternative Bid Option (Option B)
Subdivision Expansion Cost	Length	2477	metres	\$ 757,154.26	\$ 473,214.43
Line Expansion Cost	Length	0	metres	\$ -	\$ -
			Subtotal	\$ 757,154.26	\$ 473,214.43
			Overheads and Interest During Construction	\$ 93,510.86	\$ 60,382.38
Total Capital Cost				\$ 850,665.11	\$ 533,596.80

Operating and Maintenance (O&M) Costs over 25 Year Revenue Horizon					
Estimated Connection O & M per year		\$	34,180.06		
Estimated Expansion O & M per year					
Line Expansion O&M (OH Line)	0 m	\$	-		
Line Expansion O&M (UG Line)	0	\$	-		
Subdivision Line (OH Line)	0	\$	-		
Subdivision (UG Line)	2477	\$	2,558.74		
Estimated System Reinf. O&M per year		\$	31,776.61		
Estimated Yearly O&M		\$	68,515.41		
Estimated Total O&M Over F 25 Years		\$	1,712,885.16	PV \$ 886,979.63	\$ 886,979.63

Total Cost of Connection					
	Total Capital Cost	\$	850,665.11	\$	533,596.80
	Total PV of O&M	\$	886,979.63	\$	886,979.63
	Total Cost Of Connection	\$	1,737,644.75	\$	1,420,576.44

HORIZON EXHIBIT K2.1



Basic Discounted Cash Flow Calculation

This is how the Calculation relates to Sections 2.0, 3.0, 5.0A and 5.0B of your contract.

	Hydro One does all the work (Option A)	Alternative Bid Option (Option B)
Customer Contribution Required For The Connection (From Above)	\$ 312,376.08	\$ (4,692.23)
Less Pre Paid Amounts		
Line 1.1 Engineering Design Fees Paid	\$ 14,800.00	\$ 14,800.00
Line 3.4 Miscellaneous Approvals Paid	\$ -	\$ -
Plus Items Excluded From Receiving Support		
Incremental Cost For Pad-Mounted Transformer (NonContestable)	\$ -	\$ -
Work Site Inspector	\$ -	\$ 38,253.60
Returned Materials Charge	\$ -	\$ -
Sub Total	\$ 297,576.08	\$ 18,761.37
HST	\$ 38,684.89	\$ 2,438.98
Amount Due*	\$ 336,260.97	\$ 21,200.35

Average Support per Service		Option A	Option B
Residential Energy		\$ 4,928.42	\$ 4,435.58
Commercial Energy		\$ 15,741.45	\$ 14,167.31
Commercial Demand		\$ -	\$ -
Note: Option B Average Support Includes 10% Holdback for Warranty			

* Note: Section 4.0 charges are in addition to these amounts.

Rev 06/2011

HORIZON EXHIBIT K2.1

3.2 The Developer hereby elects Option A by checking the box below and agrees and accepts all the figures contained in the Option A chart below:

Option A – Hydro One Networks Performs Non-Contestable Work and Contestable Work				
Part 1 Non-Contestable Work Firm Offer		TOTAL	PAID	DUE
1.0 Engineering & Design				
1.1	Design Costs (subject to GST)	\$ -	\$ -	\$ -
	Design Costs (subject to HST)	\$ 12,877.50	\$ (14,800.00)	\$ (1,922.50)
	Total Cost Section 1.1	\$ 12,877.50	\$ (14,800.00)	\$ (1,922.50)
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -
	Remaining Balance Section 1.1	\$ 12,877.50	\$ (14,800.00)	\$ (1,922.50)
2.0 Cost of Non-Contestable Work Other Than Line Expansion				
		TOTAL	PAID	DUE
2.1	Non-Contestable Subdivision Secondary Costs			
	Material	\$ 146,723.85	\$ -	\$ 146,723.85
	Labour	\$ 124,161.12	\$ -	\$ 124,161.12
	Equipment	\$ 70,279.88	\$ -	\$ 70,279.88
	Other Miscellaneous	\$ 16,398.64	\$ -	\$ 16,398.64
	Administration & Overheads	\$ 23,426.63	\$ -	\$ 23,426.63
	400A Meterbase Credit	\$ -	\$ -	\$ -
	Total Cost Section 2.1	\$ 380,990.11	\$ -	\$ 380,990.11
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 380,990.11	\$ -	\$ 380,990.11
	Remaining Balance Section 2.1	\$ -	\$ -	\$ -
2.2	Non-Contestable Subdivision Primary Costs			
	Material	\$ 95,874.57	\$ -	\$ 95,874.57
	Labour	\$ 23,242.95	\$ -	\$ 23,242.95
	Equipment	\$ 13,156.39	\$ -	\$ 13,156.39
	Other Miscellaneous	\$ 3,069.82	\$ -	\$ 3,069.82
	Administration & Overheads	\$ 4,385.46	\$ -	\$ 4,385.46
	Cost To Connect To An Existing Powerline	\$ -	\$ -	\$ -
	Forestry Cost (If Applicable)	\$ -	\$ -	\$ -
	Total Cost Section 2.2	\$ 139,729.19	\$ -	\$ 139,729.19
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -
	Remaining Balance Section 2.2	\$ 139,729.19	\$ -	\$ 139,729.19
Continued				

HORIZON EXHIBIT K2.1

3.2 Continued

The Developer hereby elects Option A by checking the box below and agrees and accepts all the figures contained in the Option A chart below:

Option A – Hydro One Networks Performs Non-Contestable Work and Contestable Work				
3.0 Cost Of Non-Contestable Line Expansion (If Applicable)				
		TOTAL	PAID	DUE
3.1	Non-Contestable Line Expansion Costs			
	Material	\$ -	\$ -	\$ -
	Labour	\$ -	\$ -	\$ -
	Equipment	\$ -	\$ -	\$ -
	Other Miscellaneous	\$ -	\$ -	\$ -
	Administration & Overheads	\$ -	\$ -	\$ -
3.2	Cost To Connect To An Existing Powerline	\$ -	\$ -	\$ -
3.3	Forestry Cost (If Applicable)	\$ -	\$ -	\$ -
3.4	Miscellaneous Approvals Such As Water Crossing, Railway Crossing, Pipeline Crossing, etc.	\$ -	\$ -	\$ -
3.5	Easements, Permits and Approvals	\$ -	\$ -	\$ -
	Total Cost Section 3.1 to 3.5	\$ -	\$ -	\$ -
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -
	Remaining Balance Section 3.1 to 3.5	\$ -	\$ -	\$ -
4.0 Cost of Contestable Work Other Than Line Expansion				
		TOTAL	PAID	DUE
4.2	Contestable Subdivision Secondary Costs			
	Material	\$ 96,914.95	\$ -	\$ 96,914.95
	Labour	\$ 62,015.99	\$ -	\$ 62,015.99
	Equipment	\$ 35,103.39	\$ -	\$ 35,103.39
	Other Miscellaneous	\$ 8,190.79	\$ -	\$ 8,190.79
	Administration & Overheads	\$ 11,701.13	\$ -	\$ 11,701.13
	Total Cost Section 4.1	\$ 213,926.25	\$ -	\$ 213,926.25
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 157,298.92	\$ -	\$ 157,298.92
	Remaining Balance Section 4.1	\$ 56,627.33	\$ -	\$ 56,627.33
4.2	Contestable Subdivision Primary Costs			
	Material	\$ 63,274.69	\$ -	\$ 63,274.69
	Labour	\$ 21,129.70	\$ -	\$ 21,129.70
	Equipment	\$ 11,960.21	\$ -	\$ 11,960.21
	Other Miscellaneous	\$ 2,790.72	\$ -	\$ 2,790.72
	Administration & Overheads	\$ 3,986.74	\$ -	\$ 3,986.74
	Total Cost Section 4.2	\$ 103,142.06	\$ -	\$ 103,142.06
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -
	Remaining Balance Section 4.2	\$ 103,142.06	\$ -	\$ 103,142.06
Continued				

HORIZON EXHIBIT K2.1

3.2 Continued

The Developer hereby elects Option A by checking the box below and agrees and accepts all the figures contained in the Option A chart below:

Option A – Hydro One Networks Performs Non-Contestable Work and Contestable Work				
5.0 Contestable Cost Of Line Expansion (If Applicable)				
5.1	Contestable Cost of Line Expansion	TOTAL	PAID	DUE
	Material	\$ -	\$ -	\$ -
	Labour	\$ -	\$ -	\$ -
	Equipment	\$ -	\$ -	\$ -
	Other Miscellaneous	\$ -	\$ -	\$ -
	Administration & Overheads	\$ -	\$ -	\$ -
	Total Cost Section 5.1	\$ -	\$ -	\$ -
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -
	Remaining Balance Section 5.1	\$ -	\$ -	\$ -
Remaining balance on Non-Contestable and Contestable Work (Sections 1.0 through 5.0)		\$ 312,376.08	\$ (14,800.00)	\$ 297,576.08
Part 3 Non-Contestable and Contestable Work Above Standard Connection				
		TOTAL	PAID	DUE
6.0	Items Excluded From Receiving Support			
6.1	Pad-mount Transformer Incremental Cost (NonCont.)	\$ -	\$ -	\$ -
6.2	Returned Materials Charge	\$ -	\$ -	\$ -
	Total Cost Section 6.1 to 6.2	\$ -	\$ -	\$ -
Part 4 Totals				
Revenue Shortfall (if applicable)		\$ -		\$ -
Sub-Total (without Tax) for Option A		\$ 312,376.08	\$ (14,800.00)	\$ 297,576.08
GST on Engineering and Design for Option A		\$ -	\$ -	\$ -
HST on Engineering and Design for Option A		\$ 1,674.08	\$ (1,924.00)	\$ (249.93)
HST on Remaining Items for Option A		\$ 38,934.82	\$ -	\$ 38,934.82
Grand Total (with GST & HST) for Option A		\$ 352,984.97	\$ (16,724.00)	\$ 336,260.97
GST/HST# 870865821RT0001				
A-1	The Developer has paid the cost of Design and Staking, incurred by Hydro One Networks in the amount of =		\$ (16,724.00)	
A-2	The Developer shall pay 100% of the Remaining Cost to be incurred by Hydro One Networks at the time of signing of this Agreement, in the amount of =			\$ 336,260.97
A-3	Refund After Hydro One Networks Support Applied			\$ -
<p>I Elect To Choose Option A <input type="checkbox"/> _____ Signature</p>				

HORIZON EXHIBIT K2.1

- 3.3 The Developer hereby elects Option B by checking the box below and agrees and accepts all the figures contained in the Option B chart below:

Option B – Hydro One Networks Performs Non-Contestable Work Only				
Part 1 Non-Contestable Work Firm Offer		TOTAL	PAID	DUE
1.0 Engineering & Design				
1.1 Design Costs (subject to GST)	\$ -	\$ -	\$ -	\$ -
Design Costs (subject to HST)	\$ 12,877.50	\$ (14,800.00)	\$ (1,922.50)	\$ (1,922.50)
Total Cost Section 1.1	\$ 12,877.50	\$ (14,800.00)	\$ (1,922.50)	\$ (1,922.50)
Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -	\$ -
Remaining Balance Section 1.1	\$ 12,877.50	\$ (14,800.00)	\$ (1,922.50)	\$ (1,922.50)
2.0 Cost of Non-Contestable Work Other Than Line Expansion				
	TOTAL	PAID	DUE	
2.1 Non-Contestable Subdivision Secondary Costs				
Material	\$ 146,723.85	\$ -	\$ 146,723.85	
Labour	\$ 124,161.12	\$ -	\$ 124,161.12	
Equipment	\$ 70,279.88	\$ -	\$ 70,279.88	
Other Miscellaneous	\$ 16,398.64	\$ -	\$ 16,398.64	
Administration & Overheads	\$ 23,426.63	\$ -	\$ 23,426.63	
400A Meterbase Credit	\$ -	\$ -	\$ -	
Total Cost Section 2.1	\$ 380,990.11	\$ -	\$ 380,990.11	
Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 380,990.11	\$ -	\$ 380,990.11	
Remaining Balance Section 2.1	\$ -	\$ -	\$ -	
2.2 Non-Contestable Subdivision Primary Costs				
Material	\$ 95,874.57	\$ -	\$ 95,874.57	
Labour	\$ 23,242.95	\$ -	\$ 23,242.95	
Equipment	\$ 13,156.39	\$ -	\$ 13,156.39	
Other Miscellaneous	\$ 3,069.82	\$ -	\$ 3,069.82	
Administration & Overheads	\$ 4,385.46	\$ -	\$ 4,385.46	
Cost To Connect To An Existing Powerline	\$ -	\$ -	\$ -	
Forestry Cost (If Applicable)	\$ -	\$ -	\$ -	
Total Cost Section 2.2	\$ 139,729.19	\$ -	\$ 139,729.19	
Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -	
Remaining Balance Section 2.2	\$ 139,729.19	\$ -	\$ 139,729.19	
Continued				

HORIZON EXHIBIT K2.1

3.3 Continued

The Developer hereby elects Option B by checking the box below and agrees and accepts all the figures contained in the Option B chart below:

Option B – Hydro One Networks Performs Non-Contestable Work Only				
3.0	Non-Contestable Cost Of Line Expansion (If Applicable)	TOTAL	PAID	DUE
3.1	Non-Contestable Line Expansion Costs			
	Material	\$ -	\$ -	\$ -
	Labour	\$ -	\$ -	\$ -
	Equipment	\$ -	\$ -	\$ -
	Other Miscellaneous	\$ -	\$ -	\$ -
	Administration & Overheads	\$ -	\$ -	\$ -
3.2	Cost To Connect To An Existing Powerline	\$ -	\$ -	\$ -
3.3	Forestry Cost (If Applicable)	\$ -	\$ -	\$ -
	Miscellaneous Approvals Such As Water Crossing, Railway Crossing, Pipeline Crossing, etc.			
3.4		\$ -	\$ -	\$ -
3.5	Easements, Permits and Approvals	\$ -	\$ -	\$ -
	Total Cost Section 3.1 to 3.5	\$ -	\$ -	\$ -
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -
	Remaining Balance Section 3.1 to 3.5	\$ -	\$ -	\$ -
	Remaining balance on Non-Contestable and Contestable Work (Sections 1.0 through 3.0)	\$ 152,606.69	\$ (14,800.00)	\$ 137,806.69
	Total Unused Support Available For Contestable Work	\$ 157,298.92	\$ -	\$ 157,298.92
	Total Remaining Balance	\$ (4,692.23)	\$ (14,800.00)	\$ (19,492.23)
Part 2 Non-Contestable Work Above Standard Connection				
4.0	Items Excluded From Receiving Support			
4.1	Pad-mount Transformer Incremental Cost	\$ -	\$ -	\$ -
4.2	Work Site Inspection (If Applicable)	\$ 38,253.60	\$ -	\$ 38,253.60
4.3	Returned Materials Charge	\$ -		\$ -
	Total Cost Section 4.1 to 4.2	\$ 38,253.60	\$ -	\$ 38,253.60
Part 3 Totals				
	Revenue Shortfall (if applicable)	\$ -	\$ -	\$ -
	Sub-Total (without Tax) for Option B	\$ 33,561.37	\$ (14,800.00)	\$ 18,761.37
	GST on Engineering and Design for Option B	\$ -	\$ -	\$ -
	HST on Engineering and Design for Option B	\$ 1,674.08	\$ (1,924.00)	\$ (249.93)
	HST on Remaining Items for Option B	\$ 2,688.90	\$ -	\$ 2,688.90
	Grand Total (with GST & HST) for Option B	\$ 37,924.35	\$ (16,724.00)	\$ 21,200.35
GST/HST# 870865821RT0001				
Continued				

HORIZON EXHIBIT K2.1

Schedule "H" – Form of Transfer of Ownership of Primary Distribution System, Secondary Distribution System, Line Expansion and Residential Service Cables

**TRANSFER OF OWNERSHIP OF PRIMARY DISTRIBUTION SYSTEM, SECONDARY DISTRIBUTION SYSTEM, LINE EXPANSION AND RESIDENTIAL SERVICE CABLES
(CONSTRUCTED BY HYDRO ONE NETWORKS INC. OR DEVELOPER)**

Hydro One Networks Inc. Expansion/Connection #: 00351-12-116 Rev 06

Summit Park Phase 7

In accordance with the Multi-Service Connection Cost Agreement made between the undersigned Developer (the "**Developer**") and Hydro One Networks Inc. dated the **27th day of July 2012** (the "**Agreement**"), the Developer hereby irrevocably conveys all rights, title and interest, free and clear of all present and future mortgages, liens, demands, charges, pledges, adverse claims, rights, title, retention agreements, security interests, or other encumbrances of any nature and kind whatsoever in the:

- (a) Primary Distribution System and any Line Expansion as described in Schedule "D" of the Agreement and as referred to in the said Agreement; and
- (b) that part of the Secondary Distribution System as described in Schedule "D" of the Agreement and as referred to in the said Agreement that has been installed as of the Energization Date of the Primary Distribution System; and
- (c) any Residential Service cables connected to the Secondary Distribution System described in (b) above on the Energization Date of the Primary Distribution System,

to Hydro One Networks Inc. with effect as of the Energization Date of the Primary Distribution System;

AND:

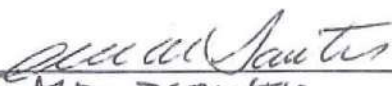
- (1) any addition to the Secondary Distribution System as described in Schedule "E" of the Agreement and as referred to in the said Agreement that is installed following the Energization Date of the Primary Distribution System; and
- (2) any Residential Service cables connected to the Secondary Distribution System ,

to Hydro One Networks Inc. with effect as of the Energization Date of the addition to the Secondary Distribution System described in (1) above.

HORIZON EXHIBIT K2.1

Schedule "H" – Form of Transfer of Ownership of Primary Distribution System, Secondary Distribution System, Line Expansion and Residential Service Cables


Multi- Area Developments Inc.


Name: ALDO DESANTIS
Title: PRESIDENT
Date: SEPTEMBER 7, 2012

Name:
Title:
Date:
I/We have the authority to bind the Corporation.

Hydro One Networks Inc. hereby agrees to assume ownership and responsibility for operation and maintenance of the Primary Distribution System, the Secondary Distribution System, the Line Expansion and the Residential Service cables (all as described above) and as referred to in the said Agreement above on the respective Energization Dates described above.

HYDRO ONE NETWORKS INC.


Name: Gordon Messervoy
Title: Supervising Planning & Design
Date: Sep 10, 2012
I have the authority to bind the corporation.

HORIZON EXHIBIT K2.1

Part IV - Attachment 4 – Offer to Connect (Horizon Utilities)**Customer Connections – Offer to Connect**

- 1 -

April 28, 2012

Hamilton Wentworth Catholic District School Board
57 Stuart Street
Hamilton, ON.
L8L 1B5

Attention: David Morrissey

RE: NEW 1600 AMP 347/600V SERVICE
FOR BISHOP RYAN SCHOOL BY RYMAL RD EAST/ DAKOTA BLVD., STONEY CREEK, ON.
HORIZON UTILITIES CORPORATION PROJECT #11424

Please find enclosed Horizon Utilities Corporation Inc. ("Horizon Utilities") offer, required Capital Contribution and Expansion Deposit to connect the Customer to Horizon Utilities' electrical distribution system ("Offer to Connect"). This Offer to Connect is based upon the estimated costs and forecast revenues of connecting the Customer in accordance with the site servicing plan(s) and electrical diagram(s) submitted by the Customer or on the Customer's behalf by its Consultant. If the Customer or Customer's Consultant submits revised plans, Horizon Utilities may provide, at the Customer's expense, a new Offer to Connect based on the revised plans. This is an estimate only.

Once the Customer facilities are energized, Horizon will carry out a final economic evaluation based on the forecasted revenues and actual costs incurred in accordance with the methodology set out by the Ontario Energy Board ("OEB") in the Distribution System Code ("Code"). In accordance with the Code the capital contribution that will be charged to the Customer will not exceed the difference between the present value of the projected capital costs and on-going maintenance costs of the facilities and the present value of the projected revenue for distribution services provided by those facilities.

The estimated Capital Contribution and the actual Capital Contribution will be calculated at no expense to the Customer.

Horizon Utilities will provide the preliminary planning, design and engineering specifications for the connection. These costs will be included in the capital cost calculation for the work.

1. INITIAL CAPITAL CONTRIBUTION

The estimated cost of connecting the Customer is:

Material	\$	41,188.57
Labour (incl. design, engineering & construction)	\$	13,916.59
Equipment	\$	932.47
External/ Permit Cost (if applicable)	\$	7,700.00
Upstream Electrical Distribution System Costs	\$	115,910.93
Total Project Costs	\$	179,648.56

Based upon the enclosed economic evaluation of the estimated costs and forecast revenues, the initial Capital Contribution required from the Customer is \$0.00 (including HST).

Horizon Utilities Corporation's Conditions of Service describe its operating practices and connection policies. To view Horizon Utilities Corporation's Conditions of Service, please visit www.horizonutilities.com



Customer Connections – Offer to Connect

- 2 -

2. EXPANSION DEPOSIT

As an expansion is also required to connect the Customer to the electrical distribution system, an expansion deposit ("Expansion Deposit") will be required from the Customer in the amount of \$ 63,737.63

In accordance with the Code, Horizon Utilities is permitted to retain and use the Expansion Deposit to cover the forecast risk associated with whether the forecasted revenues from the Customer will materialize as projected and the asset risk associated with ensuring that the project is constructed to the proper design and technical standards and that facilities will operate properly when energized.

Horizon Utilities is also permitted to retain and use the Expansion Deposit to cover Horizon Utilities costs if Horizon Utilities has to complete, repair, or bring up to standard the facilities where the Customer has chosen the alternative bid option set out in section 9 below. Complete, repair, or bring up to standard includes costs Horizon Utilities incurs to ensure that the expansion is completed to the proper design and technical standards and specifications, and that the facilities operate properly when energized.

3. TRANSFORMER FOUNDATION

The Customer will be responsible for the supply and installation of a three-piece pre-cast concrete pad-mount foundation and ground grid conforming to Horizon Utilities standard 19U-362 in the location indicated in your ELECTRICAL SITE SERVICE PLAN, DWG. E02.

The pad-mount foundation and ground grid must meet the following requirements:

- The transformer pad must be installed on Customer property, at least 1.5m from the property line to allow for the installation of the ground grid.
- Grounding rods must be copper clad and minimum 19mm x 3000mm.
- Guard posts are required to adequately protect the transformers from vehicular damage if located within 2.0m of a driveway or parking area. Steel guard posts must be bonded to the transformer ground loop as outlined on Horizon Utilities standard 19U-318.
- The transformer must be accessible by Horizon Utilities maintenance vehicles.
- The transformer foundation installation must pass inspection by Horizon Utilities. Inspections can be scheduled with the Manager of Outside Contractors at 905-540-3234, three business days prior to the start of construction.
- All transformer pad installations must meet Ontario Electrical Safety Code regulations.

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

Contributed Capital Summary

Project Name: Bishop Ryan School
Customer Name: Hamilton Wentworth Catholic District School Board
Capital Contribution Model Date: Monday, April 23, 2012

Customer Provided Connections & Load Forecasts

Customer Class	Connections & Average Loads				
	Year 1	Year 2	Year 3	Year 4	Year 5
Residential - # Customers					
General Service < 50 kW - # Customers					
General Service > 50 kW - # Customers	1				
General Service > 50 kW - Avg Load	1,100	1,200	1,300	1,300	1,300
Large User - # Customers					
Large Users - Avg Load					
Unmetered/Scattered - # Connections					
Streetlights - # Connections					

Calculated Upstream kW Demands

Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5
General Service > 50 kW - Avg Load	1,300				
Large Users - Avg Load					

Horizon Utilities Costs

Description of Charges	Contestable	Uncontestable	Sub-Total
Material		\$ 41,188.57	\$ 41,188.57
Labour		13,916.59	13,916.59
Equipment		932.47	932.47
Engineering & Administration		7,700.00	7,700.00
			\$ 63,737.63

Servicing/Metering/Transformer(s) (Where customer has elected to use the alternative bid)

Description of Charges	Uncontestable	Sub-Total
Material		
Labour		
Equipment		
Engineering & Administration		\$ -

Upstream Electrical Distribution System Costs 115,910.93
Horizon Utilities Total Projected Costs \$ 179,648.56

Fully Recoverable Work

<u>Fully Recoverable Costs</u>	
Total Streetlighting Costs	
<u>Other Recoverable Work</u>	
1.	
2.	
3.	
Total Other Recoverable Work	-
Total Recoverable Work	-

Capital Contribution

Expansion Deposit - We Build	\$ 63,737.63
Expansion Deposit - Alt Bid	\$ 63,737.63
Capital Contribution required	No Contribution
H.S.T. on Capital Contribution @ 13%	-
Total Capital Contribution required including H.S.T.	<u>No Contribution</u>

	A	B	C	D	E	F	G	H	I	J	K
1		Project name	Bishop Ryan School								
2	Table No.	Customer Name	Hamilton Wentworth Catholic District School Board					New Customer Model			
3		1 Forecasted customer additions (non-cumulative)									
4		Residential	0	0	0	0	0	0			
5		General Service < 50kW	0	0	0	0	0	0			
6		General Service > 50kW (non-TOU)	1	0	0	0	0	0			
7		General Service > 50kW (TOU)	0	0	0	0	0	0			
8		Large User	0	0	0	0	0	0			
9		Unmetered & scattered - (non-demand)	0	0	0	0	0	0			
10		Streetlighting	0	0	0	0	0	0			
11											
12		2 Estimate of average energy per added customer (monthly kWh)									
13		Residential	651.27	651.27	651.27	651.27	651.27	651.27			
14		General Service < 50kW	2,748.56	2,748.56	2,748.56	2,748.56	2,748.56	2,748.56			
15		General Service > 50kW (non-TOU)	374.43	374.43	374.43	374.43	374.43	374.43			
16		General Service > 50kW (TOU)									
17		Large User									
18		Unmetered & scattered - (non-demand)									
19		Streetlighting									
20											
21		3 Estimate of average demand per added customer kW									
22		General Service > 50kW (non-TOU)	1100	1200	1300	1200	1300	1300			
23		General Service > 50kW (TOU)									
24		Large User	0	0	0	0	0	0			
25		Streetlighting	0.175	0.175	0.175	0.175	0.175	0.175			
26											
27		4 Approved wires only rates per rate schedule - monthly fixed charge									
28		Residential	14.45	14.45	14.45	14.45	14.45	14.45			
29		General Service < 50kW	32.16	32.16	32.16	32.16	32.16	32.16			
30		General Service > 50kW (non-TOU)	293.26	293.26	293.26	293.26	293.26	293.26			
31		General Service > 50kW (TOU)	293.26	293.26	293.26	293.26	293.26	293.26			
32		Large User	22,642.10	22,642.10	22,642.10	22,642.10	22,642.10	22,642.10			
33		Unmetered & scattered - (non-demand)	9.11	9.11	9.11	9.11	9.11	9.11			
34		Streetlighting	2.31	2.31	2.31	2.31	2.31	2.31			
35											
36		5 Approved wires only rates per rate schedule - variable charge (per kWh)									
37		Residential	0.0142	0.0142	0.0142	0.0142	0.0142	0.0142			
38		General Service < 50kW	0.0064	0.0064	0.0064	0.0064	0.0064	0.0064			
39		General Service > 50kW (non-TOU)	0.0141	0.0141	0.0141	0.0141	0.0141	0.0141			
40		General Service > 50kW (TOU)									
41		Large User									
42		Unmetered & scattered - (non-demand)									
43		Streetlighting									
44											
45		6 Approved wires only rates per rate schedule - demand charge (per kW)									
46		General Service > 50kW (non-TOU)	2.0341	2.0341	2.0341	2.0341	2.0341	2.0341	Transformer Discount	Current Rate	Transformer Discount Rate
47		General Service > 50kW (TOU)	2.0341	2.0341	2.0341	2.0341	2.0341	2.0341			
48		Large User	1.3359	1.3359	1.3359	1.3359	1.3359	1.3359			
49		Streetlighting	6.1604	6.1604	6.1604	6.1604	6.1604	6.1604			
50											
51		7 New facilities and/or reinforcement investments									
52		Transformer stations	17,331.93	-	-	-	-	-			
53		Distribution feeders	99,979.60	-	-	-	-	-			
54		Distribution lines	69,737.63	-	-	-	-	-			
55		Distribution transformers									
56		Credit for previous work on service									
57		Services & metering (Residential Only)									
58		Services & metering									
59		Upstream cost credit (where applicable)									
60		Total	179,649.56	-	-	-	-	-			
61		Assessed value of land									
62											
63		8 Incremental overheads at project level applicable to distribution system expansion (per customer addition)									
64		Residential									
65		General Service < 50kW									
66		General Service > 50kW (non-TOU)									
67		General Service > 50kW (TOU)									
68		Large User									
69		Unmetered & scattered - (non-demand)									
70		Streetlighting									
71											
72		9 Attributable incremental annual operating, maintenance and administration expenditures (per customer addition)									
73		Residential	125.77	125.77	125.77	125.77	125.77	125.77			
74		General Service < 50kW	248.75	248.75	248.75	248.75	248.75	248.75			
75		General Service > 50kW (non-TOU)	15,787.66	15,787.66	15,787.66	15,787.66	15,787.66	15,787.66			
76		General Service > 50kW (TOU)									
77		Large User									
78		Unmetered & scattered - (non-demand)	6.32	6.32	6.32	6.32	6.32	6.32			
79		Streetlighting	2.13	2.13	2.13	2.13	2.13	2.13			

	A	B	C	D	E	F	G	H	I	J	K
73	10	Discount rate data									
74											
75		Long Term Borrowing rate	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%
76		Short Term Borrowing rate	2.45%	2.45%	2.45%	2.45%	2.45%	2.45%	2.45%	2.45%	2.45%
77		Rate of return on common equity	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%	9.25%
78		Long-Term debt outstanding (%)	56.00%	56.00%	56.00%	56.00%	56.00%	56.00%	56.00%	56.00%	56.00%
79		Short-Term debt outstanding (%)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
80		Total common equity (%)	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%
81		Marginal income tax rate	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%
82		Incremental after-tax weighted average cost of capital	6.2892%	6.2892%	6.2892%	6.2892%	6.2892%	6.2892%	6.2892%	6.2892%	6.2892%
83	11	Tax rate data									
84											
85		Municipal tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
86		Marginal income tax rate	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%
87		Federal capital tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
88		Federal surtax	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
89		Provincial capital tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
90		Capital cost allowance rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
91		Taxable capital employed in Canada	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65
92		Capital Deduction (Federal purposes)	-	-	-	-	-	-	-	-	-
93		Base for Federal capital tax	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65
94	12	Measurement Quantities for Upstream Costs Calculations									
95											
96		Residential	551,266	551,266	551,266	551,266	551,266	551,266	551,266	551,266	551,266
97		General Service < 50kW	2,748,957	2,748,957	2,748,957	2,748,957	2,748,957	2,748,957	2,748,957	2,748,957	2,748,957
98		General Service > 50kW (non-TOU)	1,300,030	-	-	-	-	-	-	-	-
99		General Service > 50kW (TOU)	-	-	-	-	-	-	-	-	-
100		Large User	-	-	-	-	-	-	-	-	-
101		Unmetered & scattered - (non-demand)	374,427	374,427	374,427	374,427	374,427	374,427	374,427	374,427	374,427
102		Streetlighting	0.175	0.175	0.175	0.175	0.175	0.175	0.175	0.175	0.175
103	13	Transformer Station Upstream Costs									
104											
105		Residential (kWh)	0.1034	0.1034	0.1034	0.1034	0.1034	0.1034	0.1034	0.1034	0.1034
106		General Service < 50kW (kWh)	0.0435	0.0435	0.0435	0.0435	0.0435	0.0435	0.0435	0.0435	0.0435
107		General Service > 50kW (non-TOU) (kWh)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323
108		General Service > 50kW (TOU) (kWh)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323
109		Large User (kWh)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323
110		Unmetered & scattered (kWh)	0.0165	0.0165	0.0165	0.0165	0.0165	0.0165	0.0165	0.0165	0.0165
111		Streetlighting (kWh)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323
112	14	Distribution Feeders Upstream Costs									
113											
114		Residential (kWh)	0.5922	0.5922	0.5922	0.5922	0.5922	0.5922	0.5922	0.5922	0.5922
115		General Service < 50kW (kWh)	0.2480	0.2480	0.2480	0.2480	0.2480	0.2480	0.2480	0.2480	0.2480
116		General Service > 50kW (non-TOU) (kWh)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300
117		General Service > 50kW (TOU) (kWh)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300
118		Large User (kWh)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300
119		Unmetered & scattered (kWh)	0.1055	0.1055	0.1055	0.1055	0.1055	0.1055	0.1055	0.1055	0.1055
120		Streetlighting (kWh)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300
121	15	O, M & A Costs									
122											
123		Residential (kWh)	0.1931	0.1931	0.1931	0.1931	0.1931	0.1931	0.1931	0.1931	0.1931
124		General Service < 50kW (kWh)	0.0905	0.0905	0.0905	0.0905	0.0905	0.0905	0.0905	0.0905	0.0905
125		General Service > 50kW (non-TOU) (kWh)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444
126		General Service > 50kW (TOU) (kWh)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444
127		Large User (kWh)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444
128		Unmetered & scattered (kWh)	0.0169	0.0169	0.0169	0.0169	0.0169	0.0169	0.0169	0.0169	0.0169
129		Streetlighting (kWh)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444
130	16	Operations Maintenance & Administration Costs									
131											
132		General Service > 50kW (non-TOU) (kWh)	11.76	11.76	11.76	11.76	11.76	11.76	11.76	11.76	11.76
133		General Service > 50kW (TOU) (kWh)	11.76	11.76	11.76	11.76	11.76	11.76	11.76	11.76	11.76
134		Large User (kWh)	11.76	11.76	11.76	11.76	11.76	11.76	11.76	11.76	11.76
135	17	Services & Metering Standard Cost									
136											
137		Residential (kWh)	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00

Upstream Cost Calculations

Transformer Station Upstream Costs	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Residential (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
General Service < 50kW (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
General Service > 50kW (non-TOU) (kW)	17,331.93	0.00	0.00	0.00	0.00	17,331.93
General Service > 50kW (TOU) (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Large User (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Unmetered & scattered (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
Streetlighting (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Total	17,331.93	0.00	0.00	0.00	0.00	17,331.93

Distribution Feeders Upstream Costs	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Residential (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
General Service < 50kW (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
General Service > 50kW (non-TOU) (kW)	98,579.00	0.00	0.00	0.00	0.00	98,579.00
General Service > 50kW (TOU) (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Large User (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Unmetered & scattered (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
Streetlighting (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Total	98,579.00	0.00	0.00	0.00	0.00	98,579.00

Product	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	Q1 2027	Q2 2027	Q3 2027	Q4 2027	Q1 2028	Q2 2028	Q3 2028	Q4 2028	Q1 2029	Q2 2029	Q3 2029	Q4 2029	Q1 2030	Q2 2030	Q3 2030	Q4 2030	Q1 2031	Q2 2031	Q3 2031	Q4 2031	Q1 2032	Q2 2032	Q3 2032	Q4 2032	Q1 2033	Q2 2033	Q3 2033	Q4 2033	Q1 2034	Q2 2034	Q3 2034	Q4 2034	Q1 2035	Q2 2035	Q3 2035	Q4 2035	Q1 2036	Q2 2036	Q3 2036	Q4 2036	Q1 2037	Q2 2037	Q3 2037	Q4 2037	Q1 2038	Q2 2038	Q3 2038	Q4 2038	Q1 2039	Q2 2039	Q3 2039	Q4 2039	Q1 2040	Q2 2040	Q3 2040	Q4 2040	Q1 2041	Q2 2041	Q3 2041	Q4 2041	Q1 2042	Q2 2042	Q3 2042	Q4 2042	Q1 2043	Q2 2043	Q3 2043	Q4 2043	Q1 2044	Q2 2044	Q3 2044	Q4 2044	Q1 2045	Q2 2045	Q3 2045	Q4 2045	Q1 2046	Q2 2046	Q3 2046	Q4 2046	Q1 2047	Q2 2047	Q3 2047	Q4 2047	Q1 2048	Q2 2048	Q3 2048	Q4 2048	Q1 2049	Q2 2049	Q3 2049	Q4 2049	Q1 2050	Q2 2050	Q3 2050	Q4 2050	Q1 2051	Q2 2051	Q3 2051	Q4 2051	Q1 2052	Q2 2052	Q3 2052	Q4 2052	Q1 2053	Q2 2053	Q3 2053	Q4 2053	Q1 2054	Q2 2054	Q3 2054	Q4 2054	Q1 2055	Q2 2055	Q3 2055	Q4 2055	Q1 2056	Q2 2056	Q3 2056	Q4 2056	Q1 2057	Q2 2057	Q3 2057	Q4 2057	Q1 2058	Q2 2058	Q3 2058	Q4 2058	Q1 2059	Q2 2059	Q3 2059	Q4 2059	Q1 2060	Q2 2060	Q3 2060	Q4 2060	Q1 2061	Q2 2061	Q3 2061	Q4 2061	Q1 2062	Q2 2062	Q3 2062	Q4 2062	Q1 2063	Q2 2063	Q3 2063	Q4 2063	Q1 2064	Q2 2064	Q3 2064	Q4 2064	Q1 2065	Q2 2065	Q3 2065	Q4 2065	Q1 2066	Q2 2066	Q3 2066	Q4 2066	Q1 2067	Q2 2067	Q3 2067	Q4 2067	Q1 2068	Q2 2068	Q3 2068	Q4 2068	Q1 2069	Q2 2069	Q3 2069	Q4 2069	Q1 2070	Q2 2070	Q3 2070	Q4 2070	Q1 2071	Q2 2071	Q3 2071	Q4 2071	Q1 2072	Q2 2072	Q3 2072	Q4 2072	Q1 2073	Q2 2073	Q3 2073	Q4 2073	Q1 2074	Q2 2074	Q3 2074	Q4 2074	Q1 2075	Q2 2075	Q3 2075	Q4 2075	Q1 2076	Q2 2076	Q3 2076	Q4 2076	Q1 2077	Q2 2077	Q3 2077	Q4 2077	Q1 2078	Q2 2078	Q3 2078	Q4 2078	Q1 2079	Q2 2079	Q3 2079	Q4 2079	Q1 2080	Q2 2080	Q3 2080	Q4 2080	Q1 2081	Q2 2081	Q3 2081	Q4 2081	Q1 2082	Q2 2082	Q3 2082	Q4 2082	Q1 2083	Q2 2083	Q3 2083	Q4 2083	Q1 2084	Q2 2084	Q3 2084	Q4 2084	Q1 2085	Q2 2085	Q3 2085	Q4 2085	Q1 2086	Q2 2086	Q3 2086	Q4 2086	Q1 2087	Q2 2087	Q3 2087	Q4 2087	Q1 2088	Q2 2088	Q3 2088	Q4 2088	Q1 2089	Q2 2089	Q3 2089	Q4 2089	Q1 2090	Q2 2090	Q3 2090	Q4 2090	Q1 2091	Q2 2091	Q3 2091	Q4 2091	Q1 2092	Q2 2092	Q3 2092	Q4 2092	Q1 2093	Q2 2093	Q3 2093	Q4 2093	Q1 2094	Q2 2094	Q3 2094	Q4 2094	Q1 2095	Q2 2095	Q3 2095	Q4 2095	Q1 2096	Q2 2096	Q3 2096	Q4 2096	Q1 2097	Q2 2097	Q3 2097	Q4 2097	Q1 2098	Q2 2098	Q3 2098	Q4 2098	Q1 2099	Q2 2099	Q3 2099	Q4 2099	Q1 2100	Q2 2100	Q3 2100	Q4 2100	Q1 2101	Q2 2101	Q3 2101	Q4 2101	Q1 2102	Q2 2102	Q3 2102	Q4 2102	Q1 2103	Q2 2103	Q3 2103	Q4 2103	Q1 2104	Q2 2104	Q3 2104	Q4 2104	Q1 2105	Q2 2105	Q3 2105	Q4 2105	Q1 2106	Q2 2106	Q3 2106	Q4 2106	Q1 2107	Q2 2107	Q3 2107	Q4 2107	Q1 2108	Q2 2108	Q3 2108	Q4 2108	Q1 2109	Q2 2109	Q3 2109	Q4 2109	Q1 2110	Q2 2110	Q3 2110	Q4 2110	Q1 2111	Q2 2111	Q3 2111	Q4 2111	Q1 2112	Q2 2112	Q3 2112	Q4 2112	Q1 2113	Q2 2113	Q3 2113	Q4 2113	Q1 2114	Q2 2114	Q3 2114	Q4 2114	Q1 2115	Q2 2115	Q3 2115	Q4 2115	Q1 2116	Q2 2116	Q3 2116	Q4 2116	Q1 2117	Q2 2117	Q3 2117	Q4 2117	Q1 2118	Q2 2118	Q3 2118	Q4 2118	Q1 2119	Q2 2119	Q3 2119	Q4 2119	Q1 2120	Q2 2120	Q3 2120	Q4 2120	Q1 2121	Q2 2121	Q3 2121	Q4 2121	Q1 2122	Q2 2122	Q3 2122	Q4 2122	Q1 2123	Q2 2123	Q3 2123	Q4 2123	Q1 2124	Q2 2124	Q3 2124	Q4 2124	Q1 2125	Q2 2125	Q3 2125	Q4 2125	Q1 2126	Q2 2126	Q3 2126	Q4 2126	Q1 2127	Q2 2127	Q3 2127	Q4 2127	Q1 2128	Q2 2128	Q3 2128	Q4 2128	Q1 2129	Q2 2129	Q3 2129	Q4 2129	Q1 2130	Q2 2130	Q3 2130	Q4 2130	Q1 2131	Q2 2131	Q3 2131	Q4 2131	Q1 2132	Q2 2132	Q3 2132	Q4 2132	Q1 2133	Q2 2133	Q3 2133	Q4 2133	Q1 2134	Q2 2134	Q3 2134	Q4 2134	Q1 2135	Q2 2135	Q3 2135	Q4 2135	Q1 2136	Q2 2136	Q3 2136	Q4 2136	Q1 2137	Q2 2137	Q3 2137	Q4 2137	Q1 2138	Q2 2138	Q3 2138	Q4 2138	Q1 2139	Q2 2139	Q3 2139	Q4 2139	Q1 2140	Q2 2140	Q3 2140	Q4 2140	Q1 2141	Q2 2141	Q3 2141	Q4 2141	Q1 2142	Q2 2142	Q3 2142	Q4 2142	Q1 2143	Q2 2143	Q3 2143	Q4 2143	Q1 2144	Q2 2144	Q3 2144	Q4 2144	Q1 2145	Q2 2145	Q3 2145	Q4 2145	Q1 2146	Q2 2146	Q3 2146	Q4 2146	Q1 2147	Q2 2147	Q3 2147	Q4 2147	Q1 2148	Q2 2148	Q3 2148	Q4 2148	Q1 2149	Q2 2149	Q3 2149	Q4 2149	Q1 2150	Q2 2150	Q3 2150	Q4 2150	Q1 2151	Q2 2151	Q3 2151	Q4 2151	Q1 2152	Q2 2152	Q3 2152	Q4 2152	Q1 2153	Q2 2153	Q3 2153	Q4 2153	Q1 2154	Q2 2154	Q3 2154	Q4 2154	Q1 2155	Q2 2155	Q3 2155	Q4 2155	Q1 2156	Q2 2156	Q3 2156	Q4 2156	Q1 2157	Q2 2157	Q3 2157	Q4 2157	Q1 2158	Q2 2158	Q3 2158	Q4 2158	Q1 2159	Q2 2159	Q3 2159	Q4 2159	Q1 2160	Q2 2160	Q3 2160	Q4 2160	Q1 2161	Q2 2161	Q3 2161	Q4 2161	Q1 2162	Q2 2162	Q3 2162	Q4 2162	Q1 2163	Q2 2163	Q3 2163	Q4 2163	Q1 2164	Q2 2164	Q3 2164	Q4 2164	Q1 2165	Q2 2165	Q3 2165	Q4 2165	Q1 2166	Q2 2166	Q3 2166	Q4 2166	Q1 2167	Q2 2167	Q3 2167	Q4 2167	Q1 2168	Q2 2168	Q3 2168	Q4 2168	Q1 2169	Q2 2169	Q3 2169	Q4 2169	Q1 2170	Q2 2170	Q3 2170	Q4 2170	Q1 2171	Q2 2171	Q3 2171	Q4 2171	Q1 2172	Q2 2172	Q3 2172	Q4 2172	Q1 2173	Q2 2173	Q3 2173	Q4 2173	Q1 2174	Q2 2174	Q3 2174	Q4 2174	Q1 2175	Q2 2175	Q3 2175	Q4 2175	Q1 2176	Q2 2176	Q3 2176	Q4 2176	Q1 2177	Q2 2177	Q3 2177	Q4 2177	Q1 2178	Q2 2178	Q3 2178	Q4 2178	Q1 2179	Q2 2179	Q3 2179	Q4 2179	Q1 2180	Q2 2180	Q3 2180	Q4 2180	Q1 2181	Q2 2181	Q3 2181	Q4 2181	Q1 2182	Q2 2182	Q3 2182	Q4 2182	Q1 2183	Q2 2183	Q3 2183	Q4 2183	Q1 2184	Q2 2184	Q3 2184	Q4 2184	Q1 2185	Q2 2185	Q3 2185	Q4 2185	Q1 2186	Q2 2186	Q3 2186	Q4 2186	Q1 2187	Q2 2187	Q3 2187	Q4 2187	Q1 2188	Q2 2188	Q3 2188	Q4 2188	Q1 2189	Q2 2189	Q3 2189	Q4 2189	Q1 2190	Q2 2190	Q3 2190	Q4 2190	Q1 2191	Q2 2191	Q3 2191	Q4 2191	Q1 2192	Q2 2192	Q3 2192	Q4 2192	Q1 2193	Q2 2193	Q3 2193	Q4 2193	Q1 2194	Q2 2194	Q3 2194	Q4 2194	Q1 2195	Q2 2195	Q3 2195	Q4 2195	Q1 2196	Q2 2196	Q3 2196	Q4 2196	Q1 2197	Q2 2197	Q3 2197	Q4 2197	Q1 2198	Q2 2198	Q3 2198	Q4 2198	Q1 2199	Q2 2199	Q3 2199	Q4 2199	Q1 2200	Q2 2200	Q3 2200	Q4 2200	Q1 2201	Q2 2201	Q3 2201	Q4 2201	Q1 2202	Q2 2202	Q3 2202	Q4 2202	Q1 2203	Q2 2203	Q3 2203	Q4 2203	Q1 2204	Q2 2204	Q3 2204	Q4 2204	Q1 2205	Q2 2205	Q3 2205	Q4 2205	Q1 2206	Q2 2206	Q3 2206	Q4 2206	Q1 2207	Q2 2207	Q3 2207	Q4 2207	Q1 2208	Q2 2208	Q3 2208	Q4 2208	Q1 2209	Q2 2209	Q3 2209	Q4 2209	Q1 2210	Q2 2210	Q3 2210	Q4 2210	Q1 2211	Q2 2211	Q3 2211	Q4 2211	Q1 2212	Q2 2212	Q3 2212	Q4 2212	Q1 2213	Q2 2213	Q3 2213	Q4 2213	Q1 2214	Q2 2214	Q3 2214	Q4 2214	Q1 2215	Q2 2215	Q3 2215	Q4 2215	Q1 2216	Q2 2216	Q3 2216	Q4 2216	Q1 2217	Q2 2217	Q3 2217	Q4 2217	Q1 2218	Q2 2218	Q3 2218	Q4 2218	Q1 2219	Q2 2219	Q3 2219	Q4 2219	Q1 2220	Q2 2220	Q3 2220	Q4 2220	Q1 2221	Q2 2221	Q3 2221	Q4 2221	Q1 2222	Q2 2222	Q3 2222	Q4 2222	Q1 2223	Q2 2223	Q3 2223	Q4 2223	Q1 2224	Q2 2224	Q3 2224	Q4 2224	Q1 2225	Q2 2225	Q3 2225	Q4 2225	Q1 2226	Q2 2226	Q3 2226	Q4 2226	Q1 2227	Q2 2227	Q3 2227	Q4 2227	Q1 2228	Q2 2228	Q3 2228	Q4 2228	Q1 2229	Q2 2229	Q3 2229	Q4 2229	Q1 2230	Q2 2230	Q3 2230	Q4 2230	Q1 2231	Q2 2231	Q3 2231	Q4 2231	Q1 2232	Q2 2232	Q3 2232	Q4 2232	Q1 2233	Q2 2233	Q3 2233	Q4 2233	Q1 2234	Q2 2234	Q3 2234	Q4 2234	Q1 2235	Q2 2235	Q3 2235	Q4 2235	Q1 2236	Q2 2236	Q3 2236	Q4 2236	Q1 2237	Q2 2237	Q3 2237	Q4 2237	Q1 2238	Q2 2238	Q3 2238	Q4 2238	Q1 2239	Q2 2239	Q3 2239	Q4 2239	Q1 2240	Q2 2240	Q3 2240	Q4 2240	Q1 2241	Q2 2241	Q3 2241	Q4 2241	Q1 2242	Q2 2242	Q3 2242	Q4 2242	Q1 2243	Q2 2243	Q3 2243	Q4 2243	Q1 2244	Q2 2244	Q3 2244	Q4 2244	Q1 2245	Q2 2245	Q3 2245	Q4 2245	Q1 2246	Q2 2246	Q3 2246	Q4 2246	Q1 2247	Q2 2247	Q3 2247	Q4 2247	Q1 2248	Q2 2248	Q3 2248	Q4 2248	Q1 2249	Q2 2249	Q3 2249	Q4 2249	Q1 2250	Q2 2250	Q3 2250	Q4 2250	Q1 2251	Q2 2251	Q3 2251	Q4 2251	Q1 2252	Q2 2252	Q3 2252	Q4 2252	Q1 2253	Q2 2253	Q3 2253	Q4 2253	Q1 2254	Q2 2254	Q3 2254	Q4 2254	Q1 2255	Q2 2255	Q3 2255	Q4 2255	Q1 2256	Q2 2256	Q3 2256	Q4 2256	Q1 2257	Q2 2257	Q3 2257	Q4 2257	Q1 2258	Q2 2258	Q3 2258	Q4 2258	Q1 2259	Q2 2259	Q3 2259	Q4 2259	Q1 2260	Q2 2260	Q3 2260	Q4 2260	Q1 2261	Q2 2261	Q3 2261	Q4 2261	Q1 2262	Q2 2262	Q3 2262	Q4 2262	Q1 2263	Q2 2263	Q3 2263	Q4 2263	Q1 2264	Q2 2264	Q3 2264	Q4 2264	Q1 2265	Q2 2265	Q3 2265	Q4 2265	Q1 2266	Q2 2266	Q3 2266	Q4 2266	Q1 2267	Q2 2267	Q3 2267	Q4 2267	Q1 2268	Q2 2268	Q3 2268	Q4 2268	Q1 2269	Q2 2269	Q3 2269	Q4 2269	Q1 2270	Q2 2270	Q3 2270	Q4 2270	Q1 2271	Q2 2271	Q3 2271	Q4 2271	Q1 2272	Q2 2272	Q3 2272	Q4 2272	Q1 2273	Q2 2273	Q3 2273	Q4 2273	Q1 2274	Q2 2274	Q3 2274	Q4 2274	Q1 2275	Q2 2275	Q3 2275	Q4 2275	Q1 2276	Q2 2276	Q3 2276	Q4 2276	Q1 2277	Q2 2277	Q3 2277	Q4 2277	Q1 2278	Q2 2278	Q3 2278	Q4 2278	Q1 2279	Q2 2279	Q3 2279	Q4 2279	Q1 2280	Q2 2280	Q3 2280	
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EB-2012-0047

Horizon Utilities Corporation
Application for a Service Area Amendment

Filed: June 15, 2012/ UPDATED AUGUST 16, 2012/UPDATED for Part IV October 24, 2012
Page 37 of 41

[illegible]



Horizon Utilities Corporation

Capital Cost Recovery Agreement – Horizon Constructed – Customer Connection

Schedule B - Cost and Revenue

COST

Horizon Utilities Corporation's Work Estimate

Horizon Utilities Corporation Work Estimate of total costs:

	Description of Charges	Controllable	Uncontrollable	Total
i.	Material	-	41,188.57	41,188.57
ii.	Labour	-	13,916.59	13,916.59
iii.	Equipment	-	932.47	932.47
iv.	Engineering & Administration	-	7,700.00	7,700.00
	Work Order Costs	-	63,737.63	63,737.63
	Upstream Electrical Distribution System Costs		115,910.93	115,910.93
	Total Project Costs			\$ 179,448.56

Number Customers/Connections:

Description	# of Customers
Residential - # Customers	-
General Service < 50 kW - # Customers	-
General Service > 50 kW - # Customers	1
Large User - # Customers	-
Unmetered/Scattered - # Connections	-
Streetlights - # Connections	-
Total Customer / Connections	1

Developer has chosen to have Horizon Utilities construct the project

Initial Capital Contribution

NPV Components

Description	Present Value (\$)
Capital Expenditures - Project & Upstream Costs	-\$149,230.94
Incremental Operating, Maintenance & Administration Costs	-\$228,808.88
Distribution Revenue	385,545.52

Net Present Value

\$7,505.70

HST @ 13%

No Contribution

Total Initial Capital Contribution

No Contribution

Expansion Deposit

\$63,737.63

Fully Recoverable Work

Description of Fully Recoverable work and deposit required

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

The following amounts are payable to Horizon Utilities at the time of the Customer's execution of the Agreement to Horizon Utilities:

Initial Capital Contribution	\$0.00
Expansion Deposit -	\$63,737.63
Fully Recoverable Work	\$0.00

*All other of Costs acceptable approval of the Expansion Capital. Please refer to Schedule C - Forecast of Costs

- DCF Model 2011 Customer Item

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

Electronic Layout

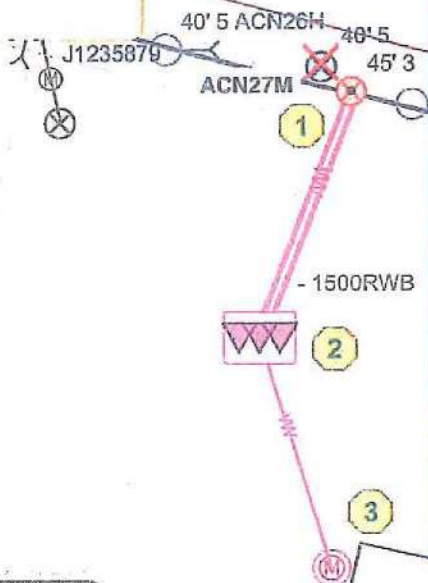
Schedule 'A'

Rate Class: UGd - Urban General Service - Three Phase - Demand

WL # 3: MDET to install meter as per RM8-22.2.










- 1333 KVA Max. Load

A new NCCI form with a detailed loading profile must be submitted to Hydro One if the customer decides to add large motors to the facility.



Sign and return contract to Hydro One with payments ASAP. Customer responsible to obtain any easements if required

Supply and install load break elbows, bushing cap/inserts, make all primary connections and HI-POT cable.

 Existing	 Hydro One Only Section 2.0	 Hydro One or Contractor Section 3.0	 Work by Customer	 Work by Others (Bell or LDC)
	 Remove - Hydro One Only - Section 2.0	 Remove - Hydro One or Contractor Section 3.0	 Remove - By Customer	 Remove - By Others (Bell or LDC)

El Order No.	283533608	Service Centre Name:	Dundas	Secondary Voltage:	347/600
Hydro One Phone #:	888-652-2302	Prepared By:	David DeNoble	SAP Order #:	60724518
Hydro One Fax #:	905-627-6000	Departure Date & Time:	9/28/2012 4:15:00 PM	CM Number:	00126279
Electrical Safety Authority:	877-372-7233	Arrival Date & Time:	9/28/2012 12:00:00 PM	Customer #:	0000009999



Hydro One Networks, Inc. ("Hydro One")
Hydro One, 40 Olympic Drive, Dundas ON, L9H 7P5
Phone: 888-652-2302

CUSTOMER SERVICE CONTRACT Page 1 of 2
NEW CONNECTIONS, SERVICE UPGRADES & EMBEDDED GENERATION
ECRA/ESA Lic 7002572 Date Prepared: 25/Nov/2012

SECTION 1.0 CUSTOMER INFORMATION

Name: HAMILTON WENT RC
Address: 90 MULBERRY STREET PO BOX 2012
HAMILTON, ON, L8N3R9
Phone: 905-648-0072
Alt Phone:
Fax:

Service Location:

Lot Con RP# Sublot#
Twp BINBROOK
1820 RYMAL RD E, BINBROOK, ON,

CUSTOMER: Please complete all shaded areas

SECTION 2.0 STANDARD BASIC REGULATED WORK (MUST BE PERFORMED BY HYDRO ONE)

		<u>Description of Other Related Work:</u>
Available Support or Cost based on Rate Class	\$ 0.00	Metal guards, terminators, surge arrestors, fused primary cable termination and flared cable guards.
Other Related Work	\$ 4619.34	
Incremental Cost for Transformer	\$ 0.00	
Easement and Associated Costs	\$ 0.00	
Cost of Service Wire	\$ 0.00	
Credit for up to 30m of Overhead Service Wire	\$ 0.00	
Standard Service Charges (ex. Additional Layout Fee)	\$ 0.00	
Misc Charges (ex. 400 Amp Self Contained rebate)	\$ 0.00	
Deposit Paid	\$ 0.00	
SUB TOTAL	\$ 4619.34	

SECTION 3.0 CONNECTION WORK (MAY BE PERFORMED BY EITHER HYDRO ONE or CONTRACTOR as per customer's choice)

	<u>HYDRO ONE</u>	<u>CONTRACTOR</u>	<u>Description of Other Related Work</u>
Other Related Work	\$ 3439.27		Loadbreak elbow, operate elbow, bushing cap, HI-POT cable and bushing insert.
Available Support Based on Rate Class	\$ 0.00	\$ 0.00	
SUB TOTAL	\$ 3439.27	\$ 0.00	

CONNECTION WORK OPTION (PLEASE INDICATE YOUR CHOICE WITH AN "X" IN THE APPROPRIATE BOX)
☐

Hydro One to complete Section 2.0 and Section 3.0

Section 2.0	\$ 4619.34
Section 3.0	\$ 3439.27
SUB TOTAL	\$ 8058.61
HST	\$ 1047.62
TOTAL	\$ 9106.23

☐

Hydro One to complete Section 2.0 and customer's contractor to complete Section 3.0

Section 2.0	\$ 4619.34
Section 3.0	\$ 0.00
SUB TOTAL	\$ 4619.34
HST	\$ 600.51
TOTAL	\$ 5219.85

CUSTOMER SERVICE CONTRACT Page 2 of 2
NEW CONNECTIONS, SERVICE UPGRADES & EMBEDDED GENERATION
ECRA/ESA Lic 7002572 Date Prepared: 25/Nov/2012

CUSTOMER: Please complete all shaded areas

By Signing above, the Cardholder hereby authorizes Hydro One to charge the above-noted credit card with the above-stated fees payable.

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

SCHEDULE "B" - TERMS AND CONDITIONS

event that the Customer has changed the condition of the Service Location or the Electrical System to the extent that, in Hydro One's opinion, the Work can no longer be performed in accordance with Schedule "A" of the Contract, the Customer shall reimburse Hydro One for all costs and expenses incurred by Hydro One in its preparation to perform the Work on the Scheduled Work Date, including, without limitation, Hydro One's restocking fee for returning material ordered for the Work to Hydro One's stores, facility removal expenses, the hourly rates payable to Hydro One's employees, contractors and/or subcontractors where such employees, contractors and subcontractors are to perform the Work and have attended at the Service Location on the Scheduled Work Date and any other charges or expenses related to additional trips required to be made by the said employees, contractors and/or subcontractors to the Service Location. In the event that a new Schedule "A" is required as a result of any of the foregoing, the Customer shall also pay Hydro One's applicable fee for the new Schedule "A". The Customer shall pay all such costs, charges and expenses described herein in the same manner in which it has paid the total fees payable on the execution of the Contract, upon being notified of same by Hydro One.

RIGHT TO ENTER PROPERTY

10. The Customer hereby grants to Hydro One, its successors and assigns, the unrestricted right, privilege and easement, free of charge or rent, to use so much of the Service Location and to enter on, in, upon, along and over the Service Location at any time as Hydro One may deem it necessary or desirable for purposes of performing the Work and for its employees, agents, contractors and subcontractors to pass and re-pass with or without vehicles, supplies, machinery and equipment, on, in, upon, along and over the Service Location at any time to perform the Work and for all purposes necessary or convenient to the exercise and enjoyment of the right, privilege and easement hereby granted.

REQUIREMENT TO EXECUTE CAPITAL COST RECOVERY AGREEMENT

11. Hydro One may require the Customer to execute a Capital Cost Recovery Agreement ("CCRA") at any time where the amounts that would have been otherwise payable under the terms of the Contract in respect of the Work were reduced by the incremental revenue attributed to the Customer's load forecast. Hydro One shall have the right to refuse to continue performing Work under the terms of the Contract (including, but not limited, the right to refuse to connect the Customer) until such time as the Customer executes a CCRA.

LIMITATION OF LIABILITY

12. In addition to any amounts payable under the terms of the Contract, the Customer shall only be liable to Hydro One and Hydro One shall only be liable to the Customer for any damages that arise directly out of the willful misconduct or negligence in meeting their respective obligations under the Contract.
13. Despite clause 12 above, neither party shall be liable under any circumstances whatsoever for any loss of profits or revenues, business interruption losses, loss of contract or loss of goodwill, or for any indirect, consequential or incidental damages, including but not limited to punitive or exemplary damages, whether any of the said liability, loss or damages arise in contract, tort or otherwise.
14. The Customer shall release, defend, discharge and indemnify Hydro One, its successors and assigns and its employees, servants, agents, representatives, contractors and subcontractors from and against all loss, damage or injury to persons or property, claims, actions, suits, proceedings, charges, risks, debts, obligations, liabilities, costs, expenses and fees which may arise from, relate to, be based upon or connected in any way with the Electrical System, the Work and/or the Contract (except if due solely to Hydro One's negligence).
15. Notwithstanding any other provision in the Contract, Hydro One's total liability to the Customer for any and all claims for damages under the Contract whether it arises by contract, tort or otherwise, will not exceed in aggregate the amounts paid for the Work hereunder to the date of such negligent act or willful misconduct.
16. Both parties acknowledge and agree that clauses 12, 13 and 14 shall survive the termination or expiration of the Contract.

FORCE MAJEURE

17. Save and except for the payment of any monies required under the Contract, neither party shall be deemed to be in default of the Contract where the failure to perform or the delay in performing any obligation is due wholly or in part to a cause beyond its reasonable control, including but not limited to an act of God, an act of any federal, provincial, municipal or government authority, civil commotion, strikes, lockouts and other labour disputes, fires, floods, sabotage, earthquakes, storms, epidemics, and an inability due to causes beyond the reasonable control of the party. The party subject to such an event of force majeure shall promptly notify the other party of its inability to perform or of any delay in performing due to an event of force majeure and shall provide an estimate, as soon as practicable, as to when the obligation will be performed. The time for performing the obligation shall be extended for a period equal to the time during which the party was subject to the event of

HORIZON EXHIBIT K2.1

SCHEDULE "B" - TERMS AND CONDITIONS

force majeure. Both parties shall explore all reasonable avenues available to avoid or resolve events of force majeure in the shortest time possible.

18. Notwithstanding clause 17 above, the settlement of any strike, lockout, restrictive work practice or other labour disturbance constituting a force majeure event shall be within the sole discretion of the party involved in such strike, lockout, restrictive work practice or other labour disturbance and nothing in clause 17 above shall require the said party to mitigate or alleviate the effects of such strike, lockout, restrictive work practice or other labour disturbance.

AMENDMENTS

19. Any amendment to the Contract shall be made in writing and executed by both parties.

ASSIGNMENT

20. The Customer shall not assign its rights or obligations under the Contract in whole or in part without the prior written consent of Hydro One, which consent shall not be unreasonably withheld or unduly delayed. Hydro One may withhold its consent to any proposed assignment until the proposed assignee assumes, in writing, all of the Customer's obligations contained in the Contract.

GOVERNING LAW

21. The Contract shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, and the parties hereto irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Ontario in the event of a dispute hereunder.

INCORPORATION OF DSC AND APPLICATION OF CONDITIONS OF SERVICE

22. The DSC is hereby incorporated in its entirety by reference into, and forms part of, the Contract. Unless the context otherwise requires, all references to "the Contract" include a reference to the Code. Hydro One hereby agrees to be bound by and at all times to comply with the Code, and the Customer acknowledges and agrees that Hydro One is bound at all times to comply with the Code in addition to complying with the provisions of the Contract. In the event of a conflict or an inconsistency between a provision of the Code or the Contract, the provision of the Code shall govern. The fact that a condition, right, obligation or other term appears in the Contract but not in the Code shall not be interpreted as, or deemed grounds for finding of a conflict or inconsistency.

23. In addition to the Contract, the relationship between Hydro One and the Customer will also be governed by Hydro One's Conditions of Service that are in effect at the relevant time. In the event of a conflict or an inconsistency between a provision of the Contract and a provision of Hydro One's Conditions of Service, the provision of the Contract shall govern.

ENTIRE AGREEMENT

24. The Contract represents the entire agreement between the parties hereto and supersedes all prior agreements, understandings, discussions, negotiations, representations and correspondence made by or between them with relating to the Work described in the Contract.

5 critical steps to completing your new connection

Dear Valued Customer,

Thank you for your recent request for service. In order to schedule your connection request and provide you with the best service possible, please follow the step-by-step instructions below. If you have questions, please call us at: 1-888-652-2302 Monday to Friday, from 7:00 a.m. to 4:30 p.m.

1 Carefully review the enclosed sketch of your requested service layout.

Be sure that every detail in your service layout is accurate and that you're clear about how the work will be completed. The sketch has been designed with colour-coded comments as well as a key to help you with your review. If anything is incorrect, please call us *immediately*. If your service layout is accurate, then...

2 Read the enclosed customer service contract.

Read all sections of the customer service contract carefully. Review each option available to you before making your selection. Make sure the method of payment section is completed.

3 Sign, date and send the Customer Service Contract to us.

Sign the contract and fax it to us at: 905-627-6000 or mail it to Hydro One, 40 Olympic Drive, Dundas ON, L9H 7P5. Please make sure that you've enclosed the proper payment and payment information on the contract. Note: You don't need to wait for your ESA permit before sending this contract.

4 Call the Electrical Safety Authority for your permit, and the required inspections and authorizations.

Contact the Electrical Safety Authority (ESA) at 1-877-372-7233 for an electrical inspection and fee estimate. It's easily done over the phone and will allow you to proceed with your electrical work. Once the electrical work is complete, contact the ESA again for an electrical inspection. The ESA will advise you when the inspection is approved, as well as send a copy of the connection authorization directly to our office. We will contact you to discuss scheduling the connection.

5 If your connection involves underground cables, make sure all special requirements are met.

To help you with these requirements, we've attached our trenching specifications.

Following the five critical steps outlined above will ensure we have the essential information we need to schedule your service work and have the required materials and equipment on hand.

Your thorough attention to these details will make it possible for your new connection to be completed as planned. Thank you for your cooperation.

Sincerely,

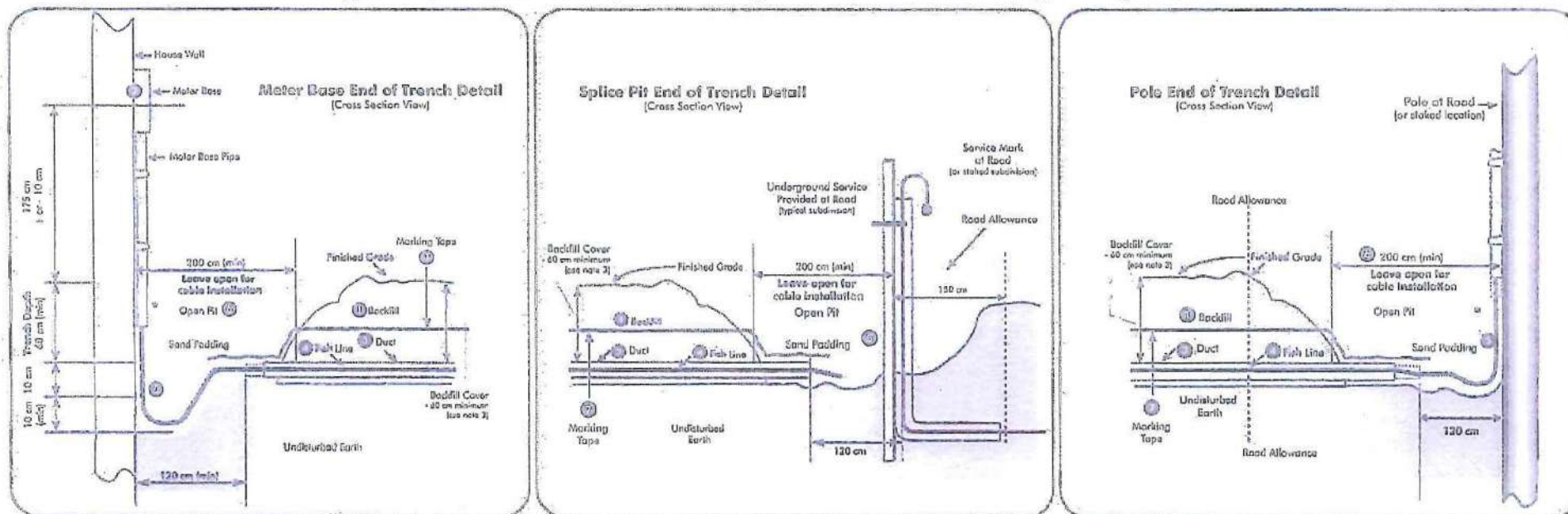
Hydro One Networks
Dundas Field Business Centre



Bringing Power to the People of Ontario™

Hydro One Trenching Guidelines

The reference notes below explain Hydro One Networks' Standards for the installation of all Hydro One owned secondary underground cable, regardless of who installs the cable. The diagrams further illustrate these requirements. This will allow Hydro One crews to install the cable without requiring a coordinated site visit with the trench installer, if Hydro One is the chosen installer of the cable. Trench, excluding open pit area, can be backfilled as shown prior to cable install. **Option B - If, at the sole discretion and approval of Hydro One, a continuous length of 4" Red Line Big "O" is used in rock locations in lieu of Type DB2 as specified, the entire trench must remain open for cable installation.**



- ① **Backfill:** It must be clean and free of debris to properly protect the duct and to prevent crushing. See item 3 below.
- ② **Meter Base Assembly:** Install the meter base assembly according to the Electrical Supply Authority guidelines (1-877-421-2228). Meter Base shall be an assembly type, centre mount with tunnel mount connectors having a minimum outside dimension of 17" x 12" x 4 3/4" (43.2 x 30.5 x 12.1 cm) 200A jumbo; 400A etc. as per Hydro One.
- ③ **Trench and Duct:** The trench should be as straight as possible. However, if a curve is necessary, the bend should be no more than 45 degrees over a 300 cm radius. The trench depth must provide for a minimum of 60 cm of cover (90 cm under driveways). "Cover" refers to the distance between grade and the top of the duct. The duct shall be 4" diameter PVC "Type DB2". (Type DB2 duct specifications are governed by the Ontario Electrical Safety Code.) If 60 cm of cover depth is not achievable, the cable installation must comply with ESA standards (Section 12 Rule 12-012 and table 53. It also refers to CSA Standard C22.3 No.7) for shallow cable. The ends of the duct must be capped or bagged to prevent debris and moisture from entering the duct prior to cable installation. Blocked or frozen ducts, preventing Hydro One from completing its portion of the work, will result in an "extra trip charge" being applied.
- ④ **Fish Line:** A 1/4" polypropylene (or equivalent) fish line must be installed through the entire length of the duct. This line is used to install the cable-pulling rope through the duct. Your cable installer must provide the pulling rope and any other accessories (pulling compounds, etc.) needed to install the cable.
- ⑤ **Ends of Trench:** The cable installer must ensure that the service cable is formed into a semicircular loop below the pipe (bending radius not less than ten times cable diameter) at the meter base and pole end. This loop will prevent damages due to frost movement. The ends of the cable are required to be protected by sand padding above and below the cabling. Clean mason sand, heated or free of clumps, is to be provided by the civil contractor.
- ⑥ **Open Pit Detail:** The duct must extend to the road allowance ideally 120 cm from the cable stake. Your local Hydro One office must approve any changes from this standard.
- ⑦ **Marking Tape:** A power cable marking tape shall be buried approximately halfway between the installation and grade level.

* Approximate final cable position.

LETTER OF AGENCY
CONSENT/TERMINATION OF CONSENT FOR DISCLOSURE OF INFORMATION TO
A THIRD PARTY

PART A - CONSENT

I/we, account holder(s) for the electricity account at

(Lot, Concession, Township, 911 Address) _____

Hydro One Account # _____, consent to the disclosure of account-related information to

(Name and Phone Number) _____ or their authorized
representatives for the purpose of

(Specify Exactly) _____

Account-related information can be any or all of the following. Please check the pieces of information you wish disclosed:

☐ Account holder(s) name(s), address, telephone number

☐ Copy of Layout for service work

☐ Copy of Invoice for service work

The above consent remains in effect from the date of authorization to the date that written termination of the consent is received by Hydro One, or the account is no longer in the account holder(s) name, whichever happens first.

Date: _____

Name (Print): _____

Name (Print) _____

Signature: _____

Signature: _____

Note: For Hydro One accounts where two parties are responsible, both account holders must sign the above consent before account information will be disclosed.

PART B - TERMINATION OF CONSENT

I/we, account holder(s) for the above referenced electricity account hereby terminate consent to the disclosure of account-related information to the above-named party.

Date: _____

Name (Print) _____

Name (Print) _____

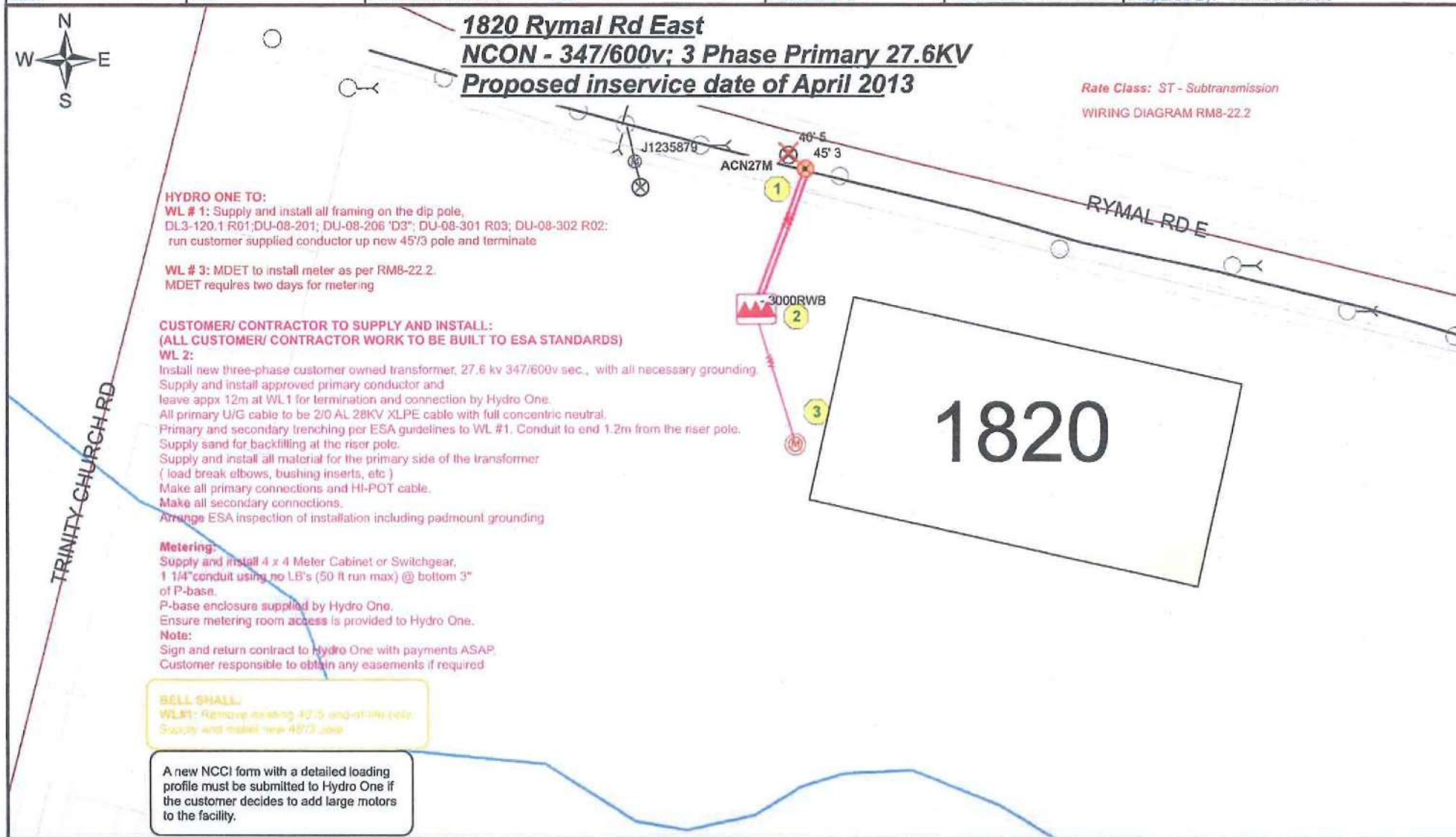
Signature: _____

Signature: _____

Electronic Layout

Schedule 'A'

HORIZON EXHIBIT K2.1		Service Location & Contractor Information		General Information	
Customer:	HAMILTON WENT RC	911 Address:	1820 RYMAL RD E	Date prepared:	12/14/2012
Address:	90 MULBERRY STREET PO BOX 2012 HAMILTON ON L8N3R9	Lot:		Rate Class:	Sub-Transmission
		Township:	BINBROOK	D.S.:	Nebo TS
		RP#:		Customer Cable:	Yes
Primary #	905-648-0072	Sublot:		Feeder:	M5
Bus.:		Contractor:	David Morrissey	Service Size:	1600
Fax:		Ph #:	905 525 2930	Switch:	NEW
		Fax:		Account #:	0
				Transformer:	Customer Owned
				Prepared By:	David DeNoble



This Layout is valid for 6 months from the date prepared. There will be a charge to re-design due to customer initiated changes.		<div> <div>Existing</div> <div>Hydro One Only Section 2.0</div> <div>Hydro One or Contractor Section 3.0</div> <div>Work by Customer</div> <div>Work by Others (Bell or LDC)</div> </div>		SAP Order #: 60724518	Dep.Date/Time: 9/28/2012 4:15:00 PM
All work to be done to Electrical Safety Code		<div> <div>Remove - Hydro One Only - Section 2.0</div> <div>Remove - Hydro One or Contractor Section 3.0</div> <div>Remove - By Customer</div> <div>Remove - By Others (Bell or LDC)</div> </div>		CM Number: 00126279	Arr.Date/Time: 9/28/2012 12:00:00 PM
				Customer #: 0000009999	Sec Voltage: 347/600

HORIZON EXHIBIT K2.1

5

HORIZON EXHIBIT K2.1

critical steps to completing your new connection

Dear Valued Customer,

Thank you for your recent request for service. In order to schedule your connection request and provide you with the best service possible, please follow the step-by-step instructions below. If you have questions, please call us at: 1-888-652-2302 Monday to Friday, from 7:00 a.m. to 4:30 p.m.

1 Carefully review the enclosed sketch of your requested service layout.

Be sure that every detail in your service layout is accurate and that you're clear about how the work will be completed. The sketch has been designed with colour-coded comments as well as a key to help you with your review. If anything is incorrect, please call us *immediately*. If your service layout is accurate, then...

2 Read the enclosed customer service contract.

Read all sections of the customer service contract carefully. Review each option available to you before making your selection. Make sure the method of payment section is **completed**.

3 Sign, date and send the Customer Service Contract to us.

Sign the contract and fax it to us at: 905-627-6000 or mail it to Hydro One, 40 Olympic Drive, Dundas ON, L9H 7P5. Please make sure that you've enclosed the proper payment and payment information on the contract. Note: You don't need to wait for your ESA permit before sending this contract.

4 Call the Electrical Safety Authority for your permit, and the required inspections and authorizations.

Contact the Electrical Safety Authority (ESA) at 1-877-372-7233 for an electrical inspection and fee estimate. It's easily done over the phone and will allow you to proceed with your electrical work. Once the electrical work is complete, contact the ESA again for an electrical inspection. The ESA will advise you when the inspection is approved, as well as send a copy of the connection authorization directly to our office. We will contact you to discuss scheduling the connection.

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To help you with these requirements, we've attached our trenching specifications.

Following the five critical steps outlined above will ensure we have the essential information we need to schedule your service work and have the required materials and equipment on hand.

Your thorough attention to these details will make it possible for your new connection to be completed as planned. Thank you for your cooperation.

Sincerely,

Hydro One Networks
Dundas Field Business Centre



Bringing Power to the People of Ontario™

SECTION 1.0 CUSTOMER INFORMATION

Name: HAMILTON WENT RC
 Address: 90 MULBERRY STREET PO BOX 2012
 HAMILTON, ON, L8N3R9
 Phone: 905-648-0072
 Alt Phone:
 Fax:

Service Location: EI 283533608
 Lot Con RP# Sublot#
 Twp BINBROOK
 1820 RYMAL RD E, BINBROOK, ON,

CUSTOMER: Please complete all shaded areas

SECTION 2.0 STANDARD BASIC REGULATED WORK (MUST BE PERFORMED BY HYDRO ONE)

Available Support or Cost based on Rate Class	\$	0.00
Other Related Work	\$	4619.34
Incremental Cost for Transformer	\$	0.00
Easement and Associated Costs	\$	0.00
Cost of Service Wire	\$	0.00
Credit for up to 30m of Overhead Service Wire	\$	0.00
Standard Service Charges (ex. Additional Layout Fee)	\$	0.00
Misc Charges (ex. 400 Amp Self Contained rebate)	\$	0.00
Deposit Paid	\$	0.00
SUB TOTAL	\$	4619.34

Description of Other Related Work:

Metal guards, terminators, surge arrestors, fused primary cable termination and flared cable guards.

SECTION 3.0 CONNECTION WORK (MAY BE PERFORMED BY EITHER HYDRO ONE or CONTRACTOR as per customer's choice)

	<u>HYDRO ONE</u>	<u>CONTRACTOR</u>	<u>Description of Other Related Work</u>
Other Related Work	\$ 0.00		
Available Support Based on Rate Class	\$ 0.00	\$ 0.00	
SUB TOTAL	\$ 0.00	\$ 0.00	

CONNECTION WORK OPTION (PLEASE INDICATE YOUR CHOICE WITH AN "X" IN THE APPROPRIATE BOX)



Hydro One to complete Section 2.0 and Section 3.0

Section 2.0	\$	4619.34
Section 3.0	\$	0.00
SUB TOTAL	\$	4619.34
HST	\$	600.51
TOTAL	\$	5219.85



Hydro One to complete Section 2.0 and customer's contractor to complete Section 3.0

Section 2.0	\$	4619.34
Section 3.0	\$	0.00
SUB TOTAL	\$	4619.34
HST	\$	600.51
TOTAL	\$	5219.85



Hydro One Networks, Inc. ("Hydro One")
 Hydro One, 40 Olympic Drive, Dundas ON, L9H 7P5
 888-652-2302

CUSTOMER SERVICE CONTRACT Page 2 of 2
 NEW CONNECTIONS, SERVICE UPGRADES & EMBEDDED GENERATION
 ECRA/ESA Lic 7002572 Date Prepared: 14/Dec/2012

SECTION 1.0 CUSTOMER INFORMATION

Name: HAMILTON WENT RC
 Address: 90 MULBERRY STREET PO BOX 2012
 HAMILTON, ON, L8N3R9
 Phone: 905-648-0072
 Alt Phone:
 Fax:

Service Location: EI 283533608
 Lot Con RP# Sublot#
 Twp BINBROOK
 1820 RYMAL RD E, BINBROOK, ON,

CUSTOMER: Please complete all shaded areas

Acceptance of Terms and Conditions:

This Customer Service Contract (the "Contract") duly executed by the Customer, must be received by Hydro One at the above address within 180 days after the Date Prepared, failing which this Contract is null and void and Hydro One shall have no liability or obligations in respect thereof. The Customer and Hydro One agree that this document when signed by the Customer and accepted by Hydro One, by the signature of its authorized staff, shall be a contract and binding upon the Customer and Hydro One. The Electronic Layout set out in Schedule "A", the Terms and Conditions set out in Schedule "B" and any other Schedule attached hereto are to be read with and form part of the Contract. The parties acknowledge and agree that the above-noted fees are valid for a period of one hundred and eighty (180) days from the Date Prepared.

This Contract may be executed in counterparts and delivered by facsimile, and the counterparts together shall constitute an original.

The Customer acknowledges that upon execution of the Contract, a Hydro One account will set up in the Customer's name for the Service Location identified on Page 1 (the "Account"). The Customer agrees to assume responsibility for charges for services provided to the Service Location and be bound by Hydro One's Conditions of Service, as amended from time to time.

Customer Name:
 (print)

Hydro One Networks Inc. HST# 870865821RT0001

Customer Signature: _____

Staff

Signature: *K. Myers*

Date: _____

FAX #: 905-627-6000

DESIRED COMPLETION DATE: _____

Work will not be scheduled prior to return of signed contract.

PAYMENT METHOD:

AMOUNT \$ _____

(Total amount based on your choices)

Payment must accompany signed contract.

☐ Cheque ☐ Visa ☐ Mastercard

Credit Card # _____

Exp. Date: _____

Cardholder Name: (print) _____

Date: _____

Card Holder Signature: _____

By Signing above, the Cardholder hereby authorizes Hydro One to charge the above-noted credit card with the above-stated fees payable.

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

HORIZON EXHIBIT K2.1

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HORIZON EXHIBIT K2.1

Revised Dec 2012 OTC from Hydro One

Bishop Ryan Electricity Cost Analysis (Revision 1) 2012.12.17

BISHOP RYAN 12-MONTH ESTIMATED ELECTRICITY CONSUMPTION & DATA IF BILLED BY HYDRO ONE													
	August 2011	September 2011	October 2011	November 2011	December 2011	January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	July 2012	Monthly Average
Cost per kWh (¢)	2.7479	4.5463	3.9501	3.8761	4.6873	4.3020	4.9035	4.8505	7.3479	5.5286	5.3355	5.1259	4.7668
Electricity Consumed (kWh)	172,670	228,105	232,544	211,414	196,823	163,549	182,100	184,492	204,804	221,294	208,914	167,118	197,819
Adjustment Factor*	1.034	1.034	1.034	1.034	1.034	1.034	1.034	1.034	1.034	1.034	1.034	1.034	1.034
Electricity Billed (kWh)	178,541	235,861	240,450	218,502	203,515	169,110	188,291	190,764	211,768	228,818	216,018	172,800	204,545
Demand (kW)	404	725	653	581	552	537	541	822	736	732	712	560	630
Demand (kVA)	551	852	772	678	634	615	618	976	866	858	829	693	745
Power Factor	73.27%	85.12%	84.63%	85.71%	87.10%	87.36%	87.64%	84.22%	85.04%	85.37%	85.86%	80.91%	84.35%
Energy Charge	\$6,134.15	\$7,855.24	\$7,404.28	\$6,559.61	\$5,355.90	\$4,464.61	\$4,364.30	\$3,088.85	\$3,866.89	\$5,076.31	\$5,174.22	\$6,306.49	\$5,470.91
Global Adjustment	\$4,906.13	\$10,722.93	\$9,498.02	\$8,473.24	\$9,539.36	\$7,275.10	\$9,232.87	\$9,253.03	\$15,560.49	\$12,650.41	\$11,525.62	\$8,857.54	\$9,791.23
Delivery	\$2,961.75	\$4,718.23	\$4,323.77	\$3,929.30	\$3,773.00	\$3,691.13	\$3,713.46	\$5,246.66	\$4,777.77	\$4,755.44	\$4,643.80	\$3,817.66	\$4,196.00
Regulatory Charges	\$1,125.06	\$1,486.17	\$1,515.09	\$1,377.44	\$1,282.40	\$1,065.54	\$1,186.49	\$1,202.07	\$1,334.39	\$1,441.80	\$1,361.16	\$1,088.89	\$1,288.88
Debt Retirement Charge	\$1,208.69	\$1,596.73	\$1,627.81	\$1,479.90	\$1,377.76	\$1,144.84	\$1,274.70	\$1,291.44	\$1,433.63	\$1,549.06	\$1,462.40	\$1,169.82	\$1,384.73
CSTA Credit (\$0.60/kWh)	-\$242.18	-\$435.27	-\$391.91	-\$348.55	-\$331.36	-\$322.36	-\$324.82	-\$493.36	-\$441.82	-\$439.36	-\$427.09	-\$336.27	-\$377.86
Secondary Metering	\$160.94	\$259.44	\$239.77	\$214.71	\$209.97	\$173.19	\$194.47	\$195.89	\$265.31	\$250.34	\$237.40	\$209.04	\$217.54
HST	\$2,113.09	\$3,406.45	\$3,148.19	\$2,819.13	\$2,756.91	\$2,273.98	\$2,553.39	\$2,572.00	\$3,483.57	\$3,286.92	\$3,117.08	\$2,744.71	\$2,856.28
Total Charges	\$18,367.63	\$29,609.92	\$27,365.01	\$24,504.78	\$23,963.94	\$19,766.14	\$22,194.86	\$22,356.58	\$30,280.23	\$28,570.91	\$27,094.59	\$23,857.88	\$24,442.74
Estimated annual electricity cost if billed by Hydro One	\$297,932												
Transformer Maint. Cost**	\$520.83	\$520.83	\$520.83	\$520.83	\$520.83	\$520.83	\$520.83	\$520.83	\$520.83	\$520.83	\$520.83	\$520.83	\$6,250.00
Total est. annual electricity cost if purchased from Hydro One	\$304,182												

BISHOP RYAN 12-MONTH ESTIMATED ELECTRICITY CONSUMPTION & DATA IF BILLED BY HORIZON UTILITIES													
	August 2011	September 2011	October 2011	November 2011	December 2011	January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	July 2012	Monthly Average
Cost per kWh (¢)	3.6475	3.2844	3.0960	3.0141	2.6242	2.5848	2.2414	1.6084	1.7741	2.1303	2.3537	3.4420	2.6501
Electricity Consumed (kWh)	172,670	228,105	232,544	211,414	196,823	163,549	182,100	184,492	204,804	221,294	208,914	167,118	197,819
Adjustment Factor*	1.0407	1.0407	1.0407	1.0407	1.0407	1.0407	1.0407	1.0407	1.0407	1.0407	1.0407	1.0407	1.0407
Electricity Billed (kWh)	179,698	237,389	242,008	220,019	204,834	170,205	189,511	192,001	213,140	230,300	217,417	173,919	205,870
Demand (kW)	404	725	653	581	552	537	541	822	736	732	712	560	630
Demand (kVA)	551	852	772	678	634	615	618	976	866	858	829	693	745
Power Factor	73.27%	85.12%	84.63%	85.71%	87.10%	87.36%	87.64%	84.22%	85.04%	85.37%	85.86%	80.91%	84.35%
Electricity Cost	\$6,554.54	\$7,796.80	\$7,492.62	\$6,631.67	\$5,375.21	\$4,399.39	\$4,247.73	\$3,088.10	\$3,781.27	\$4,906.17	\$5,117.34	\$5,986.24	\$5,448.09
Debt Retirement Charge	\$1,208.69	\$1,596.73	\$1,627.81	\$1,479.90	\$1,377.76	\$1,144.84	\$1,274.70	\$1,291.44	\$1,433.63	\$1,549.06	\$1,462.40	\$1,169.82	\$1,384.73
Regulatory Charges	\$1,168.04	\$1,543.03	\$1,573.05	\$1,430.12	\$1,331.42	\$1,106.34	\$1,231.82	\$1,248.00	\$1,385.41	\$1,496.95	\$1,413.21	\$1,130.48	\$1,338.16
Global Adjustment	\$4,774.58	\$10,575.67	\$9,346.35	\$8,327.70	\$9,643.58	\$7,279.69	\$9,297.43	\$9,312.03	\$15,917.30	\$12,733.30	\$11,601.39	\$8,909.89	\$9,809.91
Delivery Service Charge	\$325.52	\$326.52	\$327.52	\$328.52	\$329.52	\$330.52	\$331.52	\$332.52	\$333.52	\$334.52	\$335.52	\$336.52	\$331.02
Transmission Network	\$994.68	\$1,787.74	\$1,609.64	\$1,431.53	\$1,360.97	\$1,324.00	\$1,334.08	\$2,026.33	\$1,814.62	\$1,804.54	\$1,754.13	\$1,381.13	\$1,551.95
Transmission Connection	\$830.34	\$1,493.28	\$1,344.51	\$1,195.74	\$1,136.80	\$1,105.92	\$1,114.34	\$1,692.57	\$1,515.73	\$1,507.31	\$1,465.21	\$1,153.64	\$1,296.32
Delivery	\$795.24	\$1,429.28	\$1,286.89	\$1,144.50	\$1,088.08	\$1,058.53	\$1,066.59	\$1,620.03	\$1,450.78	\$1,442.72	\$1,402.42	\$1,104.20	\$1,240.77
HST	\$2,164.78	\$3,451.38	\$3,199.09	\$2,856.06	\$2,813.63	\$2,307.40	\$2,034.56	\$2,277.98	\$3,100.63	\$2,712.89	\$2,526.46	\$1,974.14	\$2,618.25
Total Charges	\$18,816.91	\$30,000.42	\$27,807.48	\$24,825.75	\$24,456.97	\$20,056.63	\$21,932.78	\$22,889.00	\$30,732.89	\$28,487.45	\$27,078.08	\$23,146.05	\$25,019.96
Total est. annual electricity cost if purchased from Horizon Utilities	\$300,230												

* When electricity is delivered over a power line, it is normal for a small amount of power to be consumed or lost as heat. Equipment, such as wires and transformers, consumes power before it gets to your home or business. The adjustment factor accounts for these losses.

** In order to achieve an equal and consistent cost analysis, the estimated cost for transformer maintenance is required to be added to the cost of purchasing service from Hydro One since Horizon Utilities' fees include this cost. It must also be noted that the cost for transformer replacement is also included in Horizon Utilities fees, but consideration for this factor has not been added to the total costs of purchasing from Hydro One.

Contributed Capital Summary

Project Name: 11424 - Bishop Ryan School

Customer Name: Hamilton Wentworth Catholic District School Board

Capital Contribution Model Date: Wednesday, February 06, 2013

Customer Provided Connections & Load Forecasts

Connections & Average Loads

Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5
Residential - # Customers					
General Service < 50 kW - # Customers					
General Service > 50 kW - # Customers	1				
General Service > 50 kW - Avg Load	750	1,075	1,075	1,108	1,108
Large User - # Customers					
Large Users - Avg Load					
Unmetered/Scattered - # Connections					
Streetlights - # Connections					

Calculated Upstream kW Demands

Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5
General Service > 50 kW - Avg Load	1,108				
Large Users - Avg Load					

Horizon Utilities Costs

Description of Charges	Contestable	Uncontestable	Sub-Total
Material		\$ 41,188.57	\$ 41,188.57
Labour		13,916.59	13,916.59
Equipment		932.47	932.47
Engineering & Administration		7,700.00	7,700.00
			\$ 63,737.63

Servicing/Metering/Transformer(s) (Where customer has elected to use the alternative bid)

Description of Charges	Uncontestable	Sub-Total
Material		
Labour		
Equipment		
Engineering & Administration		\$ -

Upstream Electrical Distribution System Costs

98,791.77

Horizon Utilities Total Projected Costs

\$ 162,529.40

Fully Recoverable Work

Fully Recoverable Costs

Total Streetlighting Costs

Other Recoverable Work

1.
2.
3.

Total Other Recoverable Work

Total Recoverable Work

Capital Contribution

Expansion Deposit - We Build

\$ 63,737.63

Expansion Deposit - Alt Bid

\$ 63,737.63

Capital Contribution required

No Contribution

H.S.T. on Capital Contribution @ 13%

-

Total Capital Contribution required including H.S.T.

No Contribution

HORIZON EXHIBIT K2.1

	A	B	C	D	E	F	G	H	I	J	K
1		Project name	11424 - Bishop Ryan School								
2	Table No.	Customer Name	Hamilton Wentworth Catholic District School Board						New Customer Model		
3	1	Forecasted customer additions (non-cumulative)									
4		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 20			
5		Residential	0	0	0	0	0	0			
6		General Service < 50kW	0	0	0	0	0	0			
7		General Service > 50kW (non-TOU)	1	0	0	0	0	0			
8		General Service > 50kW (TOU)									
9		Large User	0	0	0	0	0	0			
10		Unmetered & scattered - (non-demand)	0	0	0	0	0	0			
11		Streetlighting	0	0	0	0	0	0			
12	2	Estimate of average energy per added customer (monthly kWh)									
13		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 20			
14		Residential	651.27	651.27	651.27	651.27	651.27	651.27			
15		General Service < 50kW	2,748.96	2,748.96	2,748.96	2,748.96	2,748.96	2,748.96			
16		Unmetered & scattered - (non-demand)	374.43	374.43	374.43	374.43	374.43	374.43			
17	3	Estimate of average demand per added customer kW									
18		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 20			
19		General Service > 50kW (non-TOU)	750	1075	1075	1108	1108	1108			
20		General Service > 50kW (TOU)									
21		Large User	0	0	0	0	0	0			
22		Streetlighting	0.175	0.175	0.175	0.175	0.175	0.175			
23	4	Approved wires only rates per rate schedule - monthly fixed charge									
24		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 20			
25		Residential	14.45	14.45	14.45	14.45	14.45	14.45			
26		General Service < 50kW	32.16	32.16	32.16	32.16	32.16	32.16			
27		General Service > 50kW (non-TOU)	293.26	293.26	293.26	293.26	293.26	293.26			
28		General Service > 50kW (TOU)	293.26	293.26	293.26	293.26	293.26	293.26			
29		Large User	22,642.10	22,642.10	22,642.10	22,642.10	22,642.10	22,642.10			
30		Unmetered & scattered - (non-demand)	9.11	9.11	9.11	9.11	9.11	9.11			
31		Streetlighting	2.31	2.31	2.31	2.31	2.31	2.31			
32	5	Approved wires only rates per rate schedule - variable charge (per kWh)									
33		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 20			
34		Residential	0.0142	0.0142	0.0142	0.0142	0.0142	0.0142			
35		General Service < 50kW	0.0084	0.0084	0.0084	0.0084	0.0084	0.0084			
36		Unmetered & scattered - (non-demand)	0.0141	0.0141	0.0141	0.0141	0.0141	0.0141			
37	6	Approved wires only rates per rate schedule - demand charge (per kW)									
38		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 20	Transformer Discount	Current Rate	Transformer Discount Rate
39		General Service > 50kW (non-TOU)	2.0341	2.0341	2.0341	2.0341	2.0341	2.0341		2.0341	(0.73)
40		General Service > 50kW (TOU)	2.0341	2.0341	2.0341	2.0341	2.0341	2.0341		2.0341	(0.73)
41		Large User	1.3359	1.3359	1.3359	1.3359	1.3359	1.3359			
42		Streetlighting	6.1604	6.1604	6.1604	6.1604	6.1604	6.1604			
43	7	New facilities and/or reinforcement investments									
44		Capital projects	Year 1	Year 2	Year 3	Year 4	Year 5	Year 20			
45		Transformer stations	14,772.13	-	-	-	-	-			
46		Distribution feeders	84,019.84	-	-	-	-	-			
47		Distribution lines	63,737.83								
48		Distribution transformers									
49		Credit for previous work on service									
50		Services & metering (Residential Only)									
51		Services & metering									
52		Upstream cost credit (where applicable)									
53		Total	162,529.40	-	-	-	-	-			
54		Assessed value of land									
55	8	Incremental overheads at project level applicable to distribution system expansion (per customer addition)									
56		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 20			
57		Residential									
58		General Service < 50kW									
59		General Service > 50kW (non-TOU)									
60		General Service > 50kW (TOU)									
61		Large User									
62		Unmetered & scattered - (non-demand)									
63		Streetlighting									
64	9	Attributable incremental annual operating, maintenance and administration expenditures (per customer addition)									
65		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 20			
66		Residential	125.77	125.77	125.77	125.77	125.77	125.77			
67		General Service < 50kW	248.75	248.75	248.75	248.75	248.75	248.75			
68		General Service > 50kW (non-TOU)	9,108.26	13,065.18	13,065.18	13,455.94	13,455.94	13,455.94			
69		General Service > 50kW (TOU)	-	-	-	-	-	-			
70		Large User	-	-	-	-	-	-			
71		Unmetered & scattered - (non-demand)	6.32	6.32	6.32	6.32	6.32	6.32			
72		Streetlighting	2.13	2.13	2.13	2.13	2.13	2.13			

HORIZON EXHIBIT K2.1

	A	B	C	D	E	F	G	H	I	J	K
73	10	Discount rate data									
74		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6			
75		Long Term Borrowing rate	5.79%	5.79%	5.79%	5.79%	5.79%	5.79%			
76		Short Term Borrowing rate	2.46%	2.46%	2.46%	2.46%	2.46%	2.46%			
77		Rate of return on common equity	9.58%	9.58%	9.58%	9.58%	9.58%	9.58%			
78		Long-Term debt outstanding (%)	55.00%	55.00%	55.00%	55.00%	55.00%	55.00%			
79		Short-Term debt outstanding (%)	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%			
80		Total common equity (%)	40.00%	40.00%	40.00%	40.00%	40.00%	40.00%			
81		Marginal income tax rate	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%			
82		Incremental after-tax weighted average cost of capital	6.2892%	6.2892%	6.2892%	6.2892%	6.2892%	6.2892%			
83	11	Tax rate data									
84		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6			
85		Municipal tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
86		Marginal income tax rate	26.45%	26.45%	26.45%	26.45%	26.45%	26.45%			
87		Federal capital tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
88		Federal surtax	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
89		Provincial capital tax rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
90		Capital cost allowance rate	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%			
91		Taxable capital employed in Canada	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65			
92		Capital Deduction (Federal purposes)	-	-	-	-	-	-			
93		Base for Federal capital tax	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65	376,890,025.65			
94	12	Measurement Quantities for Upstream Costs Calculations									
95		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6			
96		Residential	651,266	651,266	651,266	651,266	651,266	651,266			
97		General Service < 50kW	2,748,957	2,748,957	2,748,957	2,748,957	2,748,957	2,748,957			
98		General Service > 50kW (non-TOU)	1,109,000	-	-	-	-	-			
99		General Service > 50kW (TOU)	-	-	-	-	-	-			
100		Large User	-	-	-	-	-	-			
101		Unmetered & scattered - (non-demand)	374,427	374,427	374,427	374,427	374,427	374,427			
102		Streetlighting	0.175	0.175	0.175	0.175	0.175	0.175			
103	13	Transformer Station Upstream Costs									
104		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6			
105		Residential (kWh)	0.1024	0.1024	0.1024	0.1024	0.1024	0.1024			
106		General Service < 50kW (kWh)	0.0436	0.0436	0.0436	0.0436	0.0436	0.0436			
107		General Service > 50kW (non-TOU) (kW)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323			
108		General Service > 50kW (TOU) (kW)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323			
109		Large User (kW)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323			
110		Unmetered & scattered (kWh)	0.0185	0.0185	0.0185	0.0185	0.0185	0.0185			
111		Streetlighting (kW)	13.3323	13.3323	13.3323	13.3323	13.3323	13.3323			
112	14	Distribution Feeders Upstream Costs									
113		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6			
114		Residential (kWh)	0.5822	0.5822	0.5822	0.5822	0.5822	0.5822			
115		General Service < 50kW (kWh)	0.2480	0.2480	0.2480	0.2480	0.2480	0.2480			
116		General Service > 50kW (non-TOU) (kW)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300			
117		General Service > 50kW (TOU) (kW)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300			
118		Large User (kW)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300			
119		Unmetered & scattered (kWh)	0.1055	0.1055	0.1055	0.1055	0.1055	0.1055			
120		Streetlighting (kW)	75.8300	75.8300	75.8300	75.8300	75.8300	75.8300			
121	15	O, M & A Costs									
122		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6			
123		Residential (kWh)	0.1931	0.1931	0.1931	0.1931	0.1931	0.1931			
124		General Service < 50kW (kWh)	0.0905	0.0905	0.0905	0.0905	0.0905	0.0905			
125		General Service > 50kW (non-TOU) (kW)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444			
126		General Service > 50kW (TOU) (kW)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444			
127		Large User (kW)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444			
128		Unmetered & scattered (kWh)	0.0169	0.0169	0.0169	0.0169	0.0169	0.0169			
129		Streetlighting (kW)	12.1444	12.1444	12.1444	12.1444	12.1444	12.1444			
130	16	Operations Maintenance & Administration Costs									
131		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6			
132		General Service > 50kW (non-TOU) (kW)	11.76	11.76	11.76	11.76	11.76	11.76			
133		General Service > 50kW (TOU) (kW)	11.76	11.76	11.76	11.76	11.76	11.76			
134		Large User (kW)	11.76	11.76	11.76	11.76	11.76	11.76			
135	17	Services & Metering Standard Cost									
136		Customer Class	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6			
137		Residential (kWh)	460.00	460.00	460.00	460.00	460.00	460.00			

Upstream Cost Calculations

Transformer Station Upstream Costs	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Residential (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
General Service < 50kW (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
General Service > 50kW (non-TOU) (kW)	14,772.13	0.00	0.00	0.00	0.00	14,772.13
General Service > 50kW (TOU) (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Large User (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Unmetered & scattered (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
Streetlighting (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Total	14,772.13	0.00	0.00	0.00	0.00	14,772.13

Distribution Feeders Upstream Costs	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Residential (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
General Service < 50kW (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
General Service > 50kW (non-TOU) (kW)	84,019.64	0.00	0.00	0.00	0.00	84,019.64
General Service > 50kW (TOU) (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Large User (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Unmetered & scattered (kWh)	0.00	0.00	0.00	0.00	0.00	0.00
Streetlighting (kW)	0.00	0.00	0.00	0.00	0.00	0.00
Total	84,019.64	0.00	0.00	0.00	0.00	84,019.64

Discount rate	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289	0.06289
Present value factor - end of year	0.94083	0.88516	0.83279	0.78351	0.73715	0.69353	0.65250	0.61389	0.57756	0.54339	0.51124	0.48099	0.45253	0.42575	0.40056	0.37686	0.35456	0.33358	0.31384	0.29527	0.27780	0.26136	0.24590	0.23135	0.21766	0.20476
Present value factor - year 1	0.89995	0.91257	0.85857	0.80777	0.75996	0.71501	0.67270	0.63290	0.59545	0.56022	0.52707	0.49568	0.46554	0.43653	0.41255	0.38853	0.36554	0.34391	0.32356	0.30441	0.28640	0.26946	0.25351	0.23851	0.22440	0.21115
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Total	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26

OPERATIONS

Customer revenue - fixed charge rate

Residential	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Service < 50kW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Service > 50kW (non-TOU)	68,623	1,760	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519
General Service > 50kW (TOU)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Large User	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unmetered & scattered - (non-demand)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Streetlighting	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total fixed charge revenue	68,623	1,760	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519	3,519

Customer revenue - variable charge rate

Residential	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Service < 50kW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Service > 50kW (non-TOU)	521,405	9,153	26,240	26,240	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045
General Service > 50kW (TOU)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Large User	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unmetered & scattered - (non-demand)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Streetlighting	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Variable Charge Revenue	521,405	9,153	26,240	26,240	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045	27,045

Customer revenue - Total	590,028	10,913	29,759	29,759	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565
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Present Value of Customer Revenue	332,607	10,565	27,167	26,550	24,589	23,228	21,854	20,561	19,344	18,200	17,123	16,110	15,156	14,260	13,416	12,622	11,875	11,173	10,511	9,889	9,304	0	0	0	0	0
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* Revenues received for the balance of the revenue horizon beyond year 6 are the same as year 5

Incremental Operating & Maintenance

Residential	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Service < 50KW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Service > 50KW (non-TOU)	259,415	4,554	13,055	13,055	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456
General Service > 50KW (TOU)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Large User	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unmetered & scattered - (non-demand)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Streetlighting	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Incremental O & M	259,415	4,554	13,055	13,055	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456	13,456
Present Value of O & M	146,105	4,417	11,914	11,209	10,869	10,226	9,621	9,052	8,516	8,012	7,538	7,092	6,673	6,278	5,908	5,557	5,228	4,919	4,628	4,354	4,096	0	0	0	0	0

* Current year customer additions are divided by two in order to recognize level activities throughout the year.

CAPITAL COSTS

New facilities and/or reinforcement investments	162,529	162,529	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Incremental Overheads at project level	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Service < 50kW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Service > 50kW (non-TOU)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Service > 50kW (TOU)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Large User	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unmetered & scattered - (non-demand)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Streetlighting	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Incremental overheads	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Land and land rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Total Capital Costs	162,529	162,529	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Capital Costs excluding land	162,529	162,529	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Present Value Of Annual Capital Costs	157,647	157,647	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

* There is assumption made here that there are no up front capital costs in the first year, that Costs in the first year are incurred evenly during the year.

HORIZON EXHIBIT K2.1

	Total	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Present Value of Operating Cash Flow																										
Opening undepreciated capital cost	162,529	156,025	143,546	132,062	121,497	111,778	102,835	94,808	87,040	80,077	73,671	67,777	62,355	57,366	52,777	48,555	44,670	41,097	37,809	34,784		0	0	0	0	0
Less: Contributed Capital	0																									
Less: Capital cost allowance	130,528	6,501	12,482	11,484	10,565	9,720	8,942	8,227	7,569	6,963	6,406	5,894	5,422	4,988	4,589	4,222	3,884	3,574	3,288	3,025	2,783		0	0	0	0
Closing undepreciated capital cost	156,028	143,546	132,062	121,497	111,778	102,835	94,808	87,040	80,077	73,671	67,777	62,355	57,366	52,777	48,555	44,670	41,097	37,809	34,784	32,002		0	0	0	0	0
CCA Annual Income Tax Savings	1,720	3,302	3,037	2,794	2,571	2,365	2,176	2,002	1,842	1,694	1,559	1,434	1,319	1,214	1,117	1,027	945	870	800	736		0	0	0	0	0
Present Value of CCA Tax Shield	22,637	1,668	3,013	2,608	2,257	1,964	1,691	1,464	1,267	1,097	949	822	711	616	533	461	399	346	299	259	224		0	0	0	0

Present Value of Operating Cash Flow

Present Value of Net Operating Cash

Customer revenue - total	590,028	10,913	29,759	29,759	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	30,565	0	0	0	0	0
Less: Total Incremental O & M	(259,415)	(4,554)	(13,055)	(13,055)	(13,456)	(13,456)	(13,456)	(13,456)	(13,456)	(13,456)	(13,456)	(13,456)	(13,456)	(13,456)	(13,456)	(13,456)	(13,456)	(13,456)	(13,456)	(13,456)	(13,456)	0	0	0	0	0
Net (Wires) Operating Cash before Income Tax	330,612	6,359	16,704	16,704	17,109	17,109	17,109	17,109	17,109	17,109	17,109	17,109	17,109	17,109	17,109	17,109	17,109	17,109	17,109	17,109	17,109	0	0	0	0	0
Present value of Net Operating Cash	186,502	6,168	15,243	14,341	13,820	13,002	12,233	11,509	10,828	10,187	9,585	9,017	8,484	7,982	7,509	7,065	6,647	6,254	5,884	5,536	5,208	0	0	0	0	0

Present Value of Taxes

Income Taxes	87,447	1,682	4,418	4,418	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	0	0	0	0	0
Provincial Capital Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Federal Capital Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Annual Municipal Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Taxes	87,447	1,682	4,418	4,418	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	4,525	0	0	0	0	0
PV of Taxes	49,330	1,631	4,032	3,793	3,655	3,439	3,236	3,044	2,864	2,695	2,535	2,385	2,244	2,111	1,986	1,889	1,758	1,654	1,556	1,464	1,378	0	0	0
PV of Municipal Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Net Present Value Summary

1.	
PV of Operating Cash Flow	186,502.47
a) PV of Net Operating Cash Flow	(49,329.90)
b) PV of Taxes	137,172.57
PV of Operating Cash Flow	
2.	
PV of Capital	(157,647.02)
3.	
PV of CCA Tax Shield	22,836.66
NET PRESENT VALUE	2,162.21

No Capital Contribution Required from Customer



Horizon Utilities Corporation

Capital Cost Recovery Agreement – Horizon Constructed - Customer Connection

Schedule B - Cost and Revenue

COST

Horizon Utilities Corporation's Work Estimate

Horizon Utilities Corporation Work Estimate of total costs:

	Description of Charges	Contestable	Uncontestable	Total
i.	Material	-	41,188.57	41,188.57
ii.	Labour	-	13,916.59	13,916.59
iii.	Equipment	-	932.47	932.47
iv.	Engineering & Administration	-	7,700.00	7,700.00
	Work Order Costs	-	63,737.63	63,737.63
	Upstream Electrical Distribution System Costs		98,791.77	98,791.77
	Total Project Costs			\$ 162,529.40

Number Customers/Connections:

Description	# of Customers
Residential - # Customers	-
General Service < 50 kW - # Customers	-
General Service > 50 kW - # Customers	1
Large User - # Customers	-
Unmetered/Scattered - # Connections	-
Streetlights - # Connections	-
Total Customer / Connections	1

Developer has chosen to have Horizon Utilities construct the project

Initial Capital Contribution

NPV Components

Description	Present Value (\$)
Capital Expenditures - Project & Upstream Costs	-\$135,010.36
Incremental Operating, Maintenance & Administration Costs	-\$195,434.91
Distribution Revenue	332,607.49
Net Present Value	\$2,162.22
HST @ 13%	No Contribution
Total Initial Capital Contribution	No Contribution

Expansion Deposit

\$63,737.63

Fully Recoverable Work

Description of Fully Recoverable work and deposit required

Streetlighting Deposit	\$0.00
	\$0.00
	\$0.00
	\$0.00
	\$0.00

The following amounts are payable to Horizon Utilities at the time of the Customer's execution of the Agreement to Horizon Utilities:

Initial Capital Contribution	\$0.00
Expansion Deposit *	\$63,737.63
Fully Recoverable Work	\$0.00

* A Letter of Credit is acceptable as payment of the Expansion Deposit. Please refer to Schedule C - Form Letter of Credit



Horizon Utilities Corporation

Capital Cost Recovery Agreement – Alternative Bid - Customer Connection

Schedule B - Cost and Revenue

COST

Horizon Utilities Corporation's Work Estimate

Horizon Utilities Corporation Work Estimate of total costs:

	Contestable	Uncontestable	Total
i. Material	-	41,188.57	41,188.57
ii. Labour	-	13,916.59	13,916.59
iii. Equipment	-	932.47	932.47
iv. Engineering & Administration	-	7,700.00	7,700.00
Work Order Costs	-	63,737.63	63,737.63

Upstream Electrical Distribution System Costs

98,791.77

Total Project Costs

98,791.77

\$162,529.40

Number Customers/Connections:

Residential - # Customers	-
General Service < 50 kW - # Customers	-
General Service > 50 kW - # Customers	1
Large User - # Customers	-
Unmetered/Scattered - # Connections	-
Streetlights - # Connections	-
Total Customer / Connections	<u>1</u>

Customer has Elected To Use The Alternative Bid Option

No Capital Contribution currently, this will be determined once Transfer Price is known.

\$0.00

Prepayments Required:

SERVICES / METERING / TRANSFORMER(S)

\$0.00

Inspection & Engineering Administration:

First \$50,000 @ 15%

\$0.00

Balance @ 5%

\$0.00

\$0.00

HST @ 13%

\$0.00

Prepayments Required

\$0.00

Expansion Deposit

\$63,737.63

Fully Recoverable Work

Description of Fully Recoverable work and deposit required

Streetlighting Deposit

\$0.00

\$0.00

\$0.00

\$0.00

\$0.00

The following amounts are payable to Horizon Utilities at the time of the Customer's execution of the Agreement to Horizon Utilities:

Initial Capital Contribution

\$0.00

Project Prepayments

\$0.00

Expansion Deposit *

\$63,737.63

Fully Recoverable Work

\$0.00

* A Letter of Credit is acceptable as payment of the Expansion Deposit. Please refer to Schedule C - Form Letter of Credit

HORIZON EXHIBIT K2.1