EB- 2012-0139

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

AND IN THE MATTER OF an application by Innisfil Hydro Distribution Systems Limited for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2013.

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED ("IHDSL")

PROPOSED SETTLEMENT AGREEMENT

FILED: April 12, 2013

Corrected File Date: April 16, 2013

TABLE OF CONTENTS

EB-2012-0139

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

AND IN THE MATTER OF an application by IHDSL Hydro-Electric System Corp. for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2013.

INNISFIL HYDRO DISTRIBUTION SYTEMS LIMITED ("IHDSL")

PROPOSED SETTLEMENT AGREEMENT

FILED: April 12, 2013: Corrected April 15, 2013

INTRODUCTION:

IHDSL carries on the business of distributing electricity within the Town and Municipality of Innisfil as described in its distribution licence.

IHDSL filed a complete application with the Ontario Energy Board (the "Board") on October 24, 2012 under section 78 of the *Ontario Energy Board Act, 1998,* S.O. 1998, c. 15 (Schedule B), seeking approval for changes to the rates that IHDSL charges for electricity distribution, to be effective May 1, 2013 (the "Application"). The Board assigned the Application File Number EB-2012-0139.

Three Parties requested and were granted intervenor status: Energy Probe Research Foundation ("Energy Probe" or "EP"), the Vulnerable Energy Consumers' Coalition ("VECC"), and School Energy Coalition ("SEC"). These Parties are referred to collectively as the "Intervenors".

In Procedural Order No. 1, issued on December 10, 2012, the Board approved the Intervenors in this proceeding, set dates for interrogatories and interrogatory responses and made its determination regarding the cost eligibility of the Intervenors.

In Procedural Order No 2, issued on February 20, 2013, the Board set dates for supplementary interrogatories and interrogatory responses; and dates for a Settlement Conference (March 26, 2013, continuing March 27, 2013 if necessary); and, the filing of any Settlement Proposal arising out of the Settlement Conference (April 12, 2013). There is no Board-approved Issues List for this proceeding.

The evidence in this proceeding (referred to herein as the "Evidence") consists of the Application, including updates to the Application, and IHDSL's responses to the initial and supplemental interrogatories. The Appendices to this Settlement Agreement (the "Agreement") are also included in the Evidence. The Settlement Conference was duly convened in accordance with the Procedural Order No. 2, with Mr. Paul Vlahos as facilitator. The Settlement Conference was held on March 26 and 27, 2013.

IHDSL and the following Intervenors participated in the Settlement Conference:

- Energy Probe;
- SEC; and
- VECC.

IHDSL and the Intervenors are collectively referred to below as the "Parties".

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

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

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

The Parties are pleased to advise the Board that a complete settlement has been reached on all issues in this proceeding. This document comprises the Proposed Settlement Agreement and it is presented jointly by IHDSL, Energy Probe, SEC and VECC to the Board. It identifies the settled matters and contains such references to the Evidence as are necessary to assist the Board in understanding the Agreement. The Parties confirm the Evidence filed to date in respect of each settled issue, as supplemented in some instances by additional information recorded in this Agreement, supports the settlement of the matters identified in this Agreement. In addition, the Parties agree the Evidence, supplemented where necessary by the additional information appended to this Agreement, contains sufficient detail, rationale and quality of information to allow the Board to make findings in keeping with the settlement reached by the Parties.

The Parties explicitly request the Board consider and accept this Proposed Settlement Agreement as a package. With the exception of the treatment of Account 1576 discussed below, none of the matters in respect of which a settlement has been reached is severable. Numerous compromises were made by the Parties with respect to various matters to arrive at this comprehensive Agreement. The distinct issues addressed in this proposal are intricately interrelated and reductions or increases to the agreed-upon amounts may have financial consequences in other areas of this proposal which may be unacceptable to one or more of the Parties. If the Board does not accept the Agreement, other than Account 1576, in its entirety, then there is no Agreement unless the Parties agree those portions of the Agreement the Board does accept may continue as a valid settlement.

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

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

References to the Evidence supporting this Agreement on each issue are set out in each section of the Agreement. The Appendices to the Agreement provide further evidentiary support. The Parties agree this Agreement and the Appendices form part of the record in EB-2012-0139. The Appendices were prepared by the Applicant. The Intervenors are relying on the accuracy and completeness of the Appendices in entering into this Agreement. Appendix I to this Agreement – Proposed Schedule of 2013 Tariff of Rates and Charges (Updated) – is a proposed schedule of Rates and Charges.

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

The Parties agree that the effective date of the rates resulting from this proposed Agreement is May 1, 2013 (referred to below as the "Effective Date").

The Parties agree that the effective date of IHDSL's 1st IRM following this COS Application will be January 1, 2014.

ORGANIZATION AND SUMMARY OF THE SETTLEMENT AGREEMENT:

As noted above, there is no Board-approved Issues List for this proceeding. For the purposes of organizing this Agreement, the Parties have used the Issues List in the Guelph Hydro Electric Systems Inc. proceeding (EB-2011-0123) as a guide, as that Issues List addresses all of the revenue requirement components, load forecast, deferral and variance account dispositions, cost allocation and rate design and other issues that are also relevant to determining IHDSL's 2013 distribution rates.

The following Appendices accompany this Settlement Agreement:

Appendix A – Summary of Significant Changes (Updated)
Appendix B – Continuity Tables (Updated) Corrected April 16, 2013
Appendix C – Cost of Power Calculation (Updated)
Appendix D – 2013 Customer Load Forecast (Updated)
Appendix E – 2013 Debt and Capital Structure (Updated)
Appendix F – 2013 PILS (Updated)

Appendix G – 2013 Cost of Capital (Updated)
Appendix H – 2013 Revenue Deficiency (Updated)
Appendix I – Proposed 2013 Schedule of Rates and Charges (Updated)
Appendix J – 2013 Updated Customer Impacts (Updated)
Appendix K – Cost Allocation Sheets O1 (Updated)
Appendix L – Revenue Requirement Work Form (Updated)
Appendix M – Throughput Revenue (Updated)
Appendix N – Revenue Reconciliation (Updated)

UNSETTLED MATTERS:

There are no unsettled matters in this proceeding.

OVERVIEW OF THE SETTLED MATTERS:

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

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

The Parties agree no rate classes face bill impacts that require mitigation efforts as a result of this agreement.

In this Agreement, except where otherwise expressly stated, all dollar figures are calculated and expressed using Canadian Generally Accepted Accounting Principles ("CGAAP"). For the purposes of settlement, the Parties acknowledge that IHDSL is not converting to International Financial Reporting Standards ("IFRS") in the 2013 Test Year and intends to remain on CGAAP until required by the Accounting Standards Board (the "AcSB") to move to IFRS. However, IHDSL will comply with the Board's letter titled "Regulatory accounting policy direction regarding changes to depreciation expense and capitalization policies 2013" dated July 17, 2012. IHDSL has implemented the regulatory accounting changes for depreciation expense and capitalization policies effective January 1, 2012. As a result of these changes, IHDSL expects that there will be no material adjustments when IHDSL ultimately converts to IFRS.

In IHDSL's initial evidence (Exhibit 6 Table 6.1.1) the Service Revenue Requirement for the 2013 Test Year was $9,419,635 which included a Base Revenue Requirement of $8,862,687 and Revenue Offsets of $556,948 with a resulting Revenue Deficiency of $761,836. Through the interrogatory and settlement process, IHDSL made changes to the Service Revenue Requirement as shown in Settlement Table #1: Service Revenue Requirement as follows:

Settlement Table #1: Service Revenue Requirement

		COS Application Filing	Interrogatories	Settlement Submission	Difference Filing vs Settlement
Service Revenue Requirement	**A**	$9,419,635	$9,088,039	$8,127,644	$1,291,991
Revenue Offsets	**B**	-$556,948	-$536,948	-$536,948	-$20,000
Base Revenue Requirement	**C=A+B**	$8,862,687	$8,551,089	$7,590,696	$1,271,991
Revenue at Existing Rates	**D**	$8,657,799	$8,100,851	$8,133,800	$523,999
Revenue Deficiency/Sufficiency	**E=A-D**	$761,836	$450,238	-$543,104	$1,304,940

The revised Service Revenue Requirement for the 2013 Test Year is $8,127,644 which reflects the updated cost of capital parameters (ROE and Deemed Short Term Debt rate) issued by the Board on February 14, 2013 applicable to applications for rebasing effective May 1, 2013. Compared to the forecast 2013 revenue at current rates of $8,133,800 the revised Service Revenue Requirement represents a revenue sufficiency of $543,104.

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

1. GENERAL

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

Status:	**Complete Settlement**
Supporting Parties:	IHDSL, Energy Probe, SEC, VECC
Evidence:	Application: Exhibit 1, Tab 1, Schedule 15

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

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

Status:	**Complete Settlement**
Supporting Parties:	IHDSL, Energy Probe, SEC, VECC
Evidence:	Application: Exhibit 1, Tab 2, Schedule 2

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

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

Status:	**Complete Settlement**
Supporting Parties:	IHDSL, Energy Probe, SEC, VECC
Evidence:	Application: Exhibit 2, Tab 3, Schedule 8

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

1.4 What is the appropriate effective date for any new rates flowing from this Application? If that effective date is prior to the date new rates are actually implemented, what adjustments should be implemented to reflect the sufficiency or deficiency during the period from effective date to implementation date?

Status:	**Complete Settlement**
Supporting Parties:	IHDSL, Energy Probe, SEC, VECC
Evidence:	Application: Addendum, Appendix A, Page 2 of 4

For the purpose of settlement, the Parties accept that the appropriate effective date of the new rates flowing from this Application is May 1, 2013. Additionally, the Parties accept IHDSL's proposal to align the rate year with its fiscal year beginning January 1, 2014.

2. RATE BASE

2.1 Is the proposed rate base for the test year appropriate?

Status:	**Complete Settlement**
Supporting Parties:	IHDSL, Energy Probe, SEC, VECC
Evidence:	Application: Exhibit 2

For the purposes of settlement, the Parties agree that IHDSL's amended forecast Rate Base of $32,279, 524 for the 2013 Test Year under CGAAP is appropriate. A full calculation of this agreed Rate Base is set out later in this section in Settlement Table #2: Rate Base. The 2012 revised capital expenditures and amortization expense have been updated to reflect 2012 actuals and 2013 has been adjusted accordingly. The revised fixed asset continuity schedules are in Appendix B. The 2013 revised capital expenditures were agreed to during the settlement process. The amortization expense for 2013 has been adjusted to reflect the agreed capital expenditure adjustments for both 2012 and 2013.

The revised Rate Base value reflects the following changes to the working capital allowance:

- With respect to Cost of Power, the Parties accept for the purposes of settlement a revised Cost of Power calculation of $24,462,712. Appendix C outlines the calculations to derive the Cost of Power.
- The following adjustments were undertaken to revise IHDSL's Load Forecast:

    - The manual CDM adjustment for 2013 has been reduced from the gross level to the net level. The adjustment also reflects a full year of 2012 programs persisting into 2013 along with the half year rule being applied to 2011 and 2013 programs.

    - The load attributed to the USL class has been adjusted to correct the geometric calculation commencing in 2008 versus 2007 thus decreasing the forecasted kWh from 592,220 kWh to 474,652 kWh.

    - CDM Activity variable was adjusted to reflect the final 2011 CDM results.

    - 50% of the Hydro One LTLT forecasted kWh's were added back to the Test year, 460,538 kWh to the Residential, GS>50, and USL rate classes.

    - RPP and non-RPP rates were updated to reflect the change in charges effective November 1, 2012.

    - The Smart Meter Entity charge was removed from the Working Capital calculation as at the time of settlement there was not an OEB approved rate. On March 28, 2013 the Board issued a Decision and Order for EB-2012-0100 & EB-2012-01211 which established the SME fixed price of $0.79 for the Residential and GS<50 kWh customer classes. IHDSL has now included this Smart Meter Entity charge in the proposed Tariff of Rates and Charges attached as Appendix I.

    - The Retail Transmission Network & Connection charges were updated to reflect the change in the Ontario uniform electricity transmission rates effective January 1, 2013;

- The Wholesale Market Service charge and Rural or Remote Electricity Rate Protection (RRRP) costs and were updated to reflect the revised charges effective May 1, 2013 as per EB-2013-0067.

- The Parties agree that the 2013 OM&A for the Test Year, should be $4,900,000 (CGAAP), a decrease of $565,072 from $5,465,072 in the original Application. OM&A expenses are discussed in further detail under item 4.1.

- The Parties agree that the Working Capital Rate percentage will be set at 12% which is a 1% decrease from the 13% in the original application. The Allowance for Working Capital should be $3,525,025 a decrease of $338,011 from $3,863,036 in the original Application.

The changes to working capital allowance are set out in Settlement Table #3: Allowance for Working Capital, under Section 2.2 below.

Agreed upon adjustments to IHDSL's proposed Overall Rate Base under CGAAP are set out in Settlement Table #2: Rate Base, below.

Settlement Table #2: Rate Base

Particulars		Initial Application	Adjustments		Settlement Agreement	Adjustments	Per Board Decision
Gross Fixed Assets (average)	**(3)**	$64,467,293	($5,627,003)	(4)	$58,840,290	$ -	$58,840,290
Accumulated Depreciation (average)	**(3)**	($30,319,374)	$233,583	(4)	($30,085,791)	$ -	($30,085,791)
Net Fixed Assets (average)	**(3)**	$34,147,919	($5,393,420)		$28,754,499	$ -	$28,754,499
Allowance for Working Capital	**(1)**	$3,863,036	($338,010)		$3,525,025	$ -	$3,525,025
Total Rate Base		$38,010,954	($5,731,430)		$32,279,524	$ -	$32,279,524

2.2 Is the working capital allowance for the test year appropriate?

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Exhibit 2, Tab 1 Schedule 1

For the purposes of settlement, the Parties agree to the following Working Capital Allowance calculated based on 12% of the OM&A expenses of $4,912,500 (including $12,500 for property taxes) (CGAAP) and Cost of Power of $24,462,712. The reduction from 13% to 12% is intended to give effect to the reductions in required working capital that result from IHDSL's monthly billing.

As discussed in Section 2.1 and this section, the Parties agree that the adjustments shown below in Settlement Table #3: Allowance for Working Capital, reflecting the settled matters, will be made to IHDSL's Working Capital Allowance calculation:

Settlement Table #3: Allowance for Working Capital

Controllable Expenses		$5,477,572	($565,072)	$4,912,500	$ -	$4,912,500
Cost of Power		$24,238,088	$224,624	$24,462,712	$ -	$24,462,712
Working Capital Base		$29,715,660	($340,448)	$29,375,212	$ -	$29,375,212
Working Capital Rate %	**(2)**	13.00%	-1.00%	12.00%	0.00%	12.00%
Working Capital Allowance		$3,863,036	($338,010)	$3,525,025	$ -	$3,525,025

2.3 Is the capital expenditure forecast for the test year appropriate?

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Exhibit 2, Tab 3, Schedules 1-3

For the purposes of settlement, the Parties accept net capital expenditures of $5,163,866 for the test year. The resulting continuity schedules are shown in Appendix B.

2.4 Is the capitalization policy and allocation procedure appropriate?

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

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

For the purposes of settlement, the Parties accept IHDSL's capitalization policy as it was set out in Exhibit 2, Tab 3, Schedule 5 of the original Application. The Parties agree that IHDSL should use deferral account 1576 to record 2012 adjustments to PP&E as a result of IHDSL adopting extended asset lives and overhead capitalization policies effective January 1, 2012. This is detailed under Section 4.2.

3.0 LOAD FORECAST AND OPERATING REVENUE

3.1 Is the load forecast methodology including weather normalization appropriate?

Status:	**Complete Settlement**
Supporting Parties:	IHDSL, Energy Probe, SEC, VECC
Evidence:	Application: Exhibit 3, Tab 2, Schedule 1

For the purposes of settlement, the Parties accept IHDSL's load forecast methodology, including weather normalization, as modified through the settlement process as follows:

- Changes to the load forecast for the purposes of settlement, included the CDM manual adjustment from gross to net based on the 2011 Final OPA program results (detailed in Section 3.3 below). The adjustment also reflects a full year of 2012 programs persisting into 2013 along with the half year rule being applied to 2011 and 2013 programs.
- An adjustment to the USL class has been undertaken (correcting the geometric calculation to commence in 2008 versus 2007) reducing the USL forecasted load from 592,220 kWh to 474,652 kWh
- CDM Activity variable was adjusted to reflect the final 2011 CDM results:
- Due to the timing of the elimination of the Hydro One LTLT load and IHDSL's Test Year forecast, 50% of the Hydro One LTLT load was added back in increasing the Residential, GS<50 and USL rate classes,

This results in a billed consumption forecast of 233,355,655 kWh and 152,390 kW in the 2013 Test Year. The accepted CDM adjustment for 2012 and 2013 CDM programs is 2,326,667 kWh and 1,516 kW for the 2013 Test Year. This does not include the adjustment for the 2011 programs as the 2011 programs are already reflected in the load forecast.

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

Status:	**Complete Settlement**
Supporting Parties:	IHDSL, Energy Probe, SEC, VECC
Evidence:	Application: Exhibit 3, Tab 2, Schedule 1, Table 3-22

For the purposes of settlement, the Parties accept IHDSL's customers/connections forecast (both kWh and kW) for the 2013 Test Year. With respect to the load forecast, through the settlement process IHDSL modified the movement of the CDM manual adjustment from gross to net consumption to exclude the free ridership. The changes made to the consumption for all classes reflect the CDM manual adjustment from gross to net consumption, and also reflect application of the half year rule for 2011 and 2013 program results. Settlement Table #4: Load Forecast, details the above changes. Appendix D reflects the revised load forecast.

Settlement Table #4: Load Forecast

Rate Class	Initial Application/Filing	Settlement Adjustments	Settlement Agreement
Residential			
Customers	14,189	-	14,189
kWh	146,562,898	147,773,703	148,148,873
H1 LTLT kWh		375,170	
GS<50			
Customers	910	-	910
kWh	31,437,455	31,697,170	31,781,016
H1 LTLT kWh		83,846	
GS<50 to 4,999			
Customers	66	-	66
kWh	50,917,130	51,329,341	51,329,341
kW	146,480	147,666	147,666
Sentinel Lights			
Customers	237	-	237
kWh	104,161	104,942	104,942
kW	289	292	292
Street Lighting			
Customers	2,889	-	2,889
kWh	1,505,545	1,516,831	1,516,831
kW	4,400	4,432	4,432
Umetered Scattered Load			
Customers	78	-	78
kWh	592,220	473,131	474,652
H1 LTLT kWh		1,521	
Totals			
Customers/Connections	**18,369**	**-**	**18,369**
kWh	**231,119,409**	**233,355,655**	**233,355,655**
kW from applicable classess	**151,169**	**152,390**	**152,390**

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

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Exhibit 3 Tab 2 Schedule 1

For the purposes of settlement, the Parties agree that the CDM adjustment should be changed from gross to net and the half year rule should be applied to the 2011 and 2013 program results. The CDM adjustment for 2011, 2012 and 2013 CDM programs to the 2013 Test Year load forecast has been allocated to each rate class based on the proportion of the class kWh to the total. This reflects both the move from gross to net and the 2011 and 2013 half year rule. Settlement Table #5: CDM Adjusted Forecast, below provides the CDM impact on billed kW and kWh per customer class. The differences in the Billed Load kWh in Table 5, compared to Table 4 is attributable to the Hydro One LTLT that were added back in.

Settlement Table #5: CDM Adjusted Forecast

	Billed Load Forecast Prior to CDM Adjustment kWh	Billed Load Forecast After CDM Adjustment kWh	CDM Adjustment kWh
Residential	149,060,361	147,773,703	1,286,658
GS<50 kW	31,973,156	31,697,170	275,986
GS>50 kW to 4,999 kW	51,773,902	51,329,341	444,561
Sentinel Lights	105,833	104,942	891
Street Lighting	1,529,715	1,516,831	12,884
Unmetered Scattered Load	592,220	473,131	119,089
Total Billed kWh	235,035,187	232,895,118	2,140,069

	Billed Load Forecast Prior to CDM Adjustment kW	Billed Load Forecast After CDM Adjustment kW	CDM Adjustment kW
GS<50 kW	148,945	146,480	2,465
Sentinel Lights	294	289	5
Street Lighting	4,471	4,400	71
Total kW	153,710	151,169	2,541

Settlement Table #6: LRAMVA

LRAMVA Calcculation				
2011	2012	2013	2014	Total
6.1%	6.1%	6.1%	5.9%	24.1%
	12.6%	12.6%	12.6%	37.9%
		12.6%	12.6%	25.3%
			12.6%	12.6%
6.1%	18.7%	31.4%	43.8%	100.0%
560,000	560,000	560,000	540,000	2,220,000
	1,163,333	1,163,333	1,163,333	3,490,000
		1,163,333	1,163,333	2,326,667
			1,163,333	1,163,333
560,000	1,723,333	2,886,667	4,030,000	9,200,000
	1,163,333	**2,326,667**		
CDM savings in 2012 and 2013 excluding 2011 results				

Settlement Table #7: LRAMVA By Rate Class

2013 CDM Savings from 2012 and 2013 programs for LRAM variance account by rate class		
	kWh	kW
Residential	1,478,334	
GS<50	317,100	
GS>50	510,788	1,469
Sentinels	1,024	3
Streetlights	14,804	43
USL	4,618	
Total	2,326,667	1,516

3.4 Is the proposed forecast of test year throughput revenue appropriate?

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Exhibit 8 Appendix A

For the purposes of settlement, the Parties agree on the throughput revenue as set out in Appendix M: Throughput Revenue.

3.5 Is the test year forecast of other revenues appropriate?

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Exhibit 3, Tab 1 & Tab 3

For the purposes of settlement, the Parties agree upon Other Distribution Revenue as $536,948 versus the $556,948 set out in the original application.

4. OPERATING COSTS

4.1 Is the overall OM&A forecast for the test year appropriate?

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

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

For the purposes of settlement, the Parties agree the 2013 OM&A for the Test Year should be $4,900,000 (CGAAP), a decrease of $565,072 from the $5,465,072 original Application Filing. The Parties relied on IHDSL's view that it can safely and reliably operate the distribution system based on the total OM&A budget proposed. IHDSL has provided, in Settlement Table #8: OM&A Expense Budget, below a revised OM&A budget based on this proposed total amount. The breakdown of the budget into categories is not intended by the Parties to be in any way a deviation from the normal rule that, once the budget is established, it is up to management to determine through the year how best to spend that budget given the actual circumstances and priorities of the company throughout the test year.

Settlement Table #8: OM&A Expense Budget

	Initial Application	Interrogatories	Settlement Agreement
Operations	$1,423,862	0	$1,234,230
Maintenance	$713,650	0	$506,161
Billing & Collecting	$1,106,020	0	$997,953
Community Relations	$23,900	0	$8,586
Administartive & General	$2,197,640	0	$2,153,070
Total	**$5,465,072**	**0**	**$4,900,000**

4.2 Is the proposed level of depreciation/amortization expense for the test year appropriate?

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Exhibit 2 Tab 2

For the purposes of settlement, the Parties accept the useful lives proposed by IHDSL in Settlement Table #9: Depreciation Useful Lives, below and the depreciation expense reported in the continuity schedules in Appendix B.

As cited in IHDSL's Application, the Applicant adopted revised depreciation periods which were detailed in Exhibit 2, Tab 3, Schedule 5, and Appendix C. The analysis in Exhibit 2, Tab 3, and Schedule 5 provides comparisons to depreciation rates adopted by IHDSL with the typical useful lives as indicated in the Kinectrics Study dated July 8, 2010 which was commissioned by the OEB. IHDSL is implementing this depreciation approach effective from January 1, 2012 and has applied it to both the Bridge Year and Test Year in its evidence. As a result of implementing the changes to extended lives and overhead capitalization policies in 2012, IHDSL is required to record the effect of the changes to PP&E in 2012 in account 1576.

It was agreed by all Parties that IHDSL is operating under CGAAP accounting principles in both the Bridge and Test Year as opposed to Modified IFRS. As a result, it was appropriate to change the deferral account to capture 2012 PP&E adjustments (extended lives and overhead capitalization only) from account 1575 to 1576. As part of the settlement agreement, it was agreed by all Parties that in IHDSL's circumstances the entries to, and clearance of, Account 1576 for PP&E accounting changes in 2012 should mirror the similar entries and clearance in 1575 on conversion to IFRS. This has resulted in the reintroduction of the WACC adjustment, now $40,414 as detailed in Appendix B below. The impacts of account 1576 (reduction in depreciation expense, overhead capitalization and WACC adjustment) will remain in place for four years and will be removed from rates during IHDSL's next Cost of Service Application in 2017.

The inclusion of the WACC adjustment as it relates to account 1576 has been agreed to by all Parties. Should the Board determine that it is not willing to approve this Agreement including the Parties' proposed treatment of Account 1576, this issue is severable from the rest of the Agreement. All Parties agree that, in those circumstances, this issue should be resolved through written submissions.

Settlement Table #9: Depreciation Useful Lives

Capital Assets Useful Life Comparison

USA Account # and Description	OEB Prescribed Useful life	Kinectrics Study Min	Kinectrics Study Typical	Kinectrics Study Max	IHDSL
1808 Buildings and Fixtures	50	50		75	50
1815 Station Equip (above 50kV)	25-40	30			
1820 Station Equip (below 50kV)					
-Transformers	25	30	45	60	45
-Switchgear	25	30	40	60	40
-Switchs	25	30	50	60	50
-Buildings	25	50		75	50
1830 Poles-Wood	25	35	45	75	45
1830 Poles-Concrete	25	50	60	80	60
1835 OH Conductors & Devices	25	50	60	75	60
1840 UG Conduit-Switchgear	25	20	30	45	30
1840 UG Conduit-Ducts & foundatio	25	30	50	80	50
1845 UG Conductors-Primary TR	25	35	40	55	40
1850 Line Transformers	25	30	40	60	40
1855 Services-OH & UG	25	25-35	35-40	40-60	40
1860 Wholesale Meters	25	25-35	25-35	25-35	25
1860 Smart Meters	15	5		20	15
1908 Buildings and Fixtures	50	50		75	50
1915 Office Furniture & Equip	10	5		15	10
1920 Computer Equip Hardware	5	3		5	5
1925 Computer Software	3	2		5	3
1930 Trucks Less Than 3 Tonnes	5	5		10	5
1930 Bucket & Other Large Trucks	10	5		15	10
1935 Stores Equipment	10	5		10	10
1940 Tools, Shop & Garage Equip	10	5		10	10
1945 Measurement & Testing Equip	10	5		10	10
1980 System Supervisor Equip	15	15	20	30	15

4.3 Are the 2013 compensation costs and employee levels appropriate?

Status:	**Complete Settlement**
Supporting Parties:	IHDSL, Energy Probe, SEC, VECC
Evidence:	Application: Exhibit 4 Tab 1 Board Staff IR#28/35 VECC IR#24 Energy Probe IR#19

For the purpose of settlement, the Parties accept that IHDSL's forecasted 2013 Test Year compensation costs and employee levels may be affected by the overall reduction in 2013 Test Year OM&A discussed above in Section 4.1. All Parties accept that the compensation costs and employee levels in the revised OM&A budget are appropriate.

4.4 Is the test year forecast of property taxes appropriate?

Status:	**Complete Settlement**
Supporting Parties:	IHDSL, Energy Probe, SEC, VECC
Evidence:	Application: N/A

IHDSL has included 12,500 in property taxes payable in the 2013 Test Year. For the purpose of settlement, the Parties accept that the amount is appropriate.

4.5 Is the test year forecast of PILs appropriate?

Status:	**Complete Settlement**
Supporting Parties:	IHDSL, Energy Probe, SEC, VECC
Evidence:	Application: Exhibit 4 Tab 1 Schedule 8 Exhibit 4 Appendix E Energy Probe 22 Energy Probe 30b

For the purpose of settlement, the Parties accept IHDSL's 2013 Test Year PILs forecast of $0.0 as set out in Appendix F to this Settlement Agreement. Please see Appendix F – 2013 PILs (Updated), for additional details.

5. CAPITAL STRUCTURE AND COST OF CAPITAL

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

Status:	**Complete Settlement**
Supporting Parties:	IHDSL, Energy Probe, SEC, VECC
Evidence:	Application: Exhibit 5 Tab 1

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

Settlement Table #10: Deemed Capital Structure for 2013

Deemed Capital Structure for 2013

Description	$	% of Rate Base	Rate of Return	Return
Long Term Debt	18,076,534	56.00%	4.36%	788,889
Unfunded Short Term D	1,291,181	4.00%	2.07%	26,727
Total Debt	19,367,715	60.00%		815,617
Common Share Equity	12,911,810	40.00%	8.98%	1,159,481
Total equity	12,911,810	40.00%		1,159,481
Total Rate Base	32,279,524	100.00%	6.12%	1,975,097

5.2 Is the proposed long term debt rate appropriate?

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Exhibit 5 Tab 1

For the purposes of settlement, the Parties accept IHDSL's long term debt rate of 4.36%. The calculation of the long term debt rate is set out in Appendix E to this Agreement.

The Parties agree on the following changes with respect to debt rates.

- Debenture interest rate is now 6.26% changed from 9.75%. The 6.25% debt rate was calculated based on "refinancing" the principal amounts owing on the debenture at the rate of 4.12%. The average of the 9.75% and the 4.12% for the remaining years averaged 6.26%.

- Short term debt rate changed to 2.07%

- Long term debt rate 4.36%

6. STRANDED METERS

6.1 Is the proposal related to Stranded Meters appropriate?

Status:	**Complete Settlement**
Supporting Parties:	IHDSL, Energy Probe, SEC, VECC
Evidence:	Application: Exhibit 2, Tab 3, Schedule 6

The Parties have agreed for the purposes of settlement, that IHDSL has appropriately calculated the Stranded Meter Net Book Value as $359,195. It is to be noted that IHDSL submitted an incorrect NBV of $334,628 in the Smart Meter Prudence Review EB-2011-0435 which was noted by the Board in the Decision and Order. The Parties further agreed on the allocation methodology utilized to calculate the Stranded Meter Rate Rider. IHDSL utilized an actual stranded meter asset listing to determine the allocation to the Residential and GS< 50 kWh rate classes. The proposed SME Rate Riders are reflected in the following table.

IHDSL Stranded Meter Calculation and Proposed Rate Rider

Capital Cost	$	1,697,156
Accumulated Depreciation (to 31-Dec-2011)	$	1,281,252
2012 Depreciation	$	42,532
2013 Depreciation	$	14,177
Net Book Value:	**$**	**359,195**

Net Book Value Segregated by Rate Class:	Residential	GS <50 kW	Total
	$ 282,074	$ 77,121	**$359,195**
Allocated Weighting Based on Stranded Meters	78.5%	21.5%	**100%**
Number of Metered Customers:	14189	910	**15,099**
Rate Rider to Recover Stranded Meter Costs:	**$ 0.83**	**$ 3.53**	
Recovery period (years):	**2**	**2**	

Settlement Table #11: Stranded Meter Customer Class Rate Rider

Appendix 2-S
Stranded Meter Treatment

Year	Notes	Gross Asset Value	Accumulated Amortization	Contributed Capital (Net of Amortization)	Net Asset	Proceeds on Disposition	Residual Net Book Value
		(A)	(B)	(C)	(D) = (A) - (B) - (C)	(E)	(F) = (D) - (E)
2006					$ -		$ -
2007					$ -		$ -
2008					$ -		$ -
2009	Actual	$ 1,270,515	$ 1,068,807		$ 201,708		$ 201,708
2010	Actual	$ 426,641	$ 181,320		$ 245,321		$ 245,321
2011	Actual		$ 31,125		-$ 31,125		-$ 31,125
2012	Forecast		$ 42,532		-$ 42,532		-$ 42,532
2013	Forecast		$ 14,177		-$ 14,177		-$ 14,177
as at 12/31/11		$ 1,697,156	$ 1,281,252				
					$ 359,195		$ 359,195

7. COST ALLOCATION

7.1 Is IHDSL's cost allocation appropriate

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Exhibit 7
VECC IR#51,52
Energy Probe IR#26

For the purposes of settlement, the Parties agree that revenue-to-cost ratios for the 2013 Test Year, reflecting the agreed-upon 2013 Test Year Revenue Requirement, will be as set out in Settlement Table #12: 2013 Test Year Revenue to Cost Ratios, below.

Settlement Table #12: 2013 Test Year Revenue to Cost Ratios

Cost Allocation Based Calculations

Class	Revenue Requirement - 2013 Cost Allocation Model - Line 40 from O1 in CA	2013 Base Revenue Allocated based on Proportion of Revenue at Existing Rates	Miscellaneous Revenue Allocated from 2013 Cost Allocation Model - Line 19 from O1 in CA	Total Revenue	Revenue Cost Ratio	Check Revenue Cost Ratios from 2013 Cost Allocation Model - Line 75 from O1 in CA	Proposed Revenue to Cost Ratio	Proposed Revenue	Miscellaneous Revenue	Proposed Base Revenue
Residential	6,624,915	5,948,845	451,497	6,400,342	96.6%	96.6%	97.7%	6,471,310	451,497	6,019,813
GS < 50 kW	579,590	613,448	34,528	647,975	111.8%	111.8%	111.8%	647,976	34,528	613,448
GS >50 to 4999 kW	461,495	631,886	15,792	647,678	140.3%	140.3%	120.0%	553,794	15,792	538,002
Sentinel Lights	48,921	29,772	3,064	32,836	67.1%	67.1%	97.7%	47,796	3,064	44,732
Street Lighting	396,836	328,733	30,538	359,271	90.5%	90.5%	97.7%	387,709	30,538	357,172
Unmetered and Scattered	15,862	37,987	1,530	39,517	249.1%	249.1%	120.0%	19,034	1,530	17,504
TOTAL	**8,127,620**	**7,590,671**	**536,948**	**8,127,619**				**8,127,619**	**536,948**	**7,590,671**

The revenue to cost ratios above include the following adjustments,

- Adjustment of directly allocated metering costs to the GS>50 to 4,999 class of $5,100
- Adjustment to weighting factors to correctly distribute allocation across all remaining rate classes

Rate Class	Residential	GS<50	GS>50	Street Lights	Sentinal Lights	USL	Total	
# Customers	14,176	907	66	5	238	10	15,402	
# Connections				2,880	238	77		
5315 - Customer Billing	92.04%	5.89%	0.43%	0.03%	1.54%	0.06%	100.00%	$480,600.00
5320 - Customer Billing	1.00	0.15	0.15	0	0	0	1.30	$340,820.00
% of 5315	$442,351.90	$28,313.16	$2,053.40	$156.02	$7,413.47	$312.04	$480,600.00	
% of 5320	$262,169.24	$39,325.38	$39,325.38				$340,820.00	
Revised Tot of 5315 & 5320	$704,521.14	$67,638.54	$41,378.78	$156.02	$7,413.47	$312.04	$821,420.00	
	85.77%	8.23%	5.04%	0.02%	0.90%	0.04%	100.00%	
Weighting Factors - Appl	1.00	0.10	0.06	0.00	0.01	0.00		
Bills from CA	170,270	10,916	794	60	2,848	120		
Cost per Bill	$4.14	$6.20	$52.13	$2.60	$2.60	$2.60		
Revised Weighting Factor	1.00	1.50	12.60	0.63	0.63	0.63	-	

The Cost Allocation Sheet O1 has been enclosed in Appendix K.

7.2 Are the proposed revenue-to-cost ratios for each class appropriate?

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Exhibit 7

For the purposes of settlement, the Parties accept the revenue-to-cost ratios for the 2013 Test Year, as set out under issue 7.1, above, and that no further adjustments will be required from 2014-2016 as part of this Agreement. The Parties acknowledge that IHDSL's revenue to cost ratios remain subject to further Board policy changes of general application over this period.

8. RATE DESIGN

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

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Exhibit 8 Tab 1
Energy Probe IR#27/28
SEC IR#19

For the purposes of settlement, the Parties accept the current fixed-variable splits for each class presented in Settlement Table #13: Fixed Charge Analysis, below.

Settlement Table #13: Fixed Charge Analysis

Fixed Charge Analysis

Customer Class	Current Volumetric Split	Current Fixed Charge Spilt	Total	Fixed Rate Based on Current Fixed/Variable Revenue Proportions	2012 Rates From OEB Approved Tariff	Minimum System with PLCC Adustment (Ceiling Fixed Charge From Cost Allocation Model)
Residential	43.69%	56.31%	100.00%	19.91	21.08	25.88
GS < 50 kW	41.58%	58.42%	100.00%	32.83	35.18	31.14
GS >50 to 4999 kW	62.41%	37.59%	100.00%	254.77	320.64	144.98
Sentinel Lights	31.80%	68.20%	100.00%	10.71	7.64	17.05
Street Lighting	46.95%	53.05%	100.00%	5.47	5.39	12.91
Unmetered and Scattered	46.18%	53.82%	100.00%	10.11	23.51	11.54
TOTAL						

The Parties agree that the Proposed Fixed Rate for the GS>50 to 4,999 rate class will equal the minimum PLCC of $144.98. The fixed and variable rates are set out in Settlement Table #14: 2013 Base Revenue Distribution Rates, below.

Settlement Table #14: 2013 Base Revenue Distribution Rates

Distribution Rate Allocation Between Fixed & Variable Rates For 2013 Test Year

Customer Class	Total Net Rev. Requirement	Rev Requirement %	Proposed Fixed Rate	Proposed Variable Rate	Total Fixed Revenue	Total Variable Revenue	Transformer Allowance	Gross Distribution Revenue	LV & Wheeling Charges	Total
Residential	6,019,813	79.31%	19.91	$0.0178	$ 3,389,586	$ 2,630,227		6,019,813	358,396	6,378,209
GS < 50 kW	613,448	8.08%	32.83	$0.0080	$ 358,382	$ 255,066		613,448	71,641	685,089
GS >50 to 4999 kW	538,002	7.09%	144.98	$2.9773	$ 115,072	$ 422,930	$ 16,715	554,717	80,105	634,822
Sentinel Lights	44,732	0.59%	10.71	$48.7891	$ 30,508	$ 14,224		44,732	271	45,003
Street Lighting	357,172	4.71%	5.47	$37.8268	$ 189,480	$ 167,692		357,172	2,777	359,948
Unmetered and Scattered	17,504	0.23%	10.11	$0.0170	$ 9,421	$ 8,083		17,504	1,070	18,574
TOTAL	**7,590,671**	**100.00%**			**$ 4,092,450**	**$ 3,498,222**	**$ 16,715**	**$ 7,607,386**	**$ 514,260**	**$ 8,121,646**

8.2 Are the proposed retail transmission service rates (“RTSR”) appropriate?

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Appendix 8 Appendix B
Revised RTSR Workform

For the purposes of settlement the Parties agree that the Retail Transmission Service Rates (“RTSRs”), should be updated for the Uniform Transmission Rates issued by the Board on December 20, 2012 in EB-2012-0031, are appropriate, and are as set out in Settlement Table #15: RTSR Network and RTSR Connection Rates, below.

Settlement Table #15: RTSR Network and RTSR Connection Rates

Rate Class	Unit	Proposed RTSR Network		Proposed RTSR Connection	
Residential	kWh	$	0.0061	$	0.0044
General Service Less Than 50 kW	kWh	$	0.0055	$	0.0041
General Service 50 to 4,999 kW	kW	$	2.2449	$	1.5804
General Service 50 to 4,999 kW – Interval Metered	kW	$	2.1743	$	2.3174
Unmetered Scattered Load	kWh	$	0.0055	$	0.0041
Sentinel Lighting	kW	$	1.7016	$	1.8112
Street Lighting	kW	$	1.6930	$	1.2216

8.3 Are the proposed loss factors appropriate?

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Exhibit 8 Tab 1 Schedule 5

For the purposes of settlement, the Parties accept the Distribution Loss Factor of 1.0464 calculated using a 3 year average for the period 2009 to 2011 inclusive as shown in Settlement Table #16: Loss Factors, below. The resulting TLF is 1.0723 and DLF is 1.0464.

Settlement Table #16: Loss Factors

Appendix 2-R
Loss Factors

		Historical Years					5-Year Average	3-Year Average
		2007	2008	2009	2010	2011		
	Losses Within Distributor's System							
A(1)	"Wholesale" kWh delivered to distributor (higher value)	241,154,636	245,623,028	247,239,189	250,239,379	246,758,167	246,202,880	248,078,912
A(2)	"Wholesale" kWh delivered to distributor (lower value)	235,121,981	240,965,463	240,653,353	244,035,081	240,111,859	240,177,547	241,600,098
B	Portion of "Wholesale" kWh delivered to distributor for its Large Use Customer(s)						-	
C	Net "Wholesale" kWh delivered to distributor = **A(2) - B**	235,121,981	240,965,463	240,653,353	244,035,081	240,111,859	240,177,547	241,600,098
D	"Retail" kWh delivered by distributor	224,169,495	226,442,150	229,263,240	231,788,047	231,635,167	228,659,620	230,895,485
E	Portion of "Retail" kWh delivered by distributor to its Large Use Customer(s)						-	
F	Net "Retail" kWh delivered by distributor = **D - E**	224,169,495	226,442,150	229,263,240	231,788,047	231,635,167	228,659,620	230,895,485
G	Loss Factor in Distributor's system = **C / F**	1.0489	1.0641	1.0497	1.0528	1.0366	1.0504	1.0464
	Losses Upstream of Distributor's System							
H	Supply Facilities Loss Factor	1.026	1.019	1.027	1.025	1.028	1.025	1.025
	Total Losses							
I	Total Loss Factor = **G x H**	1.0761	1.0844	1.0780	1.0792	1.0656	1.0766	1.0723

9. DEFERRAL AND VARIANCE ACCOUNTS

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

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Exhibit 9

For the purposes of settlement, the Parties agree that the account balances, cost allocation methodology and disposition period for the deferral and variance accounts as presented in the evidence cited above, adjusted for the matters discussed below, are appropriate.

- The Parties have agreed for the purposes of settlement, that IHDSL has appropriately calculated the Stranded Meter Net Book Value as $359,195. It is to be noted that IHDSL submitted an incorrect NBV of $334,628 in the Smart Meter Prudence Review EB-2011-0435 which was noted by the Board in the Decision and Order. The Parties further agreed on the allocation methodology utilized to calculate the Stranded Meter Rate Rider. IHDSL utilized actual stranded meter asset costs to determine the allocation to the Residential and GS< 50 kWh rate classes. The proposed Stranded Meter Rate Riders in the amount of $0.83 per metered Residential customer, per month and $3.53 per General Service < 50 kW customer, per month over a two year period commencing May 1, 2013 have been reflected in IHDSL's Proposed Tariff of Charges and Rates.

- The Parties agree to the disposition of account 1508 sub-account Deferred IFRS Transition Costs for a value of $308,464 on an interim basis. The disposition of sub account 1508 will be subject to a full prudence in the 1st COS application following IHDSL's transition to IFRS. The DVA amount is included in the Group 2 accounts with a requested 1 year disposition as per IHDSL's original submission.

- The Parties agree for the purposes of settlement, the balances of the deferral and variance accounts for disposal will include the interest accrued until April 30, 2013.

- The Parties agree that IHDSL should use account 1576 (1575 original application) to record the adjustment to PP&E accounts as a result of IHDSL adopting accounting policy changes for depreciation effective January 1, 2012. The balance agreed upon for disposition is $660,495. The balance of $660,495 will be returned to customers over a four year period commencing May 1, 2013 as a reduction to depreciation expense, in accordance with the APH FAQ July 2012 #2 as the guidance for the treatment of Account 1576. The yearly reduction to depreciation expense of $165,124 is detailed in Appendix B below. Although not included in the amount recorded in deferral account 1576, the Parties agree to include a WACC adjustment of $40,414 (6.12% of $660,495) in the determination of rates. This deferral account is not subject to interest.

- The Parties agree that IHDSL will recalculate the DVA riders based on the updated amount of $(450,953) calculated to April 30, 2013 as per Board Staff IR 60e and Table 9.5.

- The Parties agree to the disposition of all other Group 1 and Group 2 accounts "on a final basis" as proposed in IHDSL's original Application with the exception of Account 1508-Sub-account Deferred IFRS Transition Costs.

Settlement Table #18: Group 1 & Group 2 Deferral and Variance Accounts, below summarizes the Parties' agreement with respect to the disposal of the balances of the accounts:

Settlement Table #17: Group 1 & Group 2 Deferral and Variance Accounts

Group 1 Accounts	**Account Number**	**Principal Balance**	**Interest Balance**	**Total Claim**
LV Variance Account	1550	-$ 46,364	$ 1,672	-$ 44,692
RSVA-Wholesale Market Service Charge	1580	-$ 291,192	-$ 5,869	-$ 297,061
RSVA-Retail Transmission Network	1584	-$ 20,724	$ 714	-$ 20,010
RSVA-Retail Transmission Connection	1586	-$ 99,359	-$ 1,689	-$ 101,048
RSVA-Power (excl Global Adjustment)	1588	-$ 248,519	-$ 5,052	-$ 253,571
RSVA-Power Global Adjustment	1588	$ 441,977	$ 16,132	$ 458,109
Recovery of Regulatory Asset Balances	1595	-$ 7,183	-$ 87,009	-$ 94,192
Group 1 Sub total		**-$ 271,364**	**-$ 81,101**	**-$ 352,465**
Group 2 Accounts				
Sub Acct Deferred IFRS Transition Costs	1508	$ 299,035	$ 9,429	$ 308,464
Retail Cost Variance Account	1518	$ 32,409	-$ 1,072	$ 31,337
Retail Cost Variance Account - STR	1548	$ 71,664	$ 13,974	$ 85,638
RSVA - One Time	1582	$ 71,180	$ 11,961	$ 83,141
Other Deferred Credits	2425	-$ 96,053	-$ 2,729	-$ 98,782
HST/OVAT Input Tax Credits (ITCs)	1592	-$ 50,177	$ -	-$ 50,177
Group 2 Sub total		**$ 328,058**	**$ 31,563**	**$ 359,621**
Group 1 & Group 2 Total		**$ 56,694**	**-$ 49,538**	**$ 7,156**

Settlement Table #18: Group 1 & Group 2 DVA Disposition Amounts Excluding Global Adjustment

Group 1 Accounts	Account Number	Principal Balance	Interest Balance	Total Claim
LV Variance Account	1550	-$ 46,364	$ 1,672	-$ 44,692
RSVA-Wholesale Market Service Charge	1580	-$ 291,192	-$ 5,869	-$ 297,061
RSVA-Retail Transmission Network	1584	-$ 20,724	$ 714	-$ 20,010
RSVA-Retail Transmission Connection	1586	-$ 99,359	-$ 1,689	-$ 101,048
RSVA-Power (excl Global Adjustment)	1588	-$ 248,519	-$ 5,052	-$ 253,571
Recovery of Regulatory Asset Balances	1595	-$ 7,183	-$ 87,009	-$ 94,192
Sub Acct Deferred IFRS Transition Costs	1508	$ 299,035	$ 9,429	$ 308,464
Retail Cost Variance Account	1518	$ 32,409	-$ 1,072	$ 31,337
Retail Cost Variance Account - STR	1548	$ 71,664	$ 13,974	$ 85,638
RSVA - One Time	1582	$ 71,180	$ 11,961	$ 83,141
Other Deferred Credits	2425	-$ 96,053	-$ 2,729	-$ 98,782
HST/OVAT Input Tax Credits (ITCs)	1592	-$ 50,177	$ -	-$ 50,177
Group 1 & Group 2 Total		**-$ 385,283**	**-$ 65,670**	**-$ 450,953**

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

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

Evidence: Application: Exhibit 9

For the purposes of settlement, the Parties accept the proposed rate riders to dispose of those account balances that are the subject of disposition at this time on a final basis with the exception of Account 1508-Sub-account Deferred IFRS Transition Costs. The Parties agree to a disposition period of 12 months as per IHDSL's original application. As noted in section 6.1 above, the Parties agree, for the purposes of settlement that the Stranded Meter recovery period will be over 2 years, commencing May 1, 2013.

All Parties agree that the disposition period of 12 months will be the period of May 1, 2013 to April 30, 2014. In the event the necessary riders cannot be implemented on May 1, 2013 to April 30, 2014 IHDSL will adjust the quantum of the riders to maintain the same sunset date (April 30, 2014) or make whatever alternative adjustment the Board may require. Settlement Table #19: Deferral and Variance Account Disposition Balances below reflects the balances of the accounts being disposed.

Settlement Table #19: Deferral and Variance Account Disposition Rate Riders

Settlement Table #19: Deferral and Variance Account Disposition Rate Riders below reflects the rate riders for disposition over a period of 12 months.

Rate Rider Calculation for Deferral / Variance Accounts Balances (excluding Global Adj.)

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Balance (excluding 1588 sub-account)	Rate Rider for Deferral/Variance Accounts	
Residental	kWh	155,528,870	-$ 305,625	- **0.0020**	$/kWh
GS <50	kWh	31,359,068	-$ 61,623	- **0.0020**	$/kWh
GS >50	**kW**	116,345	-$ 79,111	- **0.6800**	**$/kW**
Unmetered Scattered Load	kWh	562,039	-$ 1,104	- **0.0020**	$/kWh
Sentinel Lights	**kW**	344	-$ 243	- **0.7056**	**$/kW**
Street Lighting	**kW**	4,924	-$ 3,247	- **0.6594**	**$/kW**
		-	$ -	-	
Total			**-$ 450,953**		

Rate Rider Calculation for RSVA - Power - Sub-account - Global Adjustment

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Balance of RSVA - Power - Sub-	Rate Rider for RSVA - Power -	
Residental	kWh	19,229,800	$ 118,361	**0.0062**	$/kWh
GS <50	kWh	5,070,679	$ 31,211	**0.0062**	$/kWh
GS >50	**kW**	140,528	$ 299,303	**2.1298**	**$/kW**
Unmetered Scattered Load	kWh	38,352	$ 236	**0.0062**	$/kWh
Sentinel Lights	**kW**	35	$ 76	**2.2100**	**$/kW**
Street Lighting	**kW**	4,319	$ 8,921	**2.0655**	**$/kW**
		-	$ -	-	
Total			**$ 458,109**		

10. GREEN ENERGY ACT PLAN

10.1 Is IHDSL's Green Energy Act Plan, including the Smart Grid component of the plan appropriate?

Status: **Complete Settlement**

Supporting Parties: IHDSL, Energy Probe, SEC, VECC

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

For the purposes of settlement, the Parties accept IHDSL's withdrawal of its basic Green Energy Act Plan requesting a GEA Rate Adder of $0.5233. The projects outlined in the plan were primarily related to smart grid enhancements versus expansions to support distributed generation connections. The 2013 Cost of Service Rate Application does not include any rate riders, capital expenditures, or OM&A costs relating to the Green Energy Act.

Appendix A -- Summary of Significant Changes

	Original Application (A)	Settlement Agreement (B)	Difference (B) - (A)
Rate Base			
Gross Fixed Assets (Average)	$ 64,467,293	$ 58,840,290	$ (5,627,003)
Accumulated Depreciation (Average)	$ (30,319,374)	$ (30,085,791)	$ 233,583
Allowance for Working Capital			
Controllable Expenses	$ 5,477,572	$ 4,912,500	$ (565,072)
Cost of Power	$ 24,238,088	$ 24,462,712	$ 224,624
Working Capital Rate (%)	13.0%	12.0%	1.0%
Utility Income			
Operating Revenues			
Distribution Revenue at Current Rates	$ 8,100,851	$ 8,133,800	$ 32,949
Distribution Revenue at Proposed Rates	$ 8,862,687	$ 7,590,696	$ (1,271,991)
Other Revenue			
Specific Service Charges	$ 154,100	$ 154,100	$ -
Late Payment Charges	$ 113,700	$ 113,700	$ -
Other Distribution Revenue	$ 222,633	$ 252,633	$ 30,000
Other Income and Deductions	$ 66,515	$ 16,515	$ (50,000)
Total Revenue Offsets	$ 556,948	$ 536,948	$ (20,000)
Operating Expenses			
OM&A	$ 5,465,072	$ 4,900,000	$ (565,072)
Depreciaiton/Amortization	$ 1,451,988	$ 1,280,461	$ (171,527)
Property Taxes	$ 12,500	$ 12,500	$ -
Taxes/PILs			
Taxable Income			$ -
Adjustments required to arrive at taxable i	$ (1,246,052)	$ (969,196)	$ 276,856
Utility Income Taxes and Rates:			$ -
Income Taxes (not grossed up)	$ 21,791	$ -	$ (21,791)
Income Taxes (grossed up)	$ 25,788	$ -	$ (25,788)
Federal Tax %	11.0%	0.0%	-11.0%
Provincial Tax %	4.5%	0.0%	-4.5%
Capitalization/Cost of Capital			
Capital Structure:			
Long-term Debt Capitalization Ratio (%)	56.0%	56.0%	0.0%
Short-term Debt Capitalization Ratio (%)	4.0%	4.0%	0.0%
Common Equity Capitalization Ratio (%)	40.0%	40.0%	0.0%
Preferred Shares Capitalization Ratio (%)			
	100.0%	100.0%	0.0%
Cost of Capital			
Long-term Debt Cost Rate (%)	5.11%	4.36%	-0.75%
Short-term Debt Cost Rate (%)	2.08%	2.07%	-0.01%
Common Equity Cost Rate (%)	9.12%	8.98%	-0.14%
Preferred Shares Cost Rate (%)			
Adjustment to Return on Rate Base	$ (42,167.00)	$ (40,414)	$ 1,753.00

Appendix A (Continued): Summary of Significant Changes

Innisfil Hydro Distribution Systems Limited
Summary of Proposed Cumulative Changes

	Exhibit #	Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital Allowance	Amortization	PILs	OM&A	Service Revenue Requirement	Base Revenue Requirement	Gross Revenue Deficiency	Reference
Original Submission		**$1,386,640**	**9.12%**	**$38,010,954**	**$29,715,660**	**$3,863,036**	**$1,611,954**	**$25,788**	**$5,465,072**	**$9,419,635**	**$8,862,687**	**$761,836**	
IR# EP 27d	**4**	$1,386,640	9.12%	$38,010,954	$29,715,660	$3,863,036	$1,611,954	$19,623	$5,465,072	$9,413,470	$8,856,522	$755,671	Ist round IR
Computer Hardward s/b CCA class 50								-$6,165		-$6,165	-$6,165	-$6,165	
IR# Staff 28a	**2**	$1,386,640	9.12%	$38,010,954	$29,715,660	$3,863,036	$1,611,954	$19,623	$5,465,072	$9,455,637	$8,898,689	$797,838	Ist round IR
Removal ROE adj										$42,167	$42,167	$42,167	
IR# Staff 9e	**2**	$1,236,796	9.12%	$33,903,403	$29,715,660	$3,863,036	$1,546,981	$41,182	$5,465,072	$9,148,460	$8,591,512	$490,661	Ist round IR
2012 & 2013 Capital expenditure changes		-$149,844		-$4,107,551			-$64,973	$21,559		-$307,177	-$307,177	-$307,177	
IR# EP 30a	**5**	$1,211,030	8.93%	$33,903,403	$29,715,660	$3,863,036	$1,546,981	$36,455	$5,465,072	$9,117,967	$8,561,019	$460,168	Ist round IR
Rate of return updated to 8.93% from 9.12%		-$25,766	-0.19%					-$4,727		-$30,493	-$30,493	-$30,493	
IR# Staff 67	**5**	$1,217,810	8.98%	$33,903,403	$29,715,660	$3,863,036	$1,546,981	$37,698	$5,465,072	$9,125,991	$8,569,043	$468,192	2nd round IR
Rate of return updated to 8.98% from 8.93%		$6,780	0.05%					$1,243		$8,024	$8,024	$8,024	
IR# Staff 71c	**2**	$1,217,810	8.98%	$33,903,403	$29,715,660	$3,863,036	$1,546,981	$37,698	$5,465,072	$9,126,900	$8,569,952	$469,101	2nd round IR
Updated Appendix B-2012 forecast continuity schedules										$909	$909	$909	
IR# Staff 94a	**4**	$1,217,810	8.98%	$33,903,403	$29,715,660	$3,863,036	$1,546,981	-$35,591	$5,465,072	$9,053,611	$8,546,662	$445,811	2nd round IR
SRED tax credit								-$73,289		-$73,289	-$23,290	-$23,290	
IR# EP 56a	**3**	$1,217,810	8.98%	$33,903,403	$29,715,660	$3,863,036	$1,546,981	-$35,591	$5,465,072	$9,053,611	$8,516,662	$415,811	2nd round IR
Retail Services revenue											-$30,000	-$30,000	
IR# EP 59b	**4**	$1,217,810	8.98%	$33,903,403	$29,715,660	$3,863,036	$1,546,981	-$23,591	$5,465,072	$9,065,611	$8,528,662	$427,811	2nd round IR
Apprendice Tax credit								$12,000		$12,000	$12,000	$12,000	
IR# EP 52	**2**	$1,217,173	8.98%	$33,885,655	$29,579,137	$3,845,288	$1,546,981	-$23,708	$5,465,072	$9,064,330	$8,527,381	$426,530	2nd round IR
RPP & Non RPP update		-$637		-$17,748	-$136,523	-$17,748		-$117		-$1,281	-$1,281	-$1,281	
Adjustment		$1,217,173	8.98%	$33,885,655	$29,579,137	$3,845,288	$1,546,981	$0	$5,465,072	$9,088,038	$8,551,089	$450,238	2nd round IR
Tax adjusted to zero								$23,708		$23,708	$23,708	$23,708	
Settlement Agrrement		$1,159,480	8.98%	$32,279,524	$29,375,212	$3,525,025	$1,280,461	$0	$4,900,000	$8,127,644	$7,590,696	-$543,104	**Settlement**
Proposed at		**$1,159,480**	**8.98%**	**$32,279,524**	**$29,375,212**	**$3,525,025**	**$1,280,461**	**$0**	**$4,900,000**	**$8,127,644**	**$7,590,696**	**-$543,104**	
Change - Proposed vs. Original		**-16%**		**-15%**	**-1%**	**-9%**	**-21%**	**-100%**	**-10%**	**-14%**	**-14%**	**-171%**	
		-$227,160	**0.00%**	**-$5,731,430**	**-$340,448**	**-$338,011**	**-$331,493**	**-$25,788**	**-$565,072**	**-$1,291,991**	**-$1,271,991**	**-$1,304,940**	

Appendix B – Continuity Tables & Transitional PP&E Amounts

CGAAP Fixed Asset Continuity Schedule - unchanged useful lives with removal of TS land

Year 2012

				Cost				Accumulated Depreciation				
CCA Class	OEB	Description	Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
12	1611	Computer Software (Formally known as Account 1925)		$ 363,599	$ 99,903		$ 463,502	-$ 238,982	-$ 103,253		-$ 342,235	$ 121,267
CEC	1612	Land Rights (Formally known as Account 1906)		$ -			$ -	$ -			$ -	$ -
N/A	1805	Land		$ 273,770	$ -	-$ 7,713	$ 266,057	$ -			$ -	$ 266,057
CEC	1806	Land Rights		$ 982,703	-$ 195		$ 982,508	-$ 557,986	-$ 14,935		-$ 572,921	$ 409,587
47	1808	Buildings		$ -			$ -	$ -			$ -	$ -
13	1810	Leasehold Improvements		$ 86,252			$ 86,252	-$ 34,500	-$ 3,450		-$ 37,950	$ 48,302
47	1815	Transformer Station Equipment >50 kV		$ -			$ -	$ -			$ -	$ -
47	1820	Distribution Station Equipment <50 kV		$ 4,358,561	-$ 47,197		$ 4,311,364	-$ 2,322,876	-$ 115,044		-$ 2,437,920	$ 1,873,444
47	1825	Storage Battery Equipment		$ -			$ -	$ -			$ -	$ -
47	1830	Poles, Towers & Fixtures		$ 9,077,888	$ 1,161,036	-$ 127,937	$ 10,110,987	-$ 4,286,653	-$ 288,222	$ 76,342	-$ 4,498,533	$ 5,612,454
47	1835	Overhead Conductors & Devices		$ 13,192,946	$ 1,013,377	-$ 148,437	$ 14,057,886	-$ 7,476,921	-$ 247,207	$ 108,347	-$ 7,615,781	$ 6,442,105
47	1840	Underground Conduit		$ 2,035,571	$ 404,762		$ 2,440,333	-$ 487,767	-$ 89,518		-$ 577,285	$ 1,863,048
47	1845	Underground Conductors & Devices		$ 11,721,156	$ 316,123		$ 12,037,279	-$ 4,339,016	-$ 475,199		-$ 4,814,215	$ 7,223,064
47	1850	Line Transformers		$ 8,602,786	$ 581,801	-$ 108,905	$ 9,075,682	-$ 5,587,946	-$ 354,852	$ 34,551	-$ 5,908,247	$ 3,167,435
47	1855	Services (Overhead & Underground)		$ 4,017,136	$ 221,645		$ 4,238,781	-$ 1,757,180	-$ 165,198		-$ 1,922,378	$ 2,316,403
47	1860	Meters		$ 287,258		-$ 64,327	$ 222,931	-$ 67,036	-$ 8,917	$ 15,339	-$ 60,614	$ 162,317
47	1860	Meters (Smart Meters)		$ 2,162,281	$ 61,343		$ 2,223,624	-$ 327,495	-$ 189,558		-$ 517,053	$ 1,706,571
47	1875	Street Lighting		$ 7,646		-$ 7,646	$ -	-$ 2,670		$ 2,670	$ -	$ -
N/A	1905	Land		$ 201,049			$ 201,049	$ -			$ -	$ 201,049
47	1908	Buildings & Fixtures		$ 739,631	$ 4,457		$ 744,088	-$ 273,912	-$ 29,717		-$ 303,629	$ 440,459
13	1910	Leasehold Improvements		$ -			$ -	$ -			$ -	$ -
8	1915	Office Furniture & Equipment (10 years)		$ 308,655	$ 5,948		$ 314,603	-$ 232,648	-$ 14,760		-$ 247,408	$ 67,195
8	1915	Office Furniture & Equipment (5 years)		$ -			$ -	$ -			$ -	$ -
10	1920	Computer Equipment - Hardware		$ 515,306	$ 143,665	-$ 88,652	$ 570,319	-$ 400,081	-$ 76,124	$ 88,416	-$ 387,789	$ 182,530
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		$ -			$ -	$ -			$ -	$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		$ -			$ -	$ -			$ -	$ -
10	1930	Transportation Equipment		$ 1,174,196	-$ 4,702	-$ 2,000	$ 1,167,494	-$ 460,134	-$ 139,936	$ 2,000	-$ 598,070	$ 569,424
8	1935	Stores Equipment		$ 31,824	$ 4,461		$ 36,285	-$ 18,172	-$ 2,264		-$ 20,436	$ 15,849
8	1940	Tools, Shop & Garage Equipment		$ 487,684	$ 13,151		$ 500,835	-$ 188,237	-$ 36,773		-$ 225,010	$ 275,825
8	1945	Measurement & Testing Equipment		$ 32,997	$ 7,378		$ 40,375	-$ 14,226	-$ 2,856		-$ 17,082	$ 23,293
8	1950	Power Operated Equipment		$ -			$ -	$ -			$ -	$ -
8	1955	Communications Equipment		$ -			$ -	$ -			$ -	$ -
8	1955	Communication Equipment (Smart Meters)		$ -			$ -	$ -			$ -	$ -
8	1960	Miscellaneous Equipment		$ -			$ -	$ -			$ -	$ -
47	1975	Load Management Controls Utility Premises		$ -			$ -	$ -			$ -	$ -
47	1980	System Supervisor Equipment		$ 1,407,393	$ 285,490		$ 1,692,883	-$ 789,059	-$ 98,435		-$ 887,494	$ 805,389
47	1985	Miscellaneous Fixed Assets		$ -			$ -	$ -			$ -	$ -
47	1995	Contributions & Grants		-$ 7,714,946	-$ 1,688,744	$ 39,680	-$ 9,364,010	$ 1,570,218	$ 343,231		$ 1,913,449	-$ 7,450,561
	etc.			$ -			$ -				$ -	$ -
		WIP		$ -	$ 1,288,668		$ 1,288,668				$ -	$ 1,288,668
		Total		**$ 54,353,342**	**$ 3,872,370**	**-$ 515,937**	**$ 57,709,775**	**-$ 28,293,279**	**-$ 2,112,987**	**$ 327,665**	**-$ 30,078,601**	**$ 27,631,174**

10		Transportation
8		Stores Equipment

Less: *Fully Allocated Depreciation*	
Transportation	-$ 139,936
Stranded Meters	$ 42,532
Net Depreciation	-$ 2,015,583

CGAAP Fixed Asset Continuity Schedule - updated useful lives

Year 2012 **Actuals updated useful lives and TS Land removed**

				Cost				Accumulated Depreciation				
CCA Class	**OEB**	**Description**	**Depreciation Rate**	**Opening Balance**	**Additions**	**Disposals**	**Closing Balance**	**Opening Balance**	**Additions**	**Disposals**	**Closing Balance**	**Net Book Value**
12	1611	Computer Software (Formally known as Account 1925)		$ 363,599	$ 99,903		$ 463,502	-$ 238,982	-$ 103,253		-$ 342,235	$ 121,267
CEC	1612	Land Rights (Formally known as Account 1906)		$ -			$ -	$ -			$ -	$ -
N/A	1805	Land		$ 273,770	$ -	-$ 7,713	$ 266,057	$ -			$ -	$ 266,057
CEC	1806	Land Rights		$ 982,703	-$ 195		$ 982,508	-$ 557,986	-$ 14,935		-$ 572,921	$ 409,587
47	1808	Buildings		$ -			$ -	$ -			$ -	$ -
13	1810	Leasehold Improvements		$ 86,252			$ 86,252	-$ 34,500	-$ 51,752		-$ 86,252	$ -
47	1815	Transformer Station Equipment >50 kV		$ -			$ -	$ -			$ -	$ -
47	1820	Distribution Station Equipment <50 kV		$ 4,358,561	-$ 47,197		$ 4,311,364	-$ 2,322,876	-$ 90,740		-$ 2,413,616	$ 1,897,748
47	1825	Storage Battery Equipment		$ -			$ -	$ -			$ -	$ -
47	1830	Poles, Towers & Fixtures		$ 9,077,888	$ 1,161,036	-$ 127,937	$ 10,110,987	-$ 4,286,653	-$ 169,153	$ 76,342	-$ 4,379,464	$ 5,731,523
47	1835	Overhead Conductors & Devices		$ 13,192,946	$ 1,013,377	-$ 148,437	$ 14,057,886	-$ 7,476,921	-$ 168,676	$ 108,347	-$ 7,537,250	$ 6,520,636
47	1840	Underground Conduit		$ 2,035,571	$ 404,762		$ 2,440,333	-$ 487,767	-$ 61,506		-$ 549,273	$ 1,891,060
47	1845	Underground Conductors & Devices		$ 11,721,156	$ 316,123		$ 12,037,279	-$ 4,339,016	-$ 240,015		-$ 4,579,031	$ 7,458,248
47	1850	Line Transformers		$ 8,602,786	$ 581,801	-$ 108,905	$ 9,075,682	-$ 5,587,946	-$ 127,228	$ 34,551	-$ 5,680,623	$ 3,395,059
47	1855	Services (Overhead & Underground)		$ 4,017,136	$ 221,645		$ 4,238,781	-$ 1,757,180	-$ 67,209		-$ 1,824,389	$ 2,414,392
47	1860	Meters		$ 287,258		-$ 64,327	$ 222,931	-$ 67,036	-$ 8,917	$ 15,339	-$ 60,614	$ 162,317
47	1860	Meters (Smart Meters)		$ 2,162,281	$ 61,343		$ 2,223,624	-$ 327,495	-$ 189,558		-$ 517,053	$ 1,706,571
47	1875	Street Lighting		$ 7,646		-$ 7,646	$ -	-$ 2,670		$ 2,670	$ -	$ -
N/A	1905	Land		$ 201,049			$ 201,049	$ -			$ -	$ 201,049
47	1908	Buildings & Fixtures		$ 739,631	$ 4,457		$ 744,088	-$ 273,912	-$ 11,279		-$ 285,191	$ 458,897
13	1910	Leasehold Improvements		$ -			$ -	$ -			$ -	$ -
8	1915	Office Furniture & Equipment (10 years)		$ 308,655	$ 5,948		$ 314,603	-$ 232,648	-$ 14,760		-$ 247,408	$ 67,195
8	1915	Office Furniture & Equipment (5 years)		$ -			$ -	$ -			$ -	$ -
10	1920	Computer Equipment - Hardware		$ 515,306	$ 143,665	-$ 88,652	$ 570,319	-$ 400,081	-$ 76,124	$ 88,416	-$ 387,789	$ 182,530
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		$ -			$ -	$ -			$ -	$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		$ -			$ -	$ -			$ -	$ -
10	1930	Transportation Equipment		$ 1,174,196	-$ 4,702	-$ 2,000	$ 1,167,494	-$ 460,134	-$ 139,936	$ 2,000	-$ 598,070	$ 569,424
8	1935	Stores Equipment		$ 31,824	$ 4,461		$ 36,285	-$ 18,172	-$ 2,264		-$ 20,436	$ 15,849
8	1940	Tools, Shop & Garage Equipment		$ 487,684	$ 13,151		$ 500,835	-$ 188,237	-$ 36,773		-$ 225,010	$ 275,825
8	1945	Measurement & Testing Equipment		$ 32,997	$ 7,378		$ 40,375	-$ 14,226	-$ 2,856		-$ 17,082	$ 23,293
8	1950	Power Operated Equipment		$ -			$ -	$ -			$ -	$ -
8	1955	Communications Equipment		$ -			$ -	$ -			$ -	$ -
8	1955	Communication Equipment (Smart Meters)		$ -			$ -	$ -			$ -	$ -
8	1960	Miscellaneous Equipment		$ -			$ -	$ -			$ -	$ -
47	1975	Load Management Controls Utility Premises		$ -			$ -	$ -			$ -	$ -
47	1980	System Supervisor Equipment		$ 1,407,393	$ 285,490		$ 1,692,883	-$ 789,059	-$ 98,435		-$ 887,494	$ 805,389
47	1985	Miscellaneous Fixed Assets		$ -			$ -	$ -			$ -	$ -
47	1995	Contributions & Grants		-$ 7,714,946	-$ 1,688,744	$ 39,680	-$ 9,364,010	$ 1,570,218	$ 222,877		$ 1,793,095	-$ 7,570,915
	etc.			$ -			$ -				$ -	$ -
		WIP		$ -	$ 1,288,668		$ 1,288,668				$ -	$ 1,288,668
		Total		**$ 54,353,342**	**$ 3,872,370**	**-$ 515,937**	**$ 57,709,775**	**-$ 28,293,279**	**-$ 1,452,492**	**$ 327,665**	**-$ 29,418,106**	**$ 28,291,669**

10		Transportation
8		Stores Equipment

Less: *Fully Allocated Depreciation*

Transportation	-$ 139,936
Stranded Meters	$ 42,532
Net Depreciation	-$ 1,355,088

Year 2013 Updated for 2012 Actual ending balances,2012 TS Land 2013 DS Land removed & $100k of capital expenditures removed

				Cost				Accumulated Depreciation				
CCA Class	OEB	Description	Depreciation Rate	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
12	1611	Computer Software (Formally known as Account 1925)		$ 463,502	$ 278,500		$ 742,002	-$ 342,235	-$ 114,062		-$ 456,297	$ 285,705
CEC	1612	Land Rights (Formally known as Account 1906)		$ -			$ -	$ -	$ -		$ -	$ -
N/A	1805	Land		$ 266,057			$ 266,057	$ -	$ -		$ -	$ 266,057
CEC	1806	Land Rights		$ 982,508			$ 982,508	-$ 572,921	-$ 14,571		-$ 587,492	$ 395,016
47	1808	Buildings		$ -			$ -	$ -	$ -		$ -	$ -
13	1810	Leasehold Improvements		$ 86,252			$ 86,252	-$ 86,252	-$ 3,312		-$ 89,564	-$ 3,312
47	1815	Transformer Station Equipment >50 kV		$ -			$ -	$ -	$ -		$ -	$ -
47	1820	Distribution Station Equipment <50 kV		$ 4,311,364	$ 194,422		$ 4,505,786	-$ 2,413,616	-$ 91,686		-$ 2,505,302	$ 2,000,484
47	1825	Storage Battery Equipment		$ -			$ -	$ -	$ -		$ -	$ -
47	1830	Poles, Towers & Fixtures		$ 10,110,987	$ 1,657,866	-$ 105,000	$ 11,663,853	-$ 4,379,464	-$ 217,592	$ 89,250	-$ 4,507,806	$ 7,156,047
47	1835	Overhead Conductors & Devices		$ 14,057,886	$ 1,780,970	-$ 157,500	$ 15,681,356	-$ 7,537,250	-$ 168,243	$ 133,875	-$ 7,571,618	$ 8,109,738
47	1840	Underground Conduit		$ 2,440,333	$ 38,205		$ 2,478,538	-$ 549,273	-$ 58,875		-$ 608,148	$ 1,870,390
47	1845	Underground Conductors & Devices		$ 12,037,279	$ 169,983	-$ 52,500	$ 12,154,762	-$ 4,579,031	-$ 321,687	$ 44,625	-$ 4,856,093	$ 7,298,669
47	1850	Line Transformers		$ 9,075,682	$ 670,342	-$ 10,500	$ 9,735,524	-$ 5,680,623	-$ 220,282	$ 8,925	-$ 5,891,980	$ 3,843,544
47	1855	Services (Overhead & Underground)		$ 4,238,781	$ 225,017		$ 4,463,798	-$ 1,824,389	-$ 84,340		-$ 1,908,729	$ 2,555,069
47	1860	Meters		$ 222,931			$ 222,931	-$ 60,614	-$ 8,917		-$ 69,531	$ 153,400
47	1860	Meters (Smart Meters)		$ 2,223,624	$ 116,170		$ 2,339,794	-$ 517,053	-$ 152,108		-$ 669,161	$ 1,670,633
47	1875	Street Lighting		$ -			$ -	$ -	$ -		$ -	$ -
N/A	1905	Land		$ 201,049			$ 201,049	$ -	$ -		$ -	$ 201,049
47	1908	Buildings & Fixtures		$ 744,088	$ 35,000		$ 779,088	-$ 285,191	-$ 29,055		-$ 314,246	$ 464,842
13	1910	Leasehold Improvements		$ -			$ -	$ -	$ -		$ -	$ -
8	1915	Office Furniture & Equipment (10 years)		$ 314,603	$ 35,000		$ 349,603	-$ 247,408	-$ 13,606		-$ 261,014	$ 88,589
8	1915	Office Furniture & Equipment (5 years)		$ -			$ -	$ -	$ -		$ -	$ -
10	1920	Computer Equipment - Hardware		$ 570,319	$ 128,000		$ 698,319	-$ 387,789	-$ 61,685		-$ 449,474	$ 248,845
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		$ -			$ -	$ -	$ -		$ -	$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		$ -			$ -	$ -	$ -		$ -	$ -
10	1930	Transportation Equipment		$ 1,167,494	$ 80,000		$ 1,247,494	-$ 598,070	-$ 166,460		-$ 764,530	$ 482,964
8	1935	Stores Equipment		$ 36,285	$ 4,200		$ 40,485	-$ 20,436	-$ 2,410		-$ 22,846	$ 17,639
8	1940	Tools, Shop & Garage Equipment		$ 500,835	$ 20,000		$ 520,835	-$ 225,010	-$ 33,077		-$ 258,087	$ 262,748
8	1945	Measurement & Testing Equipment		$ 40,375	$ 19,000		$ 59,375	-$ 17,082	-$ 3,894		-$ 20,976	$ 38,399
8	1950	Power Operated Equipment		$ -			$ -	$ -	$ -		$ -	$ -
8	1955	Communications Equipment		$ -			$ -	$ -	$ -		$ -	$ -
8	1955	Communication Equipment (Smart Meters)		$ -			$ -	$ -	$ -		$ -	$ -
8	1960	Miscellaneous Equipment		$ -			$ -	$ -	$ -		$ -	$ -
47	1975	Load Management Controls Utility Premises		$ -			$ -	$ -	$ -		$ -	$ -
47	1980	System Supervisor Equipment		$ 1,692,883	$ 266,697		$ 1,959,580	-$ 887,494	-$ 112,927		-$ 1,000,421	$ 959,159
47	1985	Miscellaneous Fixed Assets		$ -			$ -	$ -	$ -		$ -	$ -
47	1995	Contributions & Grants		-$ 9,364,010	-$ 555,506		-$ 9,919,516	$ 1,793,095	$ 266,744		$ 2,059,839	-$ 7,859,677
	etc.			$ -			$ -				$ -	$ -
		WIP		$ 1,288,668	$ 4,000,000		$ 5,288,668				$ -	$ 5,288,668
		Total		**$ 57,709,775**	**$ 9,163,866**	**-$ 325,500**	**$ 66,548,141**	**-$ 29,418,106**	**-$ 1,612,044**	**$ 276,675**	**-$ 30,753,475**	**$ 35,794,666**

10		Transportation
8		Stores Equipment

Less: *Fully Allocated Depreciation*	
Transportation	-$ 166,460
Stranded Meters	
Net Depreciation	-$ 1,445,584

Appendix B – Continuity Tables & Transitional PP&E Amounts-Continued

Appendix B
IHDSL Accounting Change in 2012 and Cost of Service Application in 2013

	2012	2013 Rebasing Year	2014	2015	2016
Basis of Rates	IRM	COS	IRM	IRM	IRM
Forecast vs. Actual Used in COS Application	Forecast	Forecast			
	$	$	$	$	$
PP&E Values assuming previous CGAAP Accounting Polices Continued					
Opening net PP&E	26,060,063				
Additions(excluding WIP)	2,395,430				
Depreciation	-2,112,987				
Closing net PP&E	26,342,506				
PP&E Values assuming Accounting Changes under CGAAP in 2012					
Opening net PP&E	26,060,063				
Additions(excluding WIP)	2,395,430				
Depreciation	-1,452,492				
Closing net PP&E	27,003,001				
Difference in Closing net PP&E, "Previous" CGAAP vs "Changed" CGAAP	-660,495				
Account 1576 - PP&E Changes Under CGAAP					
Opening balance	-	- 660,495	- 495,371	- 330,248	- 165,124
Amounts added in the year	- 660,495				
Sub-total	- 660,495	- 660,495	- 495,371	- 330,248	- 165,124
Amount of amortization, included in depreciation expense - Note 1		165,124	165,124	165,124	165,124
Closing balance in deferral account	- 660,495	- 495,371	- 330,248	- 165,124	-

Effect on Revenue Requirement			**WACC**	6.12%
Annual Depreciation Adjustment	- 165,124	4	**Disposition Period**	**4**
Return on Rate Base Associated with deferred PP&E balance at WACC	- 40,414			
Amount included in Revenue Requirement on rebasing	**- 205,538**			

Appendix C – Cost of Power Calculation (Updated)

2013 Load Foreacst	**kWh**	**kW**	**2011 %RPP**
Residential	148,148,872		88%
General Service < 50 kW	31,781,015		82%
General Service 50 to 4,999 kW	51,329,341	147,666	5%
Street Lighting	1,516,831	4,433	0%
Sentinel Lighting	104,942	292	89%
Unmetered Scattered Load	474,653		89%
TOTAL	**233,355,653**	**152,390**	

Electricity - Commodity RPP	**2013**	**2013 Loss**			
Class per Load Forecast RPP	**Forecasted**	**Factor**	**2013**		
Residential	130,371,007	1.0723	139,796,831	$0.07932	$11,088,685
General Service < 50 kW	26,060,432	1.0723	27,944,602	$0.07932	$2,216,566
General Service 50 to 4,999 kW	2,566,467	1.0723	2,752,023	$0.07932	$218,290
Street Lighting	0	1.0723	0	$0.07932	$0
Sentinel Lighting	93,398	1.0723	100,151	$0.07932	$7,944
Unmetered Scattered Load	422,441	1.0723	452,983	$0.07932	$35,931
TOTAL	**159,513,746**		**171,046,590**		**$13,567,415**

Electricity - Commodity Non-RPP	**2013**	**2013 Loss**			
Class per Load Forecast	**Forecasted**	**Factor**	**2013**		
Residential	17,777,865	1.0723	19,063,204	$0.08001	$1,525,247
General Service < 50 kW	5,720,583	1.0723	6,134,181	$0.08001	$490,796
General Service 50 to 4,999 kW	48,762,874	1.0723	52,288,430	$0.08001	$4,183,597
Street Lighting	1,516,831	1.0723	1,626,497	$0.08001	$130,136
Sentinel Lighting	11,544	1.0723	12,378	$0.08001	$990
Unmetered Scattered Load	52,212	1.0723	55,987	$0.08001	$4,479
TOTAL	**73,841,908**		**79,180,677**		**$6,335,246**

Transmission - Network		**Volume**			
Class per Load Forecast		**Metric**	**2013**		
Residential		kWh	158,860,035	$0.0061	$969,046
General Service < 50 kW		kW	34,078,782	$0.0055	$187,433
General Service 50 to 4,999 kW		kW	147,666	$2.2449	$331,495
Street Lighting		kWh	4,433	$1.6930	$7,505
Sentinel Lighting		kW	292	$1.7016	$496
Unmetered Scattered Load		kW	508,970	$0.0055	$2,799
TOTAL					**$1,498,775**

Transmission - Connection		**Volume**			
Class per Load Forecast		**Metric**	**2013**		
Residential		kWh	158,860,035	$0.0044	$698,984
General Service < 50 kW		kW	34,078,782	$0.0041	$139,723
General Service 50 to 4,999 kW		kW	147,666	$1.0580	$156,230
Street Lighting		kWh	4,433	$1.2216	$5,416
Sentinel Lighting		kW	292	$1.8112	$528
Unmetered Scattered Load		kW	508,970	$0.0041	$2,087
TOTAL					**$1,002,968**

Appendix C – Cost of Power Calculation (Updated) – Cont'd

Wholesale Market Service					
Class per Load Forecast				**2013**	
Residential			158,860,035	$0.0044	$698,984
General Service < 50 kW			34,078,782	$0.0044	$149,947
General Service 50 to 4,999 kW			55,040,453	$0.0044	$242,178
Street Lighting			1,626,497	$0.0044	$7,157
Sentinel Lighting			112,529	$0.0044	$495
Unmetered Scattered Load			508,970	$0.0044	$2,239
TOTAL			**250,227,267**		**$1,101,000**

Rural Rate Assistance					
Class per Load Forecast				**2013**	
Residential			158,860,035	$0.0012	$190,632
General Service < 50 kW			34,078,782	$0.0012	$40,895
General Service 50 to 4,999 kW			55,040,453	$0.0012	$66,049
Street Lighting			1,626,497	$0.0012	$1,952
Sentinel Lighting			112,529	$0.0012	$135
Unmetered Scattered Load			508,970	$0.0012	$611
TOTAL			**250,227,267**		**$300,273**

	2013
SME	$ 142,775
4705-Power Purchased	$19,902,661
4708-Charges-WMS	$1,101,000
4714-Charges-NW	$1,498,775
4716-Charges-CN	$1,002,968
4730-Rural Rate Assistance	$300,273
4750-Low Voltage	$514,260
TOTAL	**24,462,712**

Calcualtion Of SME Charges			
	Customers	**Rate**	
Residential	**14,189**	**0.788**	**134173**
GS<50	**910**	**0.788**	**8602**
			142775

Appendix D – 2013 Customer Load Forecast (Updated)

Innisfil Hydro Forecast for 2013 Rate Application

	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Weather Normal	2013 Weather Normal
Actual kWh Purchases	229,952,804	234,480,796	234,412,600	242,687,328	234,398,899	241,154,636	245,623,028	247,239,189	250,239,379	246,758,167		
Predicted kWh Purchases	231,401,931	234,082,856	232,672,948	243,391,567	234,083,313	241,953,147	243,425,788	246,672,820	247,841,894	251,420,561	254,027,868	256,194,558
% Difference	0.6%	-0.2%	-0.7%	0.3%	-0.1%	0.3%	-0.9%	-0.2%	-1.0%	1.9%		
Billed kWh	202,227,695	213,841,537	214,637,891	225,998,743	219,381,471	219,752,747	226,836,186	229,135,056	231,850,249	233,577,129	232,984,969	233,355,655
By Class												
Residential												
Customers	12,075	12,299	12,539	12,748	12,867	12,991	13,277	13,533	13,651	13,779	13,983	14,189
kWh	138,681,514	147,383,455	148,790,001	154,818,065	149,103,951	148,690,902	149,960,621	150,373,777	148,340,356	150,098,110	148,454,909	148,148,872
GS<50												
Customers	837	852	886	907	797	819	836	855	865	896	903	910
kWh	22,284,840	24,957,359	26,929,694	28,301,933	27,191,374	28,463,422	28,399,681	28,113,433	29,188,874	30,548,695	31,018,083	31,781,015
GS>50												
Customers	71	72	73	72	80	71	73	72	68	67	67	66
kWh	38,854,281	38,763,996	36,303,637	39,824,875	39,830,915	39,320,570	45,269,406	47,473,258	51,128,771	49,921,685	50,498,990	51,329,341
kW	88,878	118,748	112,828	115,611	118,310	116,956	134,693	136,122	144,502	139,425	145,277	147,666
Sentinels												
Connections	177	181	183	189	189	186	186	193	201	225	231	237
kWh	132,459	136,024	135,298	131,643	131,869	126,371	124,212	122,021	116,703	110,241	107,621	104,942
kW	368	378	376	365	367	351	345	339	324	306	299	292
Streetlights												
Connections	2,107	2,196	2,309	2,371	2,371	2,489	2,588	2,625	2,685	2,728	2,807	2,889
kWh	1,171,887	946,633	1,238,708	1,463,209	1,445,518	1,495,947	1,533,899	1,576,912	1,580,058	1,457,369	1,487,664	1,516,831
kW	3,255	3,639	3,745	3,909	4,014	4,153	4,261	4,370	4,389	4,416	4,348	4,433
USL												
Connections	0	0	0	0	90	89	84	83	82	81	79	78
kWh	0	0	0	0	291,777	519,694	508,215	493,680	493,680	489,312	481,432	474,653
Hydro One Load Transfers												
kWh	1,102,714	1,654,070	1,240,553	1,459,018	1,386,067	1,135,841	1,040,153	981,975	1,001,807	951,716	936,271	460,538
Total of Above												
Customer/Connections	15,267	15,600	15,990	16,287	16,394	16,645	17,044	17,361	17,552	17,776	18,070	18,369
kWh	202,227,695	213,841,537	214,637,891	225,998,743	219,381,471	219,752,747	226,836,186	229,135,056	231,850,249	233,577,129	232,984,969	233,816,191
kW from applicable classes	92,500	122,765	116,949	119,885	122,691	121,460	139,299	140,832	149,215	144,148	149,924	152,390
Total from Model												
Customer/Connections	15,267	15,600	15,990	16,287	16,394	16,645	17,044	17,361	17,552	17,776	18,070	18,369
kWh	202,227,695	213,841,537	214,637,891	225,998,743	219,381,471	219,752,747	226,836,186	229,135,056	231,850,249	233,577,129	232,984,969	233,355,655
kW from applicable classes	92,500	122,765	116,949	119,885	122,691	121,460	139,299	140,832	149,215	144,148	149,924	152,390

Appendix E – Debt and Capital Structure (Updated)

Debt & Capital Cost Structure

Weighted Debt Cost

Description	Debt Holder	Affliated with LDC?	Date of Issuance	Principal	Term (Years)	Rate%	Year Applied to	Interest Cost
Note payable	Town of Innisfil	Y	December 31, 2007	2,107,444	3	1.13%	2009	23,829
Denbentures	Town of Innsfil	N	April 1, 1995	5,032,000	20	9.75%	2009	490,620
Bank Loan	Toronto Dominion Bank	N	October 29, 2010	2,096,644	20	1.36%	2010	28,420
Denbentures	Town of Innsfil	N	April 1, 1995	4,382,000		9.75%	2010	427,245
Construction Loan	Infrastructure Ontario	N	April 15, 2010	2,500,000	Demand	1.45%	2010	36,250
Bank Loan	Toronto Dominion Bank	N	October 29, 2010	2,029,826		4.53%	2011	91,951
Denbentures	Town of Innsfil	N	April 1, 1995	3,666,000		9.75%	2011	357,435
Debentures	Infrastructure Ontario	N	August 15, 2011	2,500,000	15	3.91%	2011	97,750
Demand Loan	Toronto Dominion Bank	N	January 1, 2011	4,000,000		2.11%	2011	84,400
Bank Loan	Toronto Dominion Bank	N	October 29, 2010	1,960,178		4.53%	2012	88,796
Denbentures	Town of Innsfil	N	April 1, 1995	2,876,000		9.75%	2012	280,410
Debentures	Infrastructure Ontario	N	August 15, 2011	2,333,333		3.91%	2012	91,233
Commercial Loan	Toronto Dominion Bank	N	March 14, 2012	3,909,391	24	4.05%	2012	158,330
Demand Loan	Toronto Dominion Bank	N	January 1, 2012	3,114,916	Demand	4.50%	2012	140,171
Bank Loan	Toronto Dominion Bank	N	October 29, 2010	1,887,048		4.53%	2013	85,483
Denbentures	Town of Innsfil	N	April 1, 1995	2,005,000		6.26%	2013	125,513
Debentures	Infrastructure Ontario	N	August 15, 2011	2,166,667		3.91%	2013	84,717
Commercial Loan	Toronto Dominion Bank	N	March 14, 2012	3,805,466		4.05%	2013	154,121
Demand Loan	Toronto Dominion Bank	N	January 1, 2013	7,923,198	Demand	4.12%	2013	326,436
								0
								0

2009 Total Long Term Debt	7,139,444	Total Interest Cost for 2009	514,449
		Weighted Debt Cost Rate for 2009	7.21%
2010 Total Long Term Debt	8,978,644	Total Interest Cost for 2010	491,915
		Weighted Debt Cost Rate for 2010	5.48%
2011 Total Long Term Debt	12,195,826	Total Interest Cost for 2011	631,536
		Weighted Debt Cost Rate for 2011	5.18%
2012 Total Long Term Debt	14,193,818	Total Interest Cost for 2012	758,941
		Weighted Debt Cost Rate for 2012	5.35%
2013 Total Long Term Debt	17,787,379	Total Interest Cost for 2013	776,270
		Weighted Debt Cost Rate for 2013	4.36%

Appendix E – Debt and Capital Structure (Updated)

Deemed Capital Structure for 2012

Description	$	% of Rate Base	Rate of Return	Return
Long Term Debt	16,659,272	56.00%	5.23%	870,603
Unfunded Short Term De	1,189,948	4.00%	1.33%	15,826
Total Debt	17,849,221	60.00%		886,429
Common Share Equity	11,899,480	40.00%	8.01%	953,148
Total equity	11,899,480	40.00%		953,148
Total Rate Base	29,748,701	100.00%	6.18%	1,839,578

Deemed Capital Structure for 2013

Description	$	% of Rate Base	Rate of Return	Return
Long Term Debt	18,076,534	56.00%	4.36%	788,889
Unfunded Short Term De	1,291,181	4.00%	2.07%	26,727
Total Debt	19,367,715	60.00%		815,617
Common Share Equity	12,911,810	40.00%	8.98%	1,159,481
Total equity	12,911,810	40.00%		1,159,481
Total Rate Base	32,279,524	100.00%	6.12%	1,975,097

Appendix F – 2013 PILS (Updated)

Innisfil Hydro Distribution Systems Limited
, License Number ED-2002-0520, File Number EB-2012-0139

2012 PILs Schedule

Description	Source or Input	Tax Payable
Accounting Income	Rev Def	2,037,683
Tax Adj to Accounting Income	Rev Def	(923,835)
Taxable Income		**1,113,848**
Combined Income Tax Rate	PILs Rates	26.500%
Total Income Taxes		**295,170**
Investment Tax Credits		50,000
Apprentice Tax Credits		12,000
Other Tax Credits (SBD)		35,000
Total PILs		**198,170**

2012Total Taxes

Description	Tax Payable
Total PILs	198,170
PILs including Capital Taxes	198,170

193927

2013 PILs Schedule

Description	Source or Input	Tax Payable
Accounting Income	Rev Def	1,159,481
Tax Adj to Accounting Income	Rev Def	(1,159,480)
Taxable Income		**0**
Combined Income Tax Rate	PILs Rates	15.500%
Total Income Taxes		**0**
Investment Tax Credits		50,000
Apprentice Tax Credits		(50,000)
Other Tax Credits (SBD)		
Total PILs		**0**

2013 Total Taxes

Description	Tax Payable
Total PILs	0
PILs including Capital Taxes	0

Appendix G – 2013 Cost of Capital (Updated)

Line No.	Particulars	Capitalization Ratio			Cost Rate	Return
		2013 Test				
		(%)		($)	(%)	($)
	Debt					
1	Long-term Debt	56.00%		$18,076,534	4.36%	$788,889
2	Short-term Debt	4.00%	(1)	$1,291,181	2.07%	$26,727
3	**Total Debt**	60.0%		$19,367,715	4.21%	$815,617
	Equity					
4	Common Equity	40.00%		$12,911,810	8.98%	$1,159,481
5	Preferred Shares			$ -		$ -
6	**Total Equity**	40.0%		$12,911,810	8.98%	$1,159,481
7	**Total**	100.0%		$32,279,524	6.12%	$1,975,097

Year 2013

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal ($)	Rate (%) (Note 2)	Interest ($) (Note 1)	
1	Bank Loan	Toronto Dominion Ba	Third-Party	Fixed Rate	29-Oct-10	20	$ 1,887,048	4.53%	$ 85,483.27	
2	Debentures	Town of Innsfil	Third-Party	Fixed Rate	1-Apr-95	20	$ 2,005,000	6.26%	$ 125,513.00	
3	Debentures	Infrastructure Ontario	Third-Party	Fixed Rate	15-Aug-11	15	$ 2,166,667	3.91%	$ 84,716.68	
4	Commercial Loan	Toronto Dominion Ba	Third-Party	Fixed Rate	14-Mar-12	24	$ 3,805,466	4.05%	$ 154,121.37	
5	Demand	Toronto Dominion Ba	Third-Party	Variable Rate	1-Jan-13	Demand	$ 7,923,198	4.12%	$ 326,435.76	
6									$ -	
7									$ -	
8									$ -	
9									$ -	
10									$ -	
11									$ -	
12									$ -	
Total							$ 17,787,379	4.36%	$ 776,270.08	

Appendix H – 2013 Revenue Deficiency (Updated)

Innisfil Hydro Distribution Systems Limited
Revenue Deficiency Determination

Description	2012 Bridge Actual	2013 Test Existing Rates	2013 Test - Required Revenue
Revenue			
Revenue Deficiency			-543,104
Distribution Revenue	8,503,677	8,133,800	8,133,800
Other Operating Revenue (Net)	422,748	536,948	536,948
Total Revenue	**8,926,425**	**8,670,748**	**8,127,644**
Costs and Expenses			
Administrative & General, Billing & Collecting	2,873,762	3,159,607	3,159,607
Operation & Maintenance	1,760,995	1,740,393	1,740,393
Depreciation & Amortization	1,355,556	1,445,585	1,445,585
Amortization PP&E Adjustment		-165,124	-165,124
Return on PP&E Adjustment		-40,414	-40,414
Property Taxes	12,000	12,500	12,500
Deemed Interest	886,429	815,617	815,617
Total Costs and Expenses	**6,888,742**	**6,968,164**	**6,968,164**
Utility Income Before Income Taxes	**2,037,683**	**1,702,584**	**1,159,481**
Income Taxes:			
Corporate Income Taxes	198,170	84,181	0
Total Income Taxes	**198,170**	**84,181**	**0**
Utility Net Income	**1,839,513**	**1,618,403**	**1,159,481**
Income Tax Expense Calculation:			
Accounting Income	2,037,683	1,702,584	1,159,481
Tax Adjustments to Accounting Income	-923,835	-1,159,480	-1,159,480
Taxable Income	**1,113,848**	**543,104**	**0**
Income Tax Expense before credits	**198,170**	**84,181**	**0**
Credits			**0**
Income Tax Expense	198,170	84,181	0
Tax Rate Refecting Tax Credits	17.79%	15.50%	15.50%
Actual Return on Rate Base:			
Rate Base	29,748,701	32,279,524	32,279,524
Interest Expense	886,429	815,617	815,617
Net Income	1,839,513	1,618,403	1,159,481
Total Actual Return on Rate Base	**2,725,942**	**2,434,020**	**1,975,097**
Actual Return on Rate Base	9.16%	7.54%	6.12%
Required Return on Rate Base:			
Rate Base	29,748,701	32,279,524	32,279,524
Return Rates:			
Return on Debt (Weighted)	4.97%	4.21%	4.21%
Return on Equity	8.01%	8.98%	8.98%
Deemed Interest Expense	886,429	815,617	815,617
Return On Equity	953,148	1,159,481	1,159,481
Total Return	**1,839,578**	**1,975,097**	**1,975,097**
Expected Return on Rate Base	6.18%	6.12%	6.12%
Revenue Deficiency After Tax	**-886,365**	**-458,923**	**-0**
Revenue Deficiency Before Tax	**-1,078,190**	**-543,104**	**-0**

Tax Exhibit	**2013**
Deemed Utility Income	1,159,481
Tax Adjustments to Accounting Income	(1,159,480)
Taxable Income prior to adjusting revenue to PILs	**0**
Tax Rate	15.50%
Total PILs before gross up	**0**
Grossed up PILs	**0**

Appendix I – Proposed 2013 Schedule of Rates and Charges (Updated)

Innisfil Hydro Distribution Systems Ltd.
Proposed TARIFF OF RATES AND CHARGES for 2013 EB-2012-0139

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

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, townhouse (freehold or condominium) dwelling units, duplexes or triplexes. Supply will be limited up to a maximum of 200 amp @ 240/120 volt. Further servicing details are available in the utility's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	19.91
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until April 30, 2014	$	0.27
Rate Rider for Smart Meter - Stranded Meter - effective until April 30, 2015	$	0.83
SME Charge - effective until October 31, 2018	$	0.79
Distribution Volumetric Rate	$/kWh	0.0178
Low Voltage Service Rate	$/kWh	0.0022
Rate Rider for Deferral/Variance Account Disposition (2012) - effective until April 30, 2014	$/kWh	(0.0032)
Rate Rider for Deferral/Variance Account Disposition (2013) - effective until April 30, 2014	$/kWh	(0.0020)
Rate Rider for Global Adjustment Account Disposition (2012) - effective until April 30, 2014 applicable only for Non-RPP Customers	$/kWh	(0.0002)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) - effective until April 30, 2014 applicable only for Non-RPP Customers	$/kWh	0.0062
Retail Transmission Rate - Network Service Rate	$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0044

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0044
Rural Rate Protection Charge	$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Innisfil Hydro Distribution Systems Ltd.

Proposed TARIFF OF RATES AND CHARGES for 2013 EB-2012-0139

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

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 750 volts or less whose monthly peak demand is less than or expected to e less than 50kW. Further servicing details are available in the utility's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	32.83
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until April 30, 2014	$	0.92
Rate Rider for Smart Meter - Stranded Meter - effective until April 30, 2015	$	3.53
SME Charge - effective until October 31, 2018	$	0.79
Distribution Volumetric Rate	$/kWh	0.0080
Low Voltage Service Rate	$/kWh	0.0020
Rate Rider for Deferral/Variance Account Disposition (2012) - effective until April 30, 2014	$/kWh	(0.0026)
Rate Rider for Deferral/Variance Account Disposition (2013) - effective until April 30, 2014	$/kWh	(0.0020)
Rate Rider for Global Adjustment Account Disposition (2012) - effective until April 30, 2014 applicable only for Non-RPP Customers	$/kWh	(0.0002)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) - effective until April 30, 2014 applicable only for Non-RPP Customers	$/kWh	0.0062
Retail Transmission Rate - Network Service Rate	$/kWh	0.0055
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0041

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0044
Rural Rate Protection Charge	$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Innisfil Hydro Distribution Systems Ltd.
Proposed TARIFF OF RATES AND CHARGES for 2013 EB-2012-0139

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

GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than, or expected to be equal to or greater than 50kW but less than 5000kW. Further servicing details are available in the utility's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	144.98
Distribution Volumetric Rate	$/kW	2.9773
Low Voltage Service Rate	$/kW	0.7883
Rate Rider for Deferral/Variance Account Disposition (2012) - effective until April 30, 2014	$/kW	(0.7860)
Rate Rider for Deferral/Variance Account Disposition (2013) - effective until April 30, 2014	$/kW	(0.6800)
Rate Rider for Global Adjustment Sub-Account Disposition (2012) - effective until April 30, 2014 applicable only for Non-RPP Customers	$/kW	(0.0632)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) - effective until April 30, 2014 applicable only for Non-RPP Customers	$/kW	2.1298
Retail Transmission Rate - Network Service Rate	$/kW	2.2449
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kW	1.5804
Retail Transmission Rate - Network Service Rate - Interval Metered	$/kW	2.1743
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	$/kW	2.3174

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0044
Rural Rate Protection Charge	$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Innisfil Hydro Distribution Systems Ltd.

Proposed TARIFF OF RATES AND CHARGES for 2013 EB-2012-0139

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

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 240/120 or 120 volts whose monthly peak demand is less than, or expected to be less than, 50kW and the consumption is unmetered. A detailed calculation of the load will be calculated for billing purposes. Further servicing details are available in the utility's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	$	10.11
Distribution Volumetric Rate	$/kWh	0.017
Low Voltage Service Rate	$/kWh	0.0020
Rate Rider for Deferral/Variance Account Disposition (2012) - effective until April 30, 2014	$/kWh	(0.0036)
Rate Rider for Deferral/Variance Account Disposition (2013) - effective until April 30, 2014	$/kWh	(0.0020)
Rate Rider for Global Adjustment Sub-Account Disposition (2012) - effective until April 30, 2014 applicable only for Non-RPP Customers	$/kWh	(0.0002)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) - effective until April 30, 2014 applicable only for Non-RPP Customers	$/kWh	0.0062
Retail Transmission Rate - Network Service Rate	$/kWh	0.0055
Retail Transmission Rate - Line and Transformation Connection Service Rate	$/kWh	0.0041

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0044
Rural Rate Protection Charge	$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Innisfil Hydro Distribution Systems Ltd.

Proposed TARIFF OF RATES AND CHARGES for 2013 EB-2012-0139

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

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Further servicing details are available in the utility's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	$	10.71
Distribution Volumetric Rate	$kW	48.7891
Low Voltage Service Rate	$kW	0.6065
Rate Rider for Deferral/Variance Account Disposition (2012) - effective until April 30, 2014	$kW	(1.3065)
Rate Rider for Deferral/Variance Account Disposition (2013) - effective until April 30, 2014	$kW	(0.7056)
Rate Rider for Global Adjustment Sub-Account Disposition (2012) - effective until April 30, 2014 applicable only for Non-RPP Customers	$kW	2.2100
Rate Rider for Global Adjustment Sub-Account Disposition (2013) - effective until April 30, 2014 applicable only for Non-RPP Customers	$kW	(0.0656)
Retail Transmission Rate - Network Service Rate	$kW	1.7016
Retail Transmission Rate - Line and Transformation Connection Service Rate	$kW	1.8112

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0044
Rural Rate Protection Charge	$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Innisfil Hydro Distribution Systems Ltd.

Proposed TARIFF OF RATES AND CHARGES for 2013 EB-2012-0139

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

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts concerning roadway lighting for a Municipality, Regional Municipality, and/or the Ministry of Transportation. This lighting will be controlled by photocells. The consumption for these customers will be based on the calculated connected load times as established in the approved OEB Street Lighting Load Shape Template. Further servicing details are available in the utility's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	$	5.47
Distribution Volumetric Rate	$kW	37.8713
Low Voltage Service Rate	$kW	1.6331
Rate Rider for Deferral/Variance Account Disposition (2012) - effective until April 30, 2014	$kW	(0.9549)
Rate Rider for Deferral/Variance Account Disposition (2013) - effective until April 30, 2014	$kW	(0.6594)
Rate Rider for Global Adjustment Sub-Account Disposition (2012) - effective until April 30, 2014 applicable only for Non-RPP Customers	$kW	(0.0613)
Rate Rider for Global Adjustment Sub-Account Disposition (2013) - effective until April 30, 2014 applicable only for Non-RPP Customers	$kW	2.0655
Retail Transmission Rate - Network Service Rate	$kW	1.6930
Retail Transmission Rate - Line and Transformation Connection Service Rate	$kW	1.2216

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0044
Rural Rate Protection Charge	$/kWh	0.0012
Standard Supply Service - Administrative Charge (if applicable)	$	0.25

Innisfil Hydro Distribution Systems Ltd.

Proposed TARIFF OF RATES AND CHARGES for 2013 EB-2012-0139

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

microFIT GENERATOR SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's microFIT program and connected to the distributor's distribution system.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	5.40

Innisfil Hydro Distribution Systems Ltd.

Proposed TARIFF OF RATES AND CHARGES for 2013 EB-2012-0139

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

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	$/kW	(0.60)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

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

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

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

Customer Administration		
Arrears Certificate	$	15.00
Easement Letter	$	15.00
Credit reference/credit check (plus credit agency costs)	$	15.00
Account setup charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00
Returned Cheque (plus bank charges)	$	15.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00
Special meter reads	$	30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	$	15.00
Collection of account charge - no disconnection - after regular hours	$	165.00
Disconnect/Reconnect at meter - during regular hours	$	40.00
Disconnect/Reconnect at meter - after regular hours	$	185.00
Disconnect/Reconnect at pole - during regular hours	$	185.00
Disconnect/Reconnect at pole - after regular hours	$	415.00
Install/Remove load control device - during regular hours	$	40.00
Install/Remove load control device - after regular hours	$	185.00
Temporary service install and remove - overhead - no transformer	$	500.00
Temporary service install and remove - underground - no transformer	$	300.00
Temporary service install and remove - overhead - with transformer	$	1,000.00
Specific Charge for access to the power poles - per pole/year	$	22.35

Innisfil Hydro Distribution Systems Ltd.

Proposed TARIFF OF RATES AND CHARGES for 2013 EB-2012-0139

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

RETAIL SERVICE CHARGES (if applicable)

APPLICATION

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

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

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

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

Retail Service Charges refer to service provided by a distributor to retailers or customers related to the supply of competitive electricity.

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

APPLICATION

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

Total Loss Factor - Secondary Metered Customer < 5,000kW	1.0723
Total Loss Factor - Primary Metered Customer < 5,000kW	1.0464

Appendix J - Updated Customer Impact – Residential (Updated)

Appendix 2-W
Bill Impacts

Customer Class: **Residential**

Consumption 800 **kWh** ◉ May 1 - October 31 ○ November 1 - April 30 (Select this radio button for applications filed after Oct 3

	Charge Unit	Current Board-Approved Rate ($)	Current Board-Approved Volume	Current Board-Approved Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
Monthly Service Charge	Monthly	$ 21.0800	1	$ 21.08	$ 19.91	1	$ 19.91	-$ 1.17	-5.55%
Smart Meter Disposition Rider	Monthly	$ 0.2700	1	$ 0.27	$ 0.2700	1	$ 0.27	$ -	0.00%
Stranded Meter Rider	Monthly	$ -	1	$ -	$ 0.8300	1	$ 0.83	$ 0.83	
SMIRR	Monthly	$ 1.8600	1	$ 1.86	$ -	1	$ -	-$ 1.86	-100.00%
SME Charge	Monthly	$ -	1	$ -	$ 0.7900	1	$ 0.79	$ 0.79	
			1	$ -		1	$ -	$ -	
Distribution Volumetric Rate	per kWh	$ 0.0188	800	$ 15.04	$ 0.0178	800	$ 14.24	-$ 0.80	-5.32%
LRAM & SSM Rate Rider	Monthly	$ -	800	$ -	$ -	800	$ -	$ -	
Sub-Total A				$ 38.25			$ 36.04	**-$ 2.21**	**-5.78%**
Deferral/Variance Account Disposition Rate Rider	per kWh	-$ 0.0032	800	-$ 2.56	-$ 0.0052	800	-$ 4.16	-$ 1.60	62.50%
Low Voltage Service Charge	per kWh	$ 0.0022	800	$ 1.76	$ 0.0022	800	$ 1.76	$ -	0.00%
						800	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)				**$ 37.45**			**$ 33.64**	**-$ 3.81**	**-10.17%**
RTSR - Network		$ 0.0052	860	$ 4.47	$ 0.0061	858	$ 5.23	$ 0.76	17.06%
RTSR - Line and Transformation Connection		$ 0.0041	860	$ 3.52	$ 0.0044	858	$ 3.77	$ 0.25	7.09%
Sub-Total C - Delivery (including Sub-Total B)				**$ 45.45**			**$ 42.65**	**-$ 2.80**	**-6.16%**
Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	860	$ 4.47	$ 0.0044	858	$ 3.77	-$ 0.70	-15.57%
Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0011	860	$ 0.95	$ 0.0012	858	$ 1.03	$ 0.08	8.86%
Standard Supply Service Charge	Monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	$ 0.0070	860	$ 6.02	$ 0.0070	858	$ 6.00	-$ 0.01	-0.21%
Energy - RPP - Tier 1		$ 0.0750	0	$ -	$ 0.0750	0	$ -	$ -	
Energy - RPP - Tier 2		$ 0.0880	0	$ -	$ 0.0880	0	$ -	$ -	
TOU - Off Peak		$ 0.0650	550	$ 35.76	$ 0.0650	549	$ 35.69	-$ 0.08	-0.21%
TOU - Mid Peak		$ 0.1000	155	$ 15.47	$ 0.1000	154	$ 15.44	-$ 0.03	-0.21%
TOU - On Peak		$ 0.1170	155	$ 18.10	$ 0.1170	154	$ 18.07	-$ 0.04	-0.21%
Total Bill on RPP (before Taxes)				**$ 57.13**			**$ 53.71**	**-$ 3.42**	**-5.99%**
HST		13%		$ 7.43	13%		$ 6.98	-$ 0.44	-5.99%
Total Bill (including HST)				$ 64.56			$ 60.69	-$ 3.87	-5.99%
Ontario Clean Energy Benefit [1]				-$ 6.46			-$ 6.07	$ 0.39	-6.04%
Total Bill on RPP (including OCEB)				**$ 58.10**			**$ 54.62**	**-$ 3.48**	**-5.99%**
Total Bill on TOU (before Taxes)				**$ 126.47**			**$ 122.90**	**-$ 3.57**	**-2.82%**
HST		13%		$ 16.44	13%		$ 15.98	-$ 0.46	-2.82%
Total Bill (including HST)				$ 142.91			$ 138.88	-$ 4.04	-2.82%
Ontario Clean Energy Benefit [1]				-$ 14.29			-$ 13.89	$ 0.40	-2.80%
Total Bill on TOU (including OCEB)				**$ 128.62**			**$ 124.99**	**-$ 3.64**	**-2.83%**

Loss Factor (%) Current: 7.46% Proposed: 7.23%

Appendix J - Updated Customer Impact - General Service < 50 kW (Updated)

Appendix 2-W
Bill Impacts

Customer Class: **GS< 50 kW**

Consumption 2000 **kWh** ◯ May 1 - October 31 ◯ November 1 - April 30 (Select this radio button for applications filed after

	Charge Unit	Current Board-Approved Rate ($)	Current Board-Approved Volume	Current Board-Approved Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
Monthly Service Charge	Monthly	$ 35.1800	1	$ 35.18	$ 32.83	1	$ 32.83	-$ 2.35	-6.68%
Smart Meter Disposition Rider	Monthly	$ 0.9200	1	$ 0.92	$ 0.9200	1	$ 0.92	$ -	0.00%
Stranded Meter Rider	Monthly	$ -	1	$ -	$ 3.5300	1	$ 3.53	$ 3.53	
SMIRR	Monthly	$ 6.3300	1	$ 6.33	$ -	1	$ -	-$ 6.33	-100.00%
SME Charge	Monthly	$ -	1	$ -	$ 0.7900	1	$ 0.79	$ 0.79	
SMR Charge			1	$ -	$ 3.5300	1	$ 3.53	$ 3.53	
Distribution Volumetric Rate	per kWh	$ 0.0086	2000	$ 17.20	$ 0.0080	2000	$ 16.00	-$ 1.20	-6.98%
LRAM & SSM Rate Rider	Monthly	$ -	2000	$ -	$ -	2000	$ -	$ -	
			2000	$ -		2000	$ -	$ -	
Sub-Total A				$ 59.63			$ 57.60	**-$ 2.03**	**-3.40%**
Deferral/Variance Account Disposition Rate Rider	per kWh	-$ 0.0026	2000	-$ 5.20	$ 0.0007	2000	$ 1.40	$ 6.60	-126.92%
Low Voltage Service Charge	per kWh	$ 0.0020	2000	$ 4.00	$ 0.0020	2000	$ 4.00	$ -	0.00%
Smart Meter Entity Charge						2000	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)				**$ 58.43**			**$ 63.00**	**$ 4.57**	**7.82%**
RTSR - Network		$ 0.0047	2149	$ 10.10	$ 0.0055	2145	$ 11.80	$ 1.69	16.77%
RTSR - Line and Transformation Connection		$ 0.0038	2149	$ 8.17	$ 0.0041	2145	$ 8.79	$ 0.63	7.66%
Sub-Total C - Delivery (including Sub-Total B)				**$ 76.70**			**$ 83.59**	**$ 6.89**	**8.98%**
Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	2149	$ 11.18	$ 0.0044	2145	$ 9.44	-$ 1.74	-15.57%
Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0011	2149	$ 2.36	$ 0.0012	2145	$ 2.57	$ 0.21	8.86%
Standard Supply Service Charge	Monthly	$ 0.2500	1-Jan-00	$ 0.25	$ 0.2500	1-Jan-00	$ 0.25	$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	$ 0.0070	2149	$ 15.04	$ 0.0070	2145	$ 15.01	-$ 0.03	-0.21%
Energy - RPP - Tier 1		$ 0.0750	0	$ -	$ 0.0750	0	$ -	$ -	
Energy - RPP - Tier 2		$ 0.0880	0	$ -	$ 0.0880	0	$ -	$ -	
TOU - Off Peak		$ 0.0650	1375	$ 89.41	$ 0.0650	1373	$ 89.22	-$ 0.19	-0.21%
TOU - Mid Peak		$ 0.1000	387	$ 38.69	$ 0.1000	386	$ 38.60	-$ 0.08	-0.21%
TOU - On Peak		$ 0.1170	387	$ 45.26	$ 0.1170	386	$ 45.17	-$ 0.10	-0.21%
Total Bill on RPP (before Taxes)				**$ 105.53**			**$ 110.86**	**$ 5.33**	**5.05%**
HST		13%		$ 13.72	13%		$ 14.41	$ 0.69	5.05%
Total Bill (including HST)				$ 119.25			$ 125.27	$ 6.02	5.05%
Ontario Clean Energy Benefit [1]				-$ 11.93			-$ 12.53	-$ 0.60	5.03%
Total Bill on RPP (including OCEB)				**$ 107.32**			**$ 112.74**	**$ 5.42**	**5.05%**
Total Bill on TOU (before Taxes)				**$ 278.89**			**$ 283.84**	**$ 4.96**	**1.78%**
HST		13%		$ 36.26	13%		$ 36.90	$ 0.64	1.78%
Total Bill (including HST)				$ 315.14			$ 320.74	$ 5.60	1.78%
Ontario Clean Energy Benefit [1]				-$ 31.51			-$ 32.07	-$ 0.56	1.78%
Total Bill on TOU (including OCEB)				**$ 283.63**			**$ 288.67**	**$ 5.04**	**1.78%**

Loss Factor (%)	7.46%	7.23%

Appendix J - Updated Customer Impact - General Service > 50 kW(Updated)

Customer Class: **General Service Greater Than 50KW**

(●) May 1 - October 31 ( ) November 1 - April 30 (Select this radio button for applications filed after Oc

Consumption 1095000 **kWh** **Consumption** 2500 **KW**

	Charge Unit	Current Board-Approved Rate ($)	Current Board-Approved Volume	Current Board-Approved Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
Monthly Service Charge	Monthly	$ 320.6400	1	$ 320.64	$ 144.98	1	$ 144.98	-$ 175.66	-54.78%
Smart Meter Rate Adder			1	$ -		1	$ -	$ -	
	Monthly	$ -	1	$ -		1	$ -	$ -	
Distribution Volumetric Rate	per kW	$ 2.9751	2500	$ 7,437.75	$ 2.9773	2500	$ 7,443.25	$ 5.50	0.07%
LRAM & SSM Rate Rider	per kW	$ -	2500	$ -		2500	$ -	$ -	
Sub-Total A				$ 7,758.39			$ 7,588.23	**-$ 170.16**	**-2.19%**
Deferral/Variance Account Disposition Rate Rider	per kW	-$ 0.7860	2500	-$ 1,965.00	-$ 1.4660	2500	-$ 3,665.00	-$ 1,700.00	86.51%
Low Voltage Service Charge	per kW	$ 0.7883	2500	$ 1,970.75	$ 0.7883	2500	$ 1,970.75	$ -	0.00%
	Monthly					1	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)				**$ 7,764.14**			**$ 5,893.98**	**-$ 1,870.16**	**-24.09%**
RTSR - Network	per kW	$ 1.9280	2500	$ 4,820.00	$ 2.2449	2500	$ 5,612.25	$ 792.25	16.44%
RTSR - Line and Transformation Connection	per kW	$ 1.4825	2500	$ 3,706.25	$ 1.0580	2500	$ 2,645.00	-$ 1,061.25	-28.63%
Sub-Total C - Delivery (including Sub-Total B)				**$ 16,290.39**			**$ 14,151.23**	**-$ 2,139.16**	**-13.13%**
Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	1176687	$ 6,118.77	$ 0.0044	1174169	$ 5,166.34	-$ 952.43	-15.57%
Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0011	1176687	$ 1,294.36	$ 0.0012	1174169	$ 1,409.00	$ 114.65	8.86%
Standard Supply Service Charge	Monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	$ 0.0070	1176687	$ 8,236.81	$ 0.0070	1174169	$ 8,219.18	-$ 17.63	-0.21%
Energy - RPP - Tier 1		$ 0.0750		$ -	$ 0.0750		$ -	$ -	
Energy - RPP - Tier 2		$ 0.0880		$ -	$ 0.0880		$ -	$ -	
Energy - Commodity COP	per kWh	$ 0.0807	1176687	$ 94,946.87	$ 0.0807	1174169	$ 94,743.66	-$ 203.22	-0.21%
		$ 0.1000		$ -	$ 0.1000		$ -	$ -	
		$ 0.1170		$ -	$ 0.1170		$ -	$ -	
Total Bill on Commodity COP				**$126,887.45**			**$ 123,689.66**	**-$ 3,197.79**	**-2.52%**
HST		13%		$ 16,495.37	13%		$ 16,079.66	-$ 415.71	-2.52%
Total Bill (including HST)				$143,382.82			$ 139,769.32	-$ 3,613.50	-2.52%
Ontario Clean Energy Benefit [1]				-$ 14,338.28			-$ 13,976.93	$ 361.35	-2.52%
Total Bill on TOU (including OCEB)				**$129,044.54**			**$ 125,792.39**	**-$ 3,252.15**	**-2.52%**

Loss Factor (%) 7.4600% 7.2300%

Appendix J - Updated Customer Impact – Unmetered Scattered Load (Updated)

Customer Class: **Unmetered Scattered Load**

(●) May 1 - October 31 ( ) November 1 - April 30 (Select this radio button for applications filed

Consumption 150 **kWh** **Consumption** 1 **KW**

	Charge Unit	Current Board-Approved Rate ($)	Current Board-Approved Volume	Current Board-Approved Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
Monthly Service Charge	Monthly	$ 23.5100	1	$ 23.51	$ 10.11	1	$ 10.11	-$ 13.40	-57.00%
Smart Meter Rate Adder			1	$ -		1	$ -	$ -	
Distribution Volumetric Rate	per kW	$ 0.0396	161	$ 6.38	$ 0.017	161	$ 2.74	-$ 3.64	-57.07%
Sub-Total A				$ 29.89			$ 12.85	**-$ 17.04**	**-57.01%**
Deferral/Variance Account Disposition Rate Rider	per kW	-$ 0.0036	1	-$ 0.00	-$ 0.0056	1	-$ 0.01	-$ 0.00	55.56%
			1	$ -		1	$ -	$ -	
			1	$ -		1	$ -	$ -	
			1	$ -		1	$ -	$ -	
Low Voltage Service Charge	per kW	$ 0.0020	161	$ 0.32	$ 0.0020	1	$ 0.00	-$ 0.32	-99.38%
Smart Meter Entity Charge	Monthly					1	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)				**$ 30.21**			**$ 12.85**	**-$ 17.37**	**-57.48%**
RTSR - Network	per kW	$ 0.0047	161	$ 0.76	$ 0.0055	161	$ 0.89	$ 0.13	17.24%
RTSR - Line and Transformation Connection	per kW	$ 0.0038	161	$ 0.61	$ 0.0041	161	$ 0.66	$ 0.05	8.10%
Sub-Total C - Delivery (including Sub-Total B)				**$ 31.58**			**$ 14.40**	**-$ 17.19**	**-54.42%**
Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	161.19	$ 0.84	$ 0.0044	160.85	$ 0.71	-$ 0.13	-15.57%
Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0011	161.19	$ 0.18	$ 0.0012	160.85	$ 0.19	$ 0.02	8.86%
Standard Supply Service Charge	Monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	$ 0.0070	161.19	$ 1.13	$ 0.0070	160.85	$ 1.13	-$ 0.00	-0.21%
Energy - RPP - Tier 1		$ 0.0750		$ -	$ 0.0750		$ -	$ -	
Energy - RPP - Tier 2		$ 0.0880		$ -	$ 0.0880		$ -	$ -	
Energy - Commodity COP	per kWh	$ 0.0807	161.19	$ 13.01	$ 0.0807	160.85	$ 12.98	-$ 0.03	-0.21%
		$ 0.1000		$ -	$ 0.1000		$ -	$ -	
		$ 0.1170		$ -	$ 0.1170		$ -	$ -	
Total Bill on Commodity COP				**$ 46.98**			**$ 29.65**	**-$ 17.33**	**-36.89%**
HST		13%		$ 6.11	13%		$ 3.85	-$ 2.25	-36.89%
Total Bill (including HST)				$ 53.09			$ 33.51	-$ 19.58	-36.89%
Ontario Clean Energy Benefit [1]				-$ 5.31			-$ 3.35	$ 1.96	-36.91%
Total Bill on TOU (including OCEB)				**$ 47.78**			**$ 30.16**	**-$ 17.62**	**-36.88%**

Loss Factor (%) Current: 7.4600% Proposed: 7.2300%

Appendix J - Updated Customer Impact – Sentinel Lighting (Updated)

Customer Class: **Sentinel Lights**

(●) May 1 - October 31 ( ) November 1 - April 30 (Select this radio button for applications filed after Oc

Consumption 180 **kWh** **Consumption** 1 **KW**

	Charge Unit	Current Board-Approved Rate ($)	Current Board-Approved Volume	Current Board-Approved Charge ($)	Proposed Rate ($)	Proposed Volume	Proposed Charge ($)	Impact $ Change	Impact % Change
Monthly Service Charge	Monthly	$ 7.64	3	$ 22.92	$ 10.71	3	$ 32.14	$ 9.22	40.22%
Smart Meter Rate Adder			1	$ -		1	$ -	$ -	
Distribution Volumetric Rate	per kW	$ 34.80	1	$ 34.80	$ 48.7891	1	$ 48.79	$ 13.99	40.22%
Sub-Total A				$ 57.72			$ 80.93	**$ 23.21**	**40.22%**
Deferral/Variance Account Disposition Rate Rider	per kW	-$ 1.3065	1	-$ 1.31	-$ 2.0121	1	-$ 2.01	-$ 0.71	54.01%
Low Voltage Service Charge	per kW	$ 0.6065	1	$ 0.61	$ 0.6065	1	$ 0.61	$ -	0.00%
Smart Meter Entity Charge	Monthly					1	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)				**$ 57.02**			**$ 79.52**	**$ 22.51**	**39.47%**
RTSR - Network	per kW	$ 1.4614	1	$ 1.46	$ 1.7016	1	$ 1.70	$ 0.24	16.44%
RTSR - Line and Transformation Connection	per kW	$ 1.1699	1	$ 1.17	$ 1.8112	1	$ 1.81	$ 0.64	54.82%
Sub-Total C - Delivery (including Sub-Total B)				**$ 59.65**			**$ 83.03**	**$ 23.39**	**39.21%**
Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	193	$ 1.01	$ 0.0044	193	$ 0.85	-$ 0.16	-15.57%
Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0011	193	$ 0.21	$ 0.0012	193	$ 0.23	$ 0.02	8.86%
Standard Supply Service Charge	Monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	$ 0.0070	193	$ 1.35	$ 0.0070	193	$ 1.35	-$ 0.00	-0.21%
Energy - RPP - Tier 1		$ 0.0750		$ -	$ 0.0750		$ -	$ -	
Energy - RPP - Tier 2		$ 0.0880		$ -	$ 0.0880		$ -	$ -	
Energy - Commodity COP	per kWh	$ 0.0807	193	$ 15.61	$ 0.0807	193	$ 15.57	-$ 0.03	-0.21%
		$ 0.1000		$ -	$ 0.1000		$ -	$ -	
		$ 0.1170		$ -	$ 0.1170		$ -	$ -	
Total Bill on Commodity COP				**$ 78.08**			**$ 101.29**	**$ 23.21**	**29.73%**
HST		13%		$ 10.15	13%		$ 13.17	$ 3.02	29.73%
Total Bill (including HST)				$ 88.23			$ 114.46	$ 26.23	29.73%
Ontario Clean Energy Benefit [1]				-$ 8.82			-$ 11.45	-$ 2.63	29.82%
Total Bill on TOU (including OCEB)				**$ 79.41**			**$ 103.01**	**$ 23.60**	**29.72%**

Loss Factor (%) Current: 7.4600% Proposed: 7.2300%

Appendix J - Updated Customer Impact – Street lighting (Updated)

Customer Class: **Streetlights**

May 1 - October 31 | November 1 - April 30 (Select this radio button for applications filed after Oc

Consumption 108,831 **kWh** | **Consumption** 37 **KW**

	Charge Unit	Current Board-Approved Rate ($)	Volume	Charge ($)	Proposed Rate ($)	Volume	Charge ($)	Impact $ Change	% Change
Monthly Service Charge	Monthly	$ 5.3900	238	$ 1,282.82	$ 5.47	238	$ 1,300.72	$ 17.90	1.40%
Smart Meter Rate Adder			1	$ -		1	$ -	$ -	
Distribution Volumetric Rate	per kW	$ 37.3061	37	$ 1,380.33	$ 37.8268	37	$ 1,399.59	$ 19.27	1.40%
Sub-Total A				$ 2,663.15			$ 2,700.31	**$ 37.16**	**1.40%**
Deferral/Variance Account Disposition Rate Rider	per kW	-$ 0.9549	37	-$ 35.33	-$ 1.6143	37	-$ 59.73	-$ 24.40	69.05%
Low Voltage Service Charge	per kW	$ 1.6331	37	$ 60.42	$ 1.6331	37	$ 60.42	$ -	0.00%
Smart Meter Entity Charge	Monthly					1	$ -	$ -	
Sub-Total B - Distribution (includes Sub-Total A)				**$ 2,688.24**			**$ 2,701.00**	**$ 12.77**	**0.47%**
RTSR - Network	per kW	$ 1.4540	37	$ 53.80	$ 1.6930	37	$ 62.64	$ 8.84	16.44%
RTSR - Line and Transformation Connection	per kW	$ 1.1459	37	$ 42.40	$ 1.2216	37	$ 45.20	$ 2.80	6.61%
Sub-Total C - Delivery (including Sub-Total B)				**$ 2,784.44**			**$ 2,808.85**	**$ 24.41**	**0.88%**
Wholesale Market Service Charge (WMSC)	per kWh	$ 0.0052	116950	$ 608.14	$ 0.0044	116699	$ 513.48	-$ 94.66	-15.57%
Rural and Remote Rate Protection (RRRP)	per kWh	$ 0.0011	116950	$ 128.64	$ 0.0012	116699	$ 140.04	$ 11.39	8.86%
Standard Supply Service Charge	Monthly	$ 0.2500	1	$ 0.25	$ 0.2500	1	$ 0.25	$ -	0.00%
Debt Retirement Charge (DRC)	per kWh	$ 0.0070	116950	$ 818.65	$ 0.0070	116699	$ 816.90	-$ 1.75	-0.21%
Energy - RPP - Tier 1		$ 0.0750		$ -	$ 0.0750		$ -	$ -	
Energy - RPP - Tier 2		$ 0.0880		$ -	$ 0.0880		$ -	$ -	
Energy - Commodity COP	per kWh	$ 0.0807	116950	$ 9,436.68	$ 0.0807	116699	$ 9,416.48	-$ 20.20	-0.21%
		$ 0.1000		$ -	$ 0.1000		$ -	$ -	
		$ 0.1170		$ -	$ 0.1170		$ -	$ -	
Total Bill on Commodity COP				**$ 13,776.80**			**$ 13,695.99**	**-$ 80.81**	**-0.59%**
HST		13%		$ 1,790.98	13%		$ 1,780.48	-$ 10.50	-0.59%
Total Bill (including HST)				$ 15,567.78			$ 15,476.47	-$ 91.31	-0.59%
Ontario Clean Energy Benefit [1]				-$ 1,556.78			-$ 1,547.65	$ 9.13	-0.59%
Total Bill on TOU (including OCEB)				**$ 14,011.00**			**$ 13,928.82**	**-$ 82.18**	**-0.59%**

Loss Factor (%) 7.4600% | 7.2300%

Appendix K – Cost Allocation Sheet O1 (Updated)

Rate Base Assets		Total	1 Residental	2 GS < 50	3 GS 50-4,999 kW	7 Street Light	8 Sentinel Light	9 Unmetered Scattered Load
crev	Distribution Revenue at Existing Rates	$8,133,800	$6,374,498	$657,341	$677,099	$352,255	$31,902	$40,705
mi	Miscellaneous Revenue (mi)	$536,948	$451,497	$34,528	$15,792	$30,538	$3,064	$1,530
		Miscellaneous Revenue Input equals Output						
	Total Revenue at Existing Rates	**$8,670,748**	**$6,825,995**	**$691,869**	**$692,890**	**$382,792**	**$34,966**	**$42,235**
	Factor required to recover deficiency (1 + D)	0.9332						
	Distribution Revenue at Status Quo Rates	$7,590,672	$5,948,846	$613,448	$631,886	$328,733	$29,772	$37,987
	Miscellaneous Revenue (mi)	$536,948	$451,497	$34,528	$15,792	$30,538	$3,064	$1,530
	Total Revenue at Status Quo Rates	**$8,127,620**	**$6,400,343**	**$647,976**	**$647,678**	**$359,271**	**$32,836**	**$39,517**
	Expenses							
di	Distribution Costs (di)	$1,447,707	$1,165,744	$87,477	$87,284	$95,121	$8,375	$3,706
cu	Customer Related Costs (cu)	$1,285,538	$1,092,649	$114,537	$63,266	$6,137	$8,436	$513
ad	General and Administration (ad)	$2,174,155	$1,795,187	$160,236	$119,847	$82,110	$13,364	$3,410
dep	Depreciation and Amortization (dep)	$1,280,461	$1,024,340	$89,530	$74,305	$81,850	$7,284	$3,152
INPUT	PILs (INPUT)	($0)	($0)	($0)	($0)	($0)	($0)	($0)
INT	Interest	$815,606	$652,176	$53,882	$47,087	$55,487	$4,833	$2,141
	Total Expenses	**$7,003,468**	**$5,730,097**	**$505,662**	**$391,789**	**$320,706**	**$42,291**	**$12,924**
	Direct Allocation	**$5,100**	**$0**	**$0**	**$5,100**	**$0**	**$0**	**$0**
NI	Allocated Net Income (NI)	$1,119,052	$894,818	$73,928	$64,606	$76,131	$6,631	$2,938
	Revenue Requirement (includes NI)	$8,127,620	$6,624,915	$579,590	$461,495	$396,836	$48,921	$15,862
		Revenue Requirement Input equals Output						
	Rate Base Calculation							
	Net Assets							
dp	Distribution Plant - Gross	$62,317,422	$49,720,953	$4,036,373	$3,733,722	$4,282,236	$378,851	$165,287
gp	General Plant - Gross	$6,164,632	$4,943,288	$396,823	$349,413	$421,934	$37,015	$16,158
accum dep	Accumulated Depreciation	($30,085,791)	($23,850,477)	($1,974,825)	($1,917,005)	($2,077,322)	($185,191)	($80,970)
co	Capital Contribution	($9,641,763)	($7,814,540)	($563,633)	($509,083)	($669,445)	($60,070)	($24,991)
	Total Net Plant	**$28,754,499**	**$22,999,223**	**$1,894,737**	**$1,657,047**	**$1,957,403**	**$170,606**	**$75,484**

Appendix K – Cost Allocation Sheet O1 (Updated-Continued)

	Directly Allocated Net Fixed Assets	$0	$0	$0	$0	$0	$0	$0
COP	Cost of Power (COP)	$24,459,317	$15,528,316	$3,331,147	$5,380,117	$158,988	$11,000	$49,751
	OM&A Expenses	$4,907,400	$4,053,581	$362,250	$270,397	$183,369	$30,174	$7,630
	Directly Allocated Expenses	$5,100	$0	$0	$5,100	$0	$0	$0
	Subtotal	*$29,371,817*	*$19,581,896*	*$3,693,397*	*$5,655,613*	*$342,356*	*$41,174*	*$57,381*
	Working Capital	$3,524,618	$2,349,828	$443,208	$678,674	$41,083	$4,941	$6,886
	Total Rate Base	$32,279,117	$25,349,051	$2,337,945	$2,335,720	$1,998,485	$175,546	$82,370
		Rate Base Input equals Output						
	Equity Component of Rate Base	$12,911,647	$10,139,620	$935,178	$934,288	$799,394	$70,219	$32,948
	Net Income on Allocated Assets	$1,119,052	$670,246	$142,314	$250,789	$38,565	($9,455)	$26,594
	Net Income on Direct Allocation Assets	$0	$0	$0	$0	$0	$0	$0
	Net Income	$1,119,052	$670,246	$142,314	$250,789	$38,565	($9,455)	$26,594
	RATIOS ANALYSIS							
	REVENUE TO EXPENSES STATUS QUO%	100.00%	96.61%	111.80%	140.34%	90.53%	67.12%	249.13%
	EXISTING REVENUE MINUS ALLOCATED COSTS	$543,128	$201,080	$112,279	$231,395	($14,044)	($13,956)	$26,373
		Deficiency Input equals Output						
	STATUS QUO REVENUE MINUS ALLOCATED COSTS	($0)	($224,572)	$68,385	$186,183	($37,566)	($16,086)	$23,655
	RETURN ON EQUITY COMPONENT OF RATE BASE	8.67%	6.61%	15.22%	26.84%	4.82%	-13.47%	80.71%

Appendix L– Revenue Requirement Work Form (Updated)

Data Input (1)

		Initial Application	(2)	Adjustments		Settlement Agreement	(6)	Adjustments	Per Board Decision
1	**Rate Base**								
	Gross Fixed Assets (average)	$64,467,293		($5,627,003)	(12)	$ 58,840,290			$58,840,290
	Accumulated Depreciation (average)	($30,319,374)	(5)	$233,583	(12)	($30,085,791)			($30,085,791)
	Allowance for Working Capital:								
	Controllable Expenses	$5,477,572		($565,072)		$ 4,912,500			$4,912,500
	Cost of Power	$24,238,088		$224,624	(13)	$ 24,462,712			$24,462,712
	Working Capital Rate (%)	13.00%	(9)			12.00%	(9)		12.00%
2	**Utility Income**								
	Operating Revenues:								
	Distribution Revenue at Current Rates	$8,100,851		$32,949		$8,133,800		$0	$8,133,800
	Distribution Revenue at Proposed Rates	$8,862,687		($1,271,991)		$7,590,696		$0	$7,590,696
	Other Revenue:								
	Specific Service Charges	$154,100		$0		$154,100		$0	$154,100
	Late Payment Charges	$113,700		$0		$113,700		$0	$113,700
	Other Distribution Revenue	$222,633		$30,000		$252,633	(16)	$0	$252,633
	Other Income and Deductions	$66,515		($50,000)		$16,515	(17)	$0	$16,515
	Total Revenue Offsets	$556,948	(7)	($20,000)		$536,948		$0	$536,948
	Operating Expenses:								
	OM+A Expenses	$5,465,072		($565,072)		$ 4,900,000			$4,900,000
	Depreciation/Amortization	$1,451,988	(10)	($171,527)	(12)	$ 1,280,461			$1,280,461
	Property taxes	$12,500				$ 12,500			$12,500
	Other expenses								
3	**Taxes/PILs**								
	Taxable Income:								
	Adjustments required to arrive at taxable income	($1,246,052)	(3)			($969,196)			($969,196)
	Utility Income Taxes and Rates:								
	Income taxes (not grossed up)	$21,791				$ -	(15)		$ -
	Income taxes (grossed up)	$25,788				$ -			$ -
	Federal tax (%)	11.00%				0.00%			0.00%
	Provincial tax (%)	4.50%				0.00%			0.00%
	Income Tax Credits								$ -
4	**Capitalization/Cost of Capital**								
	Capital Structure:								
	Long-term debt Capitalization Ratio (%)	56.0%				56.0%			56.0%
	Short-term debt Capitalization Ratio (%)	4.0%	(8)			4.0%	(8)		4.0%
	Common Equity Capitalization Ratio (%)	40.0%				40.0%			40.0%
	Prefered Shares Capitalization Ratio (%)								
		100.0%				100.0%			100.0%
	Cost of Capital								
	Long-term debt Cost Rate (%)	5.11%				4.36%			4.36%
	Short-term debt Cost Rate (%)	2.08%				2.07%			2.07%
	Common Equity Cost Rate (%)	9.12%				8.98%	(14)		8.98%
	Prefered Shares Cost Rate (%)								
	Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS ($)	($42,167)	(11)	$1,753		($40,414)		$0	($40,414)

Appendix L – Revenue Requirement Work Form (Updated) – Cont'd

Rate Base and Working Capital

Rate Base

Line No.	Particulars		Initial Application	Adjustments		Settlement Agreement	Adjustments	Per Board Decision
1	Gross Fixed Assets (average)	(3)	$64,467,293	($5,627,003)	(4)	$58,840,290	$ -	$58,840,290
2	Accumulated Depreciation (average)	(3)	($30,319,374)	$233,583	(4)	($30,085,791)	$ -	($30,085,791)
3	Net Fixed Assets (average)	(3)	$34,147,919	($5,393,420)		$28,754,499	$ -	$28,754,499
4	Allowance for Working Capital	(1)	$3,863,036	($338,010)		$3,525,025	$ -	$3,525,025
5	**Total Rate Base**		$38,010,954	($5,731,430)		$32,279,524	$ -	$32,279,524

Allowance for Working Capital - Derivation

(1)

Line No.	Particulars		Initial Application	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
6	Controllable Expenses		$5,477,572	($565,072)	$4,912,500	$ -	$4,912,500
7	Cost of Power		$24,238,088	$224,624	$24,462,712	$ -	$24,462,712
8	Working Capital Base		$29,715,660	($340,448)	$29,375,212	$ -	$29,375,212
9	Working Capital Rate %	(2)	13.00%	-1.00%	12.00%	0.00%	12.00%
10	Working Capital Allowance		$3,863,036	($338,010)	$3,525,025	$ -	$3,525,025

Appendix L – Revenue Requirement Work Form (Updated) – Cont'd

Utility Income

Line No.	Particulars		Initial Application	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
	Operating Revenues:						
1	Distribution Revenue (at Proposed Rates)		$8,862,687	($1,271,991)	$7,590,696	$ -	$7,590,696
2	Other Revenue	(1)	$556,948	($20,000)	$536,948	$ -	$536,948
3	Total Operating Revenues		$9,419,635	($1,291,991)	$8,127,644	$ -	$8,127,644
	Operating Expenses:						
4	OM+A Expenses		$5,465,072	($565,072)	$4,900,000	$ -	$4,900,000
5	Depreciation/Amortization		$1,451,988	($171,527)	$1,280,461	$ -	$1,280,461
6	Property taxes		$12,500	$ -	$12,500	$ -	$12,500
7	Capital taxes		$ -	$ -	$ -	$ -	$ -
8	Other expense		$ -	$ -		$ -	
9	Subtotal (lines 4 to 8)		$6,929,560	($736,599)	$6,192,961	$ -	$6,192,961
10	Deemed Interest Expense		$1,119,814	($304,198)	$815,617	$ -	$815,617
11	Total Expenses (lines 9 to 10)		$8,049,374	($1,040,797)	$7,008,578	$ -	$7,008,578
12	Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS		($42,167)	$1,753	($40,414)	$ -	($40,414)
13	**Utility income before income taxes**		$1,412,428	($252,948)	$1,159,480	$ -	$1,159,480
14	Income taxes (grossed-up)		$25,788	($25,788)	$ -	$ -	$ -
15	**Utility net income**		$1,386,640	($227,159)	$1,159,480	$ -	$1,159,480

Notes

Other Revenues / Revenue Offsets

		Initial Application	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
(1)	Specific Service Charges	$154,100	$ -	$154,100	$ -	$154,100
	Late Payment Charges	$113,700	$ -	$113,700	$ -	$113,700
	Other Distribution Revenue	$222,633	$30,000	$252,633	$ -	$252,633
	Other Income and Deductions	$66,515	($50,000)	$16,515	$ -	$16,515
	Total Revenue Offsets	$556,948	($20,000)	$536,948	$ -	$536,948

Appendix L – Revenue Requirement Work Form (Updated) – Cont'd

Taxes/PILs

Line No.	Particulars	Application	Settlement Agreement	Per Board Decision
	Determination of Taxable Income			
1	Utility net income before taxes	$1,386,640	$1,159,481	$1,159,481
2	Adjustments required to arrive at taxable utility income	($1,246,052)	($969,196)	($969,196)
3	Taxable income	$140,588	$190,285	$190,285
	Calculation of Utility income Taxes			
4	Income taxes	$21,791	$ -	$ -
6	Total taxes	$21,791	$ -	$ -
7	Gross-up of Income Taxes	$3,997	$ -	$ -
8	Grossed-up Income Taxes	$25,788	$ -	$ -
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	$25,788	$ -	$ -
10	Other tax Credits	$ -	$ -	$ -
	Tax Rates			
11	Federal tax (%)	11.00%	0.00%	0.00%
12	Provincial tax (%)	4.50%	0.00%	0.00%
13	Total tax rate (%)	15.50%	0.00%	0.00%

Appendix L – Revenue Requirement Work Form (Updated) – Cont'd

Capitalization/ Cost of Capital

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Initial Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	56.00%	$21,286,134	5.11%	$1,088,189
2	Short-term Debt	4.00%	$1,520,438	2.08%	$31,625
3	**Total Debt**	60.00%	$22,806,573	4.91%	$1,119,814
	Equity				
4	Common Equity	40.00%	$15,204,382	9.12%	$1,386,640
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$15,204,382	9.12%	$1,386,640
7	**Total**	100.00%	$38,010,954	6.59%	$2,506,454
		Settlement Agreement			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	56.00%	$18,076,534	4.36%	$788,889
2	Short-term Debt	4.00%	$1,291,181	2.07%	$26,727
3	**Total Debt**	60.00%	$19,367,715	4.21%	$815,617
	Equity				
4	Common Equity	40.00%	$12,911,810	8.98%	$1,159,481
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$12,911,810	8.98%	$1,159,481
7	**Total**	100.00%	$32,279,524	6.12%	$1,975,097
		Per Board Decision			
		(%)	($)	(%)	($)
	Debt				
8	Long-term Debt	56.00%	$18,076,534	4.36%	$788,889
9	Short-term Debt	4.00%	$1,291,181	2.07%	$26,727
10	**Total Debt**	60.00%	$19,367,715	4.21%	$815,617
	Equity				
11	Common Equity	40.00%	$12,911,810	8.98%	$1,159,481
12	Preferred Shares	0.00%	$ -	0.00%	$ -
13	**Total Equity**	40.00%	$12,911,810	8.98%	$1,159,481
14	**Total**	100.00%	$32,279,524	6.12%	$1,975,097

Appendix L – Revenue Requirement Work Form (Updated) – Cont'd

Revenue Deficiency/Sufficiency:

Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application: At Current Approved Rates	Initial Application: At Proposed Rates	Settlement Agreement: At Current Approved Rates	Settlement Agreement: At Proposed Rates	Per Board Decision: At Current Approved Rates	Per Board Decision: At Proposed Rates
1	Revenue Deficiency from Below		$761,836		($543,104)		($543,104)
2	Distribution Revenue	$8,100,851	$8,100,851	$8,133,800	$8,133,800	$8,133,800	$8,133,800
3	Other Operating Revenue Offsets - net	$556,948	$556,948	$536,948	$536,948	$536,948	$536,948
4	**Total Revenue**	$8,657,799	$9,419,635	$8,670,748	$8,127,644	$8,670,748	$8,127,644
5	Operating Expenses	$6,929,560	$6,929,560	$6,192,961	$6,192,961	$6,192,961	$6,192,961
6	Deemed Interest Expense	$1,119,814	$1,119,814	$815,617	$815,617	$815,617	$815,617
7	Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS	($42,167) **(2)**	($42,167)	($40,414) **(2)**	($40,414)	($40,414) **(2)**	($40,414)
8	**Total Cost and Expenses**	$8,007,207	$8,007,207	$6,968,164	$6,968,164	$6,968,164	$6,968,164
9	**Utility Income Before Income Taxes**	$650,592	$1,412,428	$1,702,584	$1,159,480	$1,702,584	$1,159,480
10	Tax Adjustments to Accounting Income per 2013 PILs model	($1,246,052)	($1,246,052)	($969,196)	($969,196)	($969,196)	($969,196)
11	**Taxable Income**	($595,460)	$166,376	$733,388	$190,284	$733,388	$190,284
12	Income Tax Rate	15.50%	15.50%	0.00%	0.00%	0.00%	0.00%
13	**Income Tax on Taxable Income**	($92,296)	$25,788	$ -	$ -	$ -	$ -
14	**Income Tax Credits**	$ -	$ -	$ -	$ -	$ -	$ -
15	**Utility Net Income**	$742,888	$1,386,640	$1,702,584	$1,159,480	$1,702,584	$1,159,480
16	**Utility Rate Base**	$38,010,954	$38,010,954	$32,279,524	$32,279,524	$32,279,524	$32,279,524
17	Deemed Equity Portion of Rate Base	$15,204,382	$15,204,382	$12,911,810	$12,911,810	$12,911,810	$12,911,810
18	Income/(Equity Portion of Rate Base)	4.89%	9.12%	13.19%	8.98%	13.19%	8.98%
19	Target Return - Equity on Rate Base	9.12%	9.12%	8.98%	8.98%	8.98%	8.98%
20	Deficiency/Sufficiency in Return on Equity	-4.23%	0.00%	4.21%	0.00%	4.21%	0.00%
21	Indicated Rate of Return	4.90%	6.59%	7.80%	6.12%	7.80%	6.12%
22	Requested Rate of Return on Rate Base	6.59%	6.59%	6.12%	6.12%	6.12%	6.12%
23	Deficiency/Sufficiency in Rate of Return	-1.69%	0.00%	1.68%	0.00%	1.68%	0.00%
24	Target Return on Equity	$1,386,640	$1,386,640	$1,159,481	$1,159,481	$1,159,481	$1,159,481
25	Revenue Deficiency/(Sufficiency)	$643,752	$ -	($543,104)	($0)	($543,104)	($0)
26	**Gross Revenue Deficiency/(Sufficiency)**	$761,836 **(1)**		($543,104) **(1)**		($543,104) **(1)**	

Appendix L – Revenue Requirement Work Form (Updated) – Cont'd

Revenue Requirement:

Revenue Requirement

Line No.	Particulars	Application		Settlement Agreement		Per Board Decision
1	OM&A Expenses	$5,465,072		$4,900,000		$4,900,000
2	Amortization/Depreciation	$1,451,988		$1,280,461		$1,280,461
3	Property Taxes	$12,500		$12,500		$12,500
5	Income Taxes (Grossed up)	$25,788		$ -		$ -
6	Other Expenses	$ -				
7	Return					
	Deemed Interest Expense	$1,119,814		$815,617		$815,617
	Return on Deemed Equity	$1,386,640		$1,159,481		$1,159,481
	Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS	($42,167)		($40,414)		($40,414)
8	**Service Revenue Requirement (before Revenues)**	$9,419,635		$8,127,644		$8,127,644
9	Revenue Offsets	$556,948		$536,948		$536,948
10	**Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)**	$8,862,687		$7,590,696		$7,590,696
11	Distribution revenue	$8,862,687		$7,590,696		$7,590,696
12	Other revenue	$556,948		$536,948		$536,948
13	**Total revenue**	$9,419,635		$8,127,644		$8,127,644
14	**Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)**	$ -	(1)	($0)	(1)	($0)

Appendix M – Throughput Revenue (Updated)

2013 Test Year Distribution Revenue Reconciliation

Customer Class	Fixed Distribution Revenue	Variable Distribution Revenue	Transformer Allowance Credit	Total Distribution Revenue	Expected
Residential	$ 3,393,488	$ 2,637,050		$ 6,030,538	$ 6,028,059
GS < 50 kW	$ 358,372	$ 254,248		$ 612,620	$ 613,448
GS >50 to 4999 kW	$ 115,072	$ 439,645	($16,715)	$ 538,002	$ 538,002
Sentinel Lights	$ 24,603	$ 11,470		$ 36,073	$ 36,073
Street Lighting	$ 189,704	$ 167,889		$ 357,593	$ 357,592
Unmetered and Scattered	$ 9,421	$ 8,069		$ 17,490	$ 17,504
Total	**$ 4,090,660**	**$ 3,518,371**	**($16,715)**	**$ 7,592,316**	**$ 7,590,678**

Difference Due to Rate Rounding

-$ 1,639

Appendix N – Revenue Reconciliation

Appendix 2-V
Revenue Reconciliation

Rate Class	Customers/ Connections	Number of Customers/Connections			Test Year Consumption		Proposed Rates			Revenues at Proposed Rates	Class Specific Revenue Requirement	Transformer Allowance Credit	Total	Difference
		Start of Test Year	End of Test Year	Average	kWh	kW	Monthly Service Charge	Volumetric						
								kWh	kW					
Residential	Customers		14,189	14,189	148,148,872		$ 19.91	$0.0178		$ 6,020,310	$ 6,019,813		$ 6,019,813	-$ 497
GS < 50 kW	Customers		910	910	31,781,015		$ 32.83	$ 0.0080		$ 612,620	$ 613,448		$ 613,448	$ 828
GS > 50 to 4,999 kW	Customers		66	66		147,666	$ 144.98		$ 2.9773	$ 554,717	$ 538,002	$ 16,715	$ 554,717	-$ 1
Streetlighting	Connections		2,889	2,889		4,433	$ 5.47		$ 37.8268	$ 357,331	$ 357,172		$ 357,172	-$ 159
Sentinel Lighting	Connections		237	237		292	$ 10.71		$ 48.7891	$ 44,747	$ 44,732		$ 44,732	-$ 15
Unmetered Scattered Load	Connections		78	78	474,653		$ 10.11	$ 0.0170		$ 17,490	$ 17,504		$ 17,504	$ 14
				-						$ -			$ -	$ -
				-						$ -			$ -	$ -
				-						$ -			$ -	$ -
Total			18369		180,404,540	152,391				$ 7,607,217	$ 7,590,671	$ 16,715	$ 7,607,386	$ 169