



Northern Ontario Wires Inc.
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June 6, 2013

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

Re: Cost of Service Application EB-2012-0153

Dear Ms. Walli:

Northern Ontario Wires Inc. hereby submits its revised settlement agreement with respect to our COS Application for 2013 rates.

Please be advised that on page 37 of Northern Ontario Wires' Proposed Settlement Agreement, dated May 31, 2013, it stated:

As noted with respect to the unsettled issue, NOW is proposing to create a new deferral account to track material changes in load with respect to two specific GS>50 customers.

The above statement has been removed from the revised document.

An electronic copy has been submitted to the Board through the RESS system, and two hard copies of revisions will be delivered to the OEB office.

This document is being filed pursuant to the Board's e-Filing Services.



Yours Truly,

NORTHERN ONTARIO WIRES INC.

Geoffrey Sutton, CPA CA
Chief Financial Officer



File Number: EB-2012-0153

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Date Filed: May 31, 2013

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

AND IN THE MATTER OF an application by Northern Ontario Wires Inc. for an order approving just and reasonable rates and other charges for electricity distribution to be effective June 1, 2013.

NORTHERN ONTARIO WIRES INC. (“NOW”)

PROPOSED SETTLEMENT AGREEMENT

FILED: May 31, 2013

REVISED : JUNE 6, 2013

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EB-2012-0153

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 Northern Ontario Wires Inc. for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2013.

NORTHERN ONTARIO WIRES INC. (“NOW”)

PROPOSED SETTLEMENT AGREEMENT

FILED: May 31, 2013

INTRODUCTION:

NOW carries on the business of distributing electricity to approximately 6,150 residential and commercial customers in its service area throughout the Towns of Cochrane, Iroquois Falls and Kapuskasing, Ontario.

NOW filed a complete application with the Ontario Energy Board (the “Board”) on December 18, 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 NOW charges for electricity distribution, to be effective May 1, 2013 (the “Application”). The Board assigned the Application File Number EB-2012-0153. Three parties requested and were granted intervenor status: the Vulnerable Energy Consumers’ Coalition (“VECC”), School Energy Coalition (“SEC”) and the Association of Major Power Consumers in Ontario (“AMPCO”). These parties are referred to collectively as the “Intervenors”.

In Procedural Order No. 1, issued on February 1, 2013, 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 April 4, 2013, the Board set dates for supplementary interrogatories and interrogatory responses; and dates for a Settlement Conference (May 2, 2013, continuing May 3,

2013 if necessary); and, the filing of any Settlement Proposal arising out of the Settlement Conference (May 31, 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 NOW’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. Jim Faught as facilitator. The Settlement Conference was held on May 2nd and 3rd, 2013.

NOW and the following Intervenors participated in the Settlement Conference:

- AMPCO;
- SEC; and
- VECC.

NOW 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 the Parties have reached a complete settlement on all issues. This document comprises the Proposed Settlement Agreement and it is presented jointly by NOW, AMPCO, 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 that 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 and 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 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-2012-0153. The Appendices were prepared by the Applicant. The Intervenors are relying on the accuracy and completeness of the Appendices in entering into this Agreement. Attachment 1 to this Agreement – Proposed Schedule of 2013 Tariff of Rates and Charges (Updated) – is a proposed schedule of Rates and Charges. If the Board approves the Agreement NOW expects to use the information in Attachment 1 as the basis for its Rate Order with Board approval of this Agreement. The parties specifically accept the accuracy of the Tariff of Rates and Charges as accurately reflecting the rates that result from this Settlement Proposal, such that the parties respectfully submit that, assuming the Settlement Proposal is accepted without modification, a process to review a further draft rate order may not be necessary.

The Parties believe the Agreement represents a balanced proposal that protects the interests of NOW's customers, employees and shareholder and promotes economic efficiency and cost effectiveness. It also provides the resources that will allow NOW 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 have agreed the effective date of the rates resulting from this proposed Agreement is June 1, 2013 (referred to below as the "Effective Date").

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 NOW's 2013 distribution rates.

The following Attachments accompany this Settlement Agreement:

Attachment 1 - Proposed Tariff Sheet
Attachment 2 - Updated Bill Impacts
Attachment 3 - Updated RRWF

The following Appendices accompany this Settlement Agreement:

Appendix A - Summary of Significant Changes
Appendix B - Fixed Asset Continuity Schedules
Appendix C - Load Forecast & CDM Adjustment
Appendix D - Cost of Power
Appendix E - 2013 Revenue Offsets
Appendix F - Updated 2013 PILs
Appendix G - Sheet O1 Revenue to Cost Summary Worksheet

OVERVIEW OF THE SETTLED MATTERS:

This Agreement will allow NOW 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 NOW 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 NOW's distribution licence; and continue to provide the high level of customer service that NOW'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, as noted in IR 9.0-Staff-49s NOW is not converting to International Financial Reporting Standards ("IFRS") in the 2013 Test Year and will remain on CGAAP until required by the Accounting Standards Board (the "AcSB") to move to IFRS. Although not converting to IFRS in 2013 NOW has complied with the Board's letter titled "Regulatory accounting policy direction regarding changes to depreciation expense and capitalization policies 2013" dated July 17, 2012; NOW has implemented the regulatory accounting changes for depreciation expense and capitalization policies effective January 1, 2013. As a result of these changes, NOW expects that there will be no material adjustments when NOW ultimately converts to IFRS.

In NOW's Overview of Filing in its initial evidence (Exhibit 1 Tab 2 Schedule 7) the Service Revenue Requirement for the 2013 Test Year was \$3,229,426 which included a Base Revenue Requirement of \$2,988,426 and Revenue Offsets of \$240,798 with a resulting Revenue Deficiency of \$454,824.

Through the interrogatory and settlement process, NOW made changes to the Service Revenue Requirement as shown in Settlement Table #1: Service Revenue Requirement as follows:

Table 1 - Service Revenue Requirement

	2013 Original Application - MIFRS	Interrogatory Responses - 2013 CGAAP	Settlement Proposal - 2013 CGAAP
Cost of Capital			
Rate Base	7,548,605	7,324,086	7,273,106
Cost of Capital	5.83%	5.77%	5.77%
Total Return on Rate Base	440,174	422,951	420,007
Cost of Service			
Operations, Maintenance & Admin	2,484,371	2,485,105	2,304,548
Depreciation	285,259	319,679	454,062
Income Taxes	26,245	27,156	11,334
Service Revenue Requirement	3,229,224	3,254,891	3,189,952
Other Revenue	240,798	240,798	273,298
Base Revenue Requirement	2,988,426	3,014,093	2,916,654

The revised Service Revenue Requirement for the 2013 Test Year is \$3,189,952 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. The weighted average long term debt rate was agreed to be 5.77%, for the purpose of settlement. Compared to the forecast 2013 revenue at current rates of \$2,555,438 the revised Service Revenue Requirement represents a deficiency of \$362,806 which is a decrease of \$92,018 from the revenue deficiency of \$454,824 set out in Exhibit 1 Tab 2 Schedule 7 in NOW's COS Application filing.

Through the settlement process, NOW 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 NOW responded appropriately to all relevant Board directions from previous proceedings?

Status:	Complete Settlement
Supporting Parties:	NOW, SEC, VECC, AMPCO
Evidence:	Application : EX 1/ T 1/ S 13

For the purposes of settlement the Parties have agreed that NOW has responded appropriately to all relevant Board Directions from previous proceedings.

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

Status:	Complete Settlement
Supporting Parties:	NOW, SEC, VECC, AMPCO
Evidence:	Application : EX 1/ T 2/ S 3

For the purposes of settlement, the Parties have accepted that NOW's economic and business planning assumptions for 2013 are appropriate.

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

Status:	Complete Settlement
Supporting Parties:	NOW, SEC, VECC, AMPCO
Evidence:	Application : EX 2/ T 6/ S 1 Application : EX 2/ T 6/ S 1/ Att 1 Application : EX 2/ T 6/ S 2 Interrogatory : IR 1/ T 3/ S 12 - 2.0 - VECC - 9.0 Interrogatory : IR 1/ T 3/ S 16 - 2.0 - AMPCO - 4 Interrogatory : IR 2/ T 3/ S 2 - 2.0-Staff-44s

For the purposes of settlement, the Parties have accepted that NOW's evidence with respect to the acceptability of its service quality based on the Board-specified indicators is appropriate.

- 1.4 What is the appropriate effective date for any new rates flowing from this Application?

Status:	Complete Settlement
Supporting Parties:	NOW, SEC, VECC, AMPCO
Evidence:	Application : EX 1/ T 1/ S 6

For the purpose of settlement, the Parties have agreed that the appropriate effective date of the new rates flowing from this Agreement is June 1, 2013. In the event new rates cannot be implemented on June 1,

2013 NOW will track any under-recovery in a deferral account and collect any such amounts through a rate rider over a time period equivalent to the delay.

2. RATE BASE

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

Status:	Complete Settlement
Supporting Parties:	NOW, SEC, VECC, AMPCO
Evidence:	Application : EX 2/ T 1/ S 2 Application : EX 6/ T 2/ S 1/ Att 1.1 Interrogatory : IR 2/ T 3/ S 1 - 2.0-Staff-43s Interrogatory : IR 3/ T 3/ S 2 - 2.0-VECC-46.0s

For the purposes of settlement the Parties have agreed that a forecast Rate Base of \$7,273,106 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 settled 2013 Rate Base incorporates the settlement of Issues 2.2, 2.3 and 4.2 with respect to the forecast working capital allowance, the forecast 2013 Capital Expenditures and the forecast level of amortization respectively.

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

- With respect to Cost of Power, the Parties have agreed for the purposes of settlement to accept The Load Forecast in NOW's Initial Application except for the following:
 - The GS>50 kW class is adjusted to apply the 2012 actual kWh and kW read amounts.
 - The CDM adjustment proposed in IR 3.0-VECC-50.0s for 2013 kWh has been corrected to reflect 2013 projections.
 - The CDM adjustment proposed in IR 3.0-VECC-50.0s for 2013 kW has been recalculated using proportionate kWh to kW.

- The Retail Transmission Network & Connection charges were updated to reflect the change in the Ontario uniform electricity transmission rates effective January 1, 2013;
- The Rural or Remote Electricity Rate Protection (RRRP) and the Wholesale Market Service Rate costs were updated to reflect the revised charges effective May 1, 2013 as per EB-2013-0067.

The Cost of Power was therefore decreased from \$12,342,221 to \$12,290,062 as a result of these changes. Please see Appendix D for the detailed Cost of Power calculation.

- The Parties have agreed that the 2013 OM&A for the Test Year, should be \$2,304,548 a decrease of \$179,823 from \$2,484,371 in the original Application after accounting for the reallocation of depreciation expenses out of NOW's reported OM&A figures. OM&A expenses are discussed in further detail under item 4.1.

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 NOW's proposed Overall Rate Base under CGAAP are set out in Settlement Table #2: Rate Base, below.

Settlement Table #2: Rate Base

Rate Base										
Particulars		Initial Application		Adjustments		Settlement Agreement		Adjustments		Per Board Decision
Gross Fixed Assets (average)	▼(3)	\$6,254,922		\$3,340,760		\$9,595,682		\$ -		\$9,595,682
Accumulated Depreciation (average)	▼(3)	(\$633,774)		(\$3,352,588)		(\$3,986,361)		\$ -		(\$3,986,361)
Net Fixed Assets (average)	▼(3)	\$5,621,149		(\$11,828)		\$5,609,321		\$ -		\$5,609,321
Allowance for Working Capital	▼(1)	\$1,927,457		(\$263,671)		\$1,663,786		\$ -		\$1,663,786
Total Rate Base		\$7,548,605		(\$275,499)		\$7,273,106		\$ -		\$7,273,106

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

Status: Complete Settlement

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application : EX 2/ T 5/ S1

For the purposes of settlement the Parties have agreed to a Working Capital Allowance calculation based on 11.4% of the OM&A expenses of \$2,304,548, and Cost of Power of \$12,290,062.

Settlement Table #3: Allowance for Working Capital

Allowance for Working Capital - Derivation

Controllable Expenses	\$2,484,371		(\$179,823)		\$2,304,548
Cost of Power	\$12,342,221		(\$52,158)		\$12,290,062
Working Capital Base	\$14,826,592		(\$231,982)		\$14,594,610
Working Capital Rate %	(2) 13.00%		-1.60%		11.40%
Working Capital Allowance	\$1,927,457		(\$263,671)		\$1,663,786

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

Status: Complete Settlement

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application: Ex 2/4

For the purposes of settlement the Parties have agreed to NOW's original net capital expenditures of \$725,079. The resulting continuity schedule is shown in Appendix B.

2.4 Is the capitalization policy and allocation procedure appropriate?

Status: **Complete Settlement**

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application : EX 2/ T 2/ S 1
Application : EX 2/ T 2/ S 2
Application : EX 2/ T 2/ S 3
Application : EX 2/ T 2/ S 4 -

For the purposes of settlement the Parties have agreed with NOW's capitalization policy as it was set out in Exhibit 2 Tab 2 of the original Application.

3. LOAD FORECAST AND OPERATING REVENUE

3.1 Is the load forecast methodology including weather normalization appropriate?

Status: Complete Settlement

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application: Ex 3/1
Interrogatory : IR 1/ T 4/ S 13 - 3.0 - VECC – 17
Interrogatory : IR 2/ T 4/ S 5 - 3.0-VECC-48.0s
Interrogatory : IR 2/ T 4/ S 5 - 3.0-VECC-49.0s

For the purposes of settlement the Parties have agreed to the outputs of NOW's load forecast methodology including weather normalization as adjusted by the forecast impact of CDM detailed under issue 2.3, with the exception of the forecast for the GS>50 class, which the Parties have agreed will be set using the 2012 actual load for that class and then adjusted for CDM.

These agreements result in a billed consumption forecast of 118,300,603 kWh and 192,656 kW in the 2013 Test Year. The accepted CDM adjustment is 1,241,722 kWh and 2,022 kW for the 2013 Test Year.

During the course of the proceeding NOW identified the following two risks of reduced or eliminated load with respect to its GS>50 load forecast:

True North:

On January 31, 2011, True North (owned by Kruger and Norbord) began the liquidation process. True North had employed approximately 200 people, with an additional 100 employed in the sourcing of timber, representing 12% of Cochrane's workforce.

The preceding month had seen 170 individuals laid off. As a result a crisis team was implemented in order to save the mill. Investors were approached and a business plan produced. After a year of remaining idle, the plywood plant reopened their doors. The first 9 months saw the mill hiring again and producing plywood. However in the fall of 2012, a new obstacle presented itself: the supply of logs. A number of letters were written to the Ministry of Natural Resources as a result of this shortage.

As a result of the shortage, True North was unable to produce its product and make sales. Given the uncertainty of the supply, True North has become a risk to Northern Ontario Wires.

Ontario Northland:

In March 2012, the Liberal Government announced its intent to divest itself of Ontario Northland (ONR). The ONR's presence in Cochrane is a large one, being one of the few methods of access to the James Bay coastal communities and another large employer. Since the announcement, NOW has seen the discontinuation of the Northlander (Toronto-Cochrane passenger service) and some other cut-backs. Despite many local and regional attempts to save the ONR, the government is adamant about its divestiture, leading NOW to expect a significant loss of load.

For the purposes of settlement, NOW has agreed not to pursue relief with respect to the risk of load reductions related to these two customers in this proceeding, without prejudice to NOW's ability to seek relief in a future proceeding if and when the identified risks manifest themselves, and without prejudice to any submissions intervenors might make in response to such an application.

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

Status:	Complete Settlement
Supporting Parties:	NOW, SEC, VECC, AMPCO
Evidence:	Application: Ex 3/1

For the purposes of settlement the Parties have agreed with NOW's customers/connections forecast for the 2013 Test Year. With respect to Load Forecast, the Parties have agreed for the purposes of settlement to accept the Load Forecast in NOW's Initial Application except for the following:

- o The GS>50 kW class is adjusted to apply the 2012 actual kWh and kW read amounts.

Appendix D reflects the revised load forecast.

Settlement Table #4: Load Forecast Customers/Connections

Customers/Connections	2013 Normalized
Residential	5255
General Service < 50 kW	767
General Service > 50 to 4999 kW	70
Unmetered Scattered Load	18
Street Lighting	1546
TOTAL	7656

Settlement Table #5: Load Forecast kWh

kWh	2013 Application	Settlement Adjustment	2013 Settlement
Residential	42,936,585	-	42,936,585
General Service < 50 kW	20,103,818	-	20,103,818
General Service > 50 to 4999 kW	55,101,173	- 337,451	54,763,722
Unmetered Scattered Load	127,637	-	127,637
Street Lighting	1,610,563	-	1,610,563
TOTAL	119,879,776	- 337,451	119,542,325

Settlement Table #6: Load Forecast kW

kW	2013 Application	Settlement Adjustment	2013 Settlement
Residential	-	-	-
General Service < 50 kW	-	-	-
General Service > 50 to 4999 kW	178,249	12,115	190,364
Unmetered Scattered Load	-	-	-
Street Lighting	4,315	-	4,315
TOTAL	182,564	12,115	194,679

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

Status: **Complete Settlement**

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application : EX 3/ T 1/ S 4
Interrogatory: IR 2/ T 4/ S 7 - 3.0-VECC-50.0s

Through the interrogatory phase NOW modified the calculation of the CDM manual adjustment in response to IR 3.0-VECC-50.0s. With respect to the CDM manual adjustment, for the purposes of settlement, the Parties have agreed to accept the CDM manual adjustment in NOW's response to IR 3.0-VECC-50.0s except for the following:

- o The CDM adjustment proposed in IR 3.0-VECC-50.0s for 2013 kWh has been corrected to reflect 2013 projections.
- o The CDM adjustment proposed in IR 3.0-VECC-50.0s for 2013 kW has been recalculated using proportionate kWh to kW.

Settlement Table #7 and # 8: CDM Adjusted Forecast, below provides the CDM impact on billed kW and kWh per customer class.

Settlement Table #7: CDM Adjusted Forecast kWh

kWh	Weather Normalized 2013F (Elenchus)		CDM Load Forecast Adjustment	2013 CDM Adjusted Load Forecast
Residential (kWh)	42,936,585	36%	445,995	42,490,590
GS<50 (kWh)	20,103,818	17%	208,824	19,894,994
GS>50 (kW)	54,763,722	46%	568,847	54,194,875
USL (kWh)	127,637	0%	1,326	126,311
Street Lights (kW)	1,610,563	1%	16,729	1,593,834
Total Customer (kWh)	119,542,325	100%	1,241,722	118,300,603

Settlement Table #8: CDM Adjusted Forecast kW

	Weather Normalized 2013F (Elenchus)		CDM Load Forecast Adjustment	2013 CDM Adjusted Load Forecast
kW				
Residential (kWh)	-	0%		-
GS<50 (kWh)	-	0%		-
GS>50 (kW)	190,364	98%	1,977	188,386
USL (kWh)	-	0%		-
Street Lights (kW)	4,315	2%	45	4,270
Total Customer (kWh)	194,679	100%	2,022	192,656

For the purposes of settlement the Parties have agreed that the 2013 LRAMVA Threshold amount of 1,816,198 kWh and 1,060 kW has been calculated using the OPA's 2011-2014 CDM targets assigned to NOW, which reflects the actual 2011 CDM results and the persistence of 2011 into 2013. The LRAMVA amount differs from the CDM adjustment of 1,241,722 kWh and 2,022 kW, as the persistent savings from 2011 are included in the calculation in order to capture the correct amount of targets assigned to NOW for 2013. Therefore, the 2013 LRAMVA threshold amount includes the 2011 persistent savings of 481,705 kWh as provided by the OPA's 2011 Final Annual Report, 2012 persistent savings of 667,246 kWh and the full year 2013 forecasted savings of 667,246 kWh. As the 2013 kW LRAMVA Threshold amount recalculated using proportionate kWh to kW would have resulted in an amount greater than the final 2014 kW target of 1060 kW, both parties agreed that the 2013 kW LRAMVA Threshold amount should be limited to 1060 kW.

For the purposes of settlement the Parties have agreed that the LRAMVA Threshold amount is to be allocated to the customer classes based on the percentages outlined in proportion of the class kWh to the total.

Settlement Table #9: LRAMVA Threshold Calculation, below provides details of the 2013 kWh savings which will be used in the calculation of the LRAMVA account.

Settlement Table #9: LRAMVA Threshold Calculation kWh

	2013 CDM Threshold (kWh of incremental CDM savings needed in 2014)
	A
Year	
2011	481,705
2012	667,246
2013	667,246
	1,816,198

For the purposes of settlement the Parties have agreed that the LRAMVA amount is to be allocated to the customer classes based on the percentages outlined in proportion of the class kWh to the total. Settlement Table #10: LRAMVA Allocation per Customer Class - kWh, below provides details of this allocation.

Settlement Table #10: LRAMVA Allocation per Customer Class - kWh

kWh	Weather Normalized		LRAMVA (kWh)
	2013F (Elenchus)		
Residential (kWh)	42,936,585	36%	658,968
GS<50 (kWh)	20,103,818	17%	308,543
GS>50 (kW)	53,559,928	45%	822,010
Street Lights (kW)	1,610,563	1%	24,718
USL (kWh)	127,637	0%	1,959
Total Customer (kWh)	118,338,531	100%	1,816,198

Settlement Table #11: LRAMVA Allocation per Customer Class - kW, below provides details of this allocation using the 2014 kW Target.

Settlement Table #11: LRAMVA Allocation per Customer Class – kW

kW	Weather Normalized		LRAMVA (kW)
	2013F (Elenchus)		
Residential (kWh)	-	0%	
GS<50 (kWh)	-	0%	
GS>50 (kW)	190,364	98%	1,037
Street Lights (kW)	4,315	2%	23
USL (kWh)	-	0%	
Total Customer (kWh)	194,679	100%	1,060

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

Status: Complete Settlement

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application : EX 3/ T 1/ S 5
Interrogatory : IR 1/ T 2/ S 4

For the purposes of settlement the Parties have agreed on the throughput revenue as set out in Appendix D: Cost of Power.

3.5 Is the test year forecast of other revenues appropriate?

Status: Complete Settlement

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application : EX 3/ T 3/ S 1

For the purposes of settlement, the Parties have agreed that the Other Distribution Revenue forecast should be \$273,278, an increase of \$32,500 from \$240,298 as set out in the original application. Appendix E – 2013 Revenue Offsets provides additional detail.

4. OPERATING COSTS

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

Status:	Complete Settlement
Supporting Parties:	NOW, SEC, VECC, AMPCO
Evidence:	Application : EX 4/ T 1 / S 1 Interrogatory : IR 1/ T 2/ S 1 - 1.0-Staff-1

There are two distinct aspects to the Agreement as it relates to OM&A. First, as noted in Interrogatory response 1.0-Board Staff-1, NOW's OM&A figures included an allocated amount of NOW's depreciation expense. Accordingly, for the purposes of settlement the Parties have agreed with NOW to remove the allocation of depreciation from OM&A both for reporting purposes and in the context of the working capital calculation.

With respect to the quantum of the remaining OM&A expenses and for the purposes of settlement the Parties have agreed that the 2013 OM&A for the Test Year should be \$2,304,548, a decrease of \$179,823 from the \$2,484,371 original Application Filing (includes removing the allocation of depreciation). NOW has provided, in Settlement Table #12: 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 #12: OM&A Expense Budget

OM&A Expenses	Original Application	Settlement Change	Settlement
3500-Distribution Expenses - Operation	\$ 491,046	-\$ 35,677	\$ 455,369
3550-Distribution Expenses - Maintenance	\$ 473,838	-\$ 34,427	\$ 439,411
3650-Billing and Collecting	\$ 748,261	-\$ 54,365	\$ 693,896
3700-Community Relations	\$ 1,363	-\$ 99	\$ 1,264
3800-Administrative and General Expenses	\$ 768,243	-\$ 55,137	\$ 713,106
3950-Taxes Other Than Income Taxes	\$ 1,620	-\$ 118	\$ 1,502
OM&A Expenses	\$ 2,484,371	-\$ 179,823	\$ 2,304,548

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

Status: **Complete Settlement**

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application : EX 4/ T 7/ S 1

For the purposes of settlement the Parties have accepted the useful lives proposed by NOW in Settlement Table #13: Depreciation Useful Lives, below and the depreciation expense reported in the continuity schedules in Appendix B. The Parties have agreed on depreciation/amortization expenses of \$454,062 (net of Fully Allocated Depreciation).

As cited in NOW's Application, the Applicant adopted revised depreciation periods which were detailed in Exhibit 4. The analysis in Exhibit 4/ Schedule 7 provides comparisons to depreciation rates adopted by NOW with the typical useful lives as indicated in the Kinectrics Study dated July 8, 2010 which was commissioned by the OEB. NOW is implementing this depreciation approach effective from January 1, 2013 and has applied it to the Test Year in its evidence.

Settlement Table #13: Depreciation Useful Lives

NOW Inc.
Components List and Useful Lives

USofA		Component	Kinetrics Useful Lives Study			NOW
#	USofA - Description		Min	Typ	Max	Years
1611	Computer Software		2		5	5
1805	Land			N/A		
1808	Buildings		50		75	50
1808	Building Improvements			N/A		25
1820	Distribution Station Equipment <50 kV	Station DC System	10	20	30	20
1820	Distribution Station Equipment <50 kV	Station Battery Bank	10	15	15	20
1820	Distribution Station Equipment <50 kV	Station Battery Charger	20	20	30	20
1820	Distribution Station Equipment <50 kV	Digital Numeric Relays	15	20	20	20
1820	Distribution Station Equipment <50 kV	Parking	25		30	25
1820	Distribution Station Equipment <50 kV	Fence	25		60	25
1820	Distribution Station Equipment <50 kV	Roof	20		30	25
1820	Distribution Station Equipment <50 kV	Power Transformers	30	45	60	45
1820	Distribution Station Equipment <50 kV	Power Transformer Bushings	10	20	30	45
1820	Distribution Station Equipment <50 kV	Station Service Transformer	30	45	55	45
		Station Independent				
1820	Distribution Station Equipment <50 kV	Breakers	35	45	65	40
1830	Poles, Towers & Fixtures	Fully Dressed Wood Poles	35	45	75	45
1835	Overhead Conductors & Devices		50	60	75	45
1840	Underground Conduit	Ducts	30	50	85	45
1845	Underground Conductors & Devices	Conductor	35	40	60	45
1845	Underground Conductors & Devices	Switchgear	20	30	45	45
1850	Line Transformers	OH Transformers	30	40	60	40
1850	Line Transformers	Pad-Mounted	25	40	45	40
1855	Services (Overhead & Underground)	Secondary	25-35	35-40	40-60	35
1860	Meters	Res & Ind/Comm Energy	25		35	25
1860	Meters	Smart Meters	5		15	15
1860	Meters	Metering Equipment	35		50	45
1860	Meters	Wholesale Metering	15		30	30
1915	Office Furniture & Equipment		5		15	10
1920	Computer Equipment - Hardware		3		5	5
1930	Transportation Equipment	Trucks & Buckets	5		15	12
1930	Transportation Equipment	Trailers	5		20	12
1930	Transportation Equipment	Vans/Cars	5		10	8
1940	Tools, Shop & Garage Equipment		5		10	10
1955	Communications Equipment		2		10	10
1960	Miscellaneous Equipment	Smart Meters	5		10	10
1980	System Supervisory Equipment		15	20	30	20

4.3 Are the 2013 compensation costs and employee levels appropriate?

Status: **Complete Settlement**
Supporting Parties: NOW, SEC, VECC, AMPCO
Evidence: Application : EX 4/ T 4/ S 1

For the purpose of settlement, the Parties have agreed that NOW'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. Parties have accepted that the compensation costs and employee levels implicit in the revised OM&A budget are appropriate.

4.4 Is the test year forecast of property taxes appropriate?

Status: **Complete Settlement**
Supporting Parties: NOW, SEC, VECC, AMPCO
Evidence: Application : EX 4/ T 1 /S 1

For the purposes of settlement the Parties have accepted NOW's forecast of property taxes payable in the 2013 Test Year as part of OM&A expenses.

4.5 Is the test year forecast of PILs appropriate?

Status:	Complete Settlement
Supporting Parties:	NOW, SEC, VECC, AMPCO
Evidence:	Application: EX 4/ T 8/ S 1

For the purpose of settlement, the Parties have agreed that NOW's 2013 Test Year PILs forecast as set out in Appendix F to this Settlement Agreement is appropriate. 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: NOW, SEC, VECC, AMPCO

Evidence: Application : EX 5/ T 1/ S 1

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

This Settlement Agreement has been prepared using the Board's updated Cost of Capital Parameters for ROE (8.98%) and short term debt (2.07%) for cost of service applications for rates effective May 1, 2013, issued on February 14, 2013. These rates will be incorporated into the Draft Rate Order to be prepared following the issuance of the Board's Decision on the Settlement Agreement. (Long-term debt is addressed separately in Section 5.2.) Settlement Table #14: Deemed Capital Structure for 2013 below provides details of the above-noted parameters.

Settlement Table #14: Deemed Capital Structure for 2013

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$4,072,939	3.75%	\$152,735
2	Short-term Debt	4.00%	\$290,924	2.07%	\$6,022
3	Total Debt	60.00%	\$4,363,864	3.64%	\$158,757
	Equity				
4	Common Equity	40.00%	\$2,909,242	8.98%	\$261,250
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$2,909,242	8.98%	\$261,250
7	Total	100.00%	\$7,273,106	5.77%	\$420,007

5.2 Is the proposed long term debt rate appropriate?

Status:	Complete Settlement
Supporting Parties:	NOW, SEC, VECC, AMPCO
Evidence:	Application : EX 5/ T 1/ S 1 Application : EX 5/ T 1/ S 2

For the purposes of settlement the Parties have accepted NOW's proposed long term debt rate of 3.75%.

6. Cost Allocation

6.1 Is NOW's cost allocation appropriate

Status: Complete Settlement

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application : EX 7/ T 1/ S 1

For the purposes of settlement the Parties have agreed that the 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 #15: 2013 Test Year Revenue to Cost Ratios, below.

Settlement Table #15: 2013 Test Year Revenue to Cost Ratios

Customer Class Name	REVENUE ALLOCATION (sheet O1)				Base Revenue Requirement *	%	Revenue to Expenses %
	Service Revenue Requirement	%	Miscellaneous Revenue (mi)	%			
Residential	2,028,244	63.58%	159,550	58.38%	1,868,695	64.07%	103.42%
General Service < 50 kW	548,117	17.18%	54,438	19.92%	493,678	16.93%	111.25%
General Service > 50 to 4999 kW	365,214	11.45%	40,865	14.95%	324,349	11.12%	86.90%
Unmetered Scattered Load	5,603	0.18%	359	0.13%	5,244	0.18%	94.70%
Street Lighting	242,772	7.61%	18,085	6.62%	224,687	7.70%	65.88%
TOTAL (from Column C of sheet O1)	3,189,950	100.00%	273,298	100.00%	2,916,652	100.00%	100.00%

Customer Class Name	Service Revenue Requirement			Cost Allocation		Variance	Target Range	
	Rate Application	Cost Allocation	Revenue to Cost Ratio ⁶	Revenue to Cost Ratio ⁷			Floor	Ceiling
Residential	2,097,545	2,028,245	1.03	1.03	-0.00		0.85	1.15
General Service < 50 kW	599,788	548,117	1.09	1.11	-0.02		0.80	1.20
General Service > 50 to 4999 kW	317,372	365,214	0.87	0.87	-0.00		0.80	1.20
Unmetered Scattered Load	5,306	5,603	0.95	0.95	-0.00		0.80	1.20
Street Lighting	169,940	242,772	0.70	0.66	0.04		0.70	1.20
TOTAL	3,189,952	3,189,952	1.00	1.00				

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

Status: Complete Settlement

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application : EX 7/ T 2/ S 1

For the purposes of settlement the Parties have accepted the revenue-to-cost ratios for the 2013 Test Year, as set out under issue 6.1, above. The Parties further agree that no further adjustments to revenue-cost-ratios will be necessary from 2014 to NOW's next Cost of Service.

Distribution Charges										
	Fixed Charge			Variable Charge			Gross Revenue from Distribution Charges			
Customer Class Name	Rate ¹	Volume ²	Revenue ³	Rate ¹	Volume ²	Revenue ³	Calculated *	Allocated **	Difference	
Residential	\$20.35	63,060	1,283,271	\$0.0154	42,490,590	654,355	1,937,626	1,937,995	-369	
General Service < 50 kW	\$26.79	9,204	246,575	\$0.0150	19,894,994	298,425	545,000	545,350	-349	
General Service > 50 to 4999 kW	\$181.61	840	152,552	\$0.8698	188,386	163,858	316,411	316,406	4	
Unmetered Scattered Load	\$13.96	216	3,015	\$0.0153	126,311	1,933	4,948	4,947	1	
Street Lighting	\$6.44	18,552	119,475	\$7.5882	4,270	32,403	151,878	151,855	23	
TOTAL			1,804,889			1,150,974	2,955,863	2,956,553	-691	

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

Status: **Complete Settlement**

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application: EX 8/ T 3/ S 1
Interrogatory: IR 1/ T 8/ S 1 - 8.0-Staff-26

For the purposes of settlement, the Parties have agreed that the following Retail Transmission Service Rates (“RTSRs”), based on the updated 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 #18: RTSR Network and RTSR Connection Rates, below.

Settlement Table #18: RTSR Network and RTSR Connection Rates

Rate Class	Unit		Proposed RTSR Network		Proposed RTSR Connection
Residential	kWh	\$	0.0061	\$	0.0026
General Service Less Than 50 kW	kWh	\$	0.0057	\$	0.0024
General Service 50 to 4,999 kW	kW	\$	2.2973	\$	0.9356
Unmetered Scattered Load	kWh	\$	0.0057	\$	0.0024
Street Lighting	kW	\$	1.7327	\$	0.7233

8.3 Are the proposed loss factors appropriate?

Status: **Complete Settlement**

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application: EX 8/ T 3/ S 6

For the purposes of settlement, the Parties have accepted the proposed Distribution Loss Factor of 1.0713.

When the Supply Facility Loss Factor of 1.0102 is applied to the Distribution Loss Factor the resulting Total Loss Factor for secondary metered customers is 1.0713 as shown in Settlement Table #19: Loss Factors, below:

Settlement Table #19: Loss Factors

		Historical Years					5-Year Average
		2007	2008	2009	2010	2011	
	Losses Within Distributor's System						
A(1)	"Wholesale" kWh delivered to distributor (higher value)	140,683,891	131,024,749	130,983,310	130,878,434	122,312,453	131,176,567
A(2)	"Wholesale" kWh delivered to distributor (lower value)	140,683,891	131,024,749	130,983,310	130,878,434	122,312,453	131,176,567
B	Portion of "Wholesale" kWh delivered to distributor for its Large Use Customer(s)						-
C	Net "Wholesale" kWh delivered to distributor = A(2) - B	140,683,891	131,024,749	130,983,310	130,878,434	122,312,453	131,176,567
D	"Retail" kWh delivered by distributor	134,694,227	120,863,495	123,574,673	123,364,740	115,981,280	123,695,683
E	Portion of "Retail" kWh delivered by distributor to its Large Use Customer(s)						-
F	Net "Retail" kWh delivered by distributor = D - E	134,694,227	120,863,495	123,574,673	123,364,740	115,981,280	123,695,683
G	Loss Factor in Distributor's system = C / F	1.0445	1.0841	1.0600	1.0609	1.0546	1.0605
Losses Upstream of Distributor's System							
H	Supply Facilities Loss Factor	1.0098	1.0102	1.0102	1.0102	1.0107	1.0102
Total Losses							
I	Total Loss Factor = G x H	1.0547	1.0951	1.0708	1.0718	1.0659	1.0713

8.4 Are the proposed Low Voltage rates appropriate?

Status: Complete Settlement

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application : EX 8/ T 3/ S 5

For the purposes of settlement, the Parties have accepted the proposed Low Voltage Rates as shown in Settlement Table #20: Low Voltage, below:

Settlement Table #20: Low Voltage rates

Customer Class Name	2013 PROPOSED LOW VOLTAGE CHARGES & RATES				
	% Allocation	Charges	Volume ²	Rate	per
Residential	33.90%	54,920	42,490,590	\$0.0013	kWh
General Service < 50 kW	14.65%	23,736	19,894,994	\$0.0012	kWh
General Service > 50 to 4999 kW	50.47%	81,762	188,386	\$0.4340	kW
Unmetered Scattered Load	0.09%	151	126,311	\$0.0012	kWh
Street Lighting	0.88%	1,431	4,270	\$0.3351	kW
TOTAL		162,000			

9. DEFERRAL AND VARIANCE ACCOUNTS

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

Status:	Complete Settlement
Supporting Parties:	NOW, SEC, VECC, AMPCO
Evidence:	Application : EX 9/ T 1/ S 1 Interrogatory : IR 1/ T 9/ S 1 - 9.0-Staff-31 Interrogatory : IR 1/ T 9/ S 10 - 9.0-Staff-40 Interrogatory : IR 1/ T 9/ S 10 - 9.0-Staff-41

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

- For the purposes of settlement, the Parties have agreed that the balances of the deferral and variance accounts for disposal will include the interest accrued until April 30, 2013.
- For the purposes of settlement, the Parties have agreed that as NOW is not converting to IFRS for 2013, and there is no disposition of account 1575. The Parties have agreed that NOW will continue to accrue costs in this deferral account and will request disposition in some future application and, upon conversion to IFRS.
- For the purposes of settlement, the Parties have agreed to the inclusion and disposition of \$7,618 in account 1508 in relating to NOW's use of external resources to prepare its Conservation and Demand Strategy as described in Exhibit 9/1 and interrogatory 9.0-Staff-31 .
- For the purposes of settlement, the Parties have agreed to the disposition of all other Group 1 and Group 2 accounts "on a final basis " as proposed in NOW's original Application. The Parties agreed with NOW with the disposition of (1) \$9,922 related to 2010 LRAM and \$6,576 related to 2011 LRAMVA as per 9.0-Staff-40 and 9.0-Staff-41 respectively ..

Settlement Table #21: 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 #21: Group 1 & Group 2 Deferral and Variance Accounts

		2011		2012	2013	
Group 1 Accounts		Principal	Interest	Interest	Interest	Total
LV Variance Account	1550	\$ 56,043	\$ 304	\$ 824	\$ 275	\$ 57,446
RSVA - Wholesale Market Service Charge	1580	-\$ 114,098	-\$ 255	-\$ 1,677	-\$ 559	-\$ 116,589
RSVA - Retail Transmission Network Charge	1584	-\$ 16,292	-\$ 172	-\$ 239	-\$ 80	-\$ 16,783
RSVA - Retail Transmission Connection Charge	1586	-\$ 89,490	-\$ 394	-\$ 1,316	-\$ 438	-\$ 91,638
RSVA - Power (excluding Global Adjustment)	1588	-\$ 656,396	-\$ 1,295	-\$ 9,649	-\$ 3,216	-\$ 670,556
Recovery of Regulatory Asset Balances	1590	\$ 139,509	\$ 26,859	\$ -	\$ -	\$ 166,368
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		-\$ 680,724	\$ 25,047	-\$ 12,057	-\$ 4,018	-\$ 671,752
Group 2 Accounts						
Other Regulatory Assets - Sub-Account - Pension Contributions	1508	-\$ 1,151	\$ 313	\$ 17	\$ 6	-\$ 1,487
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	\$ -	\$ -	\$ -	\$ -	\$ -
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and	1508	\$ -	\$ -	\$ 110	\$ 37	\$ 147
Other Regulatory Assets - Sub-Account - Other 4	1508	\$ 7,500	\$ 118	\$ -	\$ -	\$ 7,618
Retail Cost Variance Account - Retail	1518	-\$ 29,419	-\$ 483	-\$ 432	-\$ 144	-\$ 30,478
Misc. Deferred Debits	1525	\$ -	\$ 212	\$ -	\$ -	\$ 212
Renewable Generation Connection Capital Deferral Account	1531	\$ 205	\$ -	\$ 3	\$ 1	\$ 209
Renewable Generation Connection OM&A Deferral Account	1532	\$ 2,500	\$ -	\$ 37	\$ 12	\$ 2,549
Retail Cost Variance Account - STR	1548	\$ 22,937	\$ 390	\$ 337	\$ 112	\$ 23,776
Board-Approved CDM Variance Account	1567	\$ -	\$ -	\$ 110	\$ 37	\$ 147
RSVA - One-time	1582	\$ 3,552	\$ 56	\$ 52	\$ 17	\$ 3,677
Group 2 Sub-Total		\$ 6,124	-\$ 20	\$ 200	\$ 66	\$ 6,370
LRAM Variance Account	1568	\$ 16,498	\$ -	\$ -	\$ -	\$ 16,498
Total including Account 1521 and Account 1568		-\$ 658,102	\$ 25,027	-\$ 11,857	-\$ 3,952	-\$ 648,884
RSVA - Power - Sub-account - Global Adjustment	1588	\$ 176,659	-\$ 468	\$ 2,597	\$ 866	\$ 179,654

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

Status: Complete Settlement

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application : EX 9/ T 1/ S 1 -
Application : EX 9/ T 1/ S 2
Application : EX 9/ T 2/ S 1
Application : EX 9/ T 2/ S

For the purposes of settlement, the Parties have agreed to the proposed rate riders to dispose of those account balances that are the subject of disposition at this time on a final basis. The Parties have agreed to a disposition period of 12 months. The Parties' acceptance of a 12 month recovery on DVA balances,

except for Stranded Meter recoveries, will allow NOW to maintain an appropriate cash flow position through recovery of outstanding amounts from its customers. As noted in section 6.1 above, the Parties have agreed, for the purposes of settlement that the Stranded Meter recovery period will be over 1 year, commencing May 1, 2013.

All Parties have agreed that the disposition period of 12 months will be the period of June 1, 2013 to May 31, 2014. Settlement Table #22: Deferral and Variance Account Disposition Balances below reflects the balances of the accounts being disposed.

Settlement Table #22: Deferral and Variance Account Disposition Balances

		Amounts from Sheet 2	Allocator	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Street Lighting
LV Variance Account	1550	57,446	kWh	20,843	9,759	26,000	62	782
RSVA - Wholesale Market Service Charge	1580	(116,589)	kWh	(42,302)	(19,807)	(52,768)	(126)	(1,587)
RSVA - Retail Transmission Network Charge	1584	(16,753)	kWh	(6,089)	(2,851)	(7,596)	(18)	(228)
RSVA - Retail Transmission Connection Charge	1586	(91,638)	kWh	(33,249)	(15,568)	(41,475)	(99)	(1,247)
RSVA - Power (excluding Global Adjustment)	1588	(670,556)	kWh	(243,297)	(113,917)	(303,453)	(723)	(9,126)
RSVA - Power - Sub-account - Global Adjustment	1588	179,654	Non-RPP kWh	17,281	7,184	150,605	56	4,529
Recovery of Regulatory Asset Balances	1590	166,368	kWh	60,363	28,263	75,298	179	2,264
Total of Group 1 Accounts (excluding 1588 sub-account)		(671,752)		(243,731)	(114,120)	(304,034)	(725)	(9,142)
Other Regulatory Assets - Sub-Account - Pension Contributions	1508	(1,487)		(1,021)	(149)	(14)	(3)	(300)
Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act	1508	147		101	15	1	0	30
Other Regulatory Assets - Sub-Account - Other	1508	7,618		5,229	763	70	18	1,538
Retail Cost Variance Account - Retail	1518	(30,478)		(20,920)	(3,053)	(279)	(72)	(6,155)
Misc. Deferred Debits	1525	212		146	21	2	0	43
Renewable Generation Connection Capital Deferral Account	1531	209		143	21	2	0	42
Renewable Generation Connection OM&A Deferral Account	1532	2,549		1,750	255	23	6	515
Retail Cost Variance Account - STR	1548	23,776		16,320	2,382	217	56	4,801
Board-Approved CDM Variance Account	1567	147		101	15	1	0	30
RSVA - One-time	1582	3,677		2,524	368	34	9	743
Total of Group 2 Accounts		6,370		4,372	638	58	15	1,286
LRAM Variance Account (Enter dollar amount for each class)	1568	16,498		2,273	14,220	5		
Total Balance Allocated to each class (excluding 1588 sub-account)		(648,884)		(237,085)	(99,262)	(303,971)	(710)	(7,856)
Total Balance in Account 1588 - sub account		179,654		17,281	7,184	150,605	56	4,529
Total Balance Allocated to each class (including 1588 sub-account)		(469,230)		(219,805)	(92,078)	(153,367)	(654)	(3,327)

Settlement Table #23: Deferral and Variance Account Disposition Rate Riders below reflects the rate riders for disposition over a period of 12 months.

Settlement Table #23: Deferral and Variance Account Disposition Rate Riders
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	
Residential	kWh	42,486,053	-\$ 237,085	- 0.0056	\$/kWh
General Service < 50 kW	kWh	19,892,869	-\$ 99,262	- 0.0050	\$/kWh
General Service > 50 to 4999 kW	kW	182,352	-\$ 303,971	- 1.6670	\$/kW
Unmetered Scattered Load	kWh	126,298	-\$ 710	- 0.0056	\$/kWh
Street Lighting	kW	4,270	-\$ 7,856	- 1.8400	\$/kW
Total			-\$ 648,884		

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 -	
Residential	kWh	6,081,124	\$ 17,281	0.0028	\$/kWh
General Service < 50 kW	kWh	2,528,043	\$ 7,184	0.0028	\$/kWh
General Service > 50 to 4999 kW	kW	182,352	\$ 150,605	0.8259	\$/kW
Unmetered Scattered Load	kWh	19,709	\$ 56	0.0028	\$/kWh
Street Lighting	kW	4,270	\$ 4,529	1.0607	\$/kW
Total			\$ 179,654		

9.3 Is the proposal related to stranded meters appropriate?

Status: Complete Settlement

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application: Ex 9/4
Interrogatory: IR 2/ T 8/ S 5 - 9.0-Staff-52s

For the purposes of settlement, the Parties have accepted that NOW has appropriately calculated the Stranded Meter Net Book Value as \$173,897. The parties have further agreed to recovery of the Stranded Meter Net Book Value through separate Rate Riders as determined in response to 9.0 Staff – 52 the amount of \$1.60 per metered Residential customer per month and \$7.94 per General Service < 50 kW customer per month be collected over a one year period.

10. GREEN ENERGY ACT PLAN

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

Status: Complete Settlement

Supporting Parties: NOW, SEC, VECC, AMPCO

Evidence: Application : EX 2/ T 7 / S 1
Application : EX 2/ T 4/ S 7
Application : EX 4/ T 9/ S 1
Interrogatory : IR 1/ T 3/ S 4 - 2.0-Staff-8

For the purposes of settlement the Parties have agreed to NOW's basic Green Energy Act Plan as set out in NOW's original Application. The Parties note that 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.



File Number:EB-2012-0153

Tab: 1
Schedule: 2

Date Filed: May 31, 2013

Attachment 1 of 3

Attachment 1 Proposed Schedule of 2013 Tariff of Rates and Charges

Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date June 1, 2013

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

EB-2012-0153

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. 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. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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	\$	20.35
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2014	\$	7.38
Rate Rider for Recovery of Stranded Meter Assets – effective until May 31, 2014	\$	1.60
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0154
Low Voltage Service Rate	\$/kWh	0.0013
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until May 31, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0028
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until May 31, 2014	\$/kWh	(0.0056)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0026

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

Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date June 1, 2013

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

EB-2012-0153

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 average peak demand is less than, or is forecast to be less than, 50 kW. 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.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	26.79
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2014	\$	11.59
Rate Rider for Recovery of Stranded Meter Assets – effective until May 31, 2014	\$	7.94
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0150
Low Voltage Service Rate	\$/kWh	0.0012
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until May 31, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0028
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until May 31, 2014	\$/kWh	(0.0050)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0024

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

Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date June 1, 2013

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

EB-2012-0153

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 is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. 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.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	181.61
Distribution Volumetric Rate	\$/kW	0.8698
Low Voltage Service Rate	\$/kW	0.4340
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until May 31, 2014		
Applicable only for Non-RPP Customers	\$/kW	0.8259
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until May 31, 2014	\$/kW	(1.6670)
Retail Transmission Rate – Network Service Rate	\$/kW	2.2973
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.9356

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

Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date June 1, 2013

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

EB-2012-0153

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. 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.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	13.96
Distribution Volumetric Rate	\$/kWh	0.0153
Low Voltage Service Rate	\$/kWh	0.0012
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until May 31, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0028
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until May 31, 2014	\$/kWh	(0.0056)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0024

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

Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date June 1, 2013

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

EB-2012-0153

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times 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.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	6.44
Distribution Volumetric Rate	\$/kW	7.5882
Low Voltage Service Rate	\$/kW	0.3351
Rate Rider for Global Adjustment Sub-Account Disposition (2013) – effective until May 31, 2014		
Applicable only for Non-RPP Customers	\$/kW	1.0607
Rate Rider for Deferral/Variance Account Disposition (2013) – effective until May 31, 2014	\$/kW	(1.8400)
Retail Transmission Rate – Network Service Rate	\$/kW	1.7327
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7233

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

Northern Ontario Wires Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date June 1, 2013

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

EB-2012-0153

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. 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.

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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
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Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date June 1, 2013

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EB-2012-0153

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.

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Customer Administration		
Arrears Certificate	\$	15.00
Returned Cheque charge (plus bank charges)	\$	15.00
Statement of Account	\$	15.00
Account History	\$	15.00
Request for Other Billing Information	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of Account Charge – no disconnection	\$	30.00
Disconnect/Reconnect at Meter - during Regular Hours	\$	65.00
Disconnect/Reconnect at Meter - after Regular Hours	\$	185.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35

Northern Ontario Wires Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date June 1, 2013

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

EB-2012-0153

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.

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

One-time charge, per retailer, to establish the service agreement between the distributor and the 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

LOSS FACTORS

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 < 5,000 kW	1.0713
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0605



File Number:EB-2012-0153

Tab: 1
Schedule: 2

Date Filed: May 31, 2013

Attachment 2 of 3

Attachment 2 Updated Bill Impacts

H4 Bill Impact Summary
Enter sample volumes and RPP status

Customer Class Name	Status	RPP Rate Class	Volume		Distribution Charges		Delivery Charges		Total Bill	
			kWh	kW	\$ change	% change	\$ change	% change	\$ change	% change
Residential	Continued	Summer	800		\$4.91	14.4%	\$4.91	14.4%	\$5.98	5.4%
General Service < 50 kW	Continued	Non-res.	2,000		\$14.62	26.6%	\$14.62	26.6%	\$19.24	6.8%
General Service > 50 to 4999 kW	Continued	Non-res.	68,500	190	\$75.45	203.1%	\$75.45	203.1%	\$160.03	2.0%
Unmetered Scattered Load	Continued	Non-res.	397		\$2.01	12.3%	\$2.01	12.3%	\$2.69	4.6%
Street Lighting	Continued	Non-res.	86	0.18	\$1.27	20.2%	\$1.27	20.2%	\$1.53	9.8%

File Number:

Exhibit:

Tab:

Schedule:

Page:1 of 5

Date:

Appendix 2-W
Bill Impacts

Customer Class: Residential

Consumption 800 kWh

		Current Board-Approved			Proposed			Impact	
Charge Unit		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 17.8300	1	\$ 17.83	\$ 20.3500	1	\$ 20.35	\$ 2.52	14.13%
Smart Meter Rate Adder	Monthly	\$ 7.3800	1	\$ 7.38	\$ 7.3800	1	\$ 7.38	\$ -	
Distribution Volumetric Rate	kWh	\$ 0.0135	800	\$ 10.80	\$ 0.0154	800	\$ 12.32	\$ 1.52	14.07%
Smart Meter Disposition Rider	Monthly	\$ -	1	\$ -	\$ 1.6000	1	\$ 1.60	\$ 1.60	
LRAM & SSM Rate Rider	kW	\$ 0.0006	800	\$ 0.48	\$ -	800	\$ -	-\$ 0.48	-100.00%
Sub-Total A				\$ 36.49			\$ 41.65	\$ 5.16	14.14%
Rate Rider for Deferral/Variance Account Disposition (2009)	kW	-\$ 0.0012	800	-\$ 0.96	\$ -	800	\$ -	\$ 0.96	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2012)	kW	-\$ 0.0029	800	-\$ 2.32	\$ -	800	\$ -	\$ 2.32	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2013)	kW	\$ -	800	\$ -	-\$ 0.0056	800	-\$ 4.48	-\$ 4.48	
Low Voltage Service Charge	kWh	\$ 0.0011	800	\$ 0.88	\$ 0.0013	800	\$ 1.04	\$ 0.16	18.18%
Smart Meter Entry Charge	Monthly				\$ 0.7900	1	\$ 0.79	\$ 0.79	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 34.09			\$ 39.00	\$ 4.91	14.40%
RTSR - Network	kWh	\$ 0.0063	836	\$ 5.27	\$ 0.0058	857	\$ 4.97	-\$ 0.29	-5.57%
RTSR - Line and Transformation Connection	kWh	\$ 0.0027	836	\$ 2.26	\$ 0.0026	857	\$ 2.23	-\$ 0.03	-1.23%
Sub-Total C - Delivery (including Sub-Total B)				\$ 41.61			\$ 46.20	\$ 4.59	11.03%
Wholesale Market Service Charge (WMSC)	kWh	\$ 0.0052	836	\$ 4.35	\$ 0.0044	857	\$ 3.77	-\$ 0.57	-13.21%
Rural and Remote Rate Protection (RRRP)	kWh	\$ 0.0011	836	\$ 0.92	\$ 0.0012	857	\$ 1.03	\$ 0.11	11.89%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	836	\$ 5.85	\$ 0.0070	857	\$ 6.00	\$ 0.15	2.57%
Energy - RPP - Tier 1	kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	
Energy - RPP - Tier 2	kWh	\$ 0.0750	236	\$ 17.69	\$ 0.0750	257	\$ 19.30	\$ 1.61	9.10%
TOU - Off Peak	kWh	\$ 0.0650	535	\$ 34.77	\$ 0.0650	549	\$ 35.66	\$ 0.89	2.57%
TOU - Mid Peak	kWh	\$ 0.1000	150	\$ 15.05	\$ 0.1000	154	\$ 15.43	\$ 0.39	2.57%
TOU - On Peak	kWh	\$ 0.1170	150	\$ 17.60	\$ 0.1170	154	\$ 18.05	\$ 0.45	2.57%
Total Bill on RPP (before Taxes)				\$ 109.42			\$ 115.30	\$ 5.88	5.38%
HST		13%		\$ 14.22	13%		\$ 14.99	\$ 0.76	5.38%
Total Bill (including HST)				\$ 123.64			\$ 130.29	\$ 6.65	5.38%
Ontario Clean Energy Benefit 1				-\$ 12.36			-\$ 13.03	-\$ 0.67	5.42%
Total Bill on RPP (including OCEB)				\$ 111.28			\$ 117.26	\$ 5.98	5.37%
Total Bill on TOU (before Taxes)				\$ 120.15			\$ 126.15	\$ 6.01	5.00%
HST		13%		\$ 15.62	13%		\$ 16.40	\$ 0.78	5.00%
Total Bill (including HST)				\$ 135.77			\$ 142.55	\$ 6.79	5.00%
Ontario Clean Energy Benefit 1				-\$ 13.58			-\$ 14.26	-\$ 0.68	5.01%
Total Bill on TOU (including OCEB)				\$ 122.19			\$ 128.29	\$ 6.11	5.00%

Loss Factor (%)4.48%7.16%

1 Applicable to eligible customers only. Refer to the Ontario Clean Energy Benefit Act, 2010.

Note that the "Charge \$" columns provide breakdowns of the amounts that each bill component contributes to the total monthly bill at the referenced consumption level at existing and proposed rates.

Applicants must provide bill impacts for residential at 800 kWh and GS<50kW at 2000 kWh. In addition, their filing should cover the range that is relevant to their service territory, class by class. A general guideline of consumption levels follows:

- Residential (kWh) - 100, 250, 500, 800, 1000, 1500, 2000
GS<50kW (kWh) - 1000, 2000, 5000, 10000, 15000
GS>50kW (kW) - 60, 100, 500, 1000
Large User - range appropriate for utility
Lighting Classes and USL - 150 kWh and 1 kW, range appropriate for utility.

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Appendix 2-W Bill Impacts

Customer Class: **General Service < 50 kW**Consumption **2000** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 23.9000	1	\$ 23.90	\$ 26.7900	1	\$ 26.79	\$ 2.89	12.09%
Smart Meter Rate Adder	Monthly	\$ 11.5900	1	\$ 11.59	\$ 11.5900	1	\$ 11.59	\$ -	
Distribution Volumetric Rate	kWh	\$ 0.0134	2000	\$ 26.80	\$ 0.0150	2000	\$ 30.00	\$ 3.20	11.94%
Smart Meter Disposition Rider	Monthly	\$ -	1	\$ -	\$ 7.9400	1	\$ 7.94	\$ 7.94	
LRAM & SSM Rate Rider	kW	\$ 0.0002	2000	\$ 0.40	\$ -	2000	\$ -	-\$ 0.40	-100.00%
Sub-Total A				\$ 62.69			\$ 76.32	\$ 13.63	21.74%
Rate Rider for Deferral/Variance Account Disposition (2009)	kW	-\$ 0.0013	2000	-\$ 2.60	\$ -	2000	\$ -	\$ 2.60	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2012)	kW	-\$ 0.0032	2000	-\$ 6.40	\$ -	2000	\$ -	\$ 6.40	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2013)	kW	\$ -	2000	\$ -	-\$ 0.0050	2000	-\$ 10.00	-\$ 10.00	
Low Voltage Service Charge	kWh	\$ 0.0006	2000	\$ 1.20	\$ 0.0012	2000	\$ 2.40	\$ 1.20	100.00%
Smart Meter Entry Charge	Monthly				\$ 0.7900	1	\$ 0.79	\$ 0.79	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 54.89			\$ 69.51	\$ 14.62	26.64%
RTSR - Network	kWh	\$ 0.0059	2090	\$ 12.33	\$ 0.0054	2143	\$ 11.57	-\$ 0.75	-6.12%
RTSR - Line and Transformation Connection	kWh	\$ 0.0025	2090	\$ 5.22	\$ 0.0024	2143	\$ 5.14	-\$ 0.08	-1.53%
Sub-Total C - Delivery (including Sub-Total B)				\$ 72.44			\$ 86.23	\$ 13.78	19.03%
Wholesale Market Service Charge (WMSC)	kWh	\$ 0.0052	2090	\$ 10.87	\$ 0.0044	2143	\$ 9.43	-\$ 1.44	-13.21%
Rural and Remote Rate Protection (RRRP)	kWh	\$ 0.0011	2090	\$ 2.30	\$ 0.0012	2143	\$ 2.57	\$ 0.27	11.89%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	2090	\$ 14.63	\$ 0.0070	2143	\$ 15.00	\$ 0.38	2.57%
Energy - RPP - Tier 1	kWh	\$ 0.0650	750	\$ 48.75	\$ 0.0650	750	\$ 48.75	\$ -	
Energy - RPP - Tier 2	kWh	\$ 0.0750	1340	\$ 100.47	\$ 0.0750	1393	\$ 104.50	\$ 4.03	4.01%
TOU - Off Peak	kWh	\$ 0.0650	1337	\$ 86.93	\$ 0.0650	1372	\$ 89.16	\$ 2.23	2.57%
TOU - Mid Peak	kWh	\$ 0.1000	376	\$ 37.61	\$ 0.1000	386	\$ 38.58	\$ 0.97	2.57%
TOU - On Peak	kWh	\$ 0.1170	376	\$ 44.01	\$ 0.1170	386	\$ 45.14	\$ 1.13	2.57%
Total Bill on RPP (before Taxes)				\$ 249.45			\$ 266.48	\$ 17.02	6.82%
HST		13%		\$ 32.43	13%		\$ 34.64	\$ 2.21	6.82%
Total Bill (including HST)				\$ 281.88			\$ 301.12	\$ 19.24	6.82%
Ontario Clean Energy Benefit 1				-\$ 28.19			-\$ 30.11	-\$ 1.92	6.81%
Total Bill on RPP (including OCEB)				\$ 253.69			\$ 271.01	\$ 17.32	6.83%
Total Bill on TOU (before Taxes)				\$ 268.78			\$ 286.11	\$ 17.33	6.45%
HST		13%		\$ 34.94	13%		\$ 37.19	\$ 2.25	6.45%
Total Bill (including HST)				\$ 303.72			\$ 323.30	\$ 19.58	6.45%
Ontario Clean Energy Benefit 1				-\$ 30.37			-\$ 32.33	-\$ 1.96	6.45%
Total Bill on TOU (including OCEB)				\$ 273.35			\$ 290.97	\$ 17.62	6.45%

Loss Factor (%)

4.48%

7.16%

1 Applicable to eligible customers only. Refer to the Ontario Clean Energy Benefit Act, 2010.

Note that the "Charge \$" columns provide breakdowns of the amounts that each bill component contributes to the total monthly bill at the referenced consumption level at existing and proposed rates.

Applicants must provide bill impacts for residential at 800 kWh and GS<50kW at 2000 kWh. In addition, their filing should cover the range that is relevant to their service territory, class by class. A general guideline of consumption levels follows:

Residential (kWh) - 100, 250, 500, 800, 1000, 1500, 2000

GS<50kW (kWh) - 1000, 2000, 5000, 10000, 15000

GS>50kW (kW) - 60, 100, 500, 1000

Large User - range appropriate for utility

Lighting Classes and USL - 150 kWh and 1 kW, range appropriate for utility.

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Appendix 2-W Bill Impacts

Customer Class: **General Service > 50 to 4999 kW**Consumption **68500** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 181.6100	1	\$ 181.61	\$ 181.6100	1	\$ 181.61	\$ -	
Smart Meter Rate Adder	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Distribution Volumetric Rate	kW	\$ 0.6880	190	\$ 130.72	\$ 0.8698	190	\$ 165.26	\$ 34.54	26.42%
Smart Meter Disposition Rider	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
LRAM & SSM Rate Rider	kW	\$ 0.0163	190	\$ 3.10	\$ -	190	\$ -	-\$ 3.10	-100.00%
Sub-Total A				\$ 315.43			\$ 346.87	\$ 31.45	9.97%
Rate Rider for Deferral/Variance Account Disposition (2009)	kW	-\$ 0.5839	190	-\$ 110.94	\$ -	190	\$ -	\$ 110.94	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2012)	kW	-\$ 1.2149	190	-\$ 230.83	\$ -	190	\$ -	\$ 230.83	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2013)	kW	\$ -	190	\$ -	-\$ 1.6670	190	-\$ 316.73	-\$ 316.73	
Low Voltage Service Charge	kW	\$ 0.3342	190	\$ 63.50	\$ 0.4340	190	\$ 82.46	\$ 18.96	29.86%
Smart Meter Entry Charge	Monthly				\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 37.15			\$ 112.60	\$ 75.45	203.08%
RTSR - Network	kW	\$ 2.3850	204	\$ 485.61	\$ 2.1931	204	\$ 446.54	-\$ 39.07	-8.05%
RTSR - Line and Transformation Connection	kW	\$ 0.9844	204	\$ 200.43	\$ 0.9565	204	\$ 194.75	-\$ 5.68	-2.83%
Sub-Total C - Delivery (including Sub-Total B)				\$ 723.20			\$ 753.89	\$ 30.70	4.24%
Wholesale Market Service Charge (WMSC)	kWh	\$ 0.0052	71569	\$ 372.16	\$ 0.0044	73407	\$ 322.99	-\$ 49.17	-13.21%
Rural and Remote Rate Protection (RRRP)	kWh	\$ 0.0011	71569	\$ 78.73	\$ 0.0012	73407	\$ 88.09	\$ 9.36	11.89%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	71569	\$ 500.98	\$ 0.0070	73407	\$ 513.85	\$ 12.87	2.57%
Energy - RPP - Tier 1	kWh	\$ 0.0650	750	\$ 48.75	\$ 0.0650	750	\$ 48.75	\$ -	
Energy - RPP - Tier 2	kWh	\$ 0.0750	70819	\$ 5,311.41	\$ 0.0750	72657	\$ 5,449.27	\$ 137.86	2.60%
TOU - Off Peak	kWh	\$ 0.0650	45804	\$ 2,977.26	\$ 0.0650	46980	\$ 3,053.73	\$ 76.47	2.57%
TOU - Mid Peak	kWh	\$ 0.1000	12882	\$ 1,288.24	\$ 0.1000	13213	\$ 1,321.33	\$ 33.09	2.57%
TOU - On Peak	kWh	\$ 0.1170	12882	\$ 1,507.24	\$ 0.1170	13213	\$ 1,545.95	\$ 38.71	2.57%
Total Bill on RPP (before Taxes)				\$ 7,035.22			\$ 7,176.84	\$ 141.62	2.01%
HST		13%		\$ 914.58	13%		\$ 932.99	\$ 18.41	2.01%
Total Bill (including HST)				\$ 7,949.80			\$ 8,109.83	\$ 160.03	2.01%
Ontario Clean Energy Benefit 1				-\$ 794.98			-\$ 810.98	-\$ 16.00	2.01%
Total Bill on RPP (including OCEB)				\$ 7,154.82			\$ 7,298.85	\$ 144.03	2.01%
Total Bill on TOU (before Taxes)				\$ 7,447.80			\$ 7,599.83	\$ 152.03	2.04%
HST		13%		\$ 968.21	13%		\$ 987.98	\$ 19.76	2.04%
Total Bill (including HST)				\$ 8,416.02			\$ 8,587.81	\$ 171.79	2.04%
Ontario Clean Energy Benefit 1				-\$ 841.60			-\$ 858.78	-\$ 17.18	2.04%
Total Bill on TOU (including OCEB)				\$ 7,574.42			\$ 7,729.03	\$ 154.61	2.04%

Loss Factor (%)

4.48%

7.16%

1 Applicable to eligible customers only. Refer to the Ontario Clean Energy Benefit Act, 2010.

Note that the "Charge \$" columns provide breakdowns of the amounts that each bill component contributes to the total monthly bill at the referenced consumption level at existing and proposed rates.

Applicants must provide bill impacts for residential at 800 kWh and GS<50kW at 2000 kWh. In addition, their filing should cover the range that is relevant to their service territory, class by class. A general guideline of consumption levels follows:

Residential (kWh) - 100, 250, 500, 800, 1000, 1500, 2000

GS<50kW (kWh) - 1000, 2000, 5000, 10000, 15000

GS>50kW (kW) - 60, 100, 500, 1000

Large User - range appropriate for utility

Lighting Classes and USL - 150 kWh and 1 kW, range appropriate for utility.

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Appendix 2-W Bill Impacts

Customer Class: **Unmetered Scattered Load**Consumption **397** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 12.2300	1	\$ 12.23	\$ 13.9600	1	\$ 13.96	\$ 1.73	14.15%
Smart Meter Rate Adder	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Distribution Volumetric Rate	kWh	\$ 0.0134	397	\$ 5.32	\$ 0.0153	397	\$ 6.07	\$ 0.75	14.18%
Smart Meter Disposition Rider	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
LRAM & SSM Rate Rider	kW	\$ -	397	\$ -	\$ -	397	\$ -	\$ -	
Sub-Total A				\$ 17.55			\$ 20.03	\$ 2.48	14.16%
Rate Rider for Deferral/Variance Account Disposition (2009)	kW	-\$ 0.0011	397	-\$ 0.44	\$ -	397	\$ -	\$ 0.44	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2012)	kW	-\$ 0.0027	397	-\$ 1.07	\$ -	397	\$ -	\$ 1.07	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2013)	kW	\$ -	397	\$ -	-\$ 0.0056	397	-\$ 2.22	-\$ 2.22	
Low Voltage Service Charge	kWh	\$ 0.0006	397	\$ 0.24	\$ 0.0012	397	\$ 0.48	\$ 0.24	100.00%
Smart Meter Entry Charge	Monthly				\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 16.28			\$ 18.29	\$ 2.01	12.33%
RTSR - Network	kWh	\$ 0.0059	415	\$ 2.45	\$ 0.0054	425	\$ 2.30	-\$ 0.15	-6.12%
RTSR - Line and Transformation Connection	kWh	\$ 0.0025	415	\$ 1.04	\$ 0.0024	425	\$ 1.02	-\$ 0.02	-1.53%
Sub-Total C - Delivery (including Sub-Total B)				\$ 19.76			\$ 21.61	\$ 1.84	9.32%
Wholesale Market Service Charge (WMSC)	kWh	\$ 0.0052	415	\$ 2.16	\$ 0.0044	425	\$ 1.87	-\$ 0.28	-13.21%
Rural and Remote Rate Protection (RRRP)	kWh	\$ 0.0011	415	\$ 0.46	\$ 0.0012	425	\$ 0.51	\$ 0.05	11.89%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	415	\$ 2.90	\$ 0.0070	425	\$ 2.98	\$ 0.07	2.57%
Energy - RPP - Tier 1	kWh	\$ 0.0650	415	\$ 26.96	\$ 0.0650	425	\$ 27.65	\$ 0.69	2.57%
Energy - RPP - Tier 2	kWh	\$ 0.0750		\$ -	\$ 0.0750		\$ -	\$ -	
TOU - Off Peak	kWh	\$ 0.0650	265	\$ 17.26	\$ 0.0650	272	\$ 17.70	\$ 0.44	2.57%
TOU - Mid Peak	kWh	\$ 0.1000	75	\$ 7.47	\$ 0.1000	77	\$ 7.66	\$ 0.19	2.57%
TOU - On Peak	kWh	\$ 0.1170	75	\$ 8.74	\$ 0.1170	77	\$ 8.96	\$ 0.22	2.57%
Total Bill on RPP (before Taxes)				\$ 52.24			\$ 54.62	\$ 2.38	4.55%
HST		13%		\$ 6.79	13%		\$ 7.10	\$ 0.31	4.55%
Total Bill (including HST)				\$ 59.03			\$ 61.72	\$ 2.69	4.55%
Ontario Clean Energy Benefit 1				-\$ 5.90			-\$ 6.17	-\$ 0.27	4.58%
Total Bill on RPP (including OCEB)				\$ 53.13			\$ 55.55	\$ 2.42	4.55%
Total Bill on TOU (before Taxes)				\$ 58.74			\$ 61.28	\$ 2.55	4.33%
HST		13%		\$ 7.64	13%		\$ 7.97	\$ 0.33	4.33%
Total Bill (including HST)				\$ 66.37			\$ 69.25	\$ 2.88	4.33%
Ontario Clean Energy Benefit 1				-\$ 6.64			-\$ 6.92	-\$ 0.28	4.22%
Total Bill on TOU (including OCEB)				\$ 59.73			\$ 62.33	\$ 2.60	4.35%

Loss Factor (%)

4.48%

7.16%

1 Applicable to eligible customers only. Refer to the Ontario Clean Energy Benefit Act, 2010.

Note that the "Charge \$" columns provide breakdowns of the amounts that each bill component contributes to the total monthly bill at the referenced consumption level at existing and proposed rates.

Applicants must provide bill impacts for residential at 800 kWh and GS<50kW at 2000 kWh. In addition, their filing should cover the range that is relevant to their service territory, class by class. A general guideline of consumption levels follows:

Residential (kWh) - 100, 250, 500, 800, 1000, 1500, 2000

GS<50kW (kWh) - 1000, 2000, 5000, 10000, 15000

GS>50kW (kW) - 60, 100, 500, 1000

Large User - range appropriate for utility

Lighting Classes and USL - 150 kWh and 1 kW, range appropriate for utility.

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Appendix 2-W Bill Impacts

Customer Class: **Street Lighting**Consumption **86** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 5.2700	1	\$ 5.27	\$ 6.4400	1	\$ 6.44	\$ 1.17	22.20%
Smart Meter Rate Adder	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Distribution Volumetric Rate	kW	\$ 6.2108	0.18	\$ 1.12	\$ 7.5882	0.18	\$ 1.37	\$ 0.25	22.18%
Smart Meter Disposition Rider	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
LRAM & SSM Rate Rider	kW	\$ -	0.18	\$ -	\$ -	0.18	\$ -	\$ -	
Sub-Total A				\$ 6.39			\$ 7.81	\$ 1.42	22.20%
Rate Rider for Deferral/Variance Account Disposition (2009)	kW	-\$ 0.2965	0.18	-\$ 0.05	\$ -	0.18	\$ -	\$ 0.05	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2012)	kW	-\$ 0.6158	0.18	-\$ 0.11	\$ -	0.18	\$ -	\$ 0.11	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2013)	kW	\$ -	0.18	\$ -	-\$ 1.8400	0.18	-\$ 0.33	-\$ 0.33	
Low Voltage Service Charge	kW	\$ 0.2454	0.18	\$ 0.04	\$ 0.3351	0.18	\$ 0.06	\$ 0.02	36.55%
Smart Meter Entry Charge	Monthly				\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 6.27			\$ 7.53	\$ 1.27	20.22%
RTSR - Network	kW	\$ 1.7989	0	\$ 0.35	\$ 1.6541	0	\$ 0.32	-\$ 0.03	-8.05%
RTSR - Line and Transformation Connection	kW	\$ 0.7610	0	\$ 0.15	\$ 0.7394	0	\$ 0.14	-\$ 0.00	-2.84%
Sub-Total C - Delivery (including Sub-Total B)				\$ 6.76			\$ 8.00	\$ 1.23	18.26%
Wholesale Market Service Charge (WMSC)	kWh	\$ 0.0052	90	\$ 0.47	\$ 0.0044	92	\$ 0.41	-\$ 0.06	-13.21%
Rural and Remote Rate Protection (RRRP)	kWh	\$ 0.0011	90	\$ 0.10	\$ 0.0012	92	\$ 0.11	\$ 0.01	11.89%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	90	\$ 0.63	\$ 0.0070	92	\$ 0.65	\$ 0.02	2.57%
Energy - RPP - Tier 1	kWh	\$ 0.0650	90	\$ 5.84	\$ 0.0650	92	\$ 5.99	\$ 0.15	2.57%
Energy - RPP - Tier 2	kWh	\$ 0.0750		\$ -	\$ 0.0750		\$ -	\$ -	
TOU - Off Peak	kWh	\$ 0.0650	58	\$ 3.74	\$ 0.0650	59	\$ 3.83	\$ 0.10	2.57%
TOU - Mid Peak	kWh	\$ 0.1000	16	\$ 1.62	\$ 0.1000	17	\$ 1.66	\$ 0.04	2.57%
TOU - On Peak	kWh	\$ 0.1170	16	\$ 1.89	\$ 0.1170	17	\$ 1.94	\$ 0.05	2.57%
Total Bill on RPP (before Taxes)				\$ 13.80			\$ 15.15	\$ 1.35	9.79%
HST		13%		\$ 1.79	13%		\$ 1.97	\$ 0.18	9.79%
Total Bill (including HST)				\$ 15.59			\$ 17.12	\$ 1.53	9.79%
Ontario Clean Energy Benefit 1				-\$ 1.56			-\$ 1.71	-\$ 0.15	9.62%
Total Bill on RPP (including OCEB)				\$ 14.03			\$ 15.41	\$ 1.38	9.81%
Total Bill on TOU (before Taxes)				\$ 15.20			\$ 16.59	\$ 1.39	9.12%
HST		13%		\$ 1.98	13%		\$ 2.16	\$ 0.18	9.12%
Total Bill (including HST)				\$ 17.18			\$ 18.75	\$ 1.57	9.12%
Ontario Clean Energy Benefit 1				-\$ 1.72			-\$ 1.87	-\$ 0.15	8.72%
Total Bill on TOU (including OCEB)				\$ 15.46			\$ 16.88	\$ 1.42	9.17%

Loss Factor (%)

4.48%

7.16%

1 Applicable to eligible customers only. Refer to the Ontario Clean Energy Benefit Act, 2010.

Note that the "Charge \$" columns provide breakdowns of the amounts that each bill component contributes to the total monthly bill at the referenced consumption level at existing and proposed rates.

Applicants must provide bill impacts for residential at 800 kWh and GS<50kW at 2000 kWh. In addition, their filing should cover the range that is relevant to their service territory, class by class. A general guideline of consumption levels follows:

Residential (kWh) - 100, 250, 500, 800, 1000, 1500, 2000

GS<50kW (kWh) - 1000, 2000, 5000, 10000, 15000

GS>50kW (kW) - 60, 100, 500, 1000

Large User - range appropriate for utility

Lighting Classes and USL - 150 kWh and 1 kW, range appropriate for utility.



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Date Filed: May 31, 2013

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Attachment 3 Updated RRWF



Revenue Requirement Workform



Version 3.00

Utility Name	Northern Ontario Wires Inc.
Service Territory	
Assigned EB Number	EB-2012-0153
Name and Title	Geoffrey Sutton
Phone Number	705-272-2918
Email Address	geoffs@nowinc.ca

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



Revenue Requirement Workform

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[6. Taxes PILs](#)

[7. Cost of Capital](#)

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Notes:

- (1) Pale green cells represent inputs
- (2) Pale green boxes at the bottom of each page are for additional notes
- (3) Pale yellow cells represent drop-down lists
- (4) ***Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.***
- (5) ***Completed versions of the Revenue Requirement Work Form are required to be filed in working Microsoft Excel***



Revenue Requirement Workform

Data Input ⁽¹⁾

	Initial Application	(2)	Adjustments	Settlement Agreement	(6)	Adjustments	Per Board Decision
1	Rate Base						
Gross Fixed Assets (average)	\$6,254,922		\$3,340,760	\$ 9,595,682			\$9,595,682
Accumulated Depreciation (average)	(\$633,774)	(5)	(\$3,352,588)	-\$3,986,361			-\$3,986,361
Allowance for Working Capital:							
Controllable Expenses	\$2,484,371		(\$179,823)	\$ 2,304,548			\$2,304,548
Cost of Power	\$12,342,221		\$52,158.30	\$ 12,290,062			\$12,290,062
Working Capital Rate (%)	13.00%	(9)		11.40%	(9)		11.40% (9)
2	Utility Income						
Operating Revenues:							
Distribution Revenue at Current Rates	\$2,533,602		\$21,836	\$2,555,438		\$0	\$2,555,438
Distribution Revenue at Proposed Rates	\$2,988,426		-\$71,773	\$2,916,653		\$0	\$2,916,653
Other Revenue:							
Specific Service Charges	\$118,798		\$0	\$118,798		\$0	\$118,798
Late Payment Charges	\$60,000		\$32,500	\$92,500		\$0	\$92,500
Other Distribution Revenue	\$14,881		\$0	\$14,881		\$0	\$14,881
Other Income and Deductions	\$47,119		\$0	\$47,119		\$0	\$47,119
Total Revenue Offsets	\$240,798	(7)	\$32,500	\$273,298		\$0	\$273,298
Operating Expenses:							
OM+A Expenses	\$2,484,371		(\$179,823)	\$ 2,304,548			\$2,304,548
Depreciation/Amortization	\$285,259	(10)	\$168,804	\$ 454,062			\$454,062
Property taxes							
Other expenses							
3	Taxes/PILs						
Taxable Income:							
Adjustments required to arrive at taxable income	(\$132,294)	(3)		(\$190,790)			(\$190,790)
Utility Income Taxes and Rates:							
Income taxes (not grossed up)	\$22,177			\$9,578			\$9,578
Income taxes (grossed up)	\$23,222			\$11,334			\$11,334
Federal tax (%)	11.00%			11.00%			11.00%
Provincial tax (%)	4.50%			4.50%			4.50%
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% (8)
Common Equity Capitalization Ratio (%)	40.0%			40.0%			40.0%
Preferred Shares Capitalization Ratio (%)							
	100.0%			100.0%			100.0%
Cost of Capital							
Long-term debt Cost Rate (%)	3.75%			3.75%			3.75%
Short-term debt Cost Rate (%)	2.08%			2.07%			2.07%
Common Equity Cost Rate (%)	9.12%			8.98%			8.98%
Preferred Shares Cost Rate (%)							
Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS (\$)	(\$6,825)	(11)			(11)		(11)

- Notes:**
- General** Data inputs are required on Sheets 3. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.
- (1) All inputs are in dollars (\$) except where inputs are individually identified as percentages (%)
- Data in column E is for Application as originally filed. For updated revenue requirement as a result of interrogatory responses, technical or settlement conferences, etc., use column M and Adjustments in column I
- (2) Net of addbacks and deductions to arrive at taxable income.
- (3) Average of Gross Fixed Assets at beginning and end of the Test Year
- (4) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.
- (5) Select option from drop-down list by clicking on cell M10. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.
- (6) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement
- (7) 4.0% unless an Applicant has proposed or been approved for another amount.
- (8) Starting with 2013, default Working Capital Allowance factor is 13% (of Cost of Power plus controllable expenses). Alternatively, WCA factor based on lead-lag study or approved WCA factor for another distributor, with supporting rationale.
- (9) Depreciation Expense should include the adjustment resulting from the amortization of the deferred PP&E balance as shown on Appendix 2-EA or Appendix 2-EB of the Chapter 2 Appendices to the Filing Requirements.
- (10) Adjustment should include the adjustment to the return on rate base associated with deferred PP&E balance as shown on Appendix 2-EA or Appendix 2-EB of the Chapter 2 Appendices to the Filing Requirements.



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)	\$6,254,922	\$3,340,760	\$9,595,682	\$ -	\$9,595,682
2	Accumulated Depreciation (average) (3)	(\$633,774)	(\$3,352,588)	(\$3,986,361)	\$ -	(\$3,986,361)
3	Net Fixed Assets (average) (3)	\$5,621,149	(\$11,828)	\$5,609,321	\$ -	\$5,609,321
4	Allowance for Working Capital (1)	\$1,927,457	(\$263,671)	\$1,663,786	\$ -	\$1,663,786
5	Total Rate Base	\$7,548,605	(\$275,499)	\$7,273,106	\$ -	\$7,273,106

Allowance for Working Capital - Derivation

(1)						
6	Controllable Expenses	\$2,484,371	(\$179,823)	\$2,304,548	\$ -	\$2,304,548
7	Cost of Power	\$12,342,221	(\$52,158)	\$12,290,062	\$ -	\$12,290,062
8	Working Capital Base	\$14,826,592	(\$231,982)	\$14,594,610	\$ -	\$14,594,610
9	Working Capital Rate % (2)	13.00%	-1.60%	11.40%	0.00%	11.40%
10	Working Capital Allowance	\$1,927,457	(\$263,671)	\$1,663,786	\$ -	\$1,663,786

Notes

- (2)

Some Applicants may have a unique rate as a result of a lead-lag study. Default rate for 2013 cost of service applications is 13%.
- (3)

Average of opening and closing balances for the year.



Revenue Requirement Workform

Utility Income

Line No.	Particulars	Initial Application	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
	Operating Revenues:					
1	Distribution Revenue (at Proposed Rates)	\$2,988,426	(\$71,773)	\$2,916,653	\$ -	\$2,916,653
2	Other Revenue (1)	\$240,798	\$32,500	\$273,298	\$ -	\$273,298
3	Total Operating Revenues	\$3,229,224	(\$39,273)	\$3,189,952	\$ -	\$3,189,952
	Operating Expenses:					
4	OM+A Expenses	\$2,484,371	(\$179,823)	\$2,304,548	\$ -	\$2,304,548
5	Depreciation/Amortization	\$285,259	\$168,804	\$454,062	\$ -	\$454,062
6	Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
7	Capital taxes	\$ -	\$ -	\$ -	\$ -	\$ -
8	Other expense	\$ -	\$ -	\$ -	\$ -	\$ -
9	Subtotal (lines 4 to 8)	\$2,769,630	(\$11,020)	\$2,758,610	\$ -	\$2,758,610
10	Deemed Interest Expense	\$164,801	(\$6,044)	\$158,757	\$ -	\$158,757
11	Total Expenses (lines 9 to 10)	\$2,934,431	(\$17,064)	\$2,917,367	\$ -	\$2,917,367
12	Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS	(\$6,825)	\$6,825	\$ -	\$ -	\$ -
13	Utility income before income taxes	\$301,618	(\$29,034)	\$272,584	\$ -	\$272,584
14	Income taxes (grossed-up)	\$26,245	(\$14,911)	\$11,334	\$ -	\$11,334
15	Utility net income	\$275,373	(\$14,123)	\$261,250	\$ -	\$261,250

Notes

Other Revenues / Revenue Offsets

(1)	Specific Service Charges	\$118,798	\$ -	\$118,798	\$ -	\$118,798
	Late Payment Charges	\$60,000	\$32,500	\$92,500	\$ -	\$92,500
	Other Distribution Revenue	\$14,881	\$ -	\$14,881	\$ -	\$14,881
	Other Income and Deductions	\$47,119	\$ -	\$47,119	\$ -	\$47,119
	Total Revenue Offsets	\$240,798	\$32,500	\$273,298	\$ -	\$273,298



Revenue Requirement Workform

Taxes/PILs

Line No.	Particulars	Application	Settlement Agreement	Per Board Decision
<u>Determination of Taxable Income</u>				
1	Utility net income before taxes	\$275,373	\$261,250	\$261,250
2	Adjustments required to arrive at taxable utility income	(\$132,294)	(\$190,790)	(\$190,790)
3	Taxable income	\$143,079	\$70,460	\$70,460
<u>Calculation of Utility income Taxes</u>				
4	Income taxes	\$22,177	\$9,578	\$9,578
6	Total taxes	\$22,177	\$9,578	\$9,578
7	Gross-up of Income Taxes	\$4,068	\$1,757	\$1,757
8	Grossed-up Income Taxes	\$26,245	\$11,334	\$11,334
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	\$26,245	\$11,334	\$11,334
10	Other tax Credits	\$ -	\$ -	\$ -
<u>Tax Rates</u>				
11	Federal tax (%)	11.00%	11.00%	11.00%
12	Provincial tax (%)	4.50%	4.50%	4.50%
13	Total tax rate (%)	15.50%	15.50%	15.50%

Notes



Revenue Requirement Workform

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Initial Application			
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$4,227,219	3.75%	\$158,521
2	Short-term Debt	4.00%	\$301,944	2.08%	\$6,280
3	Total Debt	60.00%	\$4,529,163	3.64%	\$164,801
	Equity				
4	Common Equity	40.00%	\$3,019,442	9.12%	\$275,373
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$3,019,442	9.12%	\$275,373
7	Total	100.00%	\$7,548,605	5.83%	\$440,174
		Settlement Agreement			
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$4,072,939	3.75%	\$152,735
2	Short-term Debt	4.00%	\$290,924	2.07%	\$6,022
3	Total Debt	60.00%	\$4,363,864	3.64%	\$158,757
	Equity				
4	Common Equity	40.00%	\$2,909,242	8.98%	\$261,250
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$2,909,242	8.98%	\$261,250
7	Total	100.00%	\$7,273,106	5.77%	\$420,007
		Per Board Decision			
		(%)	(\$)	(%)	(\$)
	Debt				
8	Long-term Debt	56.00%	\$4,072,939	3.75%	\$152,735
9	Short-term Debt	4.00%	\$290,924	2.07%	\$6,022
10	Total Debt	60.00%	\$4,363,864	3.64%	\$158,757
	Equity				
11	Common Equity	40.00%	\$2,909,242	8.98%	\$261,250
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	Total Equity	40.00%	\$2,909,242	8.98%	\$261,250
14	Total	100.00%	\$7,273,106	5.77%	\$420,007

Notes

(1) Data in column E is for Application as originally filed. For updated revenue requirement as a result of interrogatory responses, technical or settlement conferences, etc., use column M and Adjustments in column I



Revenue Requirement Workform

Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application		Settlement Agreement		Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$454,824		\$362,806		\$362,806
2	Distribution Revenue	\$2,533,602	\$2,533,602	\$2,555,438	\$2,553,848	\$2,555,438	\$2,553,848
3	Other Operating Revenue	\$240,798	\$240,798	\$273,298	\$273,298	\$273,298	\$273,298
	Offsets - net						
4	Total Revenue	<u>\$2,774,401</u>	<u>\$3,229,224</u>	<u>\$2,828,736</u>	<u>\$3,189,952</u>	<u>\$2,828,736</u>	<u>\$3,189,952</u>
5	Operating Expenses	\$2,769,630	\$2,769,630	\$2,758,610	\$2,758,610	\$2,758,610	\$2,758,610
6	Deemed Interest Expense	\$164,801	\$164,801	\$158,757	\$158,757	\$158,757	\$158,757
7	Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS	(\$6,825) (2)	(\$6,825)	\$ - (2)	\$ -	\$ - (2)	\$ -
8	Total Cost and Expenses	<u>\$2,927,606</u>	<u>\$2,927,606</u>	<u>\$2,917,367</u>	<u>\$2,917,367</u>	<u>\$2,917,367</u>	<u>\$2,917,367</u>
9	Utility Income Before Income Taxes	(\$153,205)	\$301,618	(\$88,631)	\$272,584	(\$88,631)	\$272,584
10	Tax Adjustments to Accounting Income per 2013 PILs model	(\$132,294)	(\$132,294)	(\$190,790)	(\$190,790)	(\$190,790)	(\$190,790)
11	Taxable Income	(\$285,499)	\$169,325	(\$279,420)	\$81,795	(\$279,420)	\$81,795
12	Income Tax Rate	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
13	Income Tax on Taxable Income	(\$44,252)	\$26,245	(\$43,310)	\$12,678	(\$43,310)	\$12,678
14	Income Tax Credits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Utility Net Income	<u>(\$108,953)</u>	<u>\$275,373</u>	<u>(\$45,321)</u>	<u>\$261,250</u>	<u>(\$45,321)</u>	<u>\$261,250</u>
16	Utility Rate Base	\$7,548,605	\$7,548,605	\$7,273,106	\$7,273,106	\$7,273,106	\$7,273,106
17	Deemed Equity Portion of Rate Base	\$3,019,442	\$3,019,442	\$2,909,242	\$2,909,242	\$2,909,242	\$2,909,242
18	Income/(Equity Portion of Rate Base)	-3.61%	9.12%	-1.56%	8.98%	-1.56%	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	-12.73%	0.00%	-10.54%	0.00%	-10.54%	0.00%
21	Indicated Rate of Return	0.74%	5.83%	1.56%	5.77%	1.56%	5.77%
22	Requested Rate of Return on Rate Base	5.83%	5.83%	5.77%	5.77%	5.77%	5.77%
23	Deficiency/Sufficiency in Rate of Return	-5.09%	0.00%	-4.22%	0.00%	-4.22%	0.00%
24	Target Return on Equity	\$275,373	\$275,373	\$261,250	\$261,250	\$261,250	\$261,250
25	Revenue Deficiency/(Sufficiency)	\$384,326	\$ -	\$306,571	\$ -	\$306,571	\$ -
26	Gross Revenue Deficiency/(Sufficiency)	<u>\$454,824 (1)</u>		<u>\$362,806 (1)</u>		<u>\$362,806 (1)</u>	

Notes:

- (1) Revenue Deficiency/Sufficiency divided by (1 - Tax Rate)
 (2) Treated as an adjustment pre-tax to avoid an impact on taxes/PILs and hence on revenue sufficiency deficiency



Revenue Requirement

Line No.	Particulars	Application		Settlement Agreement		Per Board Decision	
1	OM&A Expenses	\$2,484,371		\$2,304,548		\$2,304,548	
2	Amortization/Depreciation	\$285,259		\$454,062		\$454,062	
3	Property Taxes	\$ -					
5	Income Taxes (Grossed up)	\$26,245		\$11,334		\$11,334	
6	Other Expenses	\$ -					
7	Return						
	Deemed Interest Expense	\$164,801		\$158,757		\$158,757	
	Return on Deemed Equity	\$275,373		\$261,250		\$261,250	
	Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS						
		(\$6,825)		\$ -		\$ -	
8	Service Revenue Requirement (before Revenues)	\$3,229,224		\$3,189,952		\$3,189,952	
9	Revenue Offsets	\$240,798		\$273,298		\$273,298	
10	Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)	\$2,988,426		\$2,916,653		\$2,916,653	
11	Distribution revenue	\$2,988,426		\$2,916,653		\$2,916,653	
12	Other revenue	\$240,798		\$273,298		\$273,298	
13	Total revenue	\$3,229,224		\$3,189,952		\$3,189,952	
14	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	\$ -	(1)	\$ -	(1)	\$ -	(1)

Notes

(1)	Line 11 - Line 8
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File Number: EB-2012-0153

Date Filed: May 31, 2013

Tab 2 of 2

Appendices



File Number: EB-2012-0153

Tab: 2
Schedule: 1

Date Filed: May 31, 2013

Appendix 1 of 7

Appendix A Summary of Significant Changes

Summary of Significant Changes

	Initial Application A	Per Supplementary Interrogatories B	Difference C = B - A	Per Settlement Agreement D	Difference E = D - B	Total Change F = D - A
Rate Base						
Gross Fixed Assets (average)	\$ 6,254,922	\$ 9,619,245	\$ 3,364,323	\$ 9,595,682	-\$ 23,563	\$ 3,340,760
Accumulated Depreciation (average)	-\$ 633,774	-\$ 4,207,786	-\$ 3,574,013	-\$ 3,986,361	\$ 221,425	-\$ 3,352,588
Allowance for Working Capital:						
Controllable Expenses	\$ 2,484,371	\$ 2,485,105	\$ 734	\$ 2,304,548	-\$ 180,557	-\$ 179,823
Cost of Power	\$ 12,342,221	\$ 12,227,411	-\$ 114,809	\$ 12,290,062	\$ 62,651	-\$ 52,158
Working Capital Rate (%)	13.0%	13.0%	0.0%	11.4%	-1.6%	-1.6%
Utility Income						
Operating Revenues:						
Distribution Revenue at Current Rates	\$ 2,533,602	\$ 2,533,602	\$ -	\$ 2,555,438	\$ 21,836	\$ 21,836
Distribution Revenue at Proposed Rates	\$ 2,988,426	\$ 3,014,093	\$ 25,666	\$ 2,916,653	-\$ 97,439	-\$ 71,773
Other Revenue:						
Specific Service Charges	\$ 118,798	\$ 118,798	\$ -	\$ 118,798	\$ -	\$ -
Late Payment Charges	\$ 60,000	\$ 60,000	\$ -	\$ 92,500	\$ 32,500	\$ 32,500
Other Distribution Revenue	\$ 14,881	\$ 14,881	\$ -	\$ 14,881	\$ -	\$ -
Other Income and Deductions	\$ 47,119	\$ 47,119	\$ -	\$ 47,119	\$ -	\$ -
Total Revenue Offsets	\$ 240,798	\$ 240,798	\$ -	\$ 273,298	\$ 32,500	\$ 32,500
Operating Expenses:						
OM+A Expenses	\$ 2,484,371	\$ 2,485,105	\$ 734	\$ 2,304,548	-\$ 180,557	-\$ 179,823
Depreciation/Amortization	\$ 285,259	\$ 319,679	\$ 34,421	\$ 454,062	\$ 134,383	\$ 168,804
Property taxes						
Taxes/PILs						
Taxable Income:						
Adjustments required to arrive at taxable income	-\$ 132,294	-\$ 115,040	\$ 17,254	-\$ 190,790	-\$ 75,750	-\$ 58,496
Utility Income Taxes and Rates:					\$ -	\$ -
Income taxes (not grossed up)	\$ 22,177	\$ 22,946	\$ 769	\$ 9,578	-\$ 13,369	-\$ 12,600
Income taxes (grossed up)	\$ 23,222	\$ 27,156	\$ 3,933	\$ 11,334	-\$ 15,821	-\$ 11,888
Capital Taxes						
Federal tax (%)	11.00%	11.00%	0.00%	11.00%	0.00%	0.00%
Provincial tax (%)	4.50%	4.50%	0.00%	4.50%	0.00%	0.00%
Income Tax Credits	\$ -		\$ -		\$ -	\$ -
Capitalization/Cost of Capital						
Capital Structure:						
Long-term debt Capitalization Ratio (%)	56%	56%	0%	56%	0%	0%
Short-term debt Capitalization Ratio (%)	4%	4%	0%	4%	0%	0%
Common Equity Capitalization Ratio (%)	40%	40%	0%	40%	0%	0%
Preferred Shares Capitalization Ratio (%)	100%	100%	0%	100%	0%	0%
Cost of Capital						
Long-term debt Cost Rate (%)	3.75%	3.75%	0.00%	3.75%	0.00%	0.00%
Short-term debt Cost Rate (%)	2.08%	2.07%	-0.01%	2.07%	0.00%	-0.01%
Common Equity Cost Rate (%)	9.12%	8.98%	-0.14%	8.98%	0.00%	-0.14%
Preferred Shares Cost Rate (%)						
Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS (\$)	-\$ 6,825		\$ 6,825		\$ -	\$ 6,825

Summary of Significant Changes (continued)

Item	Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital %	Working Capital Allowance	Amortization	PILs	OM&A	Service Revenue Requirement	Revenue Offsets	Base Revenue Requirement	Gross Revenue Def/(Suf)	Reference
Original Application	\$ 440,174	5.83%	\$ 7,548,605	\$ 14,826,592	13.00%	\$ 1,927,457	\$ 285,259	\$ 26,245	\$ 2,484,371	\$ 3,229,224	\$ 240,798	\$ 2,988,426	\$ 454,824	
Update RTSR's, WMSR, RRRP	-\$ 6,695		-\$ 14,925	-\$ 114,809		-\$ 14,925				-\$ 6,695		-\$ 6,695	-\$ 6,695	Board Directive EB-2013-0067
Change LEAP	\$ 43		\$ 95	\$ 734		\$ 95			\$ 734	\$ 777		\$ 777	\$ 777	
Change STD and ROE	-\$ 4,516	-0.06%								-\$ 4,516		-\$ 4,516	-\$ 4,516	
MIFRS Adjustment										\$ 6,825		\$ 6,825	\$ 6,825	
Increase to Capital Additions	\$ 658		\$ 22,785							\$ 658		\$ 658	\$ 658	
Change FA MIFRS Back to MCGAAP	-\$ 6,712		-\$ 232,474				\$ 34,421	\$ 910		\$ 28,618		\$ 28,618	\$ 28,618	
Unexplained Change	-\$ 0	0.00%	-\$ 0	\$ -	0.00%	\$ -	\$ -	\$ 0	\$ -	-\$ 0	\$ -	-\$ 0	-\$ 0	
Supplementary IR's	\$ 422,951	5.77%	\$ 7,324,086	\$ 14,712,516	13.00%	\$ 1,912,627	\$ 319,679	\$ 27,156	\$ 2,485,105	\$ 3,254,891	\$ 240,798	\$ 3,014,093	\$ 480,490	
Remove Depreciation From OM&A	\$ 1,020		\$ 17,671	\$ 135,932		\$ 17,671	\$ 135,932	-\$ 16,069	-\$ 135,932	-\$ 15,049		-\$ 15,049	-\$ 15,049	Settlement Conference
Decrease To OM&A	-\$ 335		-\$ 5,801	-\$ 44,625		-\$ 5,801			-\$ 44,625	-\$ 44,960		-\$ 44,960	-\$ 44,960	Settlement Conference
Decrease to Capital Additions	-\$ 1,316		-\$ 22,785				-\$ 1,549	\$ 248		-\$ 2,617		-\$ 2,617	-\$ 2,617	Settlement Conference
Increase Revenue Offsets											\$ 32,500	-\$ 32,500	-\$ 32,500	Settlement Conference
Depreciation Adjustment	\$ 12,742		\$ 220,646							\$ 12,742		\$ 12,742	\$ 12,742	Settlement Conference
GS>50 Load Forecast Adjustment	-\$ 1,571		-\$ 27,198	-\$ 209,213		-\$ 27,198				-\$ 1,571		-\$ 1,571	-\$ 1,571	Settlement Conference
Reduction in Working Capital Allowance	-\$ 13,485		-\$ 233,514		-1.60%	-\$ 233,514				-\$ 13,485		-\$ 13,485	-\$ 13,485	Settlement Conference
Unexplained Change	\$ 0	0.00%	\$ 0	-\$ 0	0.00%	-\$ 0	\$ -	\$ 0	-\$ 0	-\$ 0	\$ -	-\$ 0	-\$ 0	
Settlement Agreement	\$ 420,007	5.77%	\$ 7,273,106	\$ 14,594,610	11.40%	\$ 1,663,786	\$ 454,062	\$ 11,334	\$ 2,304,548	\$ 3,189,952	\$ 273,298	\$ 2,916,653	\$ 362,806	



File Number: EB-2012-0153

Tab: 2
Schedule: 1

Date Filed: May 31, 2013

Appendix 2 of 7

Appendix B Fixed Asset Continuity Schedules

OEB Appendix 2-B Fixed Asset Continuity Schedule Summary

	CGAAP					Per RRWF Average 2012 / 2013 C = (A + B) / 2
	2009	2010	2011	2012 A	2013 B	
Opening Balance	\$ 6,635,653	\$ 6,751,833	\$ 6,537,468	\$ 7,865,405	\$ 8,695,701	
Smart Meters NBV					\$ 1,074,883	
Additions	\$ 201,928	\$ 437,145	\$ 1,383,278	\$ 830,296	\$ 725,079	
Disposals	-\$ 85,748	-\$ 651,510	-\$ 55,341	\$ -	\$ -	
Closing Balance	<u>\$ 6,751,833</u>	<u>\$ 6,537,468</u>	<u>\$ 7,865,405</u>	<u>\$ 8,695,701</u>	<u>\$ 10,495,663</u>	<u>\$ 9,595,682</u>
Opening Balance	-\$ 2,884,394	-\$ 3,163,664	-\$ 3,066,404	-\$ 3,357,212	-\$ 3,759,329	
Smart Meters					-\$ 99,828	
Additions	-\$ 365,016	-\$ 356,958	-\$ 346,568	-\$ 402,117	-\$ 354,235	
Disposals	\$ 85,746	\$ 454,218	\$ 55,760	\$ -	\$ -	
Closing Balance	<u>-\$ 3,163,664</u>	<u>-\$ 3,066,404</u>	<u>-\$ 3,357,212</u>	<u>-\$ 3,759,329</u>	<u>-\$ 4,213,392</u>	<u>-\$ 3,986,361</u>
Net Book Value	\$ 3,588,169	\$ 3,471,064	\$ 4,508,193	\$ 4,936,372	\$ 6,282,271	\$ 5,609,322

Appendix 2-B

Fixed Asset Continuity Schedule

CGAAP

Year2009 Actual

CCA Class	OEB	Description	Depreciation Rate	Cost				Accumulated Depreciation				Net Book Value
				Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
12	1611	Computer Software (Formally known as Account 1925)		\$110,642	\$67,427	-\$18,911	\$159,158	-\$31,308	-\$13,879	\$18,910	-\$26,277	\$132,881
CEC	1612	Land Rights (Formally known as Account 1906)					\$-				\$-	\$-
N/A	1805	Land		\$2,840			\$2,840				\$-	\$2,840
47	1808	Buildings		\$93,232			\$93,232	-\$34,009	-\$2,554		-\$36,563	\$56,669
13	1810	Leasehold Improvements		\$25,087	\$4,692		\$29,779	-\$22,988	-\$1,453		-\$24,441	\$5,338
47	1815	Transformer Station Equipment >50 kV		\$3,644			\$3,644	-\$850	-\$121		-\$971	\$2,673
47	1820	Distribution Station Equipment <50 kV		\$551,343			\$551,343	-\$246,628	-\$20,462		-\$267,090	\$284,253
47	1825	Storage Battery Equipment					\$-				\$-	\$-
47	1830	Poles, Towers & Fixtures		\$2,315,176	\$44,303		\$2,359,479	-\$798,606	-\$95,641		-\$894,247	\$1,465,232
47	1835	Overhead Conductors & Devices		\$1,318,125	\$47,817		\$1,365,942	-\$689,054	-\$82,062		-\$771,116	\$594,826
47	1840	Underground Conduit		\$186,674			\$186,674	-\$117,655	-\$14,412		-\$132,067	\$54,607
47	1845	Underground Conductors & Devices		\$3,690			\$3,690	-\$687	-\$147		-\$834	\$2,856
47	1850	Line Transformers		\$512,547			\$512,547	-\$236,930	-\$29,711		-\$266,641	\$245,906
47	1855	Services (Overhead & Underground)		-\$0	\$-		-\$0	\$-			\$-	-\$0
47	1860	Meters		\$529,176	\$2,442		\$531,618	-\$279,686	-\$32,717		-\$312,403	\$219,215
47	1860	Meters (Smart Meters)					\$-				\$-	\$-
N/A	1905	Land					\$-				\$-	\$-
47	1908	Buildings & Fixtures					\$-				\$-	\$-
13	1910	Leasehold Improvements					\$-				\$-	\$-
8	1915	Office Furniture & Equipment (10 years)		\$17,008			\$17,008	-\$18,021	-\$835		-\$18,856	-\$1,848
8	1915	Office Furniture & Equipment (5 years)					\$-				\$-	\$-
10	1920	Computer Equipment - Hardware					\$-				\$-	\$-
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)					\$-				\$-	\$-
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$149,130	\$1,410	-\$66,837	\$83,703	-\$108,133	-\$11,988	\$66,836	-\$53,285	\$30,418
10	1930	Transportation Equipment		\$701,506	\$20,142		\$721,648	-\$247,914	-\$47,673		-\$295,587	\$426,061
8	1935	Stores Equipment			\$680		\$680	-\$434	-\$68		-\$502	\$178
8	1940	Tools, Shop & Garage Equipment		\$108,544	\$13,015		\$121,559	-\$50,145	-\$11,293		-\$61,438	\$60,121
8	1945	Measurement & Testing Equipment					\$-				\$-	\$-
8	1950	Power Operated Equipment					\$-				\$-	\$-
8	1955	Communications Equipment		\$686			\$686	-\$686			-\$686	\$-
8	1955	Communication Equipment (Smart Meters)					\$-				\$-	\$-
8	1960	Miscellaneous Equipment		\$6,603			\$6,603	-\$660			-\$660	\$5,943
47	1975	Load Management Controls Utility Premises					\$-				\$-	\$-
47	1980	System Supervisor Equipment					\$-				\$-	\$-
47	1985	Miscellaneous Fixed Assets - WIP Smart Meters					\$-				\$-	\$-
47	1995	Contributions & Grants					\$-				\$-	\$-
	etc.			\$-			\$-				\$-	\$-
		Total		\$6,635,653	\$201,928	-\$85,748	\$6,751,833	-\$2,884,394	-\$365,016	\$85,746	-\$3,163,664	\$3,588,169

10		Transportation
8		Stores Equipment

Less: Fully Allocated Depreciation	
Transportation	\$-
Stores Equipment	
Net Depreciation	-\$365,016

NOW NOTES

YE WIP - allocated to relevant accounts for above					
YE 2009 WIP	Software 1611	\$67,442	-\$67,442		
	Smart Meters 1895 WIP		\$41,021		
	Substation 1820		\$2,048		
	Overhead Services 1855		\$679		
YE WIP TOTAL		\$67,442	-\$23,694		

Note 1 Services acct 1855 included in Acct 1835 and 1840

Notes:

- 1
- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum , the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.

Appendix 2-B

Fixed Asset Continuity Schedule

CGAAP

Year 2010 Actual

CCA Class	OEB	Description	Depreciation Rate	Cost				Accumulated Depreciation				Net Book Value
				Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
12	1611	Computer Software (Formally known as Account 1925)		\$ 159,158			\$ 159,158	-\$ 26,277	-\$ 21,360		-\$ 47,637	\$ 111,521
CEC	1612	Land Rights (Formally known as Account 1906)		\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1805	Land		\$ 2,840			\$ 2,840	\$ -			\$ -	\$ 2,840
47	1808	Buildings		\$ 93,232			\$ 93,232	-\$ 36,563	-\$ 2,553		-\$ 39,116	\$ 54,116
13	1810	Leasehold Improvements		\$ 29,779			\$ 29,779	-\$ 24,441	-\$ 1,922		-\$ 26,363	\$ 3,416
47	1815	Transformer Station Equipment >50 kV		\$ 3,644			\$ 3,644	-\$ 971	-\$ 121		-\$ 1,092	\$ 2,552
47	1820	Distribution Station Equipment <50 kV		\$ 551,343			\$ 551,343	-\$ 267,090	-\$ 20,463		-\$ 287,553	\$ 263,790
47	1825	Storage Battery Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures		\$ 2,359,479	\$ 94,217		\$ 2,453,696	-\$ 894,247	-\$ 97,248		-\$ 991,495	\$ 1,462,201
47	1835	Overhead Conductors & Devices		\$ 1,365,942	\$ 111,277		\$ 1,477,219	-\$ 771,116	-\$ 84,659		-\$ 855,775	\$ 621,444
47	1840	Underground Conduit		\$ 186,674			\$ 186,674	-\$ 132,067	-\$ 14,412		-\$ 146,479	\$ 40,195
47	1845	Underground Conductors & Devices		\$ 3,690			\$ 3,690	-\$ 834	-\$ 148		-\$ 982	\$ 2,708
47	1850	Line Transformers		\$ 512,547	\$ 6,915		\$ 519,462	-\$ 266,641	-\$ 29,591		-\$ 296,232	\$ 223,230
47	1855	Services (Overhead & Underground)		\$ 0	\$ 0		\$ 0	\$ -			\$ -	\$ 0
47	1860	Meters		\$ 531,618	\$ 3,354	-\$ 478,455	\$ 56,517	\$ 312,403		\$ 281,162	-\$ 31,241	\$ 25,276
47	1860	Meters (Smart Meters)		\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1905	Land		\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures		\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements		\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)		\$ 17,008			\$ 17,008	-\$ 18,856	-\$ 835		-\$ 19,691	-\$ 2,683
8	1915	Office Furniture & Equipment (5 years)		\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware		\$ -			\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		\$ -			\$ -	\$ -			\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$ 83,703	\$ 2,419		\$ 86,122	-\$ 53,285	-\$ 9,303		-\$ 62,588	\$ 23,534
10	1930	Transportation Equipment		\$ 721,648	\$ 195,230	-\$ 173,055	\$ 743,823	-\$ 295,587	-\$ 58,761	\$ 173,056	-\$ 181,292	\$ 562,531
8	1935	Stores Equipment		\$ 680			\$ 680	-\$ 502	-\$ 68		-\$ 570	\$ 110
8	1940	Tools, Shop & Garage Equipment		\$ 121,559	\$ 19,781		\$ 141,340	-\$ 61,438	-\$ 13,799		-\$ 75,237	\$ 66,103
8	1945	Measurement & Testing Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment		\$ 686	\$ 3,952		\$ 4,638	-\$ 686	-\$ 395		-\$ 1,081	\$ 3,557
8	1955	Communication Equipment (Smart Meters)		\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment		\$ 6,603			\$ 6,603	-\$ 660	-\$ 1,320		-\$ 1,980	\$ 4,623
47	1975	Load Management Controls Utility Premises		\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets		\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants					\$ -	\$ -			\$ -	\$ -
	etc.						\$ -	\$ -			\$ -	\$ -
								\$ -				
		Total		\$ 6,751,833	\$ 437,145	-\$ 651,510	\$ 6,537,468	-\$ 3,163,664	-\$ 356,958	\$ 454,218	-\$ 3,066,404	\$ 3,471,064

Note 1

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation

Transportation

Stores Equipment

Net Depreciation

\$ -

-\$ 356,958

YE WIP - allocated to relevant accounts for above	Opening	Closing	Change
Software 1611			
Smart Meters 1985 as WIP	\$ 41,021	\$ 38,191	-\$ 2,830
Substation 1820	\$ 2,048	\$ 27,743	\$ 25,695
Overhead Services 1855	\$ 679		-\$ 679
YE WIP TOTAL	\$ 43,748	\$ 65,934	\$ 22,186

Note 1 Services acct 1855 included in Acct 1835 and 1840

Notes:

- 1 Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum , the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- 2 The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3 below).
- 3 The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- 4 The depreciation column (D) is not required as the relevant information will be provided in the following 2-C series of appendices.

Appendix 2-B

Fixed Asset Continuity Schedule

CGAAP

Year2011 Actual

CCA Class	OEB	Description	Depreciation Rate	Cost				Accumulated Depreciation				
				Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	Net Book Value
12	1611	Computer Software (Formally known as Account 1925)		\$159,158			\$159,158	-\$47,637	-\$21,360		-\$68,997	\$90,161
CEC	1612	Land Rights (Formally known as Account 1906)		\$-			\$-	\$-			\$-	\$-
N/A	1805	Land		\$2,840	\$84,860		\$87,700	\$-			\$-	\$87,700
47	1808	Buildings		\$93,232	\$296,479	-\$4,134	\$385,577	-\$39,116	-\$7,495	\$4,133	-\$42,478	\$343,099
13	1810	Leasehold Improvements		\$29,779		-\$25,087	\$4,692	-\$26,363	-\$1,069	\$25,087	-\$2,345	\$2,347
47	1815	Transformer Station Equipment >50 kV		\$3,644			\$3,644	-\$1,092	-\$121		-\$1,213	\$2,431
47	1820	Distribution Station Equipment <50 kV		\$551,343			\$551,343	-\$287,553	-\$20,462		-\$308,015	\$243,328
47	1825	Storage Battery Equipment		\$-			\$-	\$-			\$-	\$-
47	1830	Poles, Towers & Fixtures		\$2,453,696	\$147,980		\$2,601,676	-\$991,495	-\$96,300		-\$1,087,795	\$1,513,881
47	1835	Overhead Conductors & Devices		\$1,477,219	\$181,311		\$1,658,530	-\$855,775	-\$64,621		-\$920,396	\$738,134
47	1840	Underground Conduit		\$186,674			\$186,674	-\$146,479	-\$10,013		-\$156,492	\$30,182
47	1845	Underground Conductors & Devices		\$3,690			\$3,690	-\$982	-\$148		-\$1,130	\$2,560
47	1850	Line Transformers		\$519,462	\$175,330		\$694,792	-\$296,232	-\$29,169		-\$325,401	\$369,391
47	1855	Services (Overhead & Underground)		\$0	\$-		\$0	\$-			\$-	0
47	1860	Meters		\$56,517	\$9,378	-\$26,120	\$39,775	-\$31,241	-\$3,114	\$26,540	-\$7,815	\$31,960
47	1860	Meters (Smart Meters)		\$-			\$-	\$-			\$-	\$-
N/A	1905	Land		\$-			\$-	\$-			\$-	\$-
47	1908	Buildings & Fixtures		\$-			\$-	\$-			\$-	\$-
13	1910	Leasehold Improvements		\$-			\$-	\$-			\$-	\$-
8	1915	Office Furniture & Equipment (10 years)		\$17,008	\$599		\$17,607	-\$19,691	-\$582		-\$20,273	-\$2,666
8	1915	Office Furniture & Equipment (5 years)		\$-			\$-	\$-			\$-	\$-
10	1920	Computer Equipment - Hardware		\$-			\$-	\$-			\$-	\$-
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		\$-			\$-	\$-			\$-	\$-
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$86,122	\$1,403		\$87,525	-\$62,588	-\$9,315		-\$71,903	\$15,622
10	1930	Transportation Equipment		\$743,823	\$459,146		\$1,202,969	-\$181,292	-\$63,376		-\$244,668	\$958,301
8	1935	Stores Equipment		\$680			\$680	-\$570	-\$68		-\$638	\$42
8	1940	Tools, Shop & Garage Equipment		\$141,340	\$26,792		\$168,132	-\$75,237	-\$17,244		-\$92,481	\$75,651
8	1945	Measurement & Testing Equipment		\$-			\$-	\$-			\$-	\$-
8	1950	Power Operated Equipment		\$-			\$-	\$-			\$-	\$-
8	1955	Communications Equipment		\$4,638			\$4,638	-\$1,081	-\$790		-\$1,871	\$2,767
8	1955	Communication Equipment (Smart Meters)		\$-			\$-	\$-			\$-	\$-
8	1960	Miscellaneous Equipment		\$6,603			\$6,603	-\$1,980	-\$1,321		-\$3,301	\$3,302
47	1975	Load Management Controls Utility Premises		\$-			\$-	\$-			\$-	\$-
47	1980	System Supervisor Equipment		\$-			\$-	\$-			\$-	\$-
47	1985	Miscellaneous Fixed Assets		\$-			\$-	\$-			\$-	\$-
47	1995	Contributions & Grants		\$-			\$-	\$-			\$-	\$-
	etc.			\$-			\$-	\$-			\$-	\$-
				\$-			\$-	\$-			\$-	\$-
		Total		\$6,537,468	\$1,383,278	-\$55,341	\$7,865,405	-\$3,066,404	-\$346,568	\$55,760	-\$3,357,212	\$4,508,193

Note 1

10		Transportation
8		Stores Equipment

Less: Fully Allocated Depreciation	
Transportation	\$-
Stores Equipment	
Net Depreciation	-\$346,568

YE WIP - allocated to relevant accounts for above					
		Opening	Closing	Change	
	Software	\$-			
	Smart Meters	\$38,191		-\$38,191	
	Substation 1820	\$27,743	\$28,685	\$942	
	Overhead Services 18	\$-		\$-	
	Transportation		\$84,000	\$84,000	
		\$65,934	\$112,685	\$46,751	

Note 1 Services acct 1855 included in Acct 1835 and 1840

Notes:

- 1Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum , the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- 2The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3 below).
- 3The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- 4The depreciation column (D) is not required as the relevant information will be provided in the following 2-C series of appendices.

Appendix 2-B

Fixed Asset Continuity Schedule

CGAAP

Year 2012 Bridge Year

CCA Class	OEB	Description	Depreciation Rate	Cost				Accumulated Depreciation				Net Book Value
				Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
12	1611	Computer Software (Formally known as Account 1925)		\$ 159,158			\$ 159,158	-\$ 68,997	-\$ 21,360		-\$ 90,357	\$ 68,801
CEC	1612	Land Rights (Formally known as Account 1906)		\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1805	Land		\$ 87,700			\$ 87,700	\$ -			\$ -	\$ 87,700
47	1808	Buildings		\$ 385,577	\$ 116,245		\$ 501,822	-\$ 42,478	-\$ 12,436		-\$ 54,914	\$ 446,908
13	1810	Leasehold Improvements		\$ 4,692			\$ 4,692	-\$ 2,345	-\$ 938		-\$ 3,283	\$ 1,409
47	1815	Transformer Station Equipment >50 kV		\$ 3,644			\$ 3,644	-\$ 1,213	-\$ 121		-\$ 1,334	\$ 2,310
47	1820	Distribution Station Equipment <50 kV		\$ 551,343	\$ 16,256		\$ 567,599	-\$ 308,015	-\$ 20,546		-\$ 328,561	\$ 239,038
47	1825	Storage Battery Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures		\$ 2,601,676	\$ 186,320		\$ 2,787,996	-\$ 1,087,795	-\$ 106,343		-\$ 1,194,138	\$ 1,593,858
47	1835	Overhead Conductors & Devices		\$ 1,658,530	\$ 219,276		\$ 1,877,806	-\$ 920,396	-\$ 71,911		-\$ 992,307	\$ 885,499
47	1840	Underground Conduit		\$ 186,674			\$ 186,674	-\$ 156,492	-\$ 9,571		-\$ 166,063	\$ 20,611
47	1845	Underground Conductors & Devices		\$ 3,690			\$ 3,690	-\$ 1,130	-\$ 148		-\$ 1,278	\$ 2,412
47	1850	Line Transformers		\$ 694,792	\$ 54,337		\$ 749,129	-\$ 325,401	-\$ 27,241		-\$ 352,642	\$ 396,487
47	1855	Services (Overhead & Underground)		\$ 0	\$ -		\$ 0	\$ -			\$ -	\$ 0
47	1860	Meters		\$ 39,775	-\$ 8,497		\$ 31,278	-\$ 7,815	-\$ 1,278		-\$ 9,093	\$ 22,185
47	1860	Meters (Smart Meters)		\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1905	Land		\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures		\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements		\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)		\$ 17,607	\$ -		\$ 17,607	-\$ 20,273	-\$ 404		-\$ 20,677	-\$ 3,070
8	1915	Office Furniture & Equipment (5 years)		\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware		\$ -			\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		\$ -			\$ -	\$ -			\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$ 87,525	\$ 3,982		\$ 91,507	-\$ 71,903	-\$ 4,618		-\$ 76,521	\$ 14,986
10	1930	Transportation Equipment		\$ 1,202,969	\$ 218,112		\$ 1,421,081	-\$ 244,668	-\$ 101,605		-\$ 346,273	\$ 1,074,808
8	1935	Stores Equipment		\$ 680			\$ 680	-\$ 638	-\$ 68		-\$ 706	-\$ 26
8	1940	Tools, Shop & Garage Equipment		\$ 168,132	\$ 24,265		\$ 192,397	-\$ 92,481	-\$ 22,078		-\$ 114,559	\$ 77,838
8	1945	Measurement & Testing Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment		\$ 4,638			\$ 4,638	-\$ 1,871	-\$ 791		-\$ 2,662	\$ 1,976
8	1955	Communication Equipment (Smart Meters)		\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment		\$ 6,603			\$ 6,603	-\$ 3,301	-\$ 660		-\$ 3,961	\$ 2,642
47	1975	Load Management Controls Utility Premises		\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets		\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants		\$ -			\$ -	\$ -			\$ -	\$ -
	etc.			\$ -			\$ -	\$ -			\$ -	\$ -
				\$ -			\$ -	\$ -			\$ -	\$ -
		Total		\$ 7,865,405	\$ 830,296	\$ -	\$ 8,695,701	-\$ 3,357,212	-\$ 402,117	\$ -	-\$ 3,759,329	\$ 4,936,372

Note 1

Note 2

10		Transportation
8		Stores Equipment

Less: Fully Allocated Depreciation	
Transportation	\$ -
Stores Equipment	
Net Depreciation	-\$ 402,117

Note 1 Services acct 1855 included in Acct 1835 and 1840

Note 2 Adjusted depreciation for over-amortized asset.

Notes:

- 1 Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum , the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- 2 The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3 below).
- 3 The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- 4 The depreciation column (D) is not required as the relevant information will be provided in the following 2-C series of appendices.

Appendix 2-B

Fixed Asset Continuity Schedule

CGAAP

Year 2013 Test Year

CCA Class	OEB	Description	Depreciation Rate	Cost				Accumulated Depreciation				Net Book Value
				Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals	Closing Balance	
12	1611	Computer Software (Formally known as Account 1925)		\$ 159,158	\$ 21,893		\$ 181,051	-\$ 90,357	-\$ 31,540		-\$ 121,897	\$ 59,154
CEC	1612	Land Rights (Formally known as Account 1906)		\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1805	Land		\$ 87,700			\$ 87,700	\$ -			\$ -	\$ 87,700
47	1808	Buildings		\$ 501,822			\$ 501,822	-\$ 54,914	-\$ 19,934		-\$ 74,848	\$ 426,974
13	1810	Leasehold Improvements		\$ 4,692			\$ 4,692	-\$ 3,283	-\$ 938		-\$ 4,221	\$ 471
47	1815	Transformer Station Equipment >50 kV		\$ 3,644			\$ 3,644	-\$ 1,334	-\$ 121		-\$ 1,455	\$ 2,189
47	1820	Distribution Station Equipment <50 kV		\$ 567,599			\$ 567,599	-\$ 328,561	-\$ 9,857		-\$ 338,418	\$ 229,181
47	1825	Storage Battery Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures		\$ 2,787,996	\$ 180,238		\$ 2,968,234	-\$ 1,194,138	-\$ 49,435		-\$ 1,243,573	\$ 1,724,661
47	1835	Overhead Conductors & Devices		\$ 1,877,806	\$ 220,291		\$ 2,098,097	-\$ 992,307	-\$ 28,275		-\$ 1,020,582	\$ 1,077,515
47	1840	Underground Conduit		\$ 186,674			\$ 186,674	-\$ 166,063	-\$ 862		-\$ 166,925	\$ 19,749
47	1845	Underground Conductors & Devices		\$ 3,690			\$ 3,690	-\$ 1,278	-\$ 73		-\$ 1,351	\$ 2,339
47	1850	Line Transformers		\$ 749,129	\$ 112,000		\$ 861,129	-\$ 352,642	-\$ 13,037		-\$ 365,679	\$ 495,450
47	1855	Services (Overhead & Underground)		\$ 0	\$ -		\$ 0	\$ -			\$ -	\$ 0
47	1860	Meters		\$ 31,278			\$ 31,278	-\$ 9,093	-\$ 12,614		-\$ 21,707	\$ 9,571
47	1860	Meters (Smart Meters)		\$ -	\$ 1,036,720		\$ 1,036,720	\$ -	-\$ 87,601		-\$ 87,601	\$ 949,119
N/A	1905	Land		\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures		\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements		\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)		\$ 17,607			\$ 17,607	-\$ 20,677	-\$ 436		-\$ 21,113	-\$ 3,506
8	1915	Office Furniture & Equipment (5 years)		\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware		\$ -			\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		\$ -			\$ -	\$ -			\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$ 91,507	\$ 30,969		\$ 122,476	-\$ 76,521	-\$ 25,474		-\$ 101,995	\$ 20,481
10	1930	Transportation Equipment		\$ 1,421,081	\$ 176,500		\$ 1,597,581	-\$ 346,273	-\$ 135,932.18		-\$ 482,205	\$ 1,115,376
8	1935	Stores Equipment		\$ 680			\$ 680	-\$ 706	\$ -		-\$ 706	-\$ 26
8	1940	Tools, Shop & Garage Equipment		\$ 192,397	\$ 12,875		\$ 205,272	-\$ 114,559	-\$ 35,283		-\$ 149,842	\$ 55,430
8	1945	Measurement & Testing Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment		\$ 4,638			\$ 4,638	-\$ 2,662	-\$ 791		-\$ 3,453	\$ 1,185
8	1955	Communication Equipment (Smart Meters)		\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment		\$ 6,603	\$ 8,476		\$ 15,079	-\$ 3,961	-\$ 1,860		-\$ 5,821	\$ 9,258
47	1975	Load Management Controls Utility Premises		\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets - WIP Smart Meters		\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants		\$ -			\$ -	\$ -			\$ -	\$ -
	etc.			\$ -			\$ -	\$ -			\$ -	\$ -
				\$ -			\$ -	\$ -			\$ -	\$ -
		Total		\$ 8,695,701	\$ 1,799,962	\$ -	\$ 10,495,663	-\$ 3,759,329	-\$ 454,063	\$ -	-\$ 4,213,392	\$ 6,282,271

Note 1

10		Transportation
8		Stores Equipment

Less: Fully Allocated Depreciation	
Transportation	-\$ 0
Stores Equipment	
Net Depreciation	-\$ 454,063

Note 1 Services acct 1855 included in Acct 1835 and 1840

Notes:

- 1Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum , the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- 2The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3 below).
- 3The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- 4The depreciation column (D) is not required as the relevant information will be provided in the following 2-C series of appendices.



File Number: EB-2012-0153

Tab: 2
Schedule: 1

Date Filed: May 31, 2013

Appendix 3 of 7

Appendix C Load Forecast & CDM Adjustment

Utility

Northern Ontario Wires Inc.

2014 Target

kWh

5,880,000

kW

1,060

OPA Final Results

Northern Ontario Wires Inc.

Source: 2011 OPA Final Report	2011	2012	2013	2014
2011 Final kWh	481,705	481,705	481,705	431,406
2011 Final kWh	101	101	101	84

Calculate proportionate CDM savings required to achieve CDMTarget

Northern Ontario Wires Inc.

Schedule to achieve 4 Year kWh CDM Target

4 Year 2011 - 2014 kWh CDM Target					
5,880,000					
%	2011	2012	2013	2014	Total
2011 Programs	8.2%	8.2%	8.2%	7.3%	31.9%
2012 Programs		11.3%	11.3%	11.3%	34.0%
2013 Programs			11.3%	11.3%	22.7%
2014 Programs				11.3%	11.3%
	8.2%	19.5%	30.9%	41.4%	100.0%

kWh	2011	2012	2013	2014	Total
2011 Programs	481,705	481,705	481,705	431,406	1,876,522
2012 Programs		667,246	667,246	667,246	2,001,739
2013 Programs			667,246	667,246	1,334,493
2014 Programs				667,246	667,246
	481,705	1,148,952	1,816,198	2,433,145	5,880,000

Schedule to achieve 4 Year kW CDM Target

4 Year 2011 - 2014 kW CDM Target					
1,060					
%	2011	2012	2013	2014	Total
2011 Programs	9.5%	9.5%	9.5%	7.9%	36.5%
2012 Programs		10.6%	10.6%	10.6%	31.7%
2013 Programs			10.6%	10.6%	21.2%
2014 Programs				10.6%	10.6%
	9.5%	20.1%	30.7%	39.7%	100.0%

kWh	2011	2012	2013	2014	Total
2011 Programs	101	101	101	84	387
2012 Programs		112	112	112	336
2013 Programs			112	112	224
2014 Programs				112	112
	101	213	325	420	1,060

Load Forecast Adjustment Calculation

Northern Ontario Wires Inc.

	2013 CDM Threshold (kWh of incremental CDM savings needed in 2014)	Application Factor 1.0 Full Year 0.5 Half Year	2013 Net kWh Load Forecast CDM Adjustment
	A	B	C = A * B
Year			
2011	481,705	0.5	240,853
2012	667,246	1.0	667,246
2013	667,246	0.5	333,623
	<u>1,816,198</u>		<u>1,241,722</u>

	2013 CDM Threshold (kWh of incremental CDM savings needed in 2014)	Application Factor 1.0 Full Year 0.5 Half Year	2013 Net kW Load Forecast CDM Adjustment
	A	B	C = A * B
Year			
2011	101	0.5	51
2012	112	1.0	112
2013	112	0.5	56
	<u>325</u>		<u>219</u>

CDM Adjustment To Load Forecast

Northern Ontario Wires Inc.

	Weather Normalized 2013F (Elenchus)		CDM Load Forecast Adjustment	2013 CDM Adjusted Load Forecast
kWh				
Residential (kWh)	42,936,585	36%	445,995	42,490,590
GS<50 (kWh)	20,103,818	17%	208,824	19,894,994
GS>50 (kW)	54,763,722	46%	568,847	54,194,875
USL (kWh)	127,637	0%	1,326	126,311
Street Lights (kW)	1,610,563	1%	16,729	1,593,834
Total Customer (kWh)	119,542,325	100%	1,241,722	118,300,603

	Weather Normalized 2013F (Elenchus)		CDM Load Forecast Adjustment	2013 CDM Adjusted Load Forecast
kW				
Residential (kWh)	-	0%		-
GS<50 (kWh)	-	0%		-
GS>50 (kW)	190,364	98%	1,977	188,386
USL (kWh)	-	0%		-
Street Lights (kW)	4,315	2%	45	4,270
Total Customer (kWh)	194,679	100%	2,022	192,656

LRAMVA Allocation

Northern Ontario Wires Inc.

	Weather Normalized 2013F (Elenchus)		LRAMVA (kWh)
kWh			
Residential (kWh)	42,936,585	36%	652,333
GS<50 (kWh)	20,103,818	17%	305,436
GS>50 (kW)	54,763,722	46%	832,021
Street Lights (kW)	1,610,563	1%	24,469
USL (kWh)	127,637	0%	1,939
Total Customer (kWh)	119,542,325	100%	1,816,198

	Weather Normalized 2013F (Elenchus)		LRAMVA (kW)
kW			
Residential (kWh)	-	0%	
GS<50 (kWh)	-	0%	
GS>50 (kW)	190,364	98%	1,037
Street Lights (kW)	4,315	2%	23
USL (kWh)	-	0%	
Total Customer (kWh)	194,679	100%	1,060



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Appendix D Cost of Power

Northern Ontario Wires Inc. (ED-2003-0018)
2013 EDR Application (EB-2012-0153) version: 1
May 15, 2013

C8 Pass-through Charges

Volumes from sheet C1, Account #s from sheet Y4

Enter rates for pass-through charges and estimated Low Voltage revenues

Electricity (Commodity)	Customer Class Name	Revenue USA #	Expense USA #	2012		2013	
				Volume	Amount	Volume	Amount
kWh	Residential	4006	4705	45,955,267	3,387,677	45,534,387	3,686,665
kWh	General Service < 50 kW	4010	4705	21,662,449	1,596,887	21,320,164	1,726,174
kWh	General Service > 50 to 4999 kW	4035	4705	54,981,855	4,053,089	58,077,104	4,702,178
kWh	Unmetered Scattered Load	4010	4705	136,780	10,083	135,359	10,959
kWh	Street Lighting	4025	4705	1,725,935	127,230	1,708,007	138,288
	TOTAL			124,462,286	9,174,967	126,775,021	10,264,264
Transmission - Network	Customer Class Name	Revenue USA #	Expense USA #	2012		2013	
				Volume	Rate	Volume	Rate
kWh	Residential	4066	4714	45,955,267	\$0.0063	45,534,387	\$0.0058
kWh	General Service < 50 kW	4066	4714	21,662,449	\$0.0059	21,320,164	\$0.0054
kW	General Service > 50 to 4999 kW	4066	4714	168,877	\$2.3850	188,386	\$2.1931
kWh	Unmetered Scattered Load	4066	4714	136,780	\$0.0059	135,359	\$0.0054
kW	Street Lighting	4066	4714	4,315	\$1.7989	4,270	\$1.6541
	TOTAL			67,927,688	828,668	67,182,566	800,172
Transmission - Connection	Customer Class Name	Revenue USA #	Expense USA #	2012		2013	
				Volume	Rate	Volume	Rate
kWh	Residential	4068	4716	45,955,267	\$0.0027	45,534,387	\$0.0026
kWh	General Service < 50 kW	4068	4716	21,662,449	\$0.0025	21,320,164	\$0.0024
kW	General Service > 50 to 4999 kW	4068	4716	168,877	\$0.9844	188,386	\$0.9565
kWh	Unmetered Scattered Load	4068	4716	136,780	\$0.0025	135,359	\$0.0024
kW	Street Lighting	4068	4716	4,315	\$0.7610	4,270	\$0.7394
	TOTAL			67,927,688	348,104	67,182,566	353,231
Wholesale Market Service	Customer Class Name	Revenue USA #	Expense USA #	2012		2013	
				Volume	Amount	Volume	Amount
kWh	Residential	4062	4708	45,955,267	238,967	45,534,387	200,351
kWh	General Service < 50 kW	4062	4708	21,662,449	112,645	21,320,164	93,809
kWh	General Service > 50 to 4999 kW	4062	4708	54,981,855	285,906	58,077,104	255,539
kWh	Unmetered Scattered Load	4062	4708	136,780	711	135,359	596
kWh	Street Lighting	4062	4708	1,725,935	8,975	1,708,007	7,515
	TOTAL			124,462,286	647,204	126,775,021	557,810
Rural Rate Protection	Customer Class Name	Revenue USA #	Expense USA #	2012		2013	
				Volume	Amount	Volume	Amount
kWh	Residential	4062	4730	45,955,267	50,551	45,534,387	54,641
kWh	General Service < 50 kW	4062	4730	21,662,449	23,829	21,320,164	25,584
kWh	General Service > 50 to 4999 kW	4062	4730	54,981,855	60,480	58,077,104	69,693
kWh	Unmetered Scattered Load	4062	4730	136,780	150	135,359	162
kWh	Street Lighting	4062	4730	1,725,935	1,899	1,708,007	2,050
	TOTAL			124,462,286	136,909	126,775,021	152,130
Low Voltage Charges	Customer Class Name	Revenue USA #	Expense USA #	2012		2013	
				Volume	Rate	Volume	Rate
kWh	Residential	4075	4750	42,883,336	\$0.0011	42,490,590	\$0.0013
kWh	General Service < 50 kW	4075	4750	20,214,398	\$0.0006	19,894,994	\$0.0012
kW	General Service > 50 to 4999 kW	4075	4750	168,877	\$0.3342	188,386	\$0.4340
kWh	Unmetered Scattered Load	4075	4750	127,637	\$0.0006	126,311	\$0.0012
kW	Street Lighting	4075	4750	4,315	\$0.2454	4,270	\$0.3351
	TOTAL			63,398,563	116,874	62,704,551	162,454
GRAND TOTAL					11,252,725		12,290,062



File Number: EB-2012-0153

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Schedule: 1

Date Filed: May 31, 2013

Appendix 5 of 7

Appendix E 2013 Revenue Offsets

Northern Ontario Wires Inc. (ED-2003-0018)

2013 EDR Application (EB-2012-0153) version: 1

May 15, 2013

C10 Revenue Offset Projections*Enter other amounts needed to complete projections*

Account Grouping	Account Description	2013 (proposed rates)		
		Service Projection	Other (+ / -)	Total
3050-Revenues From Services - Distribution	4080-Distribution Services Revenue	15,317		15,317
	4082-Retail Services Revenues	12,200		12,200
	4084-Service Transaction Requests (STR) Revenues	2,681		2,681
3100-Other Operating Revenues	4210-Rent from Electric Property		95,500	95,500
	4215-Other Utility Operating Income		2,500	2,500
	4225-Late Payment Charges	60,000	32,500	92,500
	4235-Miscellaneous Service Revenues	28,600		28,600
3150-Other Income & Deductions	4325-Revenues from Merchandise, Jobbing, Etc.		20,000	20,000
	4375-Revenues from Non-Utility Operations		500	500
3200-Investment Income	4405-Interest and Dividend Income		3,500	3,500
TOTAL		118,798	154,500	273,298



File Number: EB-2012-0153

Tab: 2
Schedule: 1

Date Filed: May 31, 2013

Appendix 6 of 7

Appendix F Updated 2013 PILs



Utility Name	Northern Ontario Wires Inc.
Assigned EB Number	EB-2012-0153
Name and Title	Geoff Sutton, CA - CFO
Phone Number	705-272-2918
Email Address	geoffs@nowinc.ca
Date	
Last COS Re-based Year	2009

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

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



Income Tax/PILs Workform for 2013 Filers

[1. Info](#)

[A. Data Input Sheet](#)

[B. Tax Rates & Exemptions](#)

[C. Sch 8 Hist](#)

[D. Schedule 10 CEC Hist](#)

[E. Sch 13 Tax Reserves Hist](#)

[F. Sch 7-1 Loss Cfwd Hist](#)

[G. Adj. Taxable Income Historic](#)

[H. PILs,Tax Provision Historic](#)

[I. Schedule 8 CCA Bridge Year](#)

[J. Schedule 10 CEC Bridge Year](#)

[K. Sch 13 Tax Reserves Bridge](#)

[L. Sch 7-1 Loss Cfwd Bridge](#)

[M. Adj. Taxable Income Bridge](#)

[N. PILs,Tax Provision Bridge](#)

[O. Schedule 8 CCA Test Year](#)

[P. Schedule 10 CEC Test Year](#)

[Q Sch 13 Tax Reserve Test Year](#)

[R. Sch 7-1 Loss Cfwd](#)

[S. Taxable Income Test Year](#)

[T. PILs,Tax Provision](#)



Income Tax/PILs Workform for 2013 Filers

Rate Base

\$ 7,031,752

Return on Ratebase

Deemed ShortTerm Debt %

4.00%

T \$ 281,270

$W = S * T$

Deemed Long Term Debt %

56.00%

U \$ 3,937,781

$X = S * U$

Deemed Equity %

40.00%

V \$ 2,812,701

$Y = S * V$

Short Term Interest Rate

2.07%

Z \$ 5,822

$AC = W * Z$

Long Term Interest

3.75%

AA \$ 147,667

$AD = X * AA$

Return on Equity (Regulatory Income)

8.98%

AB \$ 252,581

$AE = Y * AB$

Return on Rate Base

\$ 406,070

$AF = AC + AD + AE$

Questions that must be answered

1. Does the applicant have any Investment Tax Credits (ITC)?
2. Does the applicant have any SRED Expenditures?
3. Does the applicant have any Capital Gains or Losses for tax purposes?
4. Does the applicant have any Capital Leases?
5. Does the applicant have any Loss Carry-Forwards (non-capital or net capital)?
6. Since 1999, has the applicant acquired another regulated applicant's assets?
7. Did the applicant pay dividends?
If Yes, please describe what was the tax treatment in the manager's summary.
8. Did the applicant elect to capitalize interest incurred on CWIP for tax purposes?

Historic

Bridge

Test Year

Yes	Yes	Yes
No	No	No
No	No	No
Yes	Yes	



Income Tax/PILs Workform for 2013 Filers

Tax Rates Federal & Provincial As of June 20, 2012

Federal income tax

General corporate rate
Federal tax abatement
Adjusted federal rate

Rate reduction

Ontario income tax

Combined federal and Ontario

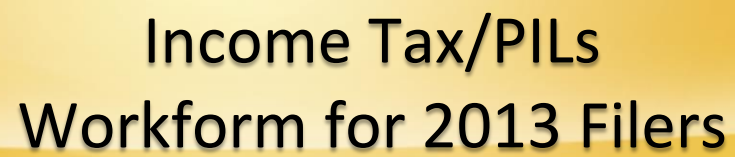
Federal & Ontario Small Business

Federal small business threshold
Ontario Small Business Threshold

Federal small business rate

Ontario small business rate

	Effective January 1, 2011	Effective January 1, 2012	Effective January 1, 2013	Effective January 1, 2014
General corporate rate	38.00%	38.00%	38.00%	38.00%
Federal tax abatement	-10.00%	-10.00%	-10.00%	-10.00%
Adjusted federal rate	28.00%	28.00%	28.00%	28.00%
Rate reduction	-11.50%	-13.00%	-13.00%	-13.00%
	16.50%	15.00%	15.00%	15.00%
Ontario income tax	11.75%	11.50%	11.50%	11.50%
Combined federal and Ontario	28.25%	26.50%	26.50%	26.50%
Federal small business threshold	500,000	500,000	500,000	500,000
Ontario Small Business Threshold	500,000	500,000	500,000	500,000
Federal small business rate	11.00%	11.00%	11.00%	11.00%
Ontario small business rate	4.50%	4.50%	4.50%	4.50%



Class	Class Description	UCC End of Year Historic per tax returns	Less: Non- Distribution Portion	UCC Regulated Historic Year
1	Distribution System - post 1987			0
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election	1,356,817		1,356,817
2	Distribution System - pre 1988	2,169,934		2,169,934
8	General Office/Stores Equip	249,831		249,831
10	Computer Hardware/ Vehicles	727,287		727,287
10.1	Certain Automobiles			0
12	Computer Software			0
13 ₁	Lease # 1	3,519		3,519
13 ₂	Lease #2			0
13 ₃	Lease # 3			0
13 ₄	Lease # 4			0
14	Franchise			0
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs	2,980		2,980
42	Fibre Optic Cable			0
43.1	Certain Energy-Efficient Electrical Generating Equipment			0
43.2	Certain Clean Energy Generation Equipment			0
45	Computers & Systems Software acq'd post Mar 22/04			0
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)			0
47	Distribution System - post February 2005	1,210,310		1,210,310
50	Data Network Infrastructure Equipment - post Mar 2007			0
52	Computer Hardware and system software			0
95	CWIP			0
6	WIP no CCA	109,496		109,496
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
	SUB-TOTAL - UCC	5,830,174	0	5,830,174



Income Tax/PILs Workform for 2013 Filers

Schedule 10 CEC - Historical Year

Cumulative Eligible Capital

18,227

Additions

Cost of Eligible Capital Property Acquired during Test Year

Other Adjustments

Subtotal

Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an ECP to the Corporation after Friday, December 20, 2002

Amount transferred on amalgamation or wind-up of subsidiary

Subtotal

x 3/4 = 0

x 1/2 = 0

0

0

0

18,227

Deductions

Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all ECP during Test Year

Other Adjustments

Subtotal

x 3/4 =

0

Cumulative Eligible Capital Balance

18,227

Current Year Deduction

18,227

x 7% =

1,276

Cumulative Eligible Capital - Closing Balance

16,951



Income Tax/PILs Workform for 2013 Filers

Schedule 13 Tax Reserves - Historical

Continuity of Reserves

Description	Historical Balance as per tax returns	Non-Distribution Eliminations	Utility Only
Capital Gains Reserves ss.40(1)			0
Tax Reserves Not Deducted for accounting purposes			
Reserve for doubtful accounts ss. 20(1)(l)			0
Reserve for goods and services not delivered ss. 20(1)(m)			0
Reserve for unpaid amounts ss. 20(1)(n)			0
Debt & Share Issue Expenses ss. 20(1)(e)			0
Other tax reserves			0
			0
			0
			0
			0
			0
Total	0	0	0
Financial Statement Reserves (not deductible for Tax Purposes)			
General Reserve for Inventory Obsolescence (non-specific)			0
General reserve for bad debts			0
Accrued Employee Future Benefits:			0
- Medical and Life Insurance			0
-Short & Long-term Disability			0
-Accumulated Sick Leave			0
- Termination Cost			0
- Other Post-Employment Benefits			0
Provision for Environmental Costs			0
Restructuring Costs			0
Accrued Contingent Litigation Costs			0
Accrued Self-Insurance Costs			0
Other Contingent Liabilities			0
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)			0
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)			0
Other			0
			0
			0
Total	0	0	0



Income Tax/PILs Workform for 2013 Filers

Schedule 7-1 Loss Carry Forward - Historic

Corporation Loss Continuity and Application

	Total	Non-Distribution Portion	Utility Balance
Non-Capital Loss Carry Forward Deduction			
Actual Historic			0

	Total	Non-Distribution Portion	Utility Balance
Net Capital Loss Carry Forward Deduction			
Actual Historic			0



Income Tax/PILs Workform for 2013 Filers

Adjusted Taxable Income - Historic Year

	T2S1 line #	Total for Legal Entity	Non-Distribution Eliminations	Historic Wires Only
Income before PILs/Taxes	A	505,745		505,745
Additions:				
Interest and penalties on taxes	103			0
Amortization of tangible assets	104	404,800		404,800
Amortization of intangible assets	106			0
Recapture of capital cost allowance from Schedule 8	107			0
Gain on sale of eligible capital property from Schedule 10	108			0
Income or loss for tax purposes- joint ventures or partnerships	109			0
Loss in equity of subsidiaries and affiliates	110			0
Loss on disposal of assets	111			0
Charitable donations	112			0
Taxable Capital Gains	113			0
Political Donations	114			0
Deferred and prepaid expenses	116			0
Scientific research expenditures deducted on financial statements	118			0
Capitalized interest	119			0
Non-deductible club dues and fees	120			0
Non-deductible meals and entertainment expense	121			0
Non-deductible automobile expenses	122			0
Non-deductible life insurance premiums	123			0
Non-deductible company pension plans	124			0
Tax reserves deducted in prior year	125			0
Reserves from financial statements- balance at end of year	126			0
Soft costs on construction and renovation of buildings	127			0
Book loss on joint ventures or partnerships	205			0
Capital items expensed	206			0
Debt issue expense	208			0
Development expenses claimed in current year	212			0
Financing fees deducted in books	216			0
Gain on settlement of debt	220			0
Non-deductible advertising	226			0
Non-deductible interest	227			0
Non-deductible legal and accounting fees	228			0
Recapture of SR&ED expenditures	231			0
Share issue expense	235			0
Write down of capital property	236			0
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237			0
Other Additions				
Interest Expensed on Capital Leases	290			0
Realized Income from Deferred Credit Accounts	291			0
Pensions	292			0
Non-deductible penalties	293			0
	294			0
	295			0
ARO Accretion expense				0
Capital Contributions Received (ITA 12(1)(x))				0
Lease Inducements Received (ITA 12(1)(x))				0
Deferred Revenue (ITA 12(1)(a))				0
Prior Year Investment Tax Credits received				0
				0
Provision for income taxes - current		18,207		18,207
Provision for income taxes - deferred		-264,419		-264,419
				0
				0
				0
				0
				0
				0
				0
Total Additions		158,588	0	158,588
Deductions:				
Gain on disposal of assets per financial statements	401			0
Dividends not taxable under section 83	402			0
Capital cost allowance from Schedule 8	403	545,590		545,590
Terminal loss from Schedule 8	404			0
Cumulative eligible capital deduction from Schedule 10	405	1,276		1,276
Allowable business investment loss	406			0
Deferred and prepaid expenses	409			0
Scientific research expenses claimed in year	411			0
Tax reserves claimed in current year	413			0
Reserves from financial statements - balance at beginning of year	414			0
Contributions to deferred income plans	416			0
Book income of joint venture or partnership	305			0
Equity in income from subsidiary or affiliates	306			0
Other deductions: (Please explain in detail the nature of the item)				
Interest capitalized for accounting deducted for tax	390			0
Capital Lease Payments	391			0
Non-taxable imputed interest income on deferral and variance accounts	392			0
	393			0
	394			0
ARO Payments - Deductible for Tax when Paid				0
ITA 13(7.4) Election - Capital Contributions Received				0
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds				0
Deferred Revenue - ITA 20(1)(m) reserve				0
Principal portion of lease payments				0
Lease Inducement Book Amortization credit to income				0
Financing fees for tax ITA 20(1)(e) and (e.1)				0
				0
				0
				0
				0
				0
				0
				0
Total Deductions		546,866	0	546,866
Net Income for Tax Purposes		117,467	0	117,467
Charitable donations from Schedule 2	311			0
Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82)	320			0
Non-capital losses of preceding taxation years from Schedule 4	331			0
Net-capital losses of preceding taxation years from Schedule 4 (Please include explanation and calculation in Manager's summary)	332			0
Limited partnership losses of preceding taxation years from Schedule 4	335			0
TAXABLE INCOME		117,467	0	117,467

Income Tax/PILs Workform for 2013 Filers

PILs Tax Provision - Historic Year

Note: Input the actual information from the tax returns for the historic year.

Wires Only

Regulatory Taxable Income

\$ 117,467 **A**

Ontario Income Taxes

Income tax payable

Ontario Income Tax

12.00% **B**

\$ 13,800 **C = A * B**

Small business credit

Ontario Small Business Threshold
Rate reduction (negative)

\$ 500,000 **D**

-17.00% **E**

-\$ 8,514 **F = D * E**

Ontario Income tax

\$ 5,286 **J = C + F**

Combined Tax Rate and PILs

Effective Ontario Tax Rate
Federal tax rate
Combined tax rate

4.50%

K = J / A

11.00%

L

15.50% **M = K + L**

Total Income Taxes

\$ 18,207 **N = A * M**

Investment Tax Credits

\$ 2,000 **O**

Miscellaneous Tax Credits

\$ 10,164 **P**

Total Tax Credits

\$ 12,164 **Q = O + P**

Corporate PILs/Income Tax Provision for Historic Year

\$ 6,043 **R = N - Q**



Class	Class Description	UCC Regulated Historic Year	Additions	Disposals (Negative)	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	Bridge Year CCA	UCC End of Bridge Year
1	Distribution System - post 1987				\$ -	\$ -	\$ -	4%	\$ -	\$ -
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election	\$ 1,356,817			\$ 1,356,817	\$ -	\$ 1,356,817	6%	\$ 81,409	\$ 1,275,408
2	Distribution System - pre 1988	\$ 2,169,934			\$ 2,169,934	\$ -	\$ 2,169,934	6%	\$ 130,196	\$ 2,039,738
8	General Office/Stores Equip	\$ 249,831	\$ 24,265		\$ 274,096	\$ 12,133	\$ 261,964	20%	\$ 52,393	\$ 221,703
10	Computer Hardware/ Vehicles	\$ 727,287	\$ 218,112		\$ 945,399	\$ 109,056	\$ 836,343	30%	\$ 250,903	\$ 694,496
10.1	Certain Automobiles				\$ -	\$ -	\$ -	30%	\$ -	\$ -
12	Computer Software		\$ -		\$ -	\$ -	\$ -	100%	\$ -	\$ -
13 1	Lease # 1	\$ 3,519			\$ 3,519	\$ -	\$ 3,519	27%	\$ 938	\$ 2,581
13 2	Lease #2				\$ -	\$ -	\$ -		\$ -	\$ -
13 3	Lease # 3				\$ -	\$ -	\$ -		\$ -	\$ -
13 4	Lease # 4				\$ -	\$ -	\$ -		\$ -	\$ -
14	Franchise				\$ -	\$ -	\$ -		\$ -	\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs	\$ 2,980			\$ 2,980	\$ -	\$ 2,980	8%	\$ 238	\$ 2,742
42	Fibre Optic Cable				\$ -	\$ -	\$ -	12%	\$ -	\$ -
43.1	Certain Energy-Efficient Electrical Generating Equipment				\$ -	\$ -	\$ -	30%	\$ -	\$ -
43.2	Certain Clean Energy Generation Equipment				\$ -	\$ -	\$ -	50%	\$ -	\$ -
45	Computers & Systems Software acq'd post Mar 22/04				\$ -	\$ -	\$ -	45%	\$ -	\$ -
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)				\$ -	\$ -	\$ -	30%	\$ -	\$ -
47	Distribution System - post February 2005	\$ 1,210,310	\$ 587,918		\$ 1,798,228	\$ 293,959	\$ 1,504,269	8%	\$ 120,342	\$ 1,677,886
50	Data Network Infrastructure Equipment - post Mar 2007				\$ -	\$ -	\$ -	55%	\$ -	\$ -
52	Computer Hardware and system software				\$ -	\$ -	\$ -	100%	\$ -	\$ -
95	CWIP				\$ -	\$ -	\$ -		\$ -	\$ -
6	WIP no CCA	\$ 109,496			\$ 109,496	\$ -	\$ 109,496		\$ -	\$ 109,496
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
					\$ -	\$ -	\$ -		\$ -	\$ -
	TOTAL	\$ 5,830,174	\$ 830,295	\$ -	\$ 6,660,469	\$ 415,148	\$ 6,245,322		\$ 636,419	\$ 6,024,050



Income Tax/PILs Workform for 2013 Filers

Schedule 10 CEC - Bridge Year

Cumulative Eligible Capital

16,951

Additions

Cost of Eligible Capital Property Acquired during Test Year

Other Adjustments

Subtotal

Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an ECP to the Corporation after Friday, December 20, 2002

Amount transferred on amalgamation or wind-up of subsidiary

Subtotal

x 3/4 = 0

x 1/2 = 0

0

0

0

16,951

Deductions

Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all ECP during Test Year

Other Adjustments

Subtotal

x 3/4 =

0

Cumulative Eligible Capital Balance

16,951

Current Year Deduction

16,951

x 7% =

1,187

Cumulative Eligible Capital - Closing Balance

15,765



Schedule 13 Tax Reserves - Bridge Year

[illegible]



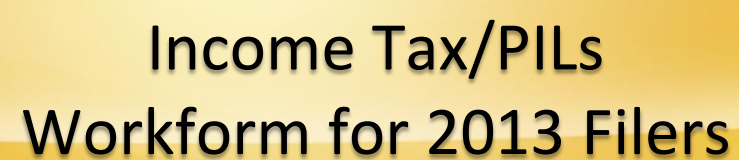
Income Tax/PILs Workform for 2013 Filers

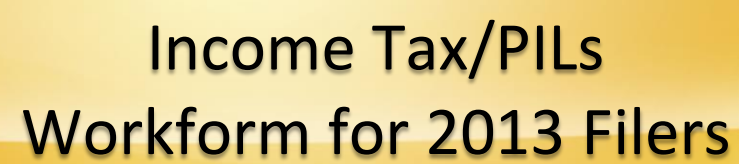
Corporation Loss Continuity and Application

Schedule 7-1 Loss Carry Forward - Bridge Year

Non-Capital Loss Carry Forward Deduction	Total
Actual Historic	0
Application of Loss Carry Forward to reduce taxable income in Bridge Year	
Other Adjustments Add (+) Deduct (-)	
Balance available for use in Test Year	0
Amount to be used in Bridge Year	
Balance available for use post Bridge Year	0

Net Capital Loss Carry Forward Deduction	Total
Actual Historic	0
Application of Loss Carry Forward to reduce taxable income in Bridge Year	
Other Adjustments Add (+) Deduct (-)	
Balance available for use in Test Year	0
Amount to be used in Bridge Year	
Balance available for use post Bridge Year	0

[illegible]



Gain on disposal of assets per financial statements	401	
Dividends not taxable under section 83	402	
Capital cost allowance from Schedule 8	403	636,419
Terminal loss from Schedule 8	404	
Cumulative eligible capital deduction from Schedule 10	405	1,187
Allowable business investment loss	406	
Deferred and prepaid expenses	409	
Scientific research expenses claimed in year	411	
Tax reserves claimed in current year	413	0
Reserves from financial statements - balance at beginning of year	414	0
Contributions to deferred income plans	416	
Book income of joint venture or partnership	305	
Equity in income from subsidiary or affiliates	306	
<i>Other deductions: (Please explain in detail the nature of the item)</i>		
Interest capitalized for accounting deducted for tax	390	
Capital Lease Payments	391	
Non-taxable imputed interest income on deferral and variance accounts	392	
	393	
	394	
ARO Payments - Deductible for Tax when Paid		
ITA 13(7.4) Election - Capital Contributions Received		
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds		
Deferred Revenue - ITA 20(1)(m) reserve		
Principal portion of lease payments		
Lease Inducement Book Amortization credit to income		
Financing fees for tax ITA 20(1)(e) and (e.1)		
Total Deductions		637,606
Net Income for Tax Purposes		-267,127
Charitable donations from Schedule 2	311	
Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82)	320	
Non-capital losses of preceding taxation years from Schedule 4	331	
Net-capital losses of preceding taxation years from Schedule 4 (Please include explanation and calculation in Manager's summary)	332	
Limited partnership losses of preceding taxation years from Schedule 4	335	
TAXABLE INCOME		-267,127



Income Tax/PILs Workform for 2013 Filers

PILS Tax Provision - Bridge Year

Wires Only

Regulatory Taxable Income

-\$ 267,127 A

Ontario Income Taxes

Income tax payable

Ontario Income Tax

4.50%

B

\$

-

C = A * B

Small business credit

Ontario Small Business Threshold
Rate reduction

\$ -
-7.00%

D

E

\$

-

F = D * E

Ontario Income tax

\$ - **J = C + F**

Combined Tax Rate and PILs

Effective Ontario Tax Rate
Federal tax rate
Combined tax rate

0.00%

0.00%

K = J / A

L

0.00% **M = K + L**

Total Income Taxes

\$ - **N = A * M**

Investment Tax Credits

O

Miscellaneous Tax Credits

P

Total Tax Credits

\$ - **Q = O + P**

Corporate PILs/Income Tax Provision for Bridge Year

\$ - **R = N - Q**

Note:

1. This is for the derivation of Bridge year PILs income tax expense and should not be used for Test year revenue requirement calculations.



Class	Class Description	UCC Test Year Opening Balance	Additions	Disposals (Negative)	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	Test Year CCA	UCC End of Test Year
1	Distribution System - post 1987	\$ -			\$ -	\$ -	\$ -	4%	\$ -	\$ -
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election	\$ 1,275,408			\$ 1,275,408	\$ -	\$ 1,275,408	6%	\$ 76,524	\$ 1,198,884
2	Distribution System - pre 1988	\$ 2,039,738			\$ 2,039,738	\$ -	\$ 2,039,738	6%	\$ 122,384	\$ 1,917,354
8	General Office/Stores Equip	\$ 221,703	20,600		\$ 242,303	\$ 10,300	\$ 232,003	20%	\$ 46,401	\$ 195,903
10	Computer Hardware/ Vehicles	\$ 694,496	176,500		\$ 870,996	\$ 88,250	\$ 782,746	30%	\$ 234,824	\$ 636,172
10.1	Certain Automobiles	\$ -			\$ -	\$ -	\$ -	30%	\$ -	\$ -
12	Computer Software	\$ -	15,450		\$ 15,450	\$ 7,725	\$ 7,725	100%	\$ 7,725	\$ 7,725
13 1	Lease # 1	\$ 2,581			\$ 2,581	\$ -	\$ 2,581	36%	\$ 938	\$ 1,642
13 2	Lease #2	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
13 3	Lease # 3	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
13 4	Lease # 4	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
14	Franchise	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than B	\$ 2,742			\$ 2,742	\$ -	\$ 2,742	8%	\$ 219	\$ 2,522
42	Fibre Optic Cable	\$ -			\$ -	\$ -	\$ -	12%	\$ -	\$ -
43.1	Certain Energy-Efficient Electrical Generating Equipment	\$ -			\$ -	\$ -	\$ -	30%	\$ -	\$ -
43.2	Certain Clean Energy Generation Equipment	\$ -			\$ -	\$ -	\$ -	50%	\$ -	\$ -
45	Computers & Systems Software acq'd post Mar 22/04	\$ -			\$ -	\$ -	\$ -	45%	\$ -	\$ -
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	\$ -			\$ -	\$ -	\$ -	30%	\$ -	\$ -
47	Distribution System - post February 2005	\$ 1,677,886	512,529		\$ 2,190,415	\$ 256,265	\$ 1,934,151	8%	\$ 154,732	\$ 2,035,683
50	Data Network Infrastructure Equipment - post Mar 2007	\$ -			\$ -	\$ -	\$ -	55%	\$ -	\$ -
52	Computer Hardware and system software	\$ -			\$ -	\$ -	\$ -	100%	\$ -	\$ -
95	CWIP	\$ -			\$ -	\$ -	\$ -	0%	\$ -	\$ -
6	WIP no CCA	\$ 109,496			\$ 109,496	\$ -	\$ 109,496	0%	\$ -	\$ 109,496
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
					\$ -	\$ -	\$ -	0%	\$ -	\$ -
	TOTAL	\$ 6,024,050	\$ 725,079	\$ -	\$ 6,749,129	\$ 362,540	\$ 6,386,590		\$ 643,748	\$ 6,105,381



Income Tax/PILs Workform for 2013 Filers

Schedule 10 CEC - Test Year

Cumulative Eligible Capital

15,765

Additions

Cost of Eligible Capital Property Acquired during Test Year

0

Other Adjustments

0

Subtotal

0

x 3/4 = 0

Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an ECP to the Corporation after Friday, December 20, 2002

0

x 1/2 = 0

0

0

Amount transferred on amalgamation or wind-up of subsidiary

0

0

Subtotal

15,765

Deductions

Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all ECP during Test Year

0

Other Adjustments

0

Subtotal

0

x 3/4 = 0

Cumulative Eligible Capital Balance

15,765

Current Year Deduction (Carry Forward to Tab "Test Year Taxable Income")

15,765

x 7% =

1,104

Cumulative Eligible Capital - Closing Balance

14,661



Continuity of Reserves

[illegible]



Income Tax/PILs Workform for 2013 Filers

Schedule 7-1 Loss Carry Forward - Test Year

Corporation Loss Continuity and Application

	Total	Non-Distribution Portion	Utility Balance
Non-Capital Loss Carry Forward Deduction			
Actual/Estimated Bridge Year			0
Application of Loss Carry Forward to reduce taxable income in 2005			0
Other Adjustments Add (+) Deduct (-)			0
Balance available for use in Test Year	0	0	0
Amount to be used in Test Year			0
Balance available for use post Test Year	0	0	0

	Total	Non-Distribution Portion	Utility Balance
Net Capital Loss Carry Forward Deduction			
Actual/Estimated Bridge Year			0
Application of Loss Carry Forward to reduce taxable income in 2005			0
Other Adjustments Add (+) Deduct (-)			0
Balance available for use in Test Year	0	0	0
Amount to be used in Test Year			0
Balance available for use post Test Year	0	0	0



Income Tax/PILs Workform for 2013 Filers

Taxable Income - Test Year

	Test Year Taxable Income
Net Income Before Taxes	252,581

	T2 S1 line #	
Additions:		
Interest and penalties on taxes	103	
Amortization of tangible assets <i>2-4 ADJUSTED ACCOUNTING DATA P489</i>	104	454,062
Amortization of intangible assets <i>2-4 ADJUSTED ACCOUNTING DATA P490</i>	106	
Recapture of capital cost allowance from Schedule 8	107	
Gain on sale of eligible capital property from Schedule 10	108	
Income or loss for tax purposes- joint ventures or partnerships	109	
Loss in equity of subsidiaries and affiliates	110	
Loss on disposal of assets	111	
Charitable donations	112	
Taxable Capital Gains	113	
Political Donations	114	
Deferred and prepaid expenses	116	
Scientific research expenditures deducted on financial statements	118	
Capitalized interest	119	
Non-deductible club dues and fees	120	
Non-deductible meals and entertainment expense	121	
Non-deductible automobile expenses	122	
Non-deductible life insurance premiums	123	
Non-deductible company pension plans	124	
Tax reserves beginning of year	125	0
Reserves from financial statements- balance at end of year	126	0
Soft costs on construction and renovation of buildings	127	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
Debt issue expense	208	
Development expenses claimed in current year	212	
Financing fees deducted in books	216	
Gain on settlement of debt	220	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Recapture of SR&ED expenditures	231	
Share issue expense	235	
Write down of capital property	236	

Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	
<i>Other Additions: (please explain in detail the nature of the item)</i>		
Interest Expensed on Capital Leases	290	
Realized Income from Deferred Credit Accounts	291	
Pensions	292	
Non-deductible penalties	293	
	294	
	295	
	296	
	297	
ARO Accretion expense		
Capital Contributions Received (ITA 12(1)(x))		
Lease Inducements Received (ITA 12(1)(x))		
Deferred Revenue (ITA 12(1)(a))		
Prior Year Investment Tax Credits received		
Total Additions		454,062
Deductions:		
Gain on disposal of assets per financial statements	401	
Dividends not taxable under section 83	402	
Capital cost allowance from Schedule 8	403	643,748
Terminal loss from Schedule 8	404	
Cumulative eligible capital deduction from Schedule 10 CEC	405	1,104
Allowable business investment loss	406	
Deferred and prepaid expenses	409	
Scientific research expenses claimed in year	411	
Tax reserves end of year	413	0
Reserves from financial statements - balance at beginning of year	414	0
Contributions to deferred income plans	416	
Book income of joint venture or partnership	305	
Equity in income from subsidiary or affiliates	306	
<i>Other deductions: (Please explain in detail the nature of the item)</i>		
Interest capitalized for accounting deducted for tax	390	
Capital Lease Payments	391	

Non-taxable imputed interest income on deferral and variance accounts	392	
	393	
	394	
	395	
	396	
	397	
ARO Payments - Deductible for Tax when Paid		
ITA 13(7.4) Election - Capital Contributions Received		
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds		
Deferred Revenue - ITA 20(1)(m) reserve		
Principal portion of lease payments		
Lease Inducement Book Amortization credit to income		
Financing fees for tax ITA 20(1)(e) and (e.1)		
Total Deductions		644,852
NET INCOME FOR TAX PURPOSES		61,791
Charitable donations	311	
Taxable dividends received under section 112 or 113	320	
Non-capital losses of preceding taxation years from Schedule 7-1	331	
Net-capital losses of preceding taxation years (Please show calculation)	332	
Limited partnership losses of preceding taxation years from Schedule 4	335	
REGULATORY TAXABLE INCOME		61,791

Income Tax/PILs Workform for 2013 Filers

PILs Tax Provision - Test Year

				Wires Only	
Regulatory Taxable Income				<div>\$ 61,791</div> A	
Ontario Income Taxes					
<i>Income tax payable</i>	Ontario Income Tax	4.50%	B	\$ 2,781	C = A * B
<i>Small business credit</i>	Ontario Small Business Threshold	\$ -	D		
	Rate reduction	-7.00%	E	\$ -	F = D * E
<i>Ontario Income tax</i>				<div>\$ 2,781</div>	J = C + F
Combined Tax Rate and PILs		Effective Ontario Tax Rate	4.50%	K = J / A	
		Federal tax rate	11.00%	L	
		Combined tax rate		<div>15.50%</div>	M = K + L
Total Income Taxes				<div>\$ 9,578</div>	N = A * M
	Investment Tax Credits			<div></div>	O
	Miscellaneous Tax Credits			<div></div>	P
Total Tax Credits				<div>\$ -</div>	Q = O + P
Corporate PILs/Income Tax Provision for Test Year				<div>\$ 9,578</div>	R = N - Q
Corporate PILs/Income Tax Provision Gross Up ¹				84.50%	S = 1 - M
				<div>\$ 1,757</div>	T = R / S - R
Income Tax (grossed-up)				<div>\$ 11,334</div>	U = R + T

Note:

1. This is for the derivation of revenue requirement and should not be used for sufficiency/deficiency calculations.



File Number: EB-2012-0153

Tab: 2
Schedule: 1

Date Filed: May 31, 2013

Appendix 7 of 7

Appendix G Sheet O1 Revenue to Cost Summary Worksheet



2013 Cost Allocation Model

Sheet 01 Revenue to Cost Summary Worksheet -

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

		1	2	3	7	9
Rate Base		Total	Residential	General Service less than 50 kW	General Service 50 to 4,999 kW	Street Lighting
Assets						Unmetered Scattered Load
crev	Distribution Revenue at Existing Rates	\$2,555,437	\$1,697,983	\$486,569	\$242,262	\$4,334
mi	Miscellaneous Revenue (mi)	\$273,298	\$159,550	\$54,438	\$40,865	\$359
Miscellaneous Revenue Input equals Output						
Total Revenue at Existing Rates		\$2,828,735	\$1,857,532	\$541,007	\$283,128	\$4,694
Factor required to recover deficiency (1 + D)		1.1414				
Distribution Revenue at Status Quo Rates		\$2,916,652	\$1,937,996	\$555,346	\$276,506	\$4,947
Miscellaneous Revenue (mi)		\$273,298	\$159,550	\$54,438	\$40,865	\$359
Total Revenue at Status Quo Rates		\$3,189,950	\$2,097,545	\$609,784	\$317,372	\$5,306
Expenses						
di	Distribution Costs (di)	\$774,589	\$466,030	\$115,401	\$95,451	\$1,258
cu	Customer Related Costs (cu)	\$814,086	\$582,411	\$161,582	\$47,209	\$1,920
ad	General and Administration (ad)	\$715,872	\$469,244	\$124,291	\$67,397	\$1,406
dep	Depreciation and Amortization (dep)	\$454,062	\$264,117	\$77,864	\$79,172	\$464
INPUT	PILs (INPUT)	\$11,334	\$6,476	\$1,812	\$1,997	\$15
INT	Interest	\$158,757	\$90,704	\$25,388	\$27,966	\$204
Total Expenses		\$2,928,700	\$1,878,982	\$506,339	\$319,193	\$5,267
Direct Allocation		\$0	\$0	\$0	\$0	\$0
NI	Allocated Net Income (NI)	\$261,250	\$149,263	\$41,778	\$46,022	\$336
Revenue Requirement (includes NI)		\$3,189,950	\$2,028,244	\$548,117	\$365,214	\$5,603
Revenue Requirement Input equals Output			63.58%	17.18%	11.45%	7.61%
Rate Base Calculation						
Net Assets						
dp	Distribution Plant - Gross	\$7,576,655	\$4,364,917	\$1,206,974	\$1,260,960	\$10,190
gp	General Plant - Gross	\$2,019,029	\$1,153,552	\$322,873	\$355,670	\$2,595
accum dep	Accumulated Depreciation	-\$3,986,365	-\$2,313,641	-\$632,833	-\$628,498	-\$5,574
co	Capital Contribution	\$0	\$0	\$0	\$0	\$0
Total Net Plant		\$5,609,320	\$3,204,829	\$897,014	\$988,132	\$7,211
Directly Allocated Net Fixed Assets		\$0	\$0	\$0	\$0	\$0
Cost of Power (COP)		\$12,290,062	\$4,414,280	\$2,066,859	\$5,630,220	\$13,122
OM&A Expenses		\$2,304,547	\$1,517,685	\$401,275	\$210,058	\$4,584
Directly Allocated Expenses		\$0	\$0	\$0	\$0	\$0
Subtotal		\$14,594,610	\$5,931,965	\$2,468,134	\$5,840,278	\$17,707
Working Capital		\$1,663,786	\$676,244	\$281,367	\$665,792	\$2,019
Total Rate Base		\$7,273,105	\$3,881,073	\$1,178,381	\$1,653,924	\$9,229
Rate Base Input equals Output						
Equity Component of Rate Base		\$3,636,553	\$1,940,536	\$589,191	\$826,962	\$4,615
Net Income on Allocated Assets		\$261,250	\$218,563	\$103,445	-\$1,821	\$39
Net Income on Direct Allocation Assets		\$0	\$0	\$0	\$0	\$0
Net Income		\$261,250	\$218,563	\$103,445	-\$1,821	\$39



2013 Cost Allocation Model

Sheet 01 Revenue to Cost Summary Worksheet -

Instructions:
Please see the first tab in this workbook for detailed instructions

Class Revenue, Cost Analysis, and Return on Rate Base

Rate Base
Assets

RATIOS ANALYSIS

REVENUE TO EXPENSES STATUS QUO%

EXISTING REVENUE MINUS ALLOCATED COSTS

STATUS QUO REVENUE MINUS ALLOCATED COSTS

RETURN ON EQUITY COMPONENT OF RATE BASE

	1	2	3	7	9
Total	Residential	General Service less than 50 kW	General Service 50 to 4,999 kW	Street Lighting	Unmetered Scattered Load
REVENUE TO EXPENSES STATUS QUO%	103.42%	111.25%	86.90%	65.88%	94.70%
EXISTING REVENUE MINUS ALLOCATED COSTS	-\$170,712	-\$7,110	-\$82,087	-\$100,398	-\$910
Deficiency Input Does Not Equal Output					
STATUS QUO REVENUE MINUS ALLOCATED COSTS	\$69,301	\$61,668	-\$47,843	-\$82,829	-\$297
RETURN ON EQUITY COMPONENT OF RATE BASE	11.26%	17.56%	-0.22%	-21.43%	0.84%