DEFERRAL AND VARIANCE ACCOUNTS

OVERVIEW

Horizon Utilities has included a request for approval for the disposition of Group 1 and Group 2 Deferral and Variance Accounts ("DVAs") based on the balances at December 31, 2013 and the forecasted interest through December 31, 2014 in this Application.

Tables 9-1 and 9-2 below list Horizon Utilities' Group 1 and Group 2 active DVAs.

Table 9-1 - Group 1 Accounts

Description	Account
Low Voltage Account	1550
Smart Metering Entity Charge Variance Account	1551
RSVA - Wholesale Market Service Charge	1580
RSVA - Retail Transmission Network Charge	1584
RSVA - Retail Transmission Connection Charge	1586
RSVA - Power (excluding Global Adjustment)	1588
RSVA - Power - Sub-Account - Global Adjustment	1589
Disposition and Recovery of Regulatory Balances	1595

Table 9-2 - Group 2 Accounts

Description	Account
Other Regulatory Assets	1508
Retail Cost Variance Account - Retail	1518
Renewable Connection Capital Deferral Account	1533
Retail Cost Variance Account - STR	1548
Smart Meter Capital	1555
PILS and Tax Variance	1592
Other Regulatory Liabilities or Credits	2405

Horizon Utilities confirms that it has used the DVAs in the manner described by the Board in the *Accounting Procedures Handbook* ("APH").

Horizon Utilities' DVA balances are not recognized in the Audited Financial Statements ("AFS") prepared on an IFRS basis. IFRS does not permit the recognition of regulatory assets and liabilities and as such, the AFS do not include DVAs. Any variances that would be included in DVAs on a MIFRS basis are included in income in the AFS. Horizon Utilities DVA balances before forecasted interest balance to these variances in the last AFS.

Horizon Utilities confirms that the amounts presented in Appendix 9-1: 2015 EDDVAR Continuity Schedule, reconcile with the trial balance reported through the *Electricity Reporting and Record-keeping Requirements* with the exception of two Group 1 Accounts. The differences in the Group 1 Accounts are provided in Tab 1, Schedule 7 of this Exhibit.

Horizon Utilities has not made any adjustments to DVA balances that were previously approved by the Board on a final basis in Cost of Service and/or IRM proceedings, with the exception of two Group 1 Accounts. The adjustments to the Group 1 Accounts are provided in Tab 1, Schedule 7 of this Exhibit.

The forecasted interest on the December 31, 2014 principal balances of the DVAs is calculated using the Board's current prescribed rate of 1.47% for the period of January 1, 2014 to December 31, 2014. The interest rates by month are provided in Table 9-4 in Tab 1, Schedule 3 of this Exhibit.

Horizon Utilities is proposing to allocate the DVA balances to customer classes using the forecasted volumes for the 2015 Test Year as identified in Exhibit 3.

A breakdown of energy sales and cost of power expense balances. A reconciliation to Horizon Utilities' AFS, filed as Appendix 1.10-3 in Exhibit 1, is provided in Tab 1, Schedule 4 of this Exhibit.

Horizon Utilities confirms that, effective January 1, 2014, it pro-rates the IESO Global Adjustment Charge into the RPP and Non-RPP portions. The allocation of the IESO Global Adjustment Charge prior to January 1, 2014 is discussed in further detail in Tab 1, Schedule 7, of this Exhibit.

ACCOUNT BALANCES

Table 9-3 provides the account balances proposed for disposition at December 31, 2014. These amounts are comprised of the 2013 Actual balances which agree to the 2013 RRR filing 2.1.1 and 2.1.7. Horizon Utilities has used the DVAs in the same manner described in the *Accounting Procedures Handbook*.

Table 9-3: Account Balances Proposed for Disposition

	Description	Account	Principal (Dec 31, 2013) (a)	Interest (Dec 31, 2013) (b)	Total (Principal & Interest) (c) = (a) + (b)	2.1.7 RRR Balances at Dec 31, 2013 (d)	Variance (RRR vs. 2013 Balance) (e) = (c) - (d)	Total Disposition during 2014 - instructed by Board (f)	Projected Carrying Charges to Dec 31, 2014 (g)	Principal Adjustment during 2014 (h)	Total Disposition in 2015 (I) = (c)+(f)+(g)
Group 1 Accounts	Low Voltage Account	1550	$ 303,169	$ 3,918	$ 307,087	$ 307,087	$ -	$ (17,003)	$ 4,457		$ 294,540
	Smart Metering Entity Charge Variance Account	1551	$ (17,911)	$ (71)	$ (17,982)	$ (17,982)	$ -	$ -	$ (263)		$ (18,245)
	RSVA - Wholesale Market Service Charge	1580	$ (9,886,018)	$ (237,841)	$ (10,123,860)	$ (10,123,860)	$ -	$ 6,684,266	$ (145,324)		$ (3,584,918)
	RSVA - Retail Transmission Network Charge	1584	$ 3,529,388	$ 53,862	$ 3,583,251	$ 3,583,251	$ -	$ (182,506)	$ 51,882		$ 3,452,627
	RSVA - Retail Transmission Connection Charge	1586	$ 1,237,249	$ 6,435	$ 1,243,684	$ 1,243,684	$ -	$ 77,981	$ 18,188		$ 1,339,853
	RSVA - Power (excluding Global Adjustment)	1588	$ (4,265,994)	$ (56,649)	$ (4,322,642)	$ (4,322,642)	$ -	$ 537,689	$ (62,710)		$ (3,847,663)
	RSVA - Power - Sub-Account - Global Adjustment	1589	$ (305,363)	$ 97,813	$ (207,550)	$ (207,550)	$ -	$ 3,298,885	$ (4,489)		$ 3,086,847
	Disposition and Recovery of Regulatory Balances	1595	$ (691,096)	$ (1,539,071)	$ (2,230,167)	$ (2,230,167)	$ -	$ -	$ (10,159)		$ (2,240,326)
Group 2 Accounts	Other Regulatory Assets	1508	$ 520,784	$ 28,418	$ 549,201	$ 549,201	$ -	$ -	$ 7,656		$ 556,857
	Retail Cost Variance Account - Retail	1518	$ 585,031	$ 16,076	$ 601,108	$ 601,108	$ -	$ -	$ 8,600		$ 609,708
	Renewable Connection Capital Deferral Account	1533	$ (298,119)	$ (3,955)	$ (302,074)	$ (302,074)	$ -	$ -	$ (4,382)		$ (306,456)
	Retail Cost Variance Account - STR	1548	$ (41,013)	$ (810)	$ (41,823)	$ (41,823)	$ -	$ -	$ (603)		$ (42,426)
	PILS and Tax Variance	1592	$ 19,885	$ (9,544)	$ 10,341	$ 10,341	$ -	$ -	$ 292		$ 10,634
	Other Regulatory Liabilities or Credits	2405	$ (220,000)	$ -	$ (220,000)	$ (220,000)	$ -	$ -	$ -		$ (220,000)
	Subtotal: Group 1		**$ (10,096,576)**	**$ (1,671,603)**	**$ (11,768,179)**	**$ (11,768,179)**	**$ -**	**$ 10,399,312**	**$ (148,420)**	**$ -**	**$ (1,517,287)**
	Subtotal: Group 2		**$ 566,569**	**$ 30,184**	**$ 596,753**	**$ 596,753**	**$ -**	**$ -**	**$ 11,563**	**$ -**	**$ 608,316**
											$ -
	Total		**$ (9,530,007)**	**$ (1,641,419)**	**$ (11,171,426)**	**$ (11,171,426)**	**$ -**	**$ 10,399,312**	**$ (136,857)**	**$ -**	**$ (908,971)**

INTEREST RATES

Carrying charges have been calculated on deferral and variance accounts using the prescribed interest rates published quarterly by the Board and posted on its website. Deferral and Variance accounts proposed for disposition include carrying charges calculated to December 31, 2014. The interest rates forecast to the end of 2014 are based on the interest rate for the fourth quarter of 2013. Table 9-4 provides the monthly interest rates used to compute carrying charges.

Table 9-4 - Interest Rates for Carrying Charges on Deferral and Variance Accounts

Month	Monthly Interest Rate 2011	Month	Monthly Interest Rate 2012	Month	Monthly Interest Rate 2013	Month	Monthly Interest Rate 2014
Jan-11	0.1225%	Jan-12	0.1225%	Jan-13	0.1225%	Jan-14	0.1225%
Feb-11	0.1225%	Feb-12	0.1225%	Feb-13	0.1225%	Feb-14	0.1225%
Mar-11	0.1225%	Mar-12	0.1225%	Mar-13	0.1225%	Mar-14	0.1225%
Apr-11	0.1225%	Apr-12	0.1225%	Apr-13	0.1225%	Apr-14	0.1225%
May-11	0.1225%	May-12	0.1225%	May-13	0.1225%	May-14	0.1225%
Jun-11	0.1225%	Jun-12	0.1225%	Jun-13	0.1225%	Jun-14	0.1225%
Jul-11	0.1225%	Jul-12	0.1225%	Jul-13	0.1225%	Jul-14	0.1225%
Aug-11	0.1225%	Aug-12	0.1225%	Aug-13	0.1225%	Aug-14	0.1225%
Sep-11	0.1225%	Sep-12	0.1225%	Sep-13	0.1225%	Sep-14	0.1225%
Oct-11	0.1225%	Oct-12	0.1225%	Oct-13	0.1225%	Oct-14	0.1225%
Nov-11	0.1225%	Nov-12	0.1225%	Nov-13	0.1225%	Nov-14	0.1225%
Dec-11	0.1225%	Dec-12	0.1225%	Dec-13	0.1225%	Dec-14	0.1225%

ENERGY SALES AND COST OF POWER

The sale of energy is a flow through revenue item and cost of power is a flow through expense item. The respective components of energy sales and cost of power are presented in Table 9-5 and 9-6, respectively. Horizon Utilities derives no regulated or economic profit or loss resulting from the flow through of energy revenues and expenses. Any temporary variances are included in the RSVA account balances.

A reconciliation of the energy sales and cost of power expenses to Horizon Utilities AFS is provided in Table 9-7 and 9-8 respectively. The energy sales and cost of power expenses reported for regulatory purposes will not balance to the AFS due to the following reason: the AFS are on an IFRS basis; the regulatory balances are reported on a MIFRS basis where the energy sales or cost of power expenses are adjusted to the lower of the two amounts and the difference is recorded in an RSVA account.

Table 9-5 – Cost of Power

Account and Description		2012	2013
4705	Power Purchased	$ 245,846,765	$ 259,428,934
4707	Global Adjustment	$ -	$ 138,834,663
4708	WMS	$ 24,922,057	$ 25,084,300
4710	Cost of Power Adjustments	$ 116,557,288	$ (0)
4714	NW	$ 36,182,227	$ 34,600,123
4716	NCN	$ 28,374,855	$ 27,300,283
4750	LV Charges	$ 311,750	$ 307,287
4751	Charged SME	$ -	$ 1,469,771
	Total	**$ 452,194,942**	**$ 487,025,361**

Table 9-6 – Energy Sales

	Account and Description	2012	2013
4006	Residential Energy Sales	$ (129,993,344)	$ (135,979,108)
4020	Energy Sales to Large Users	$ (32,326,873)	$ (37,096,410)
4025	Street Lighting Energy Sales	$ (2,811,321)	$ (3,306,745)
4030	Sentinel Energy Sales	$ (39,981)	$ (41,668)
4035	General Energy Sales	$ (181,864,092)	$ (206,226,567)
4050	Revenue Adjustment	$ -	$ -
4055	Energy Sales for Resale	$ (15,368,444)	$ (15,613,099)
4062	WMS	$ (24,922,057)	$ (25,084,300)
4066	NS	$ (36,182,227)	$ (34,600,123)
4068	CS	$ (28,374,855)	$ (27,300,283)
4075	LV Charges	$ (311,750)	$ (307,287)
4076	Billed SME	$ -	$ (1,469,771)
	Total	**$ (452,194,942)**	**$ (487,025,361)**

Table 9-7 – Reconciliation to Audited Financial Statements - Energy Sales

$000's	2012	2013
Total Energy Sales per AFS	**$ 462,593**	**$ 491,205**
Distribution revenue	$ 97,185	$ 102,269
Gross Electricity Revenue per AFS	$ 559,778	$ 593,474
Total Energy Sales per AFS	**$ 462,593**	**$ 491,205**
Record lower of sales and cost of power by account	$ (10,398)	$ (4,179)
Total Energy Sales per Regulatory	**$ 452,195**	**$ 487,025**

Table 9-8 – Reconciliation to Audited Financial Statements – Cost of Power Expenses

$000's	2012	2013
Total Cost of Power Expenses per AFS	**$ 452,389**	**$ 492,006**
Record lower of sales and cost of power by account	$ (194)	$ (4,981)
Total Cost of Power Expenses per Regulatory	**$ 452,195**	**$ 487,025**

GROUP 2 ACCOUNTS TO BE CONTINUED OR DISCONTINUED ON A GOING-FORWARD BASIS

Horizon Utilities identified its active Group 2 accounts in Table 9-2 of this Exhibit. Horizon Utilities will discontinue the use of two Group 2 DVAs identified in Table 9-9, below.

Accounts 1555, Smart Meter Capital, will no longer be required beyond December 31, 2014 since Horizon Utilities' Smart Meter program is complete as of that date. Horizon Utilities is filing for a Smart Meter Prudence review (included in Exhibit 9, Tab 7, Schedule 1) to clear the balance in this DVA.

Account 2405, Other Regulatory Liabilities and Credits, was previously used to recover the overpayment of Low Voltage Charges from Hydro One for 2003 to 2008 and to recognize the liability to ratepayers as a result of the conversion from HST to GST; this account is no longer required.

Table 9-9 – Status of Group 2 Accounts

Description	Account	Continue/Discontinue
Other Regulatory Assets	1508	Continue
Retail Cost Variance Account - Retail	1518	Continue
Renewable Connection Capital Deferral Account	1533	Continue
Retail Cost Variance Account - STR	1548	Continue
Smart Meter Capital	1555	Discontinue
PILS and Tax Variance	1592	Continue
Other Regulatory Liabilities or Credits	2405	Discontinue

Horizon Utilities intends to seek disposition of Group 1 account balances annually as necessary over the period 2015-2019 as discussed in Exhibit 1, Tab 12, Schedule 1. Horizon Utilities will do so in compliance with the *Report of the Board on Electricity Distributors' Deferral and Variance Account Review Report* (the "EDDVAR Report"). Such report provides that the distributor's Group 1 audited account balances will be reviewed for disposition if the preset disposition threshold of $0.001 per kWh (debit or credit) is exceeded. Horizon Utilities submits that this approach will avoid the disposition of large balances, with correspondingly large rate impacts, at the end of the five year CoS application term.

REQUEST FOR NEW VARIANCE ACCOUNT

In addition to the continuation of the accounts set out above, Horizon Utilities seeks the Board's approval of the establishment of the following new Deferral and Variance account:

Excess Revenues from Large User Load Displacement Generation

Horizon Utilities is requesting standby power rates for both the Large Use (1) (LU (1)) and Large Use (2) (LU (2)) rate classes. Approved standby rates for these customer classes would mitigate Horizon Utilities' risk of the lost distribution revenue from the displaced load as a result of generation and also provide these customers a clear indication of their future standby costs. Horizon Utilities is proposing that the standby rates be set equal to the distribution volumetric charge for each rate class. Using this standby rate holds the distributor revenue neutral from any future load displacement projects that would reduce the load assumed in the load forecast.

Horizon Utilities submits that it is appropriate to track any incremental revenues earned on generation activities in the LU (1) and LU (2) customer classes over and above that which is approved in the load forecast in this application. Should the balance of this account meet the criteria for disposition at the time of the next disposition period for Group 2 deferral accounts, Horizon Utilities proposes that it will be appropriate to address such disposition at that time.

ADJUSTMENTS TO DEFERRAL AND VARIANCE ACCOUNTS

Horizon Utilities Corporation has not made adjustments to any of the deferral and variance accounts that were previously approved by the Board presented in this Exhibit, with the exception of Account 1588 – RSVA Power ("Account 1588") and Account 1589 – RSVA Global Adjustment ("Account 1589") (formerly a 1588 sub-account).

Background

To the best of Horizon Utilities' knowledge, Horizon Utilities' recording of RPP Global Adjustment ("GA") (Account 1588) and non-RPP GA (Account 1589) was in accordance with the Board's APH. Horizon Utilities continued to record GA using the same methodology until January 2014.

In January 2014, an internal review of the GA allocation identified that the method that Horizon Utilities had used to that date was inconsistent with the January 2012 APH. The current APH provides sample calculations on the Class B GA to RPP and non-RPP allocation methodology based on kWh usage.

Horizon Utilities changed its GA allocation in 2014 to be consistent with the guidance in the APH and reviewed 2012 and 2013 RPP and non-RPP allocations.

The OEB hosted a webinar on the Sector Review of Deferral and Variance Accounts for Electricity Distributors on February 26, 2014. The OEB identified areas where utilities were not consistent in their interpretation and application of the APH for DVAs. The webinar provided further confirmation to Horizon Utilities that the correct method of allocating the Class B GA (charge type 146 on the IESO invoice) was to prorate the total Class B GA to RPP and non-RPP customers based on kWh purchased for the month.

Impact

Horizon Utilities has identified an adjustment of $4,728,759 including carrying charges, to be reallocated between Account 1588 and Account 1589, based on a comparison of Horizon Utilities' method of allocating the GA to the method of allocating the GA identified in the 2012 APH. The allocation was computed based on the percentage of RPP and non-RPP kWhs

billed, excluding Class A kWh, applied to the Class B Global Adjustment amounts invoiced by the IESO in 2012 and 2013.

Table 9-10 identifies the current and revised account balances for each of Account 1588 and 1589, including the amount of the cumulative adjustment for 2012 and 2013.

Table 9-10 – Correction of GA Allocation

Description	USoA	2013 Original Balance [1]	Cumulative Adjustment	2013 Restated Balance
RSVA - Power	1588	$406,117	($4,728,759)	($4,322,642)
RSVA - Global Adjustment	1589	($4,936,309)	$4,728,759	($207,550)
Total		**($4,530,192)**	**$0**	**($4,530,192)**

1. Filed in February, 2014 in RRR Filing 2.1.1

The restated balances, as presented in Table 9-10 above, represent the amounts that Horizon Utilities is requesting for recovery and disposition.

Horizon Utilities confirms that it has been allocating the Class B Global Adjustment on the IESO invoice between RPP and non-RPP customers based on monthly kWh billed, effective January 2014.

Horizon Utilities submitted its 2013 DVA balances to the OEB in February 2014, as RRR Filing 2.1.1. Horizon Utilities plans to file a RRR Revision Request Form with the OEB to resubmit the balances for Accounts 1588 and 1589 so that there is no variance between the RRR 2.1.1 filing and the RRR 2.1.7 filing for the OEB Trial Balance, which will be submitted on April 30, 2014.

PILS AND TAX VARIANCES

PILS AND TAX VARIANCES FOR 2006 AND SUBSEQUENT YEARS

Horizon Utilities is requesting disposition of the balance in 1592 as identified in Table 9-11 below. Horizon Utilities filed for disposition of the balance in 1592 in its 2011 Cost of Service Application (EB-2010-0131). The remaining balance as of December 31, 2013 is the difference between the projected interest in 2011 approved for disposition, and the actual interest recorded in 2011.

Table 9-11 – Chapter 2 Filing Requirements - Appendix 2-TA - Account 1592, PILs and Tax Variances for 2006 and Subsequent Years

Tax Item	Principal as of December 31, 2013
Large Corporation Tax grossed-up proxy from 2006 EDR application PILs model for the period from May 1, 2006 to April 30, 2007	
Large Corporation Tax grossed-up proxy from 2006 EDR application PILs model for the period from January 1, 2006 to April 30, 2006 (4/12ths of the approved grossed-up proxy), if not recorded in PILs account 1562	
Ontario Capital Tax rate decrease and increase in capital deduction for 2007	
Ontario Capital Tax rate decrease and increase in capital deduction for 2008	
Ontario Capital Tax rate decrease and increase in capital deduction for 2009	
Ontario Capital Tax rate decrease and increase in capital deduction for 2010	
Capital Cost Allowance class changes from 2006 EDR application for 2006	
Capital Cost Allowance class changes from 2006 EDR application for 2007	
Capital Cost Allowance class changes from 2006 EDR application for 2008	
Capital Cost Allowance class changes from 2006 EDR application for 2009	
Capital Cost Allowance class changes from 2006 EDR application for 2010	
Capital Cost Allowance class changes from 2006 EDR application for 2011	
Capital Cost Allowance class changes from 2006 EDR application for 2012	
Capital Cost Allowance class changes from 2006 EDR application for 2013	
Capital Cost Allowance class changes from any prior application not recorded above. Please provide details and explanation separately.	
Disposition of interest accumulated on carying charges from 2011 EB-2010-0131	$ 19,885
Total	$ 19,885

HARMONIZED SALES TAX ("HST") DEFERRAL ACCOUNT

Savings for Amounts for Disposition

Horizon Utilities recorded the savings arising from the elimination of the Provincial Sales Tax ("PST") and the implementation of the HST in Account 1592. These balances were disposed of in Horizon Utilities' 2011 Cost of Service Application (EB-2010-0131). The remaining balance in Account 1592 is the difference between the projected interest in 2011 approved for disposition, and the actual interest recorded in 2011 as identified in Table 9-11 above.

TRANSITION TO IFRS

ACCOUNT 1508: ONE-TIME INCREMENTAL IFRS COSTS

As identified in the "*Report of the Board – Transition to International Financial Reporting Standards*" (EB-2008-0408), when a utility incurs incremental costs related to the transition to IFRS during a period for which rates have already been set and for which the Board did not consider such costs, the utility may record in a Board approved deferral account such incremental costs for consideration by the Board at the next cost of service proceeding.

In this regard, the *OEB Accounting Procedures Handbook Frequently Asked Questions dated October 2009* provided additional guidance. The guidance provided the distinction between the case where the utility did not have any amount in rates related to IFRS transition and the case where the most recent cost of service rates did include an amount related to IFRS transition costs in its administrative costs.

Horizon Utilities captured the incremental IFRS transition costs and related recoveries to date in account 1508 Sub-account IFRS Transition Costs Variance. Horizon Utilities' actual IFRS transition costs to December 31, 2011 are provided in Table 9-12 below along with the amounts collected from customers in rates as approved by the Board in Horizon Utilities' 2011 Cost of Service proceeding (EB-2010-0131). Carrying charges have been calculated and included up to December 31, 2014.

Horizon Utilities received approval to dispose of $565,914 in costs related to the transition to IFRS which represented costs incurred up to December 31, 2009 and carrying charges incurred up to December 31, 2010. This amount was recovered from rate payers over a period of seventeen months (August 2011 to December 2012).

Table 9-12 - Summary of Incremental IFRS Transition Costs

Description	Amount	Total
Professional Accounting Fees		$661,468
KPMG	$439,905	
Other Professional Accounting Fees	$221,563	
Project Management		$226,339
Third Party Studies		$28,368
IT Systems Changes and Implementation		$129,671
Administrative Support and Supplies		$23,990
Sub-Total IFRS Transitional Costs		**$1,069,837**
Interest		$40,438
Less : Board Approved Disposition 2011 COS (EB-2010-0131)		($565,914)
Total per Appendix 2U - projected balance as at December 31, 2014		**$544,360**

The incremental IFRS transition costs of $1,069,837 are principally attributable to the use of third party consultants that provided assistance to implement IFRS, as identified below. The main categories of costs are as follows:

- KPMG consulting costs of $439,905 - KPMG was used as an IFRS consultant for the implementation of the IFRS project. KPMG assisted with the identification and analysis of accounting policy differences between CGAAP and IFRS, which supported the development of IFRS compliant policies by Horizon Utilities staff. The KPMG consulting support assisted Horizon Utilities with the development of financial reports, including note disclosures, that conformed to IFRS. These costs would not have been incurred if Horizon Utilities had not been required to transition to IFRS.

- Other professional accounting fees of $221,563 – Other professional accounting fees are principally attributable to the provision of IFRS and information systems advisory services and the creation of multiple ledgers in Horizon Utilities' financial system in order to track and reconcile CGAAP, IFRS and MIFRS information. These costs were directly attributable to the transition to IFRS.

- Project management costs of $226,339 – The project manager was responsible for managing the IFRS Implementation project to a successful conclusion, including the management of the project team and all external consultants. The project manager directed the following:

- Completion of Accounting Position Papers and formal recommendations for accounting policies, and

- The design and implementation of new business processes and information system requirements that were necessary as a result of the transition to IFRS, including financial reporting systems for CGAAP, IFRS and MIFRS

These costs were directly attributable to the transition to IFRS.

- Information Systems Consultant Costs of $129,671 – Two Information Systems Consultants were engaged to configure the ledgers in the financial system in order to track and reconcile CGAAP, IFRS, and MIFRS. These costs were also directly attributable to the transition to IFRS.

The remaining costs of $52,358 included in this account are for project related administrative support and supplies, and third party studies.

Horizon Utilities is requesting disposition of the balance of $544,360 in Account 1508, representing the difference between the amounts recovered in rates and the actual incurred one-time administrative incremental IFRS transition costs, as identified in Table 9-13 - Appendix 2-U below.

Horizon Utilities confirms that there are no one-time IFRS transition costs embedded in the 2015 Revenue Requirement and that no ongoing IFRS compliance costs are recorded in this account.

Table 9-13 – Appendix 2-U: One Time IFRS Transition Costs

The following table should be completed based on the information requested below. An explanation should be provided for any blank entries. The entries should include one-time incremental IFRS transition costs that are currently included in Account 1508, Other Regulatory Assets, sub-account Deferred IFRS Transition Costs Account, or Account 1508, Other Regulatory Assets, sub-account FRS Transition Costs Variance Account.

Nature of One-Time Incremental IFRS Transition Costs [1]	Audited Actual Costs Incurred 2009	Audited Actual Costs Incurred 2010	Audited Actual Costs Incurred 2011	Audited Actual Costs Incurred 2012	Audited Actual Costs Incurred 2013	Audited Carrying Charges 2014	Total Audited Actual Costs to Dec 31, 2014	RRR 2.1.7 Balance 31-Dec-12	Variance [2]	Reasons why the costs recorded meet the criteria of one-time IFRS administrative incremental costs
professional accounting fees	$ 286 446	$ 179 850	$ 195 172	$ -	$ -	$ -	$ 661 468			identification of differences between CGAAP and FRS and documentation of Horizon Utilities' treatment
professional legal fees							$ -			
salaries, wages and benefits of staff added to support the transition to IFRS	$ 155,703	$ 70,636	$ -	$ -	$ -	$ -	$ 226,339			preparation of documentation of Horizon Utilities' new policies, procedures, process flows and training related to the FRS transition
associated staff training and development costs							$ -			
costs related to system upgrades, or replacements or changes where IFRS was the major reason for conversion	$ 88,229	$ 41,442	$ -	$ -	$ -	$ -	$ 129,671			Set up ledgers in financial system in order to track and reconcile CGAAP, IFRS and MIFRS
Administrative support and supplies	$ 10,642	$ 13,347	$ -	$ -	$ -	$ -	$ 23,990			
Other professional fees	$ 19 732	$ 8 636	$ -	$ -	$ -	$ -	$ 28 368			
							$ -			
							$ -			
Amounts, if any, included in previous Board approved rates (amounts should be negative) [3]			-$ 565,914				-$ 565,914			
							$ -			
Interest Charges	$ 690	$ 6,042	$ 11,255	$ 7,484	$ 7,484	$ 7,484	$ 40,438			
Total	$ 561,442	$ 319,954	-$ 359,487	$ 7,484	$ 7,484	$ 7,484	$ 544,360		$ 544,360	

Note

1 The Deferred IFRS Transition Costs Account and the IFRS Transition Costs Variance Account are exclusively for necessary, incremental transition costs and shall not include ongoing FRS compliance costs or impacts arising from adopting accounting policy changes that reflect changes in the timing of the recognition of income. The incremental costs in these accounts shall not include costs related to system upgrades, or replacements or changes where IFRS was not the major reason for conversion. In addition, incremental IFRS costs shal not include capital assets or expenditures.

2 Applicants are to provide an explanation of material variances in evidence

3 If there were any amounts approved in previous Board approved rates, EB-2010-0131

ACCOUNT 1575: IFRS-CGAAP TRANSITIONAL PP&E AMOUNTS

Horizon Utilities adopted IFRS effective January 1, 2012, which required comparative restatement of its financial statements for 2011. In compliance with OEB guidance in Article 510 of the Accounting Procedures Handbook in respect of PP&E, Horizon Utilities has used Account 1575 - IFRS-CGAAP Transitional PP&E Amounts to record differences arising as a result of accounting policy changes caused by the transition from the former CGAAP to modified IFRS ("MIFRS"). On page 11 of the OEB's "*Addendum to the Report of the Board: Implementing International Financial Reporting Standards in an Incentive Rate Mechanism Environment*" (EB-2008-0408), the OEB stated that this account be used "*by utilities to record PP&E differences arising during the period since their last rebasing under CGAAP up to their first rebasing under IFRS.*" Therefore, Horizon Utilities has recorded PP&E differences from January 1, 2011 to December 31, 2014 in Account 1575. The application of accounting policies was applied on a prospective basis in 2011. This is evident in the 2011 Fixed Asset Continuity Schedules, in which the opening January 1, 2011 values for net PP&E are the same under MIFRS and CGAAP. Horizon confirms that the Fixed Asset Continuity Schedules have not been adjusted for balances related to Account 1575.

Appendix 2-EA, provided below, summarizes the cumulative difference between the former CGAAP and MIFRS for 2011 to 2014 and provides support for the disposition of account 1575. The closing net PP&E in 2014 under MIFRS is expected to be $565,095 lower than the closing net PP&E under CGAAP.

Table 9-14 – Appendix 2-EA: IFRS-CGAAP Transitional PP&E Amounts

	2011 Rebasing Year	2012	2013	2014	2015 Rebasing Year	2016 Rebasing Year	2017 Rebasing Year	2018 Rebasing Year	2019 Rebasing Year
Reporting Basis	**CGAAP**	**IRM**	**IRM**	**IRM**	**MIFRS**	**MIFRS**	**MIFRS**	**MIFRS**	**MIFRS**
Forecast vs. Actual Used in Rebasing Year	**Forecast**	**Actual**	**Actual**	**Forecast**	**Forecast**	**Forecast**	**Forecast**	**Forecast**	**Forecast**
		$	$	$	$	$	$	$	$
PP&E Values under CGAAP									
Opening net PP&E - Note 1	304,878,268	316,997,965	365,070,186	382,168,427					
Net Additions - Note 4	10,739,863	79,043,474	48,352,195	51,959,529					
Net Depreciation (amounts should be negative) - Note 4	1,379,834	-30,971,254	-31,253,954	-33,363,213					
Closing net PP&E (1)	316,997,965	365,070,186	382,168,427	400,764,743					
PP&E Values under MIFRS (Starts from 2011, the transition year)									
Opening net PP&E - Note 1	304,878,268	317,737,285	366,100,384	383,071,763					
Net Additions - Note 4	28,938,504	68,229,924	36,114,427	38,018,561					
Net Depreciation (amounts should be negative) - Note 4	-16,079,487	-19,866,824	-19,143,048	-20,890,677					
Closing net PP&E (2)	317,737,285	366,100,384	383,071,763	400,199,647					
Difference in Closing net PP&E, CGAAP vs. MIFRS	-739,320	-1,030,199	-903,337	565,095					

Effect on Deferral and Variance Account Rate Riders			
Closing balance in deferral account	565,095	**WACC**	5.77%
Return on Rate Base Associated with deferred PP&E balance at WACC - Note 2	32,619	**# of years of rate rider disposition period**	1
Amount included in Deferral and Variance Account Rate Rider Calculation	597,715		

The drivers of the change in closing net PP&E (CGAAP versus MIFRS) are as described below. A more detailed explanation of the accounting changes due to the transition to IFRS is provided in Exhibit 2 and Exhibit 6.

Componentization/Change in Useful Lives

IFRS requires each significant component of an item of PP&E and intangible asset, to be depreciated separately. As part of the project to transition to IFRS, Horizon Utilities established a new level of componentization and corresponding new depreciable lives to ensure that items with significant cost and different depreciation rates were depreciated separately. The impact of this change was, on average, an extension of useful lives under IFRS and a corresponding decrease to depreciation expense as compared to CGAAP.

Capitalization of Overheads

Under IFRS, the cost of an item of PP&E includes only costs that are directly attributable to bringing an asset to the location and condition necessary for it to be capable of operating in the manner intended by management. CGAAP requires costs “directly attributable” to an asset to be capitalized as PP&E. However, CGAAP also permits capitalization of certain indirect costs as PP&E. Consequently, IFRS diverges from CGAAP as it does not permit the capitalization of

indirect overhead costs as PP&E. Indirect overhead costs previously capitalized under CGAAP are expensed under IFRS. The impact of this change is a decrease in the value of assets capitalized under IFRS and a corresponding increase in expenses as compared to CGAAP.

Derecognition of Assets

Under IFRS, an item of PP&E is derecognized when it is disposed of or when no future economic benefits are expected from its continued use or retention. Under CGAAP for rate regulated entities using a pooled approach to fixed asset recognition, PP&E assets were removed at the end of their depreciable lives. The impact of this change is a decrease in the value of assets recorded under IFRS as compared to CGAAP.

Capital Contributions

Under CGAAP, capital contributions were netted against the cost of PP&E and amortized to net income as an offset to depreciation expense, on the same basis as the related assets. Under IFRS, the amount of capital contributions is classified as deferred revenue and amortized to income over the life of the asset to which it relates. However, under MIFRS the deferred revenue is classified as an offset to rate base. This reclassification is necessary to preserve the continuity of rate base. As a result other than the impact of the change to depreciable lives, there is no difference between CGAAP and IFRS for capital contributions.

Interest Capitalization

Under CGAAP, rate-regulated entities were permitted, but not required, to include borrowing costs in the cost of an asset that is acquired, constructed, or developed over time. Horizon Utilities did not capitalize borrowing costs under CGAAP on the basis that they were not significant and that the construction period was generally within a fiscal year.

IFRS requires that borrowing costs related to the construction of qualifying assets be capitalized. Under IFRS, a qualifying asset is an asset that takes a “substantial period of time” to bring it to its intended use or sale. Horizon Utilities has defined a “substantial period of time” as a period greater than twelve months. Under MIFRS, Horizon Utilities has capitalized and expects to capitalize interest on qualifying projects in 2013 and 2014. The impact of this change

is an increase in the value of assets recorded under IFRS and a corresponding decrease in interest expense as compared to CGAAP.

Asset Retirement Obligations

Horizon Utilities has not identified any asset retirement obligations and as such there is no difference between IFRS and CGAAP.

The impact of these changes as a result of the transition to IFRS is a decrease to net PP&E of $565,095 as at December 31, 2014 and is summarized in Table 9-15 below. This represents amounts owing from customers.

Table 9-15 – Breakdown of Impact of Transition to IFRS on Net PP&E

Description	2011	2012	2013	2014
Closing CGAAP Net PP&E	**$316,997,965**	**$365,070,186**	**$382,168,427**	**$400,764,743**
Burdens (Expensed vs Capitalized)	(9,339,658)	(9,742,252)	(10,747,773)	(12,241,448)
Change to Useful Lives	11,591,159	11,656,238	11,967,046	12,339,493
Interest Capitalization			$201,155	$73,969
Derecognition of Assets (net of depreciation)	(1,512,181)	(1,623,107)	(1,547,291)	(1,640,446)
Yearly Impact due to IFRS transition	**739,320**	**290,879**	**(126,863)**	**(1,468,432)**
Cumulative Impact due to IFRS transition (1575)	**739,320**	**1,030,199**	**$903,337**	**(565,095)**
Closing MIFRS Net PP&E	**$317,737,285**	**$366,100,385**	**$383,071,764**	**$400,199,647**

Horizon Utilities requests the disposition of the balance in Account 1575 and the associated rate of return component in the amount of $597,715. This calculation is provided in Table 9-16. Horizon Utilities confirms that the amount of the return component has not been and will not be recorded in Account 1575. Horizon Utilities also confirms that no carrying charges have been added to Account 1575.

Table 9-16 – Calculation of Account 1575 Rate Rider

Description		Calculation	Total
2014 Closing Balance Net PP&E CGAAP		A	$400,764,743
2014 Closing Balance Net PP&E IFRS		B	$400,199,647
Closing Balance in Account 1575		C= A - B	$565,095
WACC		D	5.77%
Return on Rate Base Associated with deferred PP&E balance at WACC	per year	E = C * D	$32,619
Disposition Period		F	1
Return on Rate Base Associated with deferred PP&E balance at WACC	total	G = E * F	$32,619
Amount Included in Account 1575 Rate Rider Calculation		H = C + G	$597,715

Horizon Utilities proposes a one year disposition period to recover this amount from customers.

The proposed volumetric rate rider that results from the disposition of Account 1575, IFRS-CGAAP Transitional PP&E Amounts, is identified in Table 9-17 below and included in Table 9-25, the Detailed Calculation of Proposed Rate Riders in Tab 6, Disposition of Deferral and Variance Accounts, of this Exhibit.

Table 9-17 – Account 1575 Proposed Disposition by Rate Class

Rate Class		kW/kWh	Amount for Disposition	Rate Rider
Residential	kW	1,617,715,605	$205,193	$0.0001
General Service <50 kW	kW	586,002,830	$74,329	$0.0001
General Service 50 to 4999 kW	kWh	5,114,245	$235,654	$0.0461
Large Use (1)	kWh	626,465	$34,232	$0.0546
Large Use (2)	kWh	1,884,533	$41,770	$0.0222
Unmetered Scattered Load	kW	11,397,660	$1,446	$0.0001
Sentinel Lighting	kWh	1,241	$55	$0.0447
Street Lighting	kWh	110,006	$5,035	$0.0458
Standby Power	kWh	290,976	$0	$0.0000
Total			**$597,714**	

The balance in Account 1575 in the DVA Continuity Schedule at the end of 2013 is ($903,337) as indicated in Table 9-14.

ACCOUNT 1576: ACCOUNTING CHANGES UNDER CGAAP

Horizon Utilities confirms that Account 1576 does not apply to it since Horizon Utilities adopted IFRS on January 1, 2012.

RETAIL COST VARIANCE ACCOUNT

ACCOUNT 1518 AND 1548: RETAIL COST VARIANCE ACCOUNT

The table below contains account balances for 1518 Retail Costs Variance Account ("RCVA") Retail and account 1548 RCVA STR.

Table 9-18 – Balances in Account 1518 and 1548

		Principal at Dec 31, 2013	Interest at Dec 31, 2013	Total at Dec 31, 2013	RRR Balance Submitted April 30, 2014	Variance to RRR Balance
1518	**RCVA Retail**	$ 585,031	$ 16,076	$ 601,108	$ 601,108	$ -
1548	**RCVA - Service Transaction Request (STR)**	$ (41,013)	$ (810)	$ (41,823)	$ (41,823)	$ -

Horizon Utilities confirms that all costs incorporated into the variances reported in Account 1518 and Account 1548 are incremental costs of providing retail service. These balances have been recorded in accordance with Article 490 of the APH.

In compliance with Chapter 2 of the Board's Filing Requirements dated July 17, 2013, Horizon Utilities has provided the following details on the balance in account 1518, as it exceeds the materiality threshold of $300,000 used throughout this Application. The calculation of Horizon Utilities' materiality threshold is provided in Exhibit 1, Tab 6, Schedule 1. The costs recorded in account 1518 are in compliance with Article 490 of the APH, and represent incremental costs of providing retail services.

The driver of the balance in account 1518 is Revenues related to Distributor-Consolidated Billing and Establishing Service Agreements. These revenues are netted against the costs of providing the following services:

a) Establishing Service Agreements;

b) Distributor-Consolidated Billing; and

c) Retailer-Consolidated Billing.

DISPOSITION OF LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT ("LRAMVA")

Summary

Horizon Utilities is applying for disposition of the balance in LRAMVA resulting from its Conservation and Demand Management ("CDM") activities in 2011 and 2012. The total amount requested for disposition is a credit of $244,468 including forecast carrying charges of $7,252 through to December 31, 2014. Horizon Utilities' actual savings from CDM activities for 2011 and 2012 were below the estimated projections used in the load forecast resulting in an over-collection from customers during this period.

Lost Revenue Adjustment Mechanism for 2011-2014

On March 31, 2010, the Ministry of Energy and Infrastructure issued a directive to the OEB (the "Directive") to establish electricity and conservation and demand management targets to be met by licensed electricity distributors over a four year period commencing January 1, 2011. The Minister of Energy and Infrastructure included guidance to the OEB that lost revenues that result from CDM programs should not act as a disincentive to a distributor to promote CDM activities.

On April 26, 2012, in response to the Directive, the OEB issued a new set of *Guidelines for Electricity Distributor Conservation and Demand Management* (EB-2012-0003) ("CDM Guidelines") which set out the obligations and requirements with which electricity distributors must comply in relation to the CDM targets that are a condition of licence. The CDM Guidelines also provided updated details for the Lost Revenue Adjustment Mechanism ("LRAM") to compensate distributors for lost revenues resulting from CDM programs for the 2011 to 2014 period.

The OEB has authorized the establishment of an LRAM variance account ("LRAMVA") to record, at the customer rate-class level, the difference between:

(i) the results of actual, verified impacts of authorized CDM activities undertaken by electricity distributors between 2011-2014 for CDM programs, and

(ii) the level of CDM program activities included in the distributor's load forecast (i.e. the level embedded into rates).

The variance calculated from the comparison will result in a credit or a debit to the ratepayer at the customer class level in the LRAMVA.

LRAM Calculations

For 2014 Cost of Service filers, the OEB has identified that distributors can apply for disposition of 2011 LRAM claims, 2011 LRAM persistence claims and 2012 LRAM claims. No additional guidance has been issued by the OEB for 2015 Cost of Service filers. At the time of the drafting of this evidence, Horizon Utilities has evidence to support only the 2011 LRAM claims, 2011 LRAM persistence claims, and 2012 LRAM claims. Horizon Utilities will file for LRAM and persistence claims at some time in the future, and potentially with its filings for annual adjustments.

The results of actual, verified impacts of authorized CDM activities must be verified by an independent third party for each year of the CDM program (2011 - 2014). Horizon Utilities has relied on the most recent Final CDM Evaluation Report from the OPA in support of its lost revenue calculation. This report, received August 30, 2013, is filed as Appendix 4-13 in Exhibit 4. The OPA has used the most recent input assumptions available at the time of the program evaluation. The lost revenue amount does not include amounts for any Board-Approved programs.

The lost revenue amount is determined by applying, by customer class, the distributor's Board-Approved variable distribution charge applicable to that class to the volumetric variance (positive or negative).

Horizon Utilities has provided its lost revenue calculations by year for each rate class in Tables 9-19 and 9-20 below. For Horizon Utilities, the calculation of lost revenue commenced with the new load forecast and rates in its 2011 CoS Application (EB-2010-0131); therefore the calculations in Table 9-19 are for eight months, commencing May 1, 2011.

Table 9-19 – LRAMVA for 2011 - 8 months, aligning with 2011 CoS Effective Rates

	2011 OEB Approved CDM Incld in Load Forecast (A)		2011 OPA Results Eligible for LRAMVA (B)		*2011 Variances OPA Results Eligible for LRAMVA / OEB Approved CDM Incld in Load Forecast (B - A)*		2011 OEB Approved Distribution Rates		**2011 LRAMVA**
Customer Class:	kW	kWh	kW	kWh	*kW*	*kWh*	$ / kW	$ / kWh	**$**
Residential	0	8,383,777	0	4,219,156		(4,164,621)		$ 0 0142	**($59,138)**
GS<50	0	2,928,876	0	1,128,897		(1,799,979)		$ 0 0084	**($15,120)**
GS>50	1,693	7,448,680	1,556	0	(137)		$ 2.0341		**($3,344)**
Large User	0	0	1,462	0	1,462		$ 1.3359		**$23,431**
TOTAL	**1,693**	**18,761,333**	**3,017**	**5,348,053**	**1,325**	**(5,964,600)**			**($54,171)**

Table 9-20 – LRAMVA for 2012

Customer Class:	2011 OEB Approved CDM Incld in Load Forecast (A)		2012 OPA Q3 Results - Forecasted to Dec 31, 2012 Eligible for LRAMVA (B)		2012 Variances OPA Q3 Results - Forecasted to Dec 31, 2012 Eligible for LRAMVA / OEB Approved CDM Incld in Load Forecast (B - A)		2012 OEB Approved Distribution Rates		**2012 LRAMVA**
	kW	kWh	kW	kWh	kW	kWh	$ / kW	$ / kWh	**$**
Residential		12,575,666		3,035,014		(9,540,652)		$ 0.0143	**($136,431)**
GS<50		4,393,315		2,898,992		(1,494,323)		$ 0.0084	**($12,552)**
GS>50	2,539	11,173,019	795		(1,744)	(11,173,019)	$ 2.0459		**($42,817)**
Large User			543		543	-	$ 1.3436		**$8,755**
TOTAL	2,539	28,142,000	1,339	5,787,083	(1,200)	(22,354,917)			**($183,045)**

Horizon Utilities has calculated carrying charges on the LRAM amounts from January 1, 2011 to December 31, 2014 using the Board's prescribed rates. The total amount requested for disposition is a credit of $244,468, representing a principal balance of $237,216, as at the end of 2012, and carrying charges of $7,252 for 2013 and 2014.

The proposed volumetric rate rider that results from the disposition of Account 1568, LRAM Variance Account, is identified in Table 9-21 below and included in Table 9-25, the Detailed Calculation of Proposed Rate Riders in Tab 6, Disposition of Deferral and Variance Accounts, of this Exhibit.

1 **Table 9-21 – Account 1568 Proposed Disposition by Rate Class**

Rate Class		kW/kWh	Amount for Disposition	Rate Rider
Residential	kW	1,617,715,605	(84,841)	(0.0001)
General Service <50 kW	kW	586,002,830	(30,915)	(0.0001)
General Service 50 to 4999 kW	kWh	5,114,245	(97,323)	(0.0190)
Large Use (1)	kWh	626,465	(14,137)	(0.0226)
Large Use (2)	kWh	1,884,533	(17,250)	(0.0092)
Unmetered Scattered Load	kW	11,397,660	0	0.0000
Sentinel Lighting	kWh	1,241	0	0.0000
Street Lighting	kWh	110,006	0	0.0000
Standby Power	kWh			
Total			**(244,467)**	

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DISPOSITION OF DEFERRAL AND VARIANCE ACCOUNTS

OVERVIEW

Horizon Utilities is requesting disposition of the DVAs identified in Table 9-22 in compliance with the EDDVAR Report. Horizon Utilities has followed the guidelines in the EDDVAR Report using the default disposition period of one year. Horizon Utilities has provided a continuity schedule of all of the outstanding DVAs in Appendix 9-1 of this Exhibit.

Table 9-22 below identifies the principal and interest for each DVA for which Horizon Utilities is seeking disposition. The principal balance for Group 1 accounts is as of December 31, 2013 but does not include the amounts approved in Horizon Utilities' 2013 3rd Generation IRM application (EB-2012-0132). The principal balance for Group 2 accounts is as of December 31, 2013. Carrying charges have been calculated to December 31, 2014, using the interest rates shown in Table 9-4. Horizon Utilities is seeking disposition of a total amount of $(908,971) to be returned to customers.

The amounts proposed for disposition align with Horizon Utilities' Financial Statements.

Table 9-22 – Deferral and Variance Accounts for Disposition

Account Description	Account	Principal Amounts as of Dec-31 2013	Carrying Charges to Dec 31,2013	Principal Disposition during 2014 - instructed by Board	Interest Disposition during 2014 - instructed by Board	Projected Carrying Charges to Dec 31, 2014	Principal Adjustment during 2014	Total Disposition in 2015
Group 1 Accounts:								
Low Voltage	1550	$303,169	$3,918	($15,111)	($1,892)	$4,457		$294,540
Smart Meter Entity Charge	1551	($17,911)	($71)	$0	$0	($263)		($18,245)
RSVA - Wholesale Market Service Charge	1580	($9,886,018)	($237,841)	$6,486,056	$198,210	($145,324)		($3,584,918)
RSVA - Retail Transmission Network Charge	1584	$3,529,388	$53,862	($151,219)	($31,287)	$51,882		$3,452,627
RSVA - Retail Transmission Connection Charge	1586	$1,237,249	$6,435	$77,445	$536	$18,188		$1,339,853
RSVA - Power	1588	($4,265,994)	($56,649)	$521,933	$15,756	($62,710)		($3,847,663)
Sub-total not including RSVA Power Global Adjustment		($9,100,116)	($230,346)	$6,919,104	$181,323	($133,772)	$0	($2,363,807)
RSVA - Power Global Adjustment	1589	($305,363)	$97,813	$3,304,844	($5,959)	($4,489)		$3,086,847
Total including RSVA Power Global Adjustment		($9,405,480)	($132,532)	$10,223,948	$175,364	($138,261)	$0	$723,040
Disposition and Recovery/Refund of Regulatory Balances (2008) - (COS08)	1595	($265,050)	($1,126,238)	$0	$0	($3,896)		($1,395,184)
Disposition and Recovery/Refund of Regulatory Balances (2009) - (IRM10)	1595	$191,804	($1,376,524)	$0	$0	$2,820		($1,181,900)
Disposition and Recovery/Refund of Regulatory Balances (2010) - (COS11)	1595	($303,195)	($12,644)	$0	$0	($4,457)		($320,296)
Disposition and Recovery/Refund of Regulatory Balances (2011) - (IRM12)	1595	$604,756	($211,367)	$0	$0	$8,890		$402,278
Disposition and Recovery/Refund of Regulatory Balances (2012) - (Def PILS)	1595	($1,395,380)	$1,290,129	$0	$0	($20,512)		($125,763)
Disposition and Recovery/Refund of Regulatory Balances (2013) - (IRM 13)	1595	$475,969	($102,427)	$0	$0	$6,997		$380,539
Disposition and Recovery/Refund of Regulatory Balances (2014) - (IRM 14)	1595	$0	$0	$0	$0	$0		$0
Total 1595		($691,096)	($1,539,071)	$0	$0	($10,159)	$0	($2,240,326)
Total Group 1		**($10,096,576)**	**($1,671,603)**	**$10,223,948**	**$175,364**	**($148,420)**	**$0**	**($1,517,287)**
Group 2 Accounts:								
Other Regulatory Assets Deferred IFRS Transi ion Costs	1508	$509,084	$27,793	$0	$0	$7,484		$544,360
Other Regulatory Assets Incremental Capital Charges	1508	$11,700	$625	$0	$0	$172		$12,497
Retail Cost Variance Account - Retail	1518	$585,031	$16,076	$0	$0	$8,600		$609,708
Renewable Genera ion Connection Funding Adder Deferral Account	1533	($298,119)	($3,955)	$0	$0	($4,382)		($306,456)
Retail Cost Variance Account - STR	1548	($41,013)	($810)	$0	$0	($603)		($42,426)
PILs & Tax Variance	1592	$19,885	($9,544)	$0	$0	$292		$10,634
Other Regulatory Liabilities or Credits	2405	($220,000)	$0	$0	$0	$0		($220,000)
Total Group 2		**$566,569**	**$30,184**	**$0**	**$0**	**$11,563**	**$0**	**$608,316**
Total Amount for Disposition		**($9,530,007)**	**($1,641,419)**	**$10,223,948**	**$175,364**	**($136,857)**	**$0**	**($908,971)**

ACCOUNTS NOT PROPOSED FOR DISPOSITION

Account 1555: Smart Meter Capital and Recovery Offset Variance

In the Board's Decision on Horizon Utilities' Smart Meter Prudence Application (EB-2011-0417), the Board recognized that Horizon Utilities had not completed its Smart Meter deployment at that time and had not applied for final disposition of costs. In that decision, the Board approved that Horizon Utilities may continue to record the Smart Meter capital costs in account 1555 for the remaining 297 Residential and 4305 GS < 50 kW customers who had not yet received a Smart Meter. Costs incurred between 2012 and 2014 for related installations are recorded in deferral account 1555. Horizon Utilities is seeking approval for final disposition of its Smart Meter implementation costs and to include the costs accumulated in account 1555 in the opening balance of fixed assets in 2015. No further Smart Meter costs will be recorded in account 1555 in 2015 and beyond.

METHOD OF DISPOSITION

The following methods are proposed for disposition of the DVA balances, for those accounts that have been selected for disposition.

Group 1 Accounts

The method of disposition for Group 1 accounts is on the basis of the 2015 forecasted kWh energy consumption by customer class and disposition through the variable component rate rider based on kWh or kW.

Allocation of costs to customer classes is based upon kWh energy consumption by customer class in compliance with the default cost allocation methodology established by the Board for Group 1 deferral and variance accounts in the EDDVAR Report.

Group 2 Accounts

The method of disposition for Group 2 accounts is an allocation to rate classes on the basis of the 2015 forecasted distribution revenue by customer class and disposition through the variable component rate rider based on kWh or kW for Group 2 accounts except for Account 1518 RCVA – Retail, 1548 RCVA-STR.

Allocation of costs to customer classes of account 1518 RCVA – Retail and 1548 RCVA – STR account balances is based on the number of customers in compliance with the default cost allocation methodology established by the Board in the EDDVAR.

Horizon Utilities is proposing to allocate the balances for all other Group 2 accounts based upon kWh energy consumption by customer class in compliance with the default cost allocation methodology established by the Board for Group 1 deferral and variance accounts in the EDDVAR Report.

The continuity schedule for all DVAs submitted for disposition, together with the cost allocation and rate rider calculations, is included in Appendix 9-1 of this Exhibit.

The billing determinants used for calculating the proposed Rate Riders are outlined in Table 9-23 below.

Table 9-23: Billing Determinants

2015 Billed Data By Class	kW	kWhs	Customer Counts/Connections	Metered Customers	Dx Revenue
RESIDENTIAL CLASS		1,617,715,605	220,565	220,565	69,438,824
GENERAL SERVICE <50 KW CLASS		586,002,830	18,428	18,428	15,378,658
GENERAL SERVICE >50 KW NON TIME OF USE	5,114,245	1,857,864,416	2,198	2,198	21,427,511
LARGE USE (1) CLASS	626,465	269,877,849	7	7	2,156,528
LARGE USE (2) CLASS	1,884,533	329,305,006	4	4	479,967
UNMETERED & SCATTERED LOADS		11,397,660	3,039	1,857	516,848
SENTINEL LIGHTS	1,241	437,397	401	248	46,622
STREET LIGHTING	110,006	39,694,810	52,384	4	2,734,629
STANDBY	290,976				740,213
Totals	8,027,466	4,712,295,573	297,025	243,310	112,919,800

Allocators	kW	kWhs	Customer Counts/Connections	Metered Customers	Dx Revenue
RESIDENTIAL CLASS	0.0%	34.3%	74.3%	90.7%	61.5%
GENERAL SERVICE <50 KW CLASS	0.0%	12.4%	6.2%	7.6%	13.6%
GENERAL SERVICE >50 KW NON TIME OF USE	63.7%	39.4%	0.7%	0.9%	19.0%
LARGE USE (1) CLASS	7.8%	5.7%	0.0%	0.0%	1.9%
LARGE USE (2) CLASS	23.5%	7.0%	0.0%	0.0%	0.4%
UNMETERED & SCATTERED LOADS	0.0%	0.2%	1.0%	0.8%	0.5%
SENTINEL LIGHTS	0.0%	0.0%	0.1%	0.1%	0.0%
STREET LIGHTING	1.4%	0.8%	17.6%	0.0%	2.4%
STANDBY	3.6%	0.0%	0.0%	0.0%	0.7%
Totals	100%	100%	100%	100%	100%

Allocators - Non-RPP kWh Rate Class	Total kWhs 2013	2013 Non-RPP kWhs	Ratio	Estimated kWh for Non-RPP Customers	Estimated kWh Ratio for Non-RPP	Estimated kW for Non-RPP Customers Based on OEB Continuity Schedule
RESIDENTIAL CLASS	1,700,270,470	150,869,883	9%	143,544,552	6%	-
GENERAL SERVICE <50 KW CLASS	629,553,799	90,958,509	14%	84,666,225	3%	-
GENERAL SERVICE >50 KW NON TIME OF USE	1,924,335,277	1,701,939,370	88%	1,643,150,563	65%	4,523,190
LARGE USE (1) CLASS	266,386,209	266,386,209	100%	269,877,849	11%	626,465
LARGE USE (2) CLASS	325,044,506	325,044,506	100%	329,305,006	13%	1,884,533
UNMETERED & SCATTERED LOADS	12,268,078	2,413,429	20%	2,242,197	0%	-
SENTINEL LIGHTS	501,074	4,608	1%	4,023	0%	11
STREET LIGHTING	41,110,837	40,873,996	99%	39,466,127	2%	109,373
STANDBY	-	-		-	0%	-
Total	4,899,470,249	2,578,490,510		2,512,256,542	100%	7,143,572.05

PROPOSED RATE RIDERS

The proposed rate riders to clear the DVA balances are identified in Table 9-24 below.

Table 9-24 - Proposed Rate Riders

Customer Class	All Classes (Excluding OEB Account Number 1575 and 1568)	All Classes (OEB Account Number 1575)		All Classes (OEB Account Number 1568)	Non-Regulated Price Plan Customers Only	
	Deferral and Variance Rates Riders ($) per kWh	Rate Rider for Accounts 1575 kWh	Rate Rider for Account 1575 kW	Rate Rider for Accounts 1568 kWh	Non-RPP Global Adjustment Variance Rate Rider ($) per kWh	Non - RPP Global Adjustment Variance Rate Rider ($) per kW
RESIDENTIAL	(0.0007)	0 0001		(0 0001)	0 0012	
GENERAL SERVICE <50 KW	(0.0009)	0 0001		(0 0001)	0 0012	
GENERAL SERVICE >50 KW	(0.3401)		0 0461	(0.0191)		0.4464
LARGE USE (1)	(0.4086)		0 0546	(0.0226)		0 5293
LARGE USE (2)	(0.1693)		0 0222	(0.0092)		0 2147
UNMETERED & SCATTERED LOADS	(0.0007)	0 0001			0 0012	
SENTINEL LIGHTS	(0.0949)		0 0447			0.4331
STREET LIGHTING	(0.7659)		0 0458			0.4434
STANDBY	0.0078		0 0000			0 0000

The detailed calculation of these Rate Riders is included in Table 9-25 below.

Table 9-25 - Detailed Calculation of Proposed Rate Riders

Group 1 Accounts	OEB	Allocator	Amount	Residential Class	General Service < 50	General Service > 50	Large Use (1)	Large Use (2)	Unmetered & Scattered Loads	Sentinel Lights	Street Lighting	Standby	Totals
Low Voltage	1550	kWh	294,540	101,115	36,628	116,125	16,869	20,583	712	27	2,481	0	294,540
Smart Metering Entity Charge Variance Account	1551	kWh	(18,245)	(13,393)	(4,852)	0	0	0	0	0	0	0	(18,245)
RSVA - Wholesale Market Service Charge	1580	kWh	(3,584,918)	(1,230,691)	(445,807)	(1,413,386)	(205,312)	(250,522)	(8,671)	(333)	(30,198)	0	(3,584,918)
RSVA - Retail Transmission Network Charge	1584	kWh	3,452,627	1,185,275	429,355	1,361,229	197,735	241,277	8,351	320	29,084	0	3,452,627
RSVA - Retail Transmission Connection Charge	1586	kWh	1,339,853	459,967	166,619	528,249	76,735	93,632	3,241	124	11,286	0	1,339,853
RSVA - Power	1588	kWh	(3,847,663)	(1,320,890)	(478,481)	(1,516,975)	(220,360)	(268,883)	(9,306)	(357)	(32,411)	0	(3,847,663)
Sub-Total Group One RSVA Accounts (Excluding 1589 & 1595)			**(2,363,807)**	**(818,617)**	**(296,537)**	**(924,759)**	**(134,333)**	**(163,913)**	**(5,673)**	**(218)**	**(19,758)**	**0**	**(2,363,807)**
RSVA - Power Global Adjustment	1589	non-RPP kWh	3,086,847	176,375	104,031	2,018,963	331,603	404,622	2,755	5	48,493	0	3,086,847
Sub-Total 1589			**3,086,847**	**176,375**	**104,031**	**2,018,963**	**331,603**	**404,622**	**2,755**	**5**	**48,493**	**0**	**3,086,847**
Disposition and Recovery/Refund of Regulatory Balances (2008) - (COS08)	1595	kWh	(1,395,184)	(478,962)	(173,500)	(550,064)	(79,904)	(97,498)	(3,375)	(130)	(11,753)	0	(1,395,184)
Disposition and Recovery/Refund of Regulatory Balances (2009) - (IRM10)	1595	kWh	(1,181,900)	(405,742)	(146,976)	(465,974)	(67,689)	(82,594)	(2,859)	(110)	(9,956)	0	(1,181,900)
Disposition and Recovery/Refund of Regulatory Balances (2010) - (COS11)	1595	kWh	(320,296)	(109,957)	(39,831)	(126,280)	(18,344)	(22,383)	(775)	(30)	(2,698)	0	(320,296)
Disposition and Recovery/Refund of Regulatory Balances (2011) - (IRM12)	1595	kWh	402,278	138,101	50,026	158,602	23,039	28,112	973	37	3,389	0	402,278
Disposition and Recovery/Refund of Regulatory Balances (2012) - (Def PILS)	1595	kWh	(125,763)	(43,174)	(15,639)	(49,583)	(7,203)	(8,789)	(304)	(12)	(1,059)	0	(125,763)
Disposition and Recovery/Refund of Regulatory Balances (2013) - (IRM 13)	1595	kWh	380,539	130,638	47,322	150,031	21,794	26,593	920	35	3,206	0	380,539
Disposition and Recovery/Refund of Regulatory Balances (2014) - (IRM 14)	1595	kWh	0	0	0	0	0	0	0	0	0	0	0
Sub-Total 1595			**(2,240,326)**	**(769,097)**	**(278,598)**	**(883,269)**	**(128,306)**	**(156,559)**	**(5,419)**	**(208)**	**(18,872)**	**0**	**(2,240,326)**
Group 2 Accounts													
Other Regulatory Assets Deferred FRS Transition Costs	1508	Dx Revenue	544,360	334,748	74,137	103,297	10,396	2,314	2,492	225	13,183	3,568	544,360
Other Regulatory Assets Incremental Capital Costs	1508	Dx Revenue	12,497	7,685	1,702	2,371	239	53	57	5	303	82	12,497
Retail Cost Variance Account - Retail	1518	# customers	609,708	552,710	46,178	5,507	18	10	4,653	621	10	0	609,708
Renewable Generation Connection Funding Adder Deferral Account	1533	# customers	(306,456)	(227,568)	(19,013)	(2,268)	(7)	(4)	(3,136)	(414)	(54,047)	0	(306,456)
Retail Cost Variance Account - STR	1548	# customers	(42,426)	(38,460)	(3,213)	(383)	(1)	(1)	(324)	(43)	(1)	0	(42,426)
P Ls & Tax Variance	1592	Dx Revenue	10,634	6,539	1,448	2,018	203	45	49	4	258	70	10,634
Other Regulatory Liabilities or Credits	2405	Dx Revenue	(220,000)	(135,287)	(29,962)	(41,747)	(4,202)	(935)	(1,007)	(91)	(5,328)	(1,442)	(220,000)
Sub-Total Non-RSVA			**608,316**	**500,367**	**71,277**	**68,796**	**6,645**	**1,482**	**2,784**	**308**	**(45,623)**	**2,278**	**608,316**
Total to be Recovered over one year			**(908,971)**	**(910,971)**	**(399,827)**	**279,732**	**75,610**	**85,633**	**(5,552)**	**(113)**	**(35,760)**	**2,278**	**(908,971)**
LRAM Variance Account	1568	kWh	(244 467)	(84 853)	(30 737)	(97 449)	(14 156)	(17 273)	0	0	0	0	(244 467)
IFRS-CGAAP Transitional PP&E Amounts	1575	kWh	597,714	205,193	74,329	235,654	34,232	41,770	1,446	55	5,035	0	597,714

Class	Residential Class	General Service < 50	General Service > 50	Large Use (1)	Large Use (2)	Unmetered & Scattered Loads	Sentinel Lights	Street Lighting	Standby
Billing Determinants	kWh	kWh	kW	kW	kW	kWh	kW	kW	kW
Group One RSVA Accounts Recovery Rate Riders (excluding 1589)	(0.0005)	(0.0005)	(0.1808)	(0.2144)	(0 0870)	(0 0005)	(0.1755)	(0.1796)	-
Account Recovery Rate Riders (excluding RSVA 1575 1568 and 1589)	(0.0002)	(0.0004)	(0.1593)	(0.1942)	(0 0823)	(0 0002)	0 0806	(0.5863)	0 0078
Total Deferral / Variance Accounts Recovery Rate Riders (excluding 1575, 1568 and 1589)	(0.0007)	(0.0009)	(0.3401)	(0.4086)	(0.1693)	(0 0007)	(0 0949)	(0.7659)	0 0078
RSVA - Power - Global Adjustment Account Recovery Rate Riders	0.0012	0.0012	0.4464	0.5293	0 2147	0 0012	0.4331	0.4434	-
Account 1575 Recovery Rate Riders	0.0001	0.0001	0.0461	0.0546	0 0222	0 0001	0 0447	0.0458	-
Account 1568 Recovery Rate Riders	(0.0001)	(0.0001)	(0.0191)	(0.0226)	(0 0092)	0 0000	0 0000	0.0000	0 0000

BILL IMPACTS

The impacts of the proposed rate riders in Table 9-24 on the total bill of typical Residential and General Service < 50 kW customers are identified in Table 9-26, below. A complete Bill Impact Analysis is provided in Exhibit 8, Tab 4, Schedule 1.

Table 9-26 - Bill Impacts of Proposed Rate Riders

	Residential		GS < 50 kW	
Class	**RPP**	**Non-Rpp**	**RPP**	**Non-Rpp**
Consumption Level	800 kWh	800 kWh	2,000 kWh	2,000 kWh
2014 Rates	$ (0.0016)	$ (0.0018)	$ (0.0016)	$ (0.0018)
2014 Monthly Charges	$ (1.28)	$ (1.45)	$ (3.22)	$ (3.64)
2015 Rates	$ (0.0005)	$ 0.0007	$ (0.0007)	$ 0.0005
2015 Monthly Charges	$ (0.44)	$ 0.55	$ (1.47)	$ 0.99
Increase/(Decrease) $$$	$ 0.84	$ 2.00	$ 1.75	$ 4.63
Increase/(Decrease) %	65.9%	137.7%	54.4%	127.2%

APPENDIX 9-1: 2015 EDDVAR CONTINUITY SCHEDULE

Deferral/Variance Account Workform for 2015 Filers

Version 2.0

Utility Name	Horizon Utilities Corporation
Service Territory	*Hamilton & St. Catharines*
Assigned EB Number	
Name of Contact and Title	Indy J. Butany-DeSouza, Vice President - Regulato
Phone Number	905-317-4765
Email Address	indy.butany@horizonutilities com

General Notes

1. Please ensure that your macros have been enabled. (Tools -> Macro -> Security)

2. Due to the time lag of deferral/variance account dispositions, this model assumes that all opening balances include previously disposed of amounts. Accordingly, all "Board Approved Dispositions" are deducted from the opening balance.

3. Please provide information in this model since the last time your balances were disposed.

4. For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e g: debit balances are to have a positive figure and credit balance are to have a negative figure) as per the related Board decision.

Notes

Pale green cells represent input cells.

Pale blue cells represent drop-down lists. The applicant should select the appropriate item from the drop-down list.

White cells contain fixed values, automatically generated values or formulae.

Account Descriptions	Account Number	2009									2010									
		Opening Principal Amounts as of Jan-1-09	Transactions Debit / (Credit) during 2009 excluding interest and adjustments [1]	Board-Approved Disposition during 2009	Adjustments during 2009 - other [2]	Closing Principal Balance as of Dec-31-09	Opening Interest Amounts as of Jan-1-09	Interest Jan-1 to Dec-31-09	Board-Approved Disposition during 2009	Adjustments during 2009 - other [2]	Closing Interest Amounts as of Dec-31-09	Opening Principal Amounts as of Jan-1-10	Transactions Debit / (Credit) during 2010 excluding interest and adjustments [1]	Board-Approved Disposition during 2010	Adjustments during 2010 - other [2]	Closing Principal Balance as of Dec-31-10	Opening Interest Amounts as of Jan-1-10	Interest Jan-1 to Dec-31-10	Board-Approved Disposition during 2010	Adjustments during 2010 - other [2]	Closing Interest Amounts as of Dec-31-10
Group 1 Accounts																					
LV Variance Account	1550	$0			-$670,90	-$670,90	$0			-$38,696	-$38 696	-$670,90	$95,125	-$739,175		$163,810	-$38,696	-$ 2	-$ 0,281		$1,161
Smart Me er Entity	1551	$0				$0	$0				$0	$0				$0	$0				$0
RSVA - Wholesa e Market Service Charge	1580	$0			-$12,710,628	-$12,710,628	$0			-$6 ,235	-$6 235	-$12,710,628	-$5,85,796	-$10,715,389		-$7,81,035	-$6 ,235	-$59 737	-$657,13		-$ 6,837
RSVA - Retail Transmission Network Charge	158	$0			-$5,580,697	-$5,580,697	$0			-$191,910	-$191 910	-$5,580,697	$1,80 ,9 2	-$6,87,893	-$9 ,198	$2 617,9 0	-$191,910	$7,1 3	-$209,160		$2 ,392
RSVA - Retail Transmission Connection Charge	1586	$0			$,618	$,618	$0			$58,575	$58 575	$,618	$965,255	$328,719	-$23,751	$617, 03	$58,575	$ 012	$59,733		$2,855
RSVA - Power (excluding Global Adjustment)	1588	$0			-$3,7 5,169	-$3,7 5,169	$0			-$90,7 7	-$90 7 7	-$3,7 5,169	-$,225,520	-$2,338,95		-$5 631,735	-$90,7 7	-$2 , 31	-$99,2 7		-$15,930
RSVA - Power - Sub-account - Global Adjustment	1589	$0			$6,510,568	$6,510,568	$0			-$50,257	-$50 257	$6,510,568	-$685,719	$1,257,370	-$1, 90,211	$3 077,268	-$50,257	$2 622	-$72,2 3		$ 6,608
Recovery of Regulatory Asset Ba ances	1590	$0				$0	$0				$0	$0				$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (2008) [7] - (COS08)	1595	$0			-$3,731,3 7	-$3,731,3 7	$0			-$1,109,719	-$1,109 719	-$3,731,3 7	$2,66 ,72			-$1 066,623	-$1,109,719	-$7 907		$5,513	-$1,112,113
Disposition and Recovery/Refund of Regulatory Balances (2009) [7] - (IRM10)	1595	$0				$0	$0			$0	$0	$0	-$11,612,353			-$11 612,353	$0	-$89 990		-$1,172,790	-$1,262,780
Disposition and Recovery/Refund of Regulatory Balances (2010) [7] - (COS11)	1595	$0				$0	$0				$0	$0				$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (2011) [7] - (IRM12)	1595	$0				$0	$0				$0	$0				$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (2012) [7] - (Def PILS)	1595	$0				$0	$0				$0	$0				$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (2013) [7] - (IRM 13)	1595	$0				$0	$0				$0	$0				$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (201) [7] - (IRM 1)	1595	$0				$0	$0				$0	$0				$0	$0				$0
Group 1 Sub otal (ncluding Account 1589 Global Adjustment)		$0	$0	$0	-$19,923,1 5	-$19,923,1 5	$0	$0	$0	-$2,066,988	-$2,066 988	-$19,923,1 5	-$16, 79,3 1	-$18,695,322	-$1,608,159	-$19 315,32	-$2,066,988	-$1 6 712	-$1,018,333	-$1,167,277	-$2,362,6
Group 1 Sub otal (excluding Account 1589 Global Adjustment)		$0	$0	$0	-$26, 33,713	-$26, 33,713	$0	$0	$0	-$2,016,731	-$2,016 731	-$26, 33,713	-$15,793,622	-$19,952,692	-$117 9	-$22 392,592	-$2,016,731	-$171 93	-$9 6,090	-$1,167,277	-$2, 09,251
RSVA Power Sub account Global Adjustment	**1589**	$0	$0	$0	$6,510,568	$6,510,568	$0	$0	$0	-$50,257	-$50 257	$6,510,568	-$685,719	$1,257,370	-$1, 90,211	$3 077,268	-$50,257	$2 622	-$72,2 3	$0	$ 6,608
Group 2 Accounts																					
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	$0			$560,753	$560,753	$0			$690	$690	$560,753	$313,912			$87 ,665	$690	$6 0 2			$6,732
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	$0			$10,017	$10,017	$0			$3	$3	$10,017	$7,69			$17,711	$3	$12			$127
Other Regulatory Assets - Sub-Account - 2008 LRAM/SSM approved	1508	$0			$517,823	$517,823	$0	$8, 80		$2, 23	$10 90	$517,823	-$338,155			$179,668	$10,90	$2 672			$13,576
Other Regulatory Assets - Sub-Account - 2009 LRAM/SSM approved	1508	$0			$551,39	$551,39	$0	$721			$721	$551,39	-$56 ,660			-$13,266	$721	$530			$1,251
Other Regulatory Assets - Sub-Account - Other [4]	1508	$0				$0	$0				$0	$0				$0	$0				$0
Retail Cost Variance Account - Retail	1518	$0			$310,336	$310,336	$0			-$11,025	-$11 025	$310,336	$167,75			$ 78,090	-$11,025	$1 30			-$9,721
Renewable Generation Connection OM&A Deferral Account	1532											$0	$28,000			$28,000	$0				$0
Renewable Generation Connection Funding Adder Deferral Account	1533																				
Retail Cost Variance Account - STR	15 8	$ -			$ 57,080	$57,080	$0			$ 1 670	$ 1,670	$57,080	-$16,797			$ 0,283	$1,670	$363			$2,033
Board-Approved CDM Variance Account	1567																				
Other Regulatory L abi ities or Cred ts	2 05	$ -			-$ 220,000	-$220,000	$0				$0	-$220,000				-$220,000	$ -				$0
Group 2 Sub otal		$0	$0	$0	$1,787, 02	$1,787, 02	$0	$9,201	$0	-$6,239	$2 962	$1,787, 02	-$ 02,251	$0	$0	$1 385,151	$2,962	$11 036	$0	$0	$13,998
Deferred Payments in Lieu of Taxes	1562	$0			-$, 76,650	-$, 76,650	$0			$833,592	$833 592	-$, 76,650	-$708,560			-$5,185,210	$833,592	-$35 683			$797,909
PILs and Tax Variance for 2006 and Subsequent Years	1592	$0				$0	$0				$0	$0				$0	$0				$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT	1592	$0			-$877,121	-$877,121	$0			-$ 5,835	-$ 5 835	-$877,121	-$1 0,05			-$1 017,175	-$ 5,835	-$3 287			-$80,123
otal of Group 1 and Group 2 Accounts (including 1562 and 1592)		$0	$0	$0	-$23, 89,51	-$23, 89,51	$0	$9,201	$0	-$1,285, 70	-$1,276 269	-$23, 89,51	-$17,730,207	-$18,695,322	-$1,608,159	-$2 ,132,558	-$1,276,269	-$205 6 6	-$1,018,333	-$1,167,277	-$1,630,860
LRAM Variance Account	**1568**																				
otal including Account 1568		$0	$0	$0	-$23, 89,51	-$23, 89,51	$0	$9,201	$0	-$1,285, 70	-$1,276 269	-$23, 89,51	-$17,730,207	-$18,695,322	-$1,608,159	-$2 ,132,558	-$1,276,269	-$205 6 6	-$1,018,333	-$1,167,277	-$1,630,860
Smart Me er Capital and Recovery Offset Variance - Sub-Account - Cap tal	1555	$0			-$3, 71,996	-$3, 71,996	$0			-$276,156	-$276,156	-$3, 71,996	-$53 ,823			-$ 006,820	-$276,156	$8 7 207			$571,052
Smart Me er OM&A Variance	1556	$0			$2,822,991	$2,822,991	$0			$87,910	$87 910	$2,822,991	$1,150,191			$3 973,182	$87,910	$96 888			$18 ,797
IFRS-CGAAP Transition PP&E Amoun s [6]	1575	$0				$0	$0				$0	$0				$0	$0				$0
he follow ng is not included in the total claim but are included on a memo basis:																					
Deferred PILs Contra Account [5]	1563	$0				$0	$0				$0	$0				$0	$0				$0
PILs and Tax Variance for 2006 and Subsequent Years -	1592	$0				$0	$0				$0	$0				$0	$0				$0
Disposition and Recovery of Regulatory Ba ances [7]	1595	$0				$0	$0				$0	$0				$0	$0				$0

Account Descriptions	Account Number	2011 Opening Principal Amounts as of Jan-1-11	2011 Transactions Debit / (Credit) during 2011 excluding interest and adjustments [3]	2011 Board-Approved Disposition during 2011	2011 Adjustments during 2010 - other [2]	2011 Closing Principal Balance as of Dec-31-11	2011 Opening Interest Amounts as of Jan-1-11	2011 Interest Jan-1 to Dec-31-11	2011 Board-Approved Disposition during 2011	2011 Adjustments during 2011 - other [2]	2011 Closing Interest Amounts as of Dec-31 11	2012 Opening Principal Amounts as of Jan-1-12	2012 Transactions Debit / (Credit) during 2012 excluding interest and adjustments [3]	2012 Board-Approved Disposition during 2012	2012 Other [2] Adjustments during 2012	2012 Closing Principal Balance as of Dec-31-12	2012 Opening Interest Amounts as of Jan-1-12	2012 Interest Jan-1 to Dec-31-12	2012 Board-Approved Disposition during 2012	2012 Adjustments during 2012 - other [2]	2012 Closing Interest Amounts as of Dec-31-12
Group 1 Accounts																					
LV Variance Account	1550	$163,810	$115 768	$163,810		$115,768	$1,161	$2,970	$2,506	-$53	$1 571	$115,768	$16,683			$132, 51	$1,571	$1 801			$3,372
Smart Me er Entity	1551	$0				$0	$0				$0	$0				$0	$0				$0
RSVA - Wholesa e Market Service Charge	1580	-$7, 81,035	-$5,518 758	-$7, 81,035		-$5,518,758	-$ 6,837	-$138,885	-$125,932	$1,5 6	-$58 2	-$5,518,758	-$6,5 ,300			-$12 063,058	-$58,2	-$125 7 6			-$183,990
RSVA - Retail Transmission Network Charge	158	$2 617,9 0	$631 983	$2,617,9 1		$631,983	$2 ,392	$51,266	$ 8,837	-$703	$26,118	$631,983	$177,338			$809,320	$26,118	$12 236			$38,35
RSVA - Retail Transmission Connection Charge	1586	$617, 03	-$390 3 3	$617, 02	$220,000	-$170,3 3	$2,855	$1 ,5 0	$16,9 6	$251	$700	-$170,3 3	-$76,7 5			-$2 7,098	$700	-$2 601			-$1,901
RSVA - Power (excluding Global Adjustment)	1588	-$5 631,735	-$1,031, 02	-$5,631,736	-$0	-$1,031, 02	-$15,930	-$81,690	-$76,955	$1,090	-$19 575	-$1,031, 02	-$5 1,508			-$1 572,910	-$19,575	-$3, 72			-$23,0 6
RSVA - Power - Sub-account - Global Adjustment	1589	$3 077,268	$1,058 063	$3,077,270	$2	$1,058,063	$ 6,608	$37,612	$10,5 9	-$,073	$69 598	$1,058,063	-$3,235,2 6			-$2,177,183	$69,598	$ 95			$70,093
Recovery of Regulatory Asset Ba ances	1590	$0				$0	$0				$0	$0				$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (2008)[7] - (COS08)	1595	-$1 066,623	$801 572			-$265,050	-$1,112,113	-$6,332			-$1,118, 5	-$265,050				-$265,050	-$1,118, 5	-$3 896			-$1,122,3 1
Disposition and Recovery/Refund of Regulatory Balances (2009)[7] - (IRM10)	1595	-$11 612,353	$8,963 507			-$2,6 8,8 6	-$1,262,780	-$110,857			-$1,373 637	-$2,6 8,8 6	$2,8 0,650			$191,80	-$1,373,637	-$5 707			-$1,379,3 3
Disposition and Recovery/Refund of Regulatory Balances (2010)[7] - (COS11)	1595	$0	-$939 599	-$2,867,0 1		$1,927, 2	$0	$11,687	$33,2 3		-$21 556	$1,927, 2	-$2,230,637			-$303,195	-$21,556	$13 368			-$8,187
Disposition and Recovery/Refund of Regulatory Balances (2011)[7] - (IRM12)	1595	$0		$8,695,918		-$8,695,918	$0		$15 ,327		-$15 327	-$8,695,918	$9,300,673			$60 ,756	-$15 ,327	-$65 930			-$220,257
Disposition and Recovery/Refund of Regulatory Balances (2012)[7] - (Def PILS)	1595	$0				$0	$0				$0	$0		-$2,039,038	-$ 93,722	$1 5 5,316	$0		-$1,28 ,828	$2,207	$1,287,035
Disposition and Recovery/Refund of Regulatory Balances (2013)7 - (IRM 13)	1595	$0				$0	$0				$0	$0				$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (201)[7] - (IRM 1)	1595	$0				$0	$0				$0	$0				$0	$0				$0
Group 1 Sub otal (ncluding Account 1589 Global Adjustment)		-$19 315,32	$3,690 792	-$807, 70	$220,001	-$1 ,597,061	-$2,362,6	-$219,689	$63,521	-$1,9 1	-$2,6 7 795	-$1 ,597,061	-$293,092	-$2,039,038	-$ 93,722	-$13 3 ,837	-$2,6 7,795	-$179, 52	-$1,28 ,828	$2,207	-$1,5 0,213
Group 1 Sub otal (excluding Account 1589 Global Adjustment)		-$22 392,592	$2,632 729	-$3 88 ,7 0	$219,999	-$15,655,12	-$2, 09,251	-$257,301	$52,972	$2,132	-$2,717 393	-$15,655,12	$2,9 2,15	-$2,039,038	-$ 93,722	-$11,167,65	-$2,717,393	-$179 9 7	-$1,28 ,828	$2,207	-$1,610,306
RSVA Power Sub account Global Adjustment	**1589**	$3,077,268	$1,058 063	$3,077,270	$2	$1,058,063	$ 6,608	$37,612	$10,5 9	-$,073	$69 598	$1,058,063	-$3,235,2 6	$0	$0	-$2,177,183	$69,598	$ 95	$0	$0	$70,093
Group 2 Accounts																					
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	$87 ,665	$195,172	$560,753	$0	$509,08	$6,732	$11,255	$,727	-$ 35	$12 825	$509,08				$509,08	$12,825	$7, 8			$20,309
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	$17,711	$ 006	$10,017	$0	$11,700	$127	$238	$75	-$8	$282	$11,700				$11,700	$282	$171			$ 53
Other Regulatory Assets - Sub-Account - 2008 LRAM/SSM approved	1508	$179,668	-$105,1 7			$7 ,521	$13,576	$1, 09			$1 98	$7 ,521			-$7 ,521	$0	$1 ,98	$639		-$15,623	$0
Other Regulatory Assets - Sub-Account - 2009 LRAM/SSM approved	1508	-$13,266	$0			-$13,266	$1,251	-$195			$1,056	-$13,266			$13,266	$0	$1,056	-$11		-$9 2	$0
Other Regulatory Assets - Sub-Account - Other [4]	1508	$0				$0	$0				$0	$0				$0	$0				$0
Retail Cost Variance Account - Retail	1518	$ 78,090	$172 966	$310,336		$3 0,720	-$9,721	$,167	-$8,791	-$2 1	$2,997	$3 0,720	$103, 69			$,188	$2,997	$5 636			$8,633
Renewable Generation Connection OM&A Deferral Account	1532	$28,000				$28,000	$0				$0	$28,000	-$ 6,719		$18,719	$0	$0	$280		-$280	$0
Renewable Generation Connection Funding Adder Deferral Account	1533					$0	$0				$0	$0	-$93,596		-$ 6,719	-$1 0,31	$0	-$ 859	-$ 86	-$9 5	
Retail Cost Variance Account - STR	15 8	$ 0,283	-$8 031	$57,080		-$2 ,828	$2,033	$255	$2,081	-$	$163	-$2 ,828	-$8,800			-$33,628	$163	-$ 26			-$26
Board-Approved CDM Variance Account	1567															$0	$0				$0
Other Regulatory L abi ities or Cred ts	2 05	-$220,000				-$220,000	$0				$0	-$220,000				-$220,000	$0				$0
Group 2 Sub otal		$1,385,151	$258 966	$938,186	$0	$705,930	$13,998	$17,129	-$1,908	-$728	$32 307	$705,930	-$ 5,6 6	$0	-$89,255	$571,030	$32,307	$12 811	$0	-$16,931	$28,187
Deferred Payments in Lieu of Taxes	1562	-$5,185,210	$0			-$5,185,210	$797,909	-$76,223		-$1,267,988	-$5 6 302	-$5,185,210	$8,935,693	$3,750, 83		$0	-$5 6,302	$2,159	-$319,982	$22 ,161	$0
PILs and Tax Variance for 2006 and Subsequent Years	1592	$0				$0	$0				$0	$0				$0	$0				$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT	1592	-$1,017,175		-$1,017,175		$0	-$80,123	-$9,968	-$79,335	$788	-$9 968	$0	$8, 57		$11, 29	$19,885	-$9,968	$132			-$9,836
otal of Group 1 and Group 2 Accounts (including 1562 and 1592)		-$2 ,132,558	$3,9 9 758	-$886, 59	$220,001	-$19,076,3 0	-$1,630,860	-$288,751	-$17,722	-$1,269,869	-$3,171 758	-$19,076,3 0	$8,605, 11	$1,711, 5	-$571,5 8	-$12 753,921	-$3,171,758	-$16 350	-$1,60 ,810	$209, 36	-$1,521,862
LRAM Variance Account	**1568**											$0	-$ 237,216			-$237,216		-$ 278			-$ 278
otal including Account 1568		-$2 ,132,558	$3,9 9 758	-$886, 59	$220,001	-$19,076,3 0	-$1,630,860	-$288,751	-$17,722	-$1,269,869	-$3,171 758	-$19,076,3 0	$8,368,196	$1,711, 5	-$571,5 8	-$12 991,137	-$3,171,758	-$16 628	-$1,60 ,810	$209, 36	-$1,522,1 0
Smart Me er Capital and Recovery Offset Variance - Sub-Account - Cap tal	1555	-$ 006,820	-$1,991,179			-$5,997,999	$571,052	$72,305			$6 3,356	-$5,997,999	-$2,02 ,182		$8,827, 87	$805,305	$6 3,356	$21, 36		-$659,73	$5,058
Smart Me er OM&A Variance	1556	$3 973,182	$1,180 303			$5,153, 85	$18 ,797	$1 2,510			$327 307	$5,153, 85			-$5,153, 85	$0	$327,307	$88,13		-$ 15, 1	-$0
IFRS-CGAAP Transition PP&E Amoun s [0]	1575	$0				$0	$0				$0	$0			-$1,030,199	-$1 030,199	$0				$0
he follow ng is not included in the total claim but are included on a memo basis:																					
Deferred PILs Contra Account [5]	1563	$0				$0	$0				$0	$0				$0	$0				$0
PILs and Tax Variance for 2006 and Subsequent Years -	1592	$0				$0	$0				$0	$0				$0	$0				$0
Disposition and Recovery of Regulatory Ba ances[7]	1595	$0				$0	$0				$0	$0				$0	$0				$0

-$ 973,890

Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-13	Transactions Debt / (Credit) during 2013excluding interest and adjustments [3]	Board-Approved Disposition during 2013	Other 2 Adjustments during Q1 2013	Other 2 Adjustments during Q2 2013	Other 2 Adjustments during Q3 2013	Other 2 Adjustments during Q4 2013	Closing Principal Balance as of Dec-31-13	Opening Interest Amounts as of Jan-1-13	Interest Jan-1 to Dec-31 13	Board-Approved Disposition during 2013	Adjustments during 2013	Closing Interest Amounts as of Dec-31-13
		2013												
Group 1 Accounts														
LV Variance Account	1550	$132, 51	$288 057	$117,339					$303,169	$3,372	$2 2 8	$1,702		$3,918
Smart Me er Entity	1551	$0	-$17 911						-$17,911	$0	-$71			-$71
RSVA - Wholesa e Market Service Charge	1580	-$12 063,058	-$3, 16 930	-$5,577,002				$16,968	-$9 886,018	-$183,990	-$13 977	-$81,126		-$237,8 1
RSVA - Retail Transmission Network Charge	158	$809,320	$3,378,169	$658,101					$3 529,388	$38,35	$2 798	$9,290		$53,862
RSVA - Retail Transmission Connection Charge	1586	-$2 7,088	$1,31 69	-$169,6 3					$1 237,2 9	-$1,901	$5 832	-$2,50		$6, 35
RSVA - Power (excluding Global Adjustment)	1588	-$1 572,910	$92 , 67	-$1,050,976				-$,668,527	-$ 265,99	-$23,0 6	$11, 68	-$15,162	-$60,232	-$56,6 9
RSVA - Power - Sub-account - Global Adjustment	1589	-$2,177,183	-$1,669 0 6	$1,127,661				$,668,527	-$305,363	$70,093	-$16 959	$15,553	$60,232	$97,813
Recovery of Regulatory Asset Ba ances	1590	$0							$0	$0				$0
Disposition and Recovery/Refund of Regulatory Balances (2008) [7] - (COS08)	1595	-$265,050							-$265,050	-$1,122,3 1	-$3 896			-$1,126,238
Disposition and Recovery/Refund of Regulatory Balances (2009) [7] - (IRM10)	1595	$191,80							$191,80	-$1,379,3 3	$2 820			-$1,376,52
Disposition and Recovery/Refund of Regulatory Balances (2010) [7] - (COS11)	1595	-$303,195							-$303,195	-$8,187	-$, 57			-$12,6
Disposition and Recovery/Refund of Regulatory Balances (2011) [7] - (IRM12)	1595	$60 ,756							$60 ,756	-$220,257	$8 890			-$211,367
Disposition and Recovery/Refund of Regulatory Balances (2012) [7] - (Def PILS)	1595	$1 5 5,316	-$2,9 0 696						-$1 395,380	$1,287,035	$1 789		$1,306	$1,290,129
Disposition and Recovery/Refund of Regulatory Balances (2013) [7] - (IRM 13)	1595	$0	$5,370, 89	$,89 ,519					$ 75,969	$0	-$30,180	$72,2 7		-$102, 27
Disposition and Recovery/Refund of Regulatory Balances (201) [7] - (IRM 1)	1595	$0							$0	$0				$0
Group 1 Sub otal (ncluding Account 1589 Global Adjustment)		-$13 3 ,837	$3,231 293	$0	$0	$0	$0	$16,968	-$10 096,576	-$1,5 0,213	-$132 696	$0	$1,306	-$1,671,603
Group 1 Sub otal (excluding Account 1589 Global Adjustment)		-$11,167,65	$,900 339	-$1,127,661	$0	$0	$0	-$,651,559	-$9 791,213	-$1,610,306	-$115 738	-$15,553	-$58,926	-$1,769 17
RSVA Power Sub account Global Adjustment	**1589**	-$2,177,183	-$1,669 0 6	$1,127,661	$0	$0	$0	$,668,527	-$305,363	$70,093	-$16 959	$15,553	$60,232	$97,813
Group 2 Accounts														
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508	$509,08							$509,08	$20,309	$7, 8			$27,793
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508	$11,700							$11,700	$ 53	$172			$625
Other Regulatory Assets - Sub-Account - 2008 LRAM/SSM approved	1508	$0							$0	$0				$0
Other Regulatory Assets - Sub-Account - 2009 LRAM/SSM approved	1508	$0							$0	$0				$0
Other Regulatory Assets - Sub-Account - Other [4]	1508	$0							$0	$0				$0
Retail Cost Variance Account - Retail	1518	$,188	$1 0 8 3						$585,031	$8,633	$7, 3			$16,076
Renewable Generation Connection OM&A Deferral Account	1532	$0							$0	$0				$0
Renewable Generation Connection Funding Adder Deferral Account	1533	-$1 0,31	-$1 0 836					-$16,968	-$298,119	-$9 5	-$3 010			-$3,955
Retail Cost Variance Account - STR	15 8	-$33,628	-$7 386						-$ 1,013	-$26	-$5 7			-$810
Board-Approved CDM Variance Account	1567	$0							$0	$0				$0
Other Regulatory L abi ities or Cred ts	2 05	-$220,000							-$220,000	$0				$0
Group 2 Sub otal		$571,030	-$7 379	$0	$0	$0	$0	-$16,968	$5 6,683	$28,187	$11 5 2	$0	$0	$39,728
Deferred Payments in Lieu of Taxes	1562	$0							$0	$0				$0
PILs and Tax Variance for 2006 and Subsequent Years	1592	$0							$0	$0				$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT	1592	$19,885							$19,885	-$9,836	$292			-$9,5
otal of Group 1 and Group 2 Accounts (including 1562 and 1592)		-$12 753,921	$3,223 91	$0	$0	$0	$0	$0	-$9 530,007	-$1,521,862	-$120 863	$0	$1,306	-$1,6 1, 19
LRAM Variance Account	**1568**	-$ 237,216	$ -						-$237,216	-$278	-$ 3, 87		-$ 3,765	
otal including Account 1568		-$12 991,137	$3,223 91	$0	$0	$0	$0	$0	-$9 767,223	-$1,522,1 0	-$12 350	$0	$1,306	-$1,6 5,183
Smart Me er Capital and Recovery Offset Variance - Sub-Account - Cap tal	1555	$805,305	$990,198					$5,391	$1 800,89	$5,058	$15 661			$20,719
Smart Me er OM&A Variance	1556	$0							$0	-$0				-$0
IFRS-CGAAP Transition PP&E Amoun s [0]	1575	-$1 030,199	$872 861					-$7 5,999	-$903,337	$0			$0	$0
he follow ng is not included in the total claim but are included on a memo basis:														
Deferred PILs Contra Account [5]	1563	$0							$0	$0				$0
PILs and Tax Variance for 2006 and Subsequent Years -	1592	$0							$0	$0				$0
Disposition and Recovery of Regulatory Ba ances [7]	1595	$0							$0	$0				$0

Account Descriptions	Account Number	2014 (Bridge) Principal Disposition during 2014 - instructed by Board	Interest Disposition during 2014 - instructed by Board	Closing Principal Balances as of Dec 31-13 Adjusted for Dispositions during 2014	Closing Interest Balances as of Dec 31-13 Adjusted for Dispositions during 2014	Transactions Debit/Credit during 2014 excluding interest and adjustments [3] (Forecast)	Forecasted Interest in 2014 (Opening Balance Forecasted Activity)	Projected Interest from Jan 1 2014 to December 31 2014 on Dec 31 - 13 balance adjusted for disposition during 2014 [6]	Total Claim	As of Dec 31-13	Variance RRR vs. 2013 Balance (Principal Interest)
								Projected Interest on Dec-31-13 Balances		2.1.7 RRR	
Group 1 Accounts											
LV Variance Account	1550	$15,111	$1 892	$288,058	$2,026		$, 57	$, 57	$29 5 0	$307,087	$0
Smart Me er Entity	1551	$0	$0	-$17,911	-$71		-$263	-$263	-$18 2 5	-$17,982	-$0
RSVA - Wholesa e Market Service Charge	1580	-$6, 86,056	-$198 210	-$3,399,962	-$39,631		-$1 5,32	-$1 5,32	-$3,58 918	-$10,123,860	$0
RSVA - Retail Transmission Network Charge	158	$151,219	$31 287	$3,378,169	$22,575		$51,882	$51,882	$3, 52 627	$3,583,251	-$0
RSVA - Retail Transmission Connection Charge	1586	-$77, 5	-$536	$1,31 ,69	$6,971		$18,188	$18,188	$1,339 853	$1,2 3,68	$0
RSVA - Power (excluding Global Adjustment)	1588	-$521,933	-$15 756	-$3,7 ,061	-$ 0,893		-$62,710	-$62,710	-$3,8 7 663	-$,322,6 2	$0
RSVA - Power - Sub-account - Global Adjustment	1589	-$3,30 ,8	$5 959	$2,999, 81	$91,85		-$, 89	-$, 89	$3,086 8 7	-$207,550	-$0
Recovery of Regulatory Asset Ba ances	1590			$0	$0		$0	$0	$0	$0	$0
Disposition and Recovery/Refund of Regulatory Balances (2008)[7] - (COS08)	1595			-$265,050	-$1,126,238		-$3,896	-$3,896	-$1,395,18		
Disposition and Recovery/Refund of Regulatory Balances (2009)[7] - (IRM10)	1595			$191,80	-$1,376,52		$2,820	$2,820	-$1,181 900		
Disposition and Recovery/Refund of Regulatory Balances (2010)[7] - (COS11)	1595			-$303,195	-$12,6		-$, 57	-$, 57	-$320 296		
Disposition and Recovery/Refund of Regulatory Balances (2011)[7] - (IRM12)	1595			$60 ,756	-$211,367		$8,890	$8,890	$ 02 278		
Disposition and Recovery/Refund of Regulatory Balances (2012)[7] - (Def PILS)	1595			-$1,395,380	$1,290,129		-$20,512	-$20,512	-$125 763		
Disposition and Recovery/Refund of Regulatory Balances (2013)[7] - (IRM 13)	1595	$0	$0	$ 75,969	-$102, 27		$6,997	$6,997	$380 539		
Disposition and Recovery/Refund of Regulatory Balances (201)[7] - (IRM 1)	1595			$0	$0		$0	$0	$0	-$2,230,167	$0
Group 1 Sub otal (ncluding Account 1589 Global Adjustment)		-$10,223,9 8	-$175 36	$127,372	-$1, 96,239	$0	-$1 8, 20	-$1 8, 20	-$1,517 287	$ 11,768,179	-$0
Group 1 Sub otal (excluding Account 1589 Global Adjustment)		-$6,919,10	-$181,323	-$2,872,109	-$1,588,09	$0	-$1 3,931	-$1 3,931	-$ 60 133	$ 11,560,629	-$0
RSVA Power Sub account Global Adjustment	**1589**	-$3,30 ,8	$5 959	$2,999, 81	$91,85	$0	-$, 89	-$, 89	$3,086 8 7	-$ 207,550	-$0
Group 2 Accounts											
Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508			$509,08	$27,793		$7, 8	$7, 8	$5 360	$5 9,201	$0
Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508			$11,700	$625		$172	$172	$12, 97		
Other Regulatory Assets - Sub-Account - 2008 LRAM/SSM approved	1508			$0	$0		$0	$0	$0		$0
Other Regulatory Assets - Sub-Account - 2009 LRAM/SSM approved	1508			$0	$0		$0	$0	$0		$0
Other Regulatory Assets - Sub-Account - Other [4]	1508			$0	$0		$0	$0	$0		$0
Retail Cost Variance Account - Retail	1518			$585,031	$16,076		$8,600	$8,600	$609 708	$601,108	$0
Renewable Generation Connection OM&A Deferral Account	1532			$0	$0		$0	$0	$0	$0	$0
Renewable Generation Connection Funding Adder Deferral Account	1533			-$298,119	-$3,955		-$,382	-$,382	-$306, 56	-$302,07	-$0
Retail Cost Variance Account - STR	15 8			-$ 1,013	-$810		-$603	-$603	-$ 2, 26	-$ 1,823	$0
Board-Approved CDM Variance Account	1567			$0	$0		$0	$0	$0	$0	$0
Other Regulatory L abi ities or Cred ts	2 05			-$220,000	$0		$0	$0	-$220 000	-$220,000	-$0
Group 2 Sub otal		$0	$0	$5 6,683	$39,728	$0	$11,270	$11,270	$597 682	$ 586, 12	$0
Deferred Payments in Lieu of Taxes	1562			$0	$0			$0	$0	$0	$0
PILs and Tax Variance for 2006 and Subsequent Years	1592			$0	$0			$0	$0		$0
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT	1592			$19,885	-$9,5		$292	$292	$10 63	$10,3 1	$0
otal of Group 1 and Group 2 Accounts (including 1562 and 1592)		-$10 223,9 8	-$175 36	$693,9 1	-$1, 66,055	$0	-$136,857	-$ 136,857	-$908 971	$ 11,171, 26	-$0
LRAM Variance Account	**1568**			-$237,216	-$ 3,765		-$3, 87	-$3, 87	-$2 , 67	-$2 0,980	-$0
otal including Account 1568		-$10 223,9 8	-$175 36	$ 56,725	-$1, 69,819	$0	-$1 0,3	-$1 0,3	-$1,153, 38	$ 11, 12, 06	-$0
Smart Me er Capital and Recovery Offset Variance - Sub-Account - Cap tal	1555			$1,800,89	$20,719		$26, 73	$26, 73	$0	$1,821,612	$0
Smart Me er OM&A Variance	1556			$0	-$0			$0	-$0	$0	-$0
IFRS-CGAAP Transition PP&E Amoun s [0]	1575			-$903,337	$0	$1, 68, 32	$0	$0	$565 095	-$903,337	$0
								$0			$0
he follow ng is not included in the total claim but are included on a memo basis:											$0
Deferred PILs Contra Account [5]	1563			$0	$0			$0	$0		$0
PILs and Tax Variance for 2006 and Subsequent Years -	1592			$0	$0			$0	$0		$0
Disposition and Recovery of Regulatory Ba ances[7]	1595			$0	$0			$0	$0		$0

Deferral/Variance Account Workform for 2015 Filers

Accounts that produced a variance on the 2015 continuity schedule are listed below.

	Account Descriptions	Account Number	Variance RRR vs. 2013 Balance *(Principal + Interest)*	Explanation
	Group 1 Accounts			
1	LV Variance Account	1550	$ -	
2	Smart Meter Entity	1551	$ (0)	
3	RSVA - Wholesale Market Service Charge	1580	$ -	
4	RSVA - Retail Transmission Network Charge	1584	$ (0)	
5	RSVA - Retail Transmission Connection Charge	1586	$ 0	
6	RSVA - Power (excluding Global Adjustment)	1588	$ 0	
7	RSVA - Power - Sub-account - Global Adjustment	1589	$ (0)	
8	Recovery of Regulatory Asset Balances	1590	$ -	
9	Disposition and Recovery/Refund of Regulatory Balances (2008)[7] - (COS08)	1595	$ -	
10	Disposition and Recovery/Refund of Regulatory Balances (2009)[7] - (IRM10)	1595	$ -	
11	Disposition and Recovery/Refund of Regulatory Balances (2010)[7] - (COS11)	1595	$ -	
12	Disposition and Recovery/Refund of Regulatory Balances (2011)7 - (IRM12)	1595	$ -	
13	Disposition and Recovery/Refund of Regulatory Balances (2012)[7] - (Def PILS)	1595	$ -	
14	Disposition and Recovery/Refund of Regulatory Balances (2013)7 - (IRM 13)	1595	$ -	
15	Disposition and Recovery/Refund of Regulatory Balances (2014)[7] - (IRM 14)	1595	$ -	
9	**Disposition and Recovery/Refund of Regulatory Balances (2013)[7]**	**1595**	$ -	
	Group 2 Accounts			
16	Other Regulatory Assets - Sub-Account - OEB Cost Assessments	1508	$ -	
16	Other Regulatory Assets - Sub-Account - Pension Contributions	1508		
18	Other Regulatory Assets - Sub-Account - Deferred IFRS Transition Costs	1508		
19	Other Regulatory Assets - Sub-Account - Incremental Capital Charges	1508		
16	Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Variance - Ontario Clean Energy Benefit Act[8]	1508		
16	Other Regulatory Assets - Sub-Account - Financial Assistance Payment and Recovery Carrying Charges	1508		
16	Other Regulatory Assets - Sub-Account - Other	1508		
25	Retail Cost Variance Account - Retail	1518	$ -	
26	Misc. Deferred Debits	1525	$ -	
27	Renewable Generation Connection Capital Deferral Account	1531	$ -	
28	Renewable Generation Connection OM&A Deferral Account	1532	$ 0	
29	Renewable Generation Connection Funding Adder Deferral Account	1533	$ (0)	
30	Smart Grid Capital Deferral Account	1534	$ -	
31	Smart Grid OM&A Deferral Account	1535	$ -	
32	Smart Grid Funding Adder Deferral Account	1536	$ -	
33	Retail Cost Variance Account - STR	1548	$ 0	
34	Board-Approved CDM Variance Account	1567	$ -	
35	Extra-Ordinary Event Costs	1572	$ -	
36	Deferred Rate Impact Amounts	1574	$ -	
37	RSVA - One-time	1582	$ -	
38	Other Regulatory Liabilities or Credits	2405	$ (0)	
39	Other Deferred Credits	2425	$ -	
40	Deferred Payments in Lieu of Taxes	1562	$ 0	
41	PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	$ -	
42	PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT	1592	$ -	
43	LRAM Variance Account	1568	$ (0)	
44	Smart Meter Capital and Recovery Offset Variance - Sub-Account - Capital[10]	1555	$ 0	
43	Smart Meter Capital and Recovery Offset Variance - Sub-Account - Recoveries[10]	1555		
43	Smart Meter Capital and Recovery Offset Variance - Sub-Account - Stranded Meter Costs[10]	1555		
46	Smart Meter OM&A Variance[10]	1556	$ (0)	
48	IFRS-CGAAP Transition PP&E Amounts Balance + Return Component[9]	1575	$ 0	

Deferral/Variance Account Workform for 2015 Filers

In the green shaded cells, enter the most recent Board Approved volumetric forecast. If there is a material difference between the latest Board-approved volumetric forecast and the most recent 12-month actual volumetric data, use the most recent 12-month actual data. Do not enter data for the MicroFit class.

Rate Class (Enter Rate Classes in cells below)	Units	# of Customers/	# of Customers/ Connection	Metered kWh	Metered kW	Billed kWh for Non-RPP Customers	Estimated kW for Non-RPP Customers	Distribution Revenue [1]
RESIDENTIAL	kWh	220,565	220,565	1,617,715,605		143,544,552	-	69,438,824
GENERAL SERVICE LESS THAN 50 KW	kWh	18,428	18,428	586,002,830		84,666,225	-	15,378,658
GENERAL SERVICE 50 TO 4,999 KW	kW	2,198	2,198	1,857,864,416	5,114,245	1,643,150,563	4,523,190	21,427,511
LARGE USE (1)	kW	7	7	269,877,849	626,465	269,877,849	626,465	2,156,528
LARGE USE (2)	kW	4	4	329,305,006	1,884,533	329,305,006	1,884,533	479,967
UNMETERED SCATTERED LOAD	kWh	1,857	3,039	11,397,660		2,242,197	-	516,848
SENTINEL LIGHTING	kW	248	401	437,397	1,241	4,023	11	46,622
STREET LIGHTING	kW	4	52,384	39,694,810	110,006	39,466,127	109,373	2,734,629
STANDBY POWER	kW				290,976	-	-	740,213
							-	
							-	
							-	
							-	
							-	
							-	
							-	
							-	
							-	
							-	
							-	
							-	
Total		**243,310**	**297,025**	**4,712,295,573**	**8,027,466**	**2,512,256,542**	**7,143,572**	**$ 112,919,800**

[1] For Account 1562, the allocation to customer classes should be performed on the basis of the test year distribution revenue allocation to customer classes found in the Applicant's Cost of Service application hat was most recen ly approved at the time of disposition of the 1562 account balances

[2] Residual Account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.

1590 Recovery Share Proportion	1595 Recovery Share Proportion (2008) [2]	1595 Recovery Share Proportion (2009) [2]	1595 Recovery Share Proportion (2010) [2]	1595 Recovery Share Proportion (2011) [2]	1595 Recovery Share Proportion (2012) [2]	1595 Recovery Share Proportion (2013) [2]	1595 Recovery Share Proportion (2014) [2]	1568 LRAM Variance Account Class
	34%	34%	34%	34%	34%	34%	34%	(203,772)
	12%	12%	12%	12%	12%	12%	12%	(28,560)
	39%	39%	39%	39%	39%	39%	39%	(31,924)
	6%	6%	6%	6%	6%	6%	6%	19,789
	7%	7%	7%	7%	7%	7%	7%	
	0%	0%	0%	0%	0%	0%	0%	
	0%	0%	0%	0%	0%	0%	0%	
	1%	1%	1%	1%	1%	1%	1%	
	0%	0%	0%	0%	0%	0%	0%	
0%	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**-$ 244,467**

Deferral/Variance Account Workform for 2015 Filers

		Amounts from Sheet 2	Allocator	RESIDEN IAL	GENERAL SERVICE LESS HAN 50 KW	GENERAL SERVICE 50 O 4 999 KW	LARGE USE (1)	LARGE USE (2)	UNME ERED SCA ERED LOAD	SEN INEL LIGH ING	S REE LIGH ING	S ANDBY POWER
LV Variance Account	1550	29 ,5 0	kWh	101,115	36,628	116,125	16,869	20,583	712	27	2, 81	0
LV Variance Account	1551	(18,2 5)	kWh	(13,393)	(,852)	0	0	0	0	0	0	0
RSVA - Who esa e Market Serv ce Charge	1580	(3 58 ,918)	kWh	(1,230,691)	(5,807)	(1, 13,386)	(205 312)	(250,522)	(8 671)	(333)	(30,198)	0
RSVA - Reta l Transmission Network Charge	158	3, 52,627	kWh	1,185,275	29,355	1,361,229	197 735	2 1,277	8 351	320	29,08	0
RSVA - Reta l Transmission Connec ion Charge	1586	1 339,853	kWh	59 967	166,619	528,2 9	76,735	93,632	3 2 1	12	11,286	0
RSVA - Power (excluding Global Adjustment)	1588	(3 8 7,663)	kWh	(1,320,890)	(78, 81)	(1,516,975)	(220 360)	(268,883)	(9 306)	(357)	(32 11)	0
RSVA - G obal Adjustment	1589	3 086,8 7	Non-RPP kWh	176 375	10 ,031	2,018,963	331 603	0 ,622	2 755	5	8, 93	0
Recovery of Regu atory Asset Balances	1590	0	kWh	0	0	0	0	0	0	0	0	0
D sposi ion and Recovery/Refund of Regula ory Balances (2008)	1595	(1 395,18)	kWh	(78 962)	(173,500)	(550,06)	(79,90)	(97, 98)	(3 375)	(130)	(11,753)	0
D sposi ion and Recovery/Refund of Regula ory Balances (2009)	1595	(1,181,900)	kWh	(05 7 2)	(1 6,976)	(65,97)	(67,689)	(82,59)	(2 859)	(110)	(9,956)	0
D sposi ion and Recovery/Refund of Regula ory Balances (2010)	1595	(320,296)	kWh	(109 957)	(39,831)	(126,280)	(18,3)	(22,383)	(775)	(30)	(2,698)	0
D sposi ion and Recovery/Refund of Regula ory Balances (2011)7 - (IRM12)	1595	02,278	kWh	138,101	50,026	158,602	23,039	28,112	973	37	3,389	0
D sposi ion and Recovery/Refund of Regula ory Balances (2012)	1595	(125,763)	kWh	(3,17)	(15,639)	(9,583)	7,203)	(8,789)	(30)	(12)	(1,059)	0
D sposi ion and Recovery/Refund of Regula ory Balances (2013)7 - (IRM 13)	1595	380,539	kWh	130 638	7,322	150,031	21,79	26,593	920	35	3,206	0
D sposi ion and Recovery/Refund of Regula ory Balances (201) - (IRM 1)	1595	0	kWh	0	0	0	0	0	0	0	0	0
otal of Group 1 Accounts (excluding 1589)		**(4 604 133)**		**(1 587 714)**	**(575 135)**	**(1 808 027)**	**(262 638)**	**(320 471)**	**(11 092)**	**(426)**	**(38 630)**	**0**
Other Regulatory Asse s - Sub-Account - Deferred FRS Trans tion Cos s	1508	5 ,360	D st ibution Rev.	33 7 8	7 ,137	103,297	10,396	2,31	2, 92	225	13,183	3 568
Other Regulatory Asse s - Sub-Account - Incremen al Capital Charges	1508	12, 97	D st ibution Rev.	7,685	1,702	2 371	239	53	57	5	303	82
Retail Cost Variance Account - Retail	1518	609,708	# of Customers	552,710	6,178	5 507	18	10	653	621	10	0
Renewable Genera ion Connection OM&A Defe ral Account	1532	0		0	0	0	0	0	0	0	0	0
Renewable Genera ion Connection Funding Adder Deferral Account	1533	(306, 56)	# of Customers	(227 568)	(19,013)	(2,268)	(7)	(1)	(3,136)	(1)	(5 ,0 7)	0
Retail Cost Variance Account - STR	15 8	(2, 26)	# of Customers	(38, 60)	(3,211)	(383)	(1)	(1)	(32)	(3)	(1)	0
Smart Me er Cap tal and Recovery Offset Var ance - Sub-Account - Capital	1555	0	# of Customers	0	0	0	0	0	0	0	0	0
RSVA - One-time	2 05	(220,000)	D st ibution Rev.	(135 287)	(29,962)	(1,7 7)	(,202)	(935)	(1 007)	(91)	(5,328)	(1, 2)
otal of Group 2 Accounts		**597 682**		**493 828**	**69 829**	**66 778**	**6 442**	**1 437**	**2 736**	**304**	**(45 880)**	**2 208**
Deferred Payments in Lieu of Taxes	1562	0	D st ibution Rev.	0	0	0	0	0	0	0	0	0
PILs and Tax Variance or 2006 and Subsequent Years (excludes sub-account and contra account)	1592	0		0	0	0	0	0	0	0	0	0
PILs and Tax Variance or 2006 and Subsequent Years - Sub-Account HST OVAT Input Tax Credits (ITCs)	1592	10,63	D st ibution Rev.	6,539	1, 8	2 018	203	5	9		258	70
otal of Account 1562 and Account 1592		**10 634**		**6 539**	**1 448**	**2 018**	**203**	**45**	**49**	**4**	**258**	**70**
LRAM Variance Account **(Enter dol ar amount for each class)**	1568	(2 67)		(8 ,8 1)	(30,915)	(97,323)	(1 ,137)	(17,250)				
(Account 1568 - total amount allocated to classes) Va iance		(2 67) 0										
otal Balance A located to each class (excluding 1589)		**(1 995 818)**		**(1 087 346)**	**(503 858)**	**(1 739 231)**	**(255 993)**	**(318 989)**	**(8 307)**	**(118)**	**(84 253)**	**2 278**
otal Ba ance A located to each class from Account 1589		**3 086 847**		**176 375**	**104 031**	**2 018 963**	**331 603**	**404 622**	**2 755**	**5**	**48 493**	**0**
otal Balance Allocated to each c ass (including 1589)		**(508 971)**		**(910 971)**	**(399 827)**	**279 732**	**75 610**	**85 633**	**(5 552)**	**(113)**	**(35 760)**	**2 278**
FRS-CGAAP Trans tion PP&E Amounts Ba ance Retu n Component	1575	597,71	kWh	205,193	7 ,329	235,65	3 ,232	1,770	1, 6	55	5,035	0
Accounting Changes Under CGAAP Balance Return Component	1576	0		0	0	0	0	0	0	0	0	0
otal Ba ance Allocated to each class for Accounts 1575 and 1576		**597 714**		**205 193**	**74 329**	**235 654**	**34 232**	**41 770**	**1 446**	**55**	**5 035**	**0**

Deferral/Variance Account V for 2015 Filers

Please indicate the Rate Rider Recovery Period (in years) 1

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 1589)	Rate Rider for Deferral/Variance
RESIDENTIAL	kWh	1,617,715,605	-$ 1,087,346	(0.0007)
GENERAL SERVICE LESS THAN 50 KW	kWh	586,002,830	-$ 503,858	(0.0009)
GENERAL SERVICE 50 TO 4,999 KW	kW	5,114,245	-$ 1,739,231	(0.3401)
LARGE USE (1)	kW	626,465	-$ 255,993	(0.4086)
LARGE USE (2)	kW	1,884,533	-$ 318,989	(0.1693)
UNMETERED SCATTERED LOAD	kWh	11,397,660	-$ 8,307	(0.0007)
SENTINEL LIGHTING	kW	1,241	-$ 118	(0.0949)
STREET LIGHTING	kW	110,006	-$ 84,253	(0.7659)
STANDBY POWER	kW	290,976	$ 2,278	0.0078
		-		
		-		
		-		
		-		
		-		
		-		
		-		
		-		
		-		
		-		
		-		
Total			-$ 3,995,818	

Rate Rider Calculation for RSVA - Power - Global Adjustment

Rate Class (Enter Rate Classes in cells below)	Units	Non-RPP kW / kWh / # of Customers	Balance of RSVA - Power - Global Adjustment	Rate Rider for RSVA - Power - Global Adjustment
RESIDENTIAL	kWh	143,544,552	$ 176,375	0.0012
GENERAL SERVICE LESS THAN 50 KW	kWh	84,666,225	$ 104,031	0.0012
GENERAL SERVICE 50 TO 4,999 KW	kW	4,523,190	$ 2,018,963	0.4464
LARGE USE (1)	kW	626,465	$ 331,603	0.5293
LARGE USE (2)	kW	1,884,533	$ 404,622	0.2147
UNMETERED SCATTERED LOAD	kWh	2,242,197	$ 2,755	0.0012
SENTINEL LIGHTING	kW	11	$ 5	0.4331
STREET LIGHTING	kW	109,373	$ 48,493	0.4434
STANDBY POWER	kW	-	$ -	
Total			$ 3,086,847	

Rate Rider Calculation for Accounts 1575 and 1576

Please indicate the Rate Rider Recovery Period (in years) 1

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Balance of Accounts 1575 and	Rate Rider for Accounts 1575
RESIDENTIAL	kWh	1,617,715,605	$ 205,193	0.0001
GENERAL SERVICE LESS THAN 50 KW	kWh	586,002,830	$ 74,329	0.0001
GENERAL SERVICE 50 TO 4,999 KW	kW	5,114,245	$ 235,654	0.0461
LARGE USE (1)	kW	626,465	$ 34,232	0.0546
LARGE USE (2)	kW	1,884,533	$ 41,770	0.0222
UNMETERED SCATTERED LOAD	kWh	11,397,660	$ 1,446	0.0001
SENTINEL LIGHTING	kW	1,241	$ 55	0.0447
STREET LIGHTING	kW	110,006	$ 5,035	0.0458
STANDBY POWER	kW	290,976	$ -	0.0000
Total			$ 597,714	

SMART METERS

SMART METER PRUDENCE REVIEW

Horizon Utilities sought Board approval in its 2011 Smart Meter Prudence Application ("SMPA") (EB-2011-0417) for the disposition and recovery of costs related to Smart Meter deployment accumulated to December 31, 2011, offset by Smart Meter Funding Adder ("SMFA") revenues collected from May 1, 2006 to April 30, 2012. In its Decision and Order in that proceeding (Corrected May 10, 2012), the Board determined that Horizon Utilities' Smart Meter capital and operating expenditures of $27,440,059 and $5,153,485, respectively, were prudent and, consequently, the Board approved the disposition for recovery of the aforementioned costs for Smart Meter deployment and operation.

In the SMPA Decision, at page 8, the Board further acknowledged that Horizon Utilities had not completed its Smart Meter deployment as of the end of 2011, nor had it applied for final disposition of costs, and that further capital costs related to existing Residential and General Service less than 50 kW ("GS<50 kW") customers may be recorded in subaccounts under Account 1555 for future prudence review and disposition.

At page 9 of the SMPA Decision, the Board also identified that "*[i]n its Application, Horizon Utilities proposed not to dispose of stranded meters by way of stranded meter rate riders at this time, but to deal with disposition in its next rebasing application, scheduled for 2015 rates."* In this Application, Horizon Utilities is proposing to leave the stranded meter amounts in rate base until they are fully depreciated. Horizon Utilities has provided further details on its approach to stranded meters in Exhibit 2, Tab 5, Schedule 1.

Smart Meter Program Status

Horizon Utilities completed the mass deployment of Smart Meters for TOU-eligible customers in 2009 and, as of the end of 2011, had installed Smart Meters for 229,322 customers or 98.0% of all residential and small business metering points. Despite its efforts to install Smart Meters at all TOU-eligible locations, access restrictions and metering constraints have resulted in the necessity of a hard-to-reach ("HTR") Smart Meter strategy. At the end of 2011, Horizon Utilities

had 297 HTR Residential customer locations and 4,305 GS < 50 kW legacy customer locations remaining without a Smart Meter.

Horizon Utilities is addressing the conversion of Residential HTR Smart Meters by increasing the level of assertiveness of the customer contact program to increase awareness, to access customers' premises, and by utilizing alternative meter technologies as they become available to resolve confined space constraints and unusual configurations. The HTR Customer Contact plan includes: additional site visits in an attempt to change the meter; telephone call attempts; a door-hanger communication; and follow-up letter stating that should the meter not be converted to a Smart Meter, the account could be subject to restrictions and potential disconnection of the electricity supply.

The GS<50 kW meters are converted to Smart Meters at time of recertification as prescribed by the *Electricity and Gas Inspection Act* (Canada), R.S.C 1985. This approach reduces duplication of efforts and related costs, and maintains a steady schedule for future re-verification efforts.

Horizon Utilities' original conversion schedule for GS<50 meters extended to the end of 2015. The implementation of e-mobile electronic meter orders as described in Exhibit 4, Tab 3, Schedule 4 resulted in increased efficiency for metering processes, including the installation of Smart Meters. The increased productivity for Meter Persons has resulted in the installation of more Smart Meters than originally forecasted. All GS<50 meters are anticipated to be converted to Smart Meters by the end of 2014.

As of the end of 2013, 233,053 Smart Meter installations were completed or 99.6% of all Smart Meter points. Horizon Utilities anticipates that all remaining Residential and GS < 50 kW legacy Smart Meter installations will be completed by the end of 2014. Any exceptions will be addressed through normal meter replacement practices in 2015 and beyond.

Horizon Utilities confirms that only the remaining smart meters deployed between 2012-2014 have been included in this prudence application. Smart Meter installations for new and incremental customers have been managed through normal operational processes.

Table 9-27 - Smart Meter Implementation by Customer Class

Customer Class	2011 Actual	2012 Actual	2013 Actual	2014 Forecast
Residential	215,739	216,000	216,036	216,036
General Service <50kW	13,583	15,336	17,017	17,888
Total	**229,322**	**231,336**	**233,053**	**233,924**
Outstanding Installation	**4,602**	**2,588**	**871**	**-**

Procurement of Smart Meters and Installation Services

Horizon Utilities has diligently and prudently managed the procurement and installation of Smart Meters. Suppliers of both meters and meter services were retained through competitive processes in order to ensure optimal pricing while at the same time delivering required services and functionality.

As described in Horizon Utilities' SMPA, Horizon Utilities collaborated with other LDCs with respect to procurement and sharing of knowledge regarding implementation challenges and successes to maximize cost efficiencies. In 2013 and 2014, Horizon Utilities' cost per meter has increased by approximately 18% primarily due to discontinued qualification for production volume pricing benefits.

The use of e-mobile electronic service orders streamlined the Smart Meter conversion process by eliminating the use of paper service orders and the need for manual processing. Horizon Utilities also gained efficiencies through automated uploading of Smart Metering installations files to required systems, thereby reducing the potential for manual data entry errors and reducing the need for some back office clerical functions.

Smart Metering Costs

In this Application, Horizon Utilities is seeking approval to include in opening 2015 rate base costs recorded in Account 1555 and as related to the 4,602 Smart Meters installed and forecasted to be installed in the Horizon Utilities service territory between January 1, 2012 and December 31, 2014. Such costs include the purchase of Smart Meters for GS<50 kW customers and installation of Smart Meters for Residential customers during the aforementioned time period. In addition, Horizon Utilities is requesting a rate rider to recover the revenue requirement associated with these investments tracked in account 1555 for the years 2012 through 2014 inclusive.

Capital Expenditures

Table 9-28 below provides actual capital Smart Meter expenditures as recorded in sub-accounts of Account 1555 for the GS<50 customers and capitalized labour for the installation of the Residential HTR locations. This information is based on actual results to December 31, 2013 plus a forecast of expenditures for 2014.

Table 9-28 – Capital Expenditures by Customer Class

Customer Class	2012	2013	2014 Forecast	Total
Residential	$ 102,500	$ 829	$ -	$ 103,330
General Service <50kW	$ 702,805	$ 994,759	$ 430,570	$ 2,128,134
Total	**$ 805,305**	**$ 995,588**	**$ 430,570**	**$ 2,231,464**

Horizon Utilities confirms that all operations, maintenance and administration ("OM&A") expenditures for the implementation of Smart Meters have been documented and disposed through Horizon Utilities Smart Meter Prudence Application ("SMPA") filed in December 2011 (EB-2011-0417), and that no further OM&A expenditures have been incurred.

Annual Expenditure Analysis - 2012 to 2014

The following analysis provides further details of expenditures associated with Horizon Utilities' Smart Meter implementations from January 1, 2012 to December 31, 2014. The Residential

costs are represented solely by labour as the capital cost of the meters needed to complete the conversions was included in expenditures previously provided in the 2011 EB-2011-0417 filing. For the GS <50kW customers, the costs reported are for metering equipment only. The labour component was included in Horizon Utilities' distribution expenditures as the work is being completed as part of the recertification program.

2012

Cost summary: $805,305 (Capital); $0 (OM&A)

In 2012, Horizon Utilities focused efforts on deploying Smart Meters to the remaining HTR Residential customers; installing 261 residential Smart Meters. Horizon Utilities installed 1,753 Smart Meters for GS<50 kW customers.

2013

Cost summary: $995,588 (Capital); $0 (OM&A)

Horizon Utilities continued its Smart Meter implementation with the installation of 36 residential Smart Meters and 1,681 single-phase and three-phase Smart Meters for GS<50 kW customers.

2014

Cost summary: $430,570 (Capital); $0 (OM&A)

Horizon Utilities will finalize the Implementation Plan for the installation of Smart Meters by installing the remaining 871 Smart Meters. Any exceptions will be managed through normal operations in 2015 and beyond, as required.

Conclusion

Horizon Utilities respectfully submits that the costs incurred to fulfill its obligations under the provincially mandated Smart Metering initiative were and continue to be necessary. Such costs were prudently incurred in accordance with both the Board's guidelines and the Board's Decision and Order in the SMPA.

Smart Meter Disposition Rider

As directed by the Board in the SMPA Decision, Horizon Utilities has tracked the capital costs for the installation of Smart Meters for the remaining Residential and GS< 50 kW customers. As outlined in the table below, Horizon Utilities is seeking approval to transfer $2,231,464 of capital costs incurred from 2012 to 2014 and recorded in account 1555 to opening capital costs in 2015.

Horizon Utilities has calculated the revenue requirement associated with Smart Meter investments in 2012 – 2014 in a manner that is consistent with the approach used in the SMPA for investments in Smart Meters prior to 2012. Horizon Utilities requests a rate rider to recover the revenue requirement on these investments. Table 9-29 below outlines the revenue requirement calculation by Residential and GS < 50 kW rate classes. Detailed calculations of the revenue requirement can be found in the Board's Smart Meter Model in Appendix 9-2 of this Exhibit.

Table 9-29 – Revenue Requirement Calculation

Customer Class	# of Active Metered Customers (average 2015)	Total Capital	Return on Capital	Amortization	OM&A	Subtotal	Grossed-up PILs	Total
Residential	220,574	$ 103,330	$ 11,471	$ 11,622	$ -	$ 23,093	$ 1,651	$ 24,744
GS < 50 kW	18,429	$2,128,134	$236,248	$ 239,371	$ -	$475,618	$ 33,996	$509,614
Total	239,003	$2,231,464	$247,719	$ 250,993	$ -	$498,712	$ 35,646	$534,358

The revenue requirement corresponding to these capital costs over the years 2012 – 2014 is $534,358, and is proposed for recovery over a twelve month period beginning January 1, 2015. The method of calculating the revenue requirement and the corresponding proposed rider for recovery is provided below in Table 9-30:

Table 9-30 – Fixed Rate Rider Calculation

Customer Class	# of Active Metered Customers (average 2015)	Annual Revenue Requirement Allocation	Monthly Charge
Residential	220,574	$ 24,744	$ 0.01
GS < 50 kW	18,429	$ 509,614	$ 2.30
Total	239,003	$ 534,358	

Customer Impact

The customer impact of these riders is provided in Table 9-31 below:

Table 9-31 – Customer/Rate Impact Component

Class	Residential	GS < 50 kW
2015 Fixed Rates with SMDR	$ 16.38	$ 43.54
2015 Fixed Rates without SMDR	$ 16.37	$ 41.24
Increase/(Decrease)	$ 0.01	$ 2.30
Increase/(Decrease)	0.1%	5.6%

APPENDIX 9-2: SMART METER MODEL

Smart Meter Model for Electricity Distributors (2014 Filers)

Version 4.00

Utility Name	Horizon Utilities Corporation
Assigned EB Number	EB-2014-0002
Name and Title	Indy J. Butany-DeSouza, Vice President, Regulatory Affairs
Phone Number	905-317-4765
Email Address	indy.butany@horizonutilities.com
Date	16-Apr-14
Last COS Re-based Year	2011

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

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. The use of any models and spreadsheets does not automatically imply Board approval. The onus is on the distributor to prepare, document and support its application. Board-issued Excel models and spreadsheets are offered to assist parties in providing the necessary information so as to facilitate an expeditious review of an application. The onus remains on the applicant to ensure the accuracy of the data and the results.

Distributors must enter all incremental costs related to their smart meter program and all revenues recovered to date in the applicable tabs except for those costs (and associated revenues) for which the Board has approved on a final basis, i.e. capital costs have been included in rate base and OM&A costs in revenue requirement.

For 2014, distributors that have completed their deployments by the end of 2013 are not expected to enter any capital costs. However, for OM&A, regardless of whether a distributor has deployments in 2014, distributors should enter the forecasted OM&A for 2014 for all smart meters in service.

Smart Meter Capital Cost and Operational Expense Data		2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
		Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	Forecast	
Smart Meter Installation Plan											
Actual/Planned number of Smart Meters installed during the Calendar Year											
Residential											0
General Service < 50 kW											0
Actual/Planned number of Smart Meters installed (Residential and GS < 50 kW only)		0	0	0	0	0	0	0	0	0	0
Percentage of Residential and GS < 50 kW Smart Meter Installations Completed		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Actual/Planned number of GS > 50 kW meters installed											0
Other (please identify)											0
Total Number of Smart Meters installed or planned to be installed		0	0	0	0	0	0	0	0	0	0
1 Capital Costs											
1.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)	**Asset Type** (Asset type must be selected to enable calculations)	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	Forecast	
1.1.1 Smart Meters *(may include new meters and modules, etc.)*	Smart Meter							805,305	995,588	430,570	$ 2,231,463
1.1.2 Installation Costs *(may include socket kits, labour, vehicle, benefits, etc.)*											$ -
1.1.3a Workforce Automation Hardware *(may include fieldwork handhelds, barcode hardware, etc.)*											$ -
1.1.3b Workforce Automation Software *(may include fieldwork handhelds, barcode hardware, etc.)*											$ -
Total Advanced Metering Communications Devices (AMCD)		$ -	$ -	$ -	$ -	$ -	$ -	$ 805 305	$ 995 588	$ 430 570	$ 2 231 463
1.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)	**Asset Type**	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	Forecast	
1.2.1 Collectors											$ -
1.2.2 Repeaters *(may include radio licence, etc.)*											$ -
1.2.3 Installation *(may include meter seals and rings, collector computer hardware, etc.)*											$ -
Total Advanced Metering Regional Collector (AMRC) (Includes LAN)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

	Asset Type										
1.3 ADVANCED METERING CONTROL COMPUTER (AMCC)		Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	Forecast	
1.3.1 Computer Hardware											$ -
1.3.2 Computer Software											$ -
1.3.3 Computer Software Licences & Installation (includes hardware and software) *(may nclude AS/400 disk space, backup and recovery computer, UPS, etc.)*											$ -
Total Advanced Metering Control Computer (AMCC)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

	Asset Type										
1.4 WIDE AREA NETWORK (WAN)		Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	Forecast	
1.4.1 Activiation Fees											$ -
Total Wide Area Network (WAN)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

	Asset Type										
1.5 OTHER AMI CAPITAL COSTS RELATED TO MINIMUM FUNCTIONALITY		Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	Forecast	
1.5.1 Customer Equipment *(including repair of damaged equipment)*											$ -
1.5.2 AMI Interface to CIS											$ -
1.5.3 Professional Fees											$ -
1.5.4 Integration											$ -
1.5.5 Program Management											$ -
1.5.6 Other AMI Capital											$ -
Total Other AMI Capital Costs Related to Minimum Functionality		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Capital Costs Related to Minimum Functionality		$ -	$ -	$ -	$ -	$ -	$ -	$ 805,305	$ 995,588	$ 430,570	$ 2,231,463

	Asset Type										
1.6 CAPITAL COSTS BEYOND MINIMUM FUNCTIONALITY *(Please provide a descript ve title and identify nature of beyond minimum functional ty costs)*		Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	Forecast	
1.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06											$ -
1.6.2 Costs for deployment of smart meters to customers other than residential and small general service											$ -
1.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.											$ -
Total Capital Costs Beyond Minimum Functionality		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Smart Meter Capital Costs		$ -	$ -	$ -	$ -	$ -	$ -	$ 805,305	$ 995,588	$ 430,570	$ 2,231,463

2 OM&A Expenses

2.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	Forecast	
2.1.1 Maintenance *(may nclude meter rever fication costs, etc.)*										$ -
2.1.2 Other *(please specifiy)*										$ -
Total Incremental AMCD OM&A Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)										
2.2.1 Maintenance										$ -
2.2.2 Other *(please specifiy)*										$ -
Total Incremental AMRC OM&A Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2.3 ADVANCED METERING CONTROL COMPUTER (AMCC)										
2.3.1 Hardware Maintenance *(may include server support, etc.)*										$ -
2.3.2 Software Maintenance *(may inc ude maintenance support, etc.)*										$ -
2.3.2 Other *(please specifiy)*										$ -
Total Incremental AMCC OM&A Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2.4 WIDE AREA NETWORK (WAN)										
2.4.1 WAN Maintenance										$ -
2.4.2 Other *(please specifiy)*										$ -
Total Incremental AMRC OM&A Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2.5 OTHER AMI OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY										
2.5.1 Business Process Redesign										$ -
2.5.2 Customer Communication (may include project communication, etc.)										$ -
2.5.3 Program Management										$ -
2.5.4 Change Management (may include training, etc.)										$ -
2.5.5 Administration Costs										$ -
2.5.6 Other AMI Expenses *(please specify)*										$ -
Total Other AMI OM&A Costs Related to Minimum Functionality	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2.6 OM&A COSTS RELATED TO BEYOND MINIMUM FUNCTIONALITY *(Please provide a descript ve title and identify nature of beyond minimum functional ty costs)*	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Audited Actual	Forecast	Forecast	
2.6.1 Costs related to technical capabilities in the smart meters or related communications infrastructure that exceed those specified in O.Reg 425/06										$ -
2.6.2 Costs for deployment of smart meters to customers other than residential and small general service										$ -
2.6.3 Costs for TOU rate implementation, CIS system upgrades, web presentation, integration with the MDM/R, etc.										$ -
Total OM&A Costs Beyond Minimum Functionality	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Smart Meter OM&A Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

3 Aggregate Smart Meter Costs by Category

3.1	**Capital**														
3.1.1	Smart Meter	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 805,305	$ 995,588	$ 430,570	$ 2,231,463
3.1.2	Computer Hardware	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3.1.3	Computer Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3.1.4	Tools & Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3.1.5	Other Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3.1.6	Applications Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3.1.7	**Total Capital Costs**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$ 805,305**	**$ 995,588**	**$ 430,570**	**$ 2,231,463**
3.2	**OM&A Costs**											
3.2.1	**Total OM&A Costs**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**

Smart Meter Model for Electricity Distributors (2014 Filers)

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Cost of Capital									
Capital Structure[1]									
Deemed Short-term Debt Capitalization							4.0%	4.0%	4.0%
Deemed Long-term Debt Capitalization		0.0%	60.0%	60.0%	60.0%	60.0%	56.0%	56.0%	56.0%
Deemed Equity Capitalization	100.0%	100.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
Preferred Shares									
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of Capital Parameters									
Deemed Short-term Debt Rate							2.46%	2.46%	2.46%
Long-term Debt Rate (actual/embedded/deemed)[2]	5.80%	5.80%					5.79%	5.79% #	5.79%
Target Return on Equity (ROE)	9.0%	9.00%					9.58%	9.58%	9.58%
Return on Preferred Shares									
WACC	9.00%	9.00%	0.00%	0.00%	0.00%	0.00%	7.17%	7.17%	7.17%
Working Capital Allowance									
Working Capital Allowance Rate									
(% of the sum of Cost of Power + controllable expenses)									
Taxes/PILs									
Aggregate Corporate Income Tax Rate	36.12%	36.12%	33.50%	33.00%	31.00%	28.25%	26.50%	26.50%	26.50%
Capital Tax (until July 1st, 2010)	0.30%	0.225%	0.225%	0.225%	0.075%	0.00%	0.00%	0.00%	0.00%

Depreciation Rates

(expressed as expected useful life in years)

Smart Meters - years							15	15	15
- rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	6.67%	6.67%	6.67%
Computer Hardware - years									
- rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Computer Software - years									
- rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Tools & Equipment - years									
- rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other Equipment - years									
- rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

CCA Rates

Smart Meters - CCA Class							47	47	47
Smart Meters - CCA Rate							8% [8]	8%	8%
Computer Equipment - CCA Class									
Computer Equipment - CCA Rate									
General Equipment - CCA Class									
General Equipment - CCA Rate									
Applications Software - CCA Class									
Applications Software - CCA Rate									

Assumptions

[1] *Planned smart meter installations occur evenly throughout the year.*

[2] *Fiscal calendar year (January 1 to December 31) used.*

3 *Amortization is done on a striaght line basis and has the "half-year" rule applied.*

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net Fixed Assets - Smart Meters									
Gross Book Value									
Opening Balance		$ -	$ -	$ -	$ -	$ -	$ -	$ 805,305	$ 1,800,893
Capital Additions during year (from Smart Meter Costs)	$ -	$ -	$ -	$ -	$ -	$ -	$ 805,305	$ 995,588	$ 430,570
Retirements/Removals (if applicable)									
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ 805,305	$ 1,800,893	$ 2,231,463
Accumulated Depreciation									
Opening Balance		$ -	$ -	$ -	$ -	$ -	$ -	-$ 27,416	-$ 115,435
Amortization expense during year	$ -	$ -	$ -	$ -	$ -	$ -	-$ 27,416	-$ 88,019	-$ 135,558
Retirements/Removals (if applicable)									
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	-$ 27,416	-$ 115,435	-$ 250,993
Net Book Value									
Opening Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 777,889	$ 1,685,458
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ 777,889	$ 1,685,458	$ 1,980,470
Average Net Book Value	$ -	$ -	$ -	$ -	$ -	$ -	$ 388,945	$ 1,231,674	$ 1,832,964
Net Fixed Assets - Computer Hardware									
Gross Book Value									
Opening Balance		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Additions during year (from Smart Meter Costs)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retirements/Removals (if applicable)									
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accumulated Depreciation									
Opening Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Amortization expense during year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retirements/Removals (if applicable)									
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Book Value									
Opening Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Average Net Book Value	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Net Fixed Assets - Computer Software (including Applications Software)

Gross Book Value										
Opening Balance		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Additions during year (from Smart Meter Costs)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retirements/Removals (if applicable)										
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accumulated Depreciation										
Opening Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Amortization expense during year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retirements/Removals (if applicable)										
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Book Value										
Opening Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Average Net Book Value	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Net Fixed Assets - Tools and Equipment

Gross Book Value										
Opening Balance		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Additions during year (from Smart Meter Costs)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retirements/Removals (if applicable)										
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accumulated Depreciation										
Opening Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Amortization expense during year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retirements/Removals (if applicable)										
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Book Value										
Opening Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Average Net Book Value	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Net Fixed Assets - Other Equipment

Gross Book Value										
Opening Balance		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Additions during year (from Smart Meter Costs)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retirements/Removals (if applicable)										
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accumulated Depreciation										
Opening Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Amortization expense during year	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retirements/Removals (if applicable)										
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Book Value										
Opening Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Closing Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Average Net Book Value	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Smart Meter Model for Electricity Distributors (2014 Filers)

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Average Net Fixed Asset Values (from Sheet 4)									
Smart Meters	$ -	$ -	$ -	$ -	$ -	$ -	$ 388,945	$ 1,231,674	$ 1,832,964
Computer Hardware	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Computer Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Tools & Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Net Fixed Assets	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 388,945**	**$ 1,231,674**	**$ 1,832,964**
Working Capital									
Operating Expenses (from Sheet 2)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Working Capital Factor (from Sheet 3)	0%	0%	0%	0%	0%	0%	0%	0%	0%
Working Capital Allowance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Incremental Smart Meter Rate Base	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 388,945**	**$ 1,231,674**	**$ 1,832,964**
Return on Rate Base									
Capital Structure									
Deemed Short Term Debt	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,558	$ 49,267	$ 73,319
Deemed Long Term Debt	$ -	$ -	$ -	$ -	$ -	$ -	$ 217,809	$ 689,737	$ 1,026,460
Equity	$ -	$ -	$ -	$ -	$ -	$ -	$ 155,578	$ 492,669	$ 733,186
Preferred Shares	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Capitalization	$ -	$ -	$ -	$ -	$ -	$ -	$ 388,945	$ 1,231,674	$ 1,832,964
Return on									
Deemed Short Term Debt	$ -	$ -	$ -	$ -	$ -	$ -	$ 383	$ 1,212	$ 1,804
Deemed Long Term Debt	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,611	$ 39,936	$ 59,432
Equity	$ -	$ -	$ -	$ -	$ -	$ -	$ 14,904	$ 47,198	$ 70,239
Preferred Shares	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Return on Capital	$ -	$ -	$ -	$ -	$ -	$ -	$ 27,898	$ 88,345	$ 131,475
Operating Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Amortization Expenses (from Sheet 4)									
Smart Meters	$ -	$ -	$ -	$ -	$ -	$ -	$ 27,416	$ 88,019	$ 135,558
Computer Hardware	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Computer Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Tools & Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Amortization Expense in Year	$ -	$ -	$ -	$ -	$ -	$ -	$ 27,416	$ 88,019	$ 135,558
Incremental Revenue Requirement before Taxes/PILs	$ -	$ -	$ -	$ -	$ -	$ -	$ 55,314	$ 176,364	$ 267,033
Calculation of Taxable Income									
Incremental Operating Expenses	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Amortization Expense	$ -	$ -	$ -	$ -	$ -	$ -	$ 27,416	$ 88,019	$ 135,558
Interest Expense	$ -	$ -	$ -	$ -	$ -	$ -	$ 12,994	$ 41,148	$ 61,236
Net Income for Taxes/PILs	$ -	$ -	$ -	$ -	$ -	$ -	$ 14,904	$ 47,198	$ 70,239
Grossed-up Taxes/PILs (from Sheet 7)	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,644.44	$ 12,094.69	$ 19,907.06
Revenue Requirement, including Grossed-up Taxes/PILs	$ -	$ -	$ -	$ -	$ -	$ -	$ 58,959	$ 188,459	$ 286,940

For PILs Calculation

UCC - Smart Meters

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 Audited Actual	2013 Forecast	2014 Forecast
Opening UCC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 773,092.80	$ 1,667,009.86
Capital Additions	$ -	$ -	$ -	$ -	$ -	$ -	$ 805,305.00	$ 995,588.00	$ 430,570.00
Retirements/Removals (if applicable)									
UCC Before Half Year Rule	$ -	$ -	$ -	$ -	$ -	$ -	$ 805,305.00	$ 1,768,680.80	$ 2,097,579.86
Half Year Rule (1/2 Additions - Disposals)	$ -	$ -	$ -	$ -	$ -	$ -	$ 402,652.50	$ 497,794.00	$ 215,285.00
Reduced UCC	$ -	$ -	$ -	$ -	$ -	$ -	$ 402,652.50	$ 1,270,886.80	$ 1,882,294.86
CCA Rate Class	0	0	0	0	0	0	47	47	47
CCA Rate	0%	0%	0%	0%	0%	0%	8%	8%	8%
CCA	$ -	$ -	$ -	$ -	$ -	$ -	$ 32,212.20	$ 101,670.94	$ 150,583.59
Closing UCC	$ -	$ -	$ -	$ -	$ -	$ -	$ 773,092.80	$ 1,667,009.86	$ 1,946,996.27

UCC - Computer Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 Audited Actual	2013 Forecast	2014 Forecast
Opening UCC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Additions Computer Hardware	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Additions Computer Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retirements/Removals (if applicable)									
UCC Before Half Year Rule	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Half Year Rule (1/2 Additions - Disposals)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Reduced UCC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CCA Rate Class	0	0	0	0	0	0	0	0	0
CCA Rate	0%	0%	0%	0%	0%	0%	0%	0%	0%
CCA	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Closing UCC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

UCC - General Equipment

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 Audited Actual	2013 Forecast	2014 Forecast
Opening UCC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Additions Tools & Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Additions Other Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retirements/Removals (if applicable)									
UCC Before Half Year Rule	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Half Year Rule (1/2 Additions - Disposals)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Reduced UCC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CCA Rate Class	0	0	0	0	0	0	0	0	0
CCA Rate	0%	0%	0%	0%	0%	0%	0%	0%	0%
CCA	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Closing UCC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

UCC - Applications Software

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 Audited Actual	2013 Forecast	2014 Forecast
Opening UCC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Additions Applications Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Retirements/Removals (if applicable)									
UCC Before Half Year Rule	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Half Year Rule (1/2 Additions - Disposals)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Reduced UCC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CCA Rate Class	0	0	0	0	0	0	0	0	0
CCA Rate	0%	0%	0%	0%	0%	0%	0%	0%	0%
CCA	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Closing UCC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

PILs Calculation

	2006 Audited Actual	2007 Audited Actual	2008 Audited Actual	2009 Audited Actual	2010 Audited Actual	2011 Audited Actual	2012 Audited Actual	2013 Forecast	2014 Forecast
INCOME TAX									
Net Income	$ -	$ -	$ -	$ -	$ -	$ -	$ 14,904.35	$ 47,197.73	$ 70,239.18
Amortization	$ -	$ -	$ -	$ -	$ -	$ -	$ 27,416.00	$ 88,018.88	$ 135,558.34
CCA - Smart Meters	$ -	$ -	$ -	$ -	$ -	$ -	-$ 32,212.20	-$ 101,670.94	-$ 150,583.59
CCA - Computers	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CCA - Applications Software	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CCA - Other Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Change in taxable income	$ -	$ -	$ -	$ -	$ -	$ -	$ 10,108.15	$ 33,545.66	$ 55,213.93
Tax Rate (from Sheet 3)	36.12%	36.12%	33.50%	33.00%	31.00%	28.25%	26.50%	26.50%	26.50%
Income Taxes Payable	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,678.66	$ 8,889.60	$ 14,631.69
ONTARIO CAPITAL TAX									
Smart Meters	$ -	$ -	$ -	$ -	$ -	$ -	$ 777,889.00	$ 1,685,458.12	$ 1,980,469.78
Computer Hardware	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Computer Software (Including Application Software)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Tools & Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Rate Base	$ -	$ -	$ -	$ -	$ -	$ -	$ 777,889.00	$ 1,685,458.12	$ 1,980,469.78
Less: Exemption									
Deemed Taxable Capital	$ -	$ -	$ -	$ -	$ -	$ -	$ 777,889.00	$ 1,685,458.12	$ 1,980,469.78
Ontario Capital Tax Rate (from Sheet 3)	0.300%	0.225%	0.225%	0.225%	0.075%	0.000%	0.000%	0.000%	0.000%
Net Amount (Taxable Capital x Rate)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Change in Income Taxes Payable	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,678.66	$ 8,889.60	$ 14,631.69
Change in OCT	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PILs	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,678.66	$ 8,889.60	$ 14,631.69

Gross Up PILs

Tax Rate	36.12%	36.12%	33.50%	33.00%	31.00%	28.25%	26.50%	26.50%	26.50%
Change in Income Taxes Payable	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,644.44	$ 12,094.69	$ 19,907.06
Change in OCT	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
PILs	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,644.44	$ 12,094.69	$ 19,907.06

Smart Meter Model for Electricity Distributors (2014 Filers)

This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

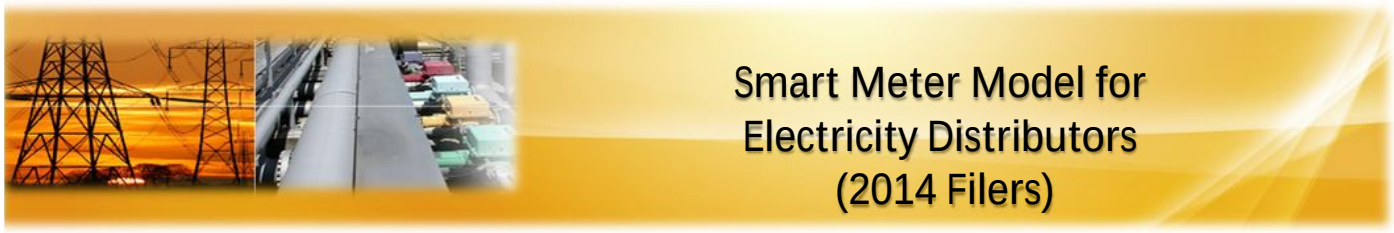
Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
2006 Q1			Jan-06	2006	Q1	$ -		0.00%	$ -	$ -		
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	$ -		0.00%	$ -	$ -		
2006 Q3	4 59%	5.05%	Mar-06	2006	Q1	$ -		0.00%	$ -	$ -		
2006 Q4	4 59%	4.72%	Apr-06	2006	Q2	$ -		4.14%	$ -	$ -		
2007 Q1	4 59%	4.72%	May-06	2006	Q2	$ -		4.14%	$ -	$ -		
2007 Q2	4 59%	4.72%	Jun-06	2006	Q2	$ -		4.14%	$ -	$ -		
2007 Q3	4 59%	5.18%	Jul-06	2006	Q3	$ -		4.59%	$ -	$ -		
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	$ -		4.59%	$ -	$ -		
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	$ -		4.59%	$ -	$ -		
2008 Q2	4 08%	5.18%	Oct-06	2006	Q4	$ -		4.59%	$ -	$ -		
2008 Q3	3 35%	5.43%	Nov-06	2006	Q4	$ -		4.59%	$ -	$ -		
2008 Q4	3 35%	5.43%	Dec-06	2006	Q4	$ -		4.59%	$ -	$ -	$ -	
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	$ -		4.59%	$ -	$ -		
2009 Q2	1 00%	6.61%	Feb-07	2007	Q1	$ -		4.59%	$ -	$ -		
2009 Q3	0 55%	5.67%	Mar-07	2007	Q1	$ -		4.59%	$ -	$ -		
2009 Q4	0 55%	4.66%	Apr-07	2007	Q2	$ -		4.59%	$ -	$ -		
2010 Q1	0 55%	4.34%	May-07	2007	Q2	$ -		4.59%	$ -	$ -		
2010 Q2	0 55%	4.34%	Jun-07	2007	Q2	$ -		4.59%	$ -	$ -		
2010 Q3	0 89%	4.66%	Jul-07	2007	Q3	$ -		4.59%	$ -	$ -		
2010 Q4	1 20%	4.01%	Aug-07	2007	Q3	$ -		4.59%	$ -	$ -		
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	$ -		4.59%	$ -	$ -		
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	$ -		5.14%	$ -	$ -		
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	$ -		5.14%	$ -	$ -		
2011 Q4	1.47%	3.92%	Dec-07	2007	Q4	$ -		5.14%	$ -	$ -	$ -	
2012 Q1	1.47%	3.92%	Jan-08	2008	Q1	$ -		5.14%	$ -	$ -		
2012 Q2	1.47%	3.51%	Feb-08	2008	Q1	$ -		5.14%	$ -	$ -		
2012 Q3	1.47%	3.51%	Mar-08	2008	Q1	$ -		5.14%	$ -	$ -		
2012 Q4	1.47%	3.23%	Apr-08	2008	Q2	$ -		4.08%	$ -	$ -		
2013 Q1	1.47%	3.23%	May-08	2008	Q2	$ -		4.08%	$ -	$ -		
2013 Q2	1.47%	3.23%	Jun-08	2008	Q2	$ -		4.08%	$ -	$ -		

Smart Meter Model for Electricity Distributors (2014 Filers)

This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
2013 Q3	1.47%	3.23%	Jul-08	2008	Q3	$ -		3.35%	$ -	$ -		
2013 Q4	1.47%	3.23%	Aug-08	2008	Q3	$ -		3.35%	$ -	$ -		
2014 Q1	1.47%	3.23%	Sep-08	2008	Q3	$ -		3.35%	$ -	$ -		
2014 Q2	1.47%	3.23%	Oct-08	2008	Q4	$ -		3.35%	$ -	$ -		
2014 Q3	1.47%	3.23%	Nov-08	2008	Q4	$ -		3.35%	$ -	$ -		
2014 Q4	1.47%	3.23%	Dec-08	2008	Q4	$ -		3.35%	$ -	$ -	$ -	
			Jan-09	2009	Q1	$ -		2.45%	$ -	$ -		
			Feb-09	2009	Q1	$ -		2.45%	$ -	$ -		
			Mar-09	2009	Q1	$ -		2.45%	$ -	$ -		
			Apr-09	2009	Q2	$ -		1.00%	$ -	$ -		
			May-09	2009	Q2	$ -		1.00%	$ -	$ -		
			Jun-09	2009	Q2	$ -		1.00%	$ -	$ -		
			Jul-09	2009	Q3	$ -		0.55%	$ -	$ -		
			Aug-09	2009	Q3	$ -		0.55%	$ -	$ -		
			Sep-09	2009	Q3	$ -		0.55%	$ -	$ -		
			Oct-09	2009	Q4	$ -		0.55%	$ -	$ -		
			Nov-09	2009	Q4	$ -		0.55%	$ -	$ -		
			Dec-09	2009	Q4	$ -		0.55%	$ -	$ -	$ -	
			Jan-10	2010	Q1	$ -		0.55%	$ -	$ -		
			Feb-10	2010	Q1	$ -		0.55%	$ -	$ -		
			Mar-10	2010	Q1	$ -		0.55%	$ -	$ -		
			Apr-10	2010	Q2	$ -		0.55%	$ -	$ -		
			May-10	2010	Q2	$ -		0.55%	$ -	$ -		
			Jun-10	2010	Q2	$ -		0.55%	$ -	$ -		
			Jul-10	2010	Q3	$ -		0.89%	$ -	$ -		
			Aug-10	2010	Q3	$ -		0.89%	$ -	$ -		
			Sep-10	2010	Q3	$ -		0.89%	$ -	$ -		
			Oct-10	2010	Q4	$ -		1.20%	$ -	$ -		
			Nov-10	2010	Q4	$ -		1.20%	$ -	$ -		
			Dec-10	2010	Q4	$ -		1.20%	$ -	$ -	$ -	
			Jan-11	2011	Q1	$ -		1.47%	$ -	$ -		



This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
			Feb-11	2011	Q1	$ -		1.47%	$ -	$ -		
			Mar-11	2011	Q1	$ -		1.47%	$ -	$ -		
			Apr-11	2011	Q2	$ -		1.47%	$ -	$ -		
			May-11	2011	Q2	$ -		1.47%	$ -	$ -		
			Jun-11	2011	Q2	$ -		1.47%	$ -	$ -		
			Jul-11	2011	Q3	$ -		1.47%	$ -	$ -		
			Aug-11	2011	Q3	$ -		1.47%	$ -	$ -		
			Sep-11	2011	Q3	$ -		1.47%	$ -	$ -		
			Oct-11	2011	Q4	$ -		1.47%	$ -	$ -		
			Nov-11	2011	Q4	$ -		1.47%	$ -	$ -		
			Dec-11	2011	Q4	$ -		1.47%	$ -	$ -	$ -	
			Jan-12	2012	Q1	$ -		1.47%	$ -	$ -		
			Feb-12	2012	Q1	$ -		1.47%	$ -	$ -		
			Mar-12	2012	Q1	$ -		1.47%	$ -	$ -		
			Apr-12	2012	Q2	$ -		1.47%	$ -	$ -		
			May-12	2012	Q2	$ -		1.47%	$ -	$ -		
			Jun-12	2012	Q2	$ -		1.47%	$ -	$ -		
			Jul-12	2012	Q3	$ -		1.47%	$ -	$ -		
			Aug-12	2012	Q3	$ -		1.47%	$ -	$ -		
			Sep-12	2012	Q3	$ -		1.47%	$ -	$ -		
			Oct-12	2012	Q4	$ -		1.47%	$ -	$ -		
			Nov-12	2012	Q4	$ -		1.47%	$ -	$ -		
			Dec-12	2012	Q4	$ -		1.47%	$ -	$ -	$ -	
			Jan-13	2013	Q1	$ -		1.47%	$ -	$ -		
			Feb-13	2013	Q1	$ -		1.47%	$ -	$ -		
			Mar-13	2013	Q1	$ -		1.47%	$ -	$ -		
			Apr-13	2013	Q2	$ -		1.47%	$ -	$ -		
			May-13	2013	Q2	$ -		1.47%	$ -	$ -		
			Jun-13	2013	Q2	$ -		1.47%	$ -	$ -		
			Jul-13	2013	Q3	$ -		1.47%	$ -	$ -		
			Aug-13	2013	Q3	$ -		1.47%	$ -	$ -		

Smart Meter Model for Electricity Distributors (2014 Filers)

This worksheet calculates the funding adder revenues.

Account 1555 - Sub-account Funding Adder Revenues

Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	Funding Adder Revenues	Interest Rate	Interest	Closing Balance	Annual amounts	Board Approved Smart Meter Funding Adder (from Tariff)
			Sep-13	2013	Q3	$ -		1.47%	$ -	$ -		
			Oct-13	2013	Q4	$ -		1.47%	$ -	$ -		
			Nov-13	2013	Q4	$ -		1.47%	$ -	$ -		
			Dec-13	2013	Q4	$ -		1.47%	$ -	$ -	$ -	
			Jan-14	2014	Q1	$ -		1.47%	$ -	$ -		
			Feb-14	2014	Q1	$ -		1.47%	$ -	$ -		
			Mar-14	2014	Q1	$ -		1.47%	$ -	$ -		
			Apr-14	2014	Q2	$ -		1.47%	$ -	$ -		
			May-14	2014	Q2	$ -		1.47%	$ -	$ -		
			Jun-14	2014	Q2	$ -		1.47%	$ -	$ -		
			Jul-14	2014	Q3	$ -		1.47%	$ -	$ -		
			Aug-14	2014	Q3	$ -		1.47%	$ -	$ -		
			Sep-14	2014	Q3	$ -		1.47%	$ -	$ -		
			Oct-14	2014	Q4	$ -		1.47%	$ -	$ -		
			Nov-14	2014	Q4	$ -		1.47%	$ -	$ -		
			Dec-14	2014	Q4	$ -		1.47%	$ -	$ -	$ -	
			Total Funding Adder Revenues Collected				**$ -**		**$ -**	**$ -**	**$ -**	

Smart Meter Model for Electricity Distributors (2014 Filers)

This worksheet calculates the interest on OM&A and amortization/depreciation expense, based on monthly data.

Account 1556 - Sub-accounts Operating Expenses, Amortization Expenses, Carrying Charges

Prescribed Interest Rates	Approved Deferral and Variance Accounts	CWIP	Date	Year	Quarter	Opening Balance (Principal)	OM&A Expenses	Amortization / Depreciation Expense	Closing Balance (Principal)	(Annual) Interest Rate	Interest (on opening balance)	Cumulative Interest
2006 Q1	0 00%	0.00%	Jan-06	2006	Q1	$ -			$ -	0 00%	$ -	$ -
2006 Q2	4.14%	4.68%	Feb-06	2006	Q1	$ -			$ -	0 00%	$ -	$ -
2006 Q3	4 59%	5.05%	Mar-06	2006	Q1	$ -			$ -	0 00%	$ -	$ -
2006 Q4	4 59%	4.72%	Apr-06	2006	Q2	$ -			$ -	4.14%	$ -	$ -
2007 Q1	4 59%	4.72%	May-06	2006	Q2	$ -			$ -	4.14%	$ -	$ -
2007 Q2	4 59%	4.72%	Jun-06	2006	Q2	$ -			$ -	4.14%	$ -	$ -
2007 Q3	4 59%	5.18%	Jul-06	2006	Q3	$ -			$ -	4 59%	$ -	$ -
2007 Q4	5.14%	5.18%	Aug-06	2006	Q3	$ -			$ -	4 59%	$ -	$ -
2008 Q1	5.14%	5.18%	Sep-06	2006	Q3	$ -			$ -	4 59%	$ -	$ -
2008 Q2	4 08%	5.18%	Oct-06	2006	Q4	$ -			$ -	4 59%	$ -	$ -
2008 Q3	3 35%	5.43%	Nov-06	2006	Q4	$ -			$ -	4 59%	$ -	$ -
2008 Q4	3 35%	5.43%	Dec-06	2006	Q4	$ -			$ -	4 59%	$ -	$ -
2009 Q1	2.45%	6.61%	Jan-07	2007	Q1	$ -			$ -	4 59%	$ -	$ -
2009 Q2	1 00%	6.61%	Feb-07	2007	Q1	$ -			$ -	4 59%	$ -	$ -
2009 Q3	0 55%	5.67%	Mar-07	2007	Q1	$ -			$ -	4 59%	$ -	$ -
2009 Q4	0 55%	4.66%	Apr-07	2007	Q2	$ -			$ -	4 59%	$ -	$ -
2010 Q1	0 55%	4.34%	May-07	2007	Q2	$ -			$ -	4 59%	$ -	$ -
2010 Q2	0 55%	4.34%	Jun-07	2007	Q2	$ -			$ -	4 59%	$ -	$ -
2010 Q3	0 89%	4.66%	Jul-07	2007	Q3	$ -			$ -	4 59%	$ -	$ -
2010 Q4	1 20%	4.01%	Aug-07	2007	Q3	$ -			$ -	4 59%	$ -	$ -
2011 Q1	1.47%	4.29%	Sep-07	2007	Q3	$ -			$ -	4 59%	$ -	$ -
2011 Q2	1.47%	4.29%	Oct-07	2007	Q4	$ -			$ -	5.14%	$ -	$ -
2011 Q3	1.47%	4.29%	Nov-07	2007	Q4	$ -			$ -	5.14%	$ -	$ -
2011 Q4	1.47%	3.92%	Dec-07	2007	Q4	$ -			$ -	5.14%	$ -	$ -
2012 Q1	1.47%	3.92%	Jan-08	2008	Q1	$ -			$ -	5.14%	$ -	$ -
2012 Q2	1.47%	3.51%	Feb-08	2008	Q1	$ -			$ -	5.14%	$ -	$ -
2012 Q3	1.47%	3.51%	Mar-08	2008	Q1	$ -			$ -	5.14%	$ -	$ -
2012 Q4	1.47%	3.23%	Apr-08	2008	Q2	$ -			$ -	4 08%	$ -	$ -
2013 Q1	1.47%	3.23%	May-08	2008	Q2	$ -			$ -	4 08%	$ -	$ -
2013 Q2	1.47%	3.23%	Jun-08	2008	Q2	$ -			$ -	4 08%	$ -	$ -
2013 Q3	1.47%	3.23%	Jul-08	2008	Q3	$ -			$ -	3 35%	$ -	$ -
2013 Q4	1.47%	3.23%	Aug-08	2008	Q3	$ -			$ -	3 35%	$ -	$ -
2014 Q1	1.47%	3.23%	Sep-08	2008	Q3	$ -			$ -	3 35%	$ -	$ -
2014 Q2	1.47%	3.23%	Oct-08	2008	Q4	$ -			$ -	3 35%	$ -	$ -
2014 Q3	1.47%	3.23%	Nov-08	2008	Q4	$ -			$ -	3 35%	$ -	$ -
2014 Q4	1.47%	3.23%	Dec-08	2008	Q4	$ -			$ -	3 35%	$ -	$ -

Jan-09	2009	Q1	$	-			$	-	2.45%	$	-	$ -
Feb-09	2009	Q1	$	-			$	-	2.45%	$	-	$ -
Mar-09	2009	Q1	$	-			$	-	2.45%	$	-	$ -
Apr-09	2009	Q2	$	-			$	-	1 00%	$	-	$ -
May-09	2009	Q2	$	-			$	-	1 00%	$	-	$ -
Jun-09	2009	Q2	$	-			$	-	1 00%	$	-	$ -
Jul-09	2009	Q3	$	-			$	-	0 55%	$	-	$ -
Aug-09	2009	Q3	$	-			$	-	0 55%	$	-	$ -
Sep-09	2009	Q3	$	-			$	-	0 55%	$	-	$ -
Oct-09	2009	Q4	$	-			$	-	0 55%	$	-	$ -
Nov-09	2009	Q4	$	-			$	-	0 55%	$	-	$ -
Dec-09	2009	Q4	$	-			$	-	0 55%	$	-	$ -
Jan-10	2010	Q1	$	-			$	-	0 55%	$	-	$ -
Feb-10	2010	Q1	$	-			$	-	0 55%	$	-	$ -
Mar-10	2010	Q1	$	-			$	-	0 55%	$	-	$ -
Apr-10	2010	Q2	$	-			$	-	0 55%	$	-	$ -
May-10	2010	Q2	$	-			$	-	0 55%	$	-	$ -
Jun-10	2010	Q2	$	-			$	-	0 55%	$	-	$ -
Jul-10	2010	Q3	$	-			$	-	0 89%	$	-	$ -
Aug-10	2010	Q3	$	-			$	-	0 89%	$	-	$ -
Sep-10	2010	Q3	$	-			$	-	0 89%	$	-	$ -
Oct-10	2010	Q4	$	-			$	-	1 20%	$	-	$ -
Nov-10	2010	Q4	$	-			$	-	1 20%	$	-	$ -
Dec-10	2010	Q4	$	-			$	-	1 20%	$	-	$ -
Jan-11	2011	Q1	$	-			$	-	1.47%	$	-	$ -
Feb-11	2011	Q1	$	-			$	-	1.47%	$	-	$ -
Mar-11	2011	Q1	$	-			$	-	1.47%	$	-	$ -
Apr-11	2011	Q2	$	-			$	-	1.47%	$	-	$ -
May-11	2011	Q2	$	-			$	-	1.47%	$	-	$ -
Jun-11	2011	Q2	$	-			$	-	1.47%	$	-	$ -
Jul-11	2011	Q3	$	-			$	-	1.47%	$	-	$ -
Aug-11	2011	Q3	$	-			$	-	1.47%	$	-	$ -
Sep-11	2011	Q3	$	-			$	-	1.47%	$	-	$ -
Oct-11	2011	Q4	$	-			$	-	1.47%	$	-	$ -
Nov-11	2011	Q4	$	-			$	-	1.47%	$	-	$ -
Dec-11	2011	Q4	$	-			$	-	1.47%	$	-	$ -
Jan-12	2012	Q1	$	-			$	-	1.47%	$	-	$ -
Feb-12	2012	Q1	$	-			$	-	1.47%	$	-	$ -
Mar-12	2012	Q1	$	-			$	-	1.47%	$	-	$ -
Apr-12	2012	Q2	$	-			$	-	1.47%	$	-	$ -
May-12	2012	Q2	$	-			$	-	1.47%	$	-	$ -
Jun-12	2012	Q2	$	-			$	-	1.47%	$	-	$ -
Jul-12	2012	Q3	$	-			$	-	1.47%	$	-	$ -
Aug-12	2012	Q3	$	-			$	-	1.47%	$	-	$ -
Sep-12	2012	Q3	$	-			$	-	1.47%	$	-	$ -
Oct-12	2012	Q4	$	-			$	-	1.47%	$	-	$ -
Nov-12	2012	Q4	$	-			$	-	1.47%	$	-	$ -
Dec-12	2012	Q4	$	-			$	-	1.47%	$	-	$ -
Jan-13	2013	Q1	$	-			$	-	1.47%	$	-	$ -
Feb-13	2013	Q1	$	-			$	-	1.47%	$	-	$ -
Mar-13	2013	Q1	$	-			$	-	1.47%	$	-	$ -
Apr-13	2013	Q2	$	-			$	-	1.47%	$	-	$ -
May-13	2013	Q2	$	-			$	-	1.47%	$	-	$ -
Jun-13	2013	Q2	$	-			$	-	1.47%	$	-	$ -
Jul-13	2013	Q3	$	-			$	-	1.47%	$	-	$ -
Aug-13	2013	Q3	$	-			$	-	1.47%	$	-	$ -
Sep-13	2013	Q3	$	-			$	-	1.47%	$	-	$ -
Oct-13	2013	Q4	$	-			$	-	1.47%	$	-	$ -
Nov-13	2013	Q4	$	-			$	-	1.47%	$	-	$ -
Dec-13	2013	Q4	$	-			$	-	1.47%	$	-	$ -
Jan-14	2014	Q1	$	-			$	-	1.47%	$	-	$ -
Feb-14	2014	Q1	$	-			$	-	1.47%	$	-	$ -

Mar-14	2014	Q1	$ -			$ -	1.47%	$ -	$ -		
Apr-14	2014	Q2	$ -			$ -	1.47%	$ -	$ -		
May-14	2014	Q2	$ -			$ -	1.47%	$ -	$ -		
Jun-14	2014	Q2	$ -			$ -	1.47%	$ -	$ -		
Jul-14	2014	Q3	$ -			$ -	1.47%	$ -	$ -		
Aug-14	2014	Q3	$ -			$ -	1.47%	$ -	$ -		
Sep-14	2014	Q3	$ -			$ -	1.47%	$ -	$ -		
Oct-14	2014	Q4	$ -			$ -	1.47%	$ -	$ -		
Nov-14	2014	Q4	$ -			$ -	1.47%	$ -	$ -		
Dec-14	2014	Q4	$ -			$ -	1.47%	$ -	$ -		
				$	-	$ -		$ -		$ -	$ -

Smart Meter Model for Electricity Distributors (2014 Filers)

This worksheet calculates the interest on OM&A and amortization/depreciation expense, in the absence of monthly data.

Year	OM&A (from Sheet 5)	Amortization Expense (from Sheet 5)	Cumulative OM&A and Amortization Expense	Average Cumulative OM&A and Amortization Expense	Average Annual Prescribed Interest Rate for Deferral and Variance Accounts (from Sheets 8A and 8B)	Simple Interest on OM&A and Amortization Expenses
2006	$ -	$ -	$ -	$ -	4.37%	$ -
2007	$ -	$ -	$ -	$ -	4.73%	$ -
2008	$ -	$ -	$ -	$ -	3.98%	$ -
2009	$ -	$ -	$ -	$ -	1.14%	$ -
2010	$ -	$ -	$ -	$ -	0.80%	$ -
2011	$ -	$ -	$ -	$ -	1.47%	$ -
2012	$ -	$ 27,416.00	$ 27,416.00	$ 13,708.00	1.47%	$ 201.51
2013	$ -	$ 88,018.88	$ 115,434.88	$ 71,425.44	1.47%	$ 1,049.95
2014	$ -	$ 135,558.34	$ 250,993.22	$ 183,214.05	1.47%	$ 2,693.25

Cumulative Interest to 2012	$ 201.51
Cumulative Interest to 2013	$ 1,251.46
Cumulative Interest to 2014	$ 3,944.71

This worksheet calculates the Smart Meter Disposition Rider and the Smart Meter Incremental Revenue Requirement Rate Rider, if applicable. This worksheet also calculates any new Smart Meter Funding Adder that a distributor may wish to request. However, please note that in many 2011 IRM decisions, the Board noted that current funding adders will cease on April 30, 2011 and that the Board's expectation is that distributors will file for a final review of prudence at the earliest opportunity. The Board also noted that the SMFA is a tool designed to provide advance funding and to mitigate the anticipated rate impact of smart meter costs when recovery of those costs is approved by the Board. The Board observed that the SMFA was not intended to be compensatory (return on and of capital) on a cumulative basis over the term the SMFA was in effect. The SMFA was initially designed to fund future investment, and not fully fund prior capital investment. Distributors that seek a new SMFA should provide evidence to support its proposal. This would include documentation of where the distributor is with respect to its smart meter deployment program, and reasons as to why the distributor's circumstances are such that continuation of the SMFA is warranted. Press the "UPDATE WORKSHEET" button after choosing the applicable adders/riders.

Check if applicable		
☐	Smart Meter Funding Adder (SMFA)	
X	Smart Meter Disposition Rider (SMDR)	**The SMDR is calculated based on costs to December 31, 2011**
☐	Smart Meter Incremental Revenue Requirement Rate Rider (SMIRR)	**The SMIRR is calculated based on the incremental revenue requirement associated with the recovery of capital related costs to December 31, 2012 and associated OM&A.**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
Deferred and forecasted Smart Meter Incremental Revenue Requirement (from Sheet 5)	$ -	$ -	$ -	$ -	$ -	$ -	$ 58,958.65	$ 188,459.05	$ 286,940.24	$ 534,357.94
Interest on Deferred and forecasted OM&A and Amortization Expense (Sheet 8A/8B) (Check **one** of the boxes below)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
X Sheet 8A (Interest calculated on monthly balances)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
☐ Sheet 8B (Interest calculated on average annual balances)										
SMFA Revenues (from Sheet 8)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
SMFA Interest (from Sheet 8)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net Deferred Revenue Requirement	$ -	$ -	$ -	$ -	$ -	$ -	$ 58,958.65	$ 188,459.05	$ 286,940.24	$ 534,357.94

Number of Metered Customers (average for 2014 test year) — 239003

- Number of metered customers for which smart meter were deployed as part of program). Residential and GS < 50 kW customer classes and any other metered classes involved (e.g. GS 50 to 4999 kW for which interval meters were upgraded to utilize AMI and ODS assets)

Calculation of Smart Meter Funding Adder (per metered customer per month)

Net Deferred Revenues	January 1, 2012 to December 31, 2014		
SMFA	January 1, 2015 to December 31, 2015		
Check: Forecasted SMFA Revenues for 2014 test year		$	-

Calculation of Smart Meter Disposition Rider (per metered customer per month)

Years for collection or refunding			1	
Deferred Incremental Revenue Requirement from 2006 to December 31, 2013 plus Interest on OM&A and Amortization		$	534,357.94	
SMFA Revenues collected from 2006 to 2014 test year (inclusive) Plus Simple Interest on SMFA Revenues		$	-	
Net Deferred Revenue Requirement		$	534,357.94	
SMDR	January 1, 2015 to December 31, 2015	$	0.19	Match
Check: Forecasted SMDR Revenues		$	544,926.84	

Calculation of Smart Meter Incremental Revenue Requirement Rate Rider (per metered customer per month)

Incremental Revenue Requirement for 2014	$	286,940.24	
SMIRR	$	0.10	Match
Check: Forecasted SMIRR Revenues	$	286,803.60	

Smart Meter Model for Electricity Distributors (2014 Filers)

This worksheet calculates the class-specific SMDRs according to accepted practice. A distributor may choose to use its own methodology, but should provide analogous support for its allocation and derivation of class specific SMDRs and SMIRRs.

Class-specific SMDRs

Revenue Requirement for Historical Years	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total 2006 to 2014
Return on Capital	$ -	$ -	$ -	$ -	$ -	$ -	$ 27,898.21	$ 88,345.48	$ 131,474.84	$ 247,718.53
Depreciation/Amortization expense and related interest	$ -	$ -	$ -	$ -	$ -	$ -	$ 27,416.00	$ 88,018.88	$ 135,558.34	
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
	$ -	$ -	$ -	$ -	$ -	$ -	$ 27,416.00	$ 88,018.88	$ 135,558.34	$ 250,993.22
Operating Expenses and related interest	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Revenue Requirement before Taxes/PILs										$ 498,711.75
Grossed-up Taxes/PILs	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,644.44	$ 12,094.69	$ 19,907.06	$ 35,646.19
Total Revenue Requirement plus interest on OM&A and depreciation expense										$ 534,357.94
										$ -

Explanation / Allocator	Residential	GS < 50 kW	GS 50 to 4999 kW	Other (please specify)	Total
Check Row if SMDR/SMIRR apply to class	X	X			2
	%	%	%	%	
Weighted Meter Cost - Capital	4.63%	95.37%			100%
Allocated per class	$ 11,470.84	$ 236,247.70	$ -	$ -	
Weighted Meter Cost - Capital	5%	95%	0%	0%	100%
Allocated per class	$ 11,622.47	$ 239,370.74	$ -	$ -	
Number of Smart Meters insta led by Class	# 220,574	# 18,429	#	#	
Allocated per class	$ -	$ -	0	0	
	$ 23,093.31	$ 475,618.44	$ -	$ -	$ -
Revenue Requirement before PILs	4.63%	95.37%	0.00%	0.00%	100%
	$ 1,650.63	$ 33,995.56	$ -	$ -	
	$ 24,743.94	$ 509,614.00	$ -	$ -	
Percentage of costs allocated to each cla	4.63%	95.37%	0.00%	0.00%	
Percentage of costs for classes w th SMDR/SMIRR	4.63%	95.37%	0.00%	0.00%	

		Residential	GS < 50 kW	GS 50 to 4999 kW	Other (please specify)	
		%	%	%	%	
SMFA Revenues directly attributable to class						0%
		0.00%	0.00%	0.00%	0.00%	0.00%
Residual SMFA Revenues (from other metered classes) attributed evenly		50.00%	50.00%	0.00%	0.00%	
Total		50.00%	50.00%	0.00%	0.00%	
SMFA Revenues plus interest expense	$ -	$ -	$ -	$ -	$ -	
Net Deferred Revenue Requirement to be recovered via SMDR	$ 534,357.94	$ 24,743.94	$ 509,614.00	$ -	$ -	
Average number of metered customers by class (2014), for customer classes w th smart meters deployed	Average number of customers (2014)	220,574	18,429	0	0	
Number of Years for SMDR recovery	1 years	1	1	1	1	
Smart Meter Disposition Rider ($/month per metered customer in the customer class)		$ 0.01	$ 2.30			
Estimated SMDR Revenues	$ 535,109.28	$ 26,468.88	$ 508,640.40	$ -	$ -	
	-$ 751.34					

Smart Meter Model for Electricity Distributors (2014 Filers)

This worksheet calculates the class-specific SMIRRs according to accepted practice. A distributor may choose to use its own methodology, but should provide analogous support for its allocation and derivation of class-specific SMDRs and SMIRRs.

Class-specific SMDRs

Revenue Requirement for 2013

		2014	**Explanation / Allocator**	Residential	GS < 50 kW	GS 50 to 4999 kW
			Check Row if SMDR/SM RR apply to class	X	X	
				%	%	%
Return on Capital	$	131,474.84	Weighted Meter Cost - Capital Allocated per class	4 63% $ 6,088.06	95.37% $ 125,386.77	0.00% $ -
Depreciation/Amortization expense	$	135,558.34	Weighted Meter Cost - Capital Allocated per class	4 63% $ 6,277.15	95.37% $ 129,281.19	0.00% $ -
Operating Expenses	$	-				
			Number of Smart Meters installed by Class	# 220,574	# 18,429	# -