



## Incentive Regulation Shared Tax Savings Model for 2014 Filers

Version 1.1

Utility Name	Chapleau Public Utilities Corporation
Service Territory Name	
Assigned EB Number	EB-2013-0119
Name and Title	Marita Morin Secretary/Treasurer
Phone Number	705-864-0111
Email Address	<a href="mailto:chec@onlink.net">chec@onlink.net</a>
Date	August-28-13
Last COS Re-based Year	2012

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

*This Workbook Model is protected by copyright and is being made available to you solely for the purpose of filing your IRM application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing the application or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.*

*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.*



# Incentive Regulation Shared Tax Savings Model for 2014 Filers

1. Info
2. Table of Contents
3. Re-Based Billing Determinants and Rates
4. Re-Based Revenue from Rates
5. Z-Factor Tax Changes
6. Calculation of Tax Change Variable Rate Rider



## Incentive Regulation Shared Tax Savings Model for 2014 Filers

Enter your 2013 Base Monthly Fixed Charge and Distribution Volumetric Charge into columns labeled "Rate ReBal Base Service Charge" and "Rate ReBal Base Distribution Volumetric Rate kWh/kW" respectively.

**Last COS Re-based Year was in 2012**

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Rate ReBal Base Service Charge D	Rate ReBal Base Distribution Volumetric Rate kWh E	Rate ReBal Base Distribution Volumetric Rate kW F
RES	Residential	Customer	kWh	1,133	14,448,113		23.48	0.0136	
GSLT50	General Service Less Than 50 kW	Customer	kWh	161	5,209,322		34.35	0.0175	
GSGT50	General Service 50 to 4,999 kW	Customer	kW	14	7,592,321	19,360	189.63		3.6006
USL	Unmetered Scattered Load	Connection	kWh	6	7,209		23.49	0.0328	
Sen	Sentinel Lighting	Connection	kW	23	25,718	66	5.44		10.1552
SL	Street Lighting	Connection	kW	341	292,061	773	3.92		18.3108
NA	Rate Class 7	NA	NA						
NA	Rate Class 8	NA	NA						
NA	Rate Class 9	NA	NA						
NA	Rate Class 10	NA	NA						
NA	Rate Class 11	NA	NA						
NA	Rate Class 12	NA	NA						
NA	Rate Class 13	NA	NA						
NA	Rate Class 14	NA	NA						
NA	Rate Class 15	NA	NA						
NA	Rate Class 16	NA	NA						
NA	Rate Class 17	NA	NA						
NA	Rate Class 18	NA	NA						
NA	Rate Class 19	NA	NA						
NA	Rate Class 20	NA	NA						
NA	Rate Class 21	NA	NA						
NA	Rate Class 22	NA	NA						
NA	Rate Class 23	NA	NA						
NA	Rate Class 24	NA	NA						
NA	Rate Class 25	NA	NA						



Calculating Re-Based Revenue from rates. No input required.

**Last COS Re-based Year was in 2012**

Rate Class	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Rate ReBal Base Service Charge D	Rate ReBal Base Distribution Volumetric Rate kWh E	Rate ReBal Base Distribution Volumetric Rate kW F	Service Charge Revenue G = A * D * 12	Distribution Volumetric Rate Revenue kWh H = B * E	Distribution Volumetric Rate Revenue kW I = C * F	Revenue Requirement from Rates J = G + H + I
Residential	1,133	14,448,113	0	23.48	0.0136	0.0000	319,234	196,494	0	515,728
General Service Less Than 50 kW	161	5,209,322	0	34.35	0.0175	0.0000	66,364	91,163	0	157,527
General Service 50 to 4,999 kW	14	7,592,321	19,360	189.63	0.0000	3.6006	31,858	0	69,708	101,565
Unmetered Scattered Load	6	7,209	0	23.49	0.0328	0.0000	1,691	236	0	1,928
Sentinel Lighting	23	25,718	66	5.44	0.0000	10.1552	1,501	0	670	2,172
Street Lighting	341	292,061	773	3.92	0.0000	18.3108	16,041	0	14,154	30,195
							436,689	287,894	84,532	809,116



## Incentive Regulation Shared Tax Savings Model for 2014 Filers

This worksheet calculates the tax sharing amount.

Step 1: Press the Update Button (this will clear all input cells and reveal your latest cost of service re-basing year).  
Step 2: In the green input cells below, please enter the information related to the last Cost of Service Filing.

### Summary - Sharing of Tax Change Forecast Amounts

For the 41514 year, enter any Tax Credits from the Cost of Service Tax Calculation (Positive #)

0

#### 1. Tax Related Amounts Forecast from Capital Tax Rate Changes

2012

2014

Taxable Capital	\$ 1,512,283	\$ 1,512,283
Deduction from taxable capital up to \$15,000,000	\$ 500,000	\$ 500,000
Net Taxable Capital	\$ 1,012,283	\$ 1,012,283
Rate	0.000%	0.000%
Ontario Capital Tax (Deductible, not grossed-up)	\$ -	\$ -

#### 2. Tax Related Amounts Forecast from Income Tax Rate Changes

2012

2014

Regulatory Taxable Income	\$ 68,982	\$ 68,982
Corporate Tax Rate	15.50%	15.50%
Tax Impact	\$ 10,692	\$ 10,692
Grossed-up Tax Amount	\$ 12,654	\$ 12,654

Tax Related Amounts Forecast from Capital Tax Rate Changes	\$ -	\$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	\$ 12,654	\$ 12,654
Total Tax Related Amounts	\$ 12,654	\$ 12,654
Incremental Tax Savings		-\$ 0
Sharing of Tax Savings (50%)		-\$ 0



## Incentive Regulation Shared Tax Savings Model for 2014 Filers

This worksheet calculates a tax change volumetric rate rider. No input required. The outputs in column Q and S are to be entered into Sheet 11 "Proposed Rates" of the 2014 IRM Rate Generator Model. Rate description should be entered as "Rate Rider for Tax Change".

Rate Class	Total Revenue \$ by Rate Class A	Total Revenue % by Rate Class B = A / \$H	Total Z-Factor Tax Change\$ by Rate Class C = \$I * B	Billed kWh D	Billed kW E	Distribution Volumetric Rate kWh Rate Rider F = C / D	Distribution Volumetric Rate kW Rate Rider G = C / E
Residential	\$515,728	63.74%	\$0	14,448,113	0	\$0.0000	
General Service Less Than 50 kW	\$157,527	19.47%	\$0	5,209,322	0	\$0.0000	
General Service 50 to 4,999 kW	\$101,565	12.55%	\$0	7,592,321	19,360		\$0.0000
Unmetered Scattered Load	\$1,928	0.24%	\$0	7,209	0	\$0.0000	
Sentinel Lighting	\$2,172	0.27%	\$0	25,718	66		\$0.0000
Street Lighting	\$30,195	3.73%	\$0	292,061	773		\$0.0000
	<u>\$809,116</u> H	<u>100.00%</u>	<u>\$0</u> I				