



August 13, 2014

Ms. Kristen Walli  
Board Secretary  
Ontario Energy Board  
PO Box 2319, 27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, ON L4P 1E4

Dear Ms. Walli:

**Re: Innisfil Hydro Distribution Systems Limited**  
**Application for 2015 Electricity Distribution Rates – EB-2014-0086**

Innisfil Hydro Distribution Systems Limited ("IHDSL") respectfully submits to the Ontario Energy Board (the "Board"), its 2015 electricity distribution rate application EB-2014-0086. Accompanying this letter, are two copies of Innisfil Hydro Distribution System Limited application for rates effective January 1, 2015.

This application has been prepared following Chapter 3 of the Board's Filing Requirements for Transmission and Distribution Applications dated July 25, 2014.

Further to the Board's RESS filing guidelines, an electronic copy of our IRM application will be submitted through the OEB e-Filing Services. We would be pleased to provide any further information or details that you may require relative to this application.

Yours respectfully,

*Original signed by*

Brenda L. Pinke  
Regulatory/DCM Officer  
[brendap@innisfilhydro.com](mailto:brendap@innisfilhydro.com)  
(705) 431-6870 Ext. 262

c: Laurie Ann Cooledge, CPA CMA, CPA

**Innisfil Hydro Distribution Systems Limited (IHDSL)**

**License – ED-2002-0520**

**2015 – 4<sup>th</sup> Generation Incentive Rate Mechanism**

**Electricity Distribution**

**Rate Application**

**ED-2014-0086**

**Effective January 1, 2015**

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### 3.1 IHDSL Manager Summary – EB-2014-0086

Innisfil Hydro Distribution Systems Limited (“IHDSL”) is a licensed electricity distributor (ED-2002-0520) that owns and operates electricity distribution systems that provide service to the Town of Innisfil as of January 1, 1994. IHDSL charges its customers distribution rates and other charges as authorized by the Ontario Energy Board (“Board”).

IHDSL applies to the Ontario Energy Board (the “Board”) pursuant to Section 78 of the *Ontario Energy Board Act, 1998* (the “OEB Act”) for approval of its proposed adjustments to its distribution rates and other charges, effective January 1, 2015.

IHDSL filed a comprehensive cost of service rebasing application for rates effective May 1, 2013 and had rates approved by the Ontario Energy Board under file number EB-2012-0139.

IHDSL has followed Chapter 3 of the Board’s Filing Requirements for Transmission and Distribution Applications dated July 25, 2014 in order to prepare this application.

The Schedule of Rates and Charges proposed in this Application is provided on page 15. The proposed rates reflect an adjustment to the rates previously approved by the Board in the rate order issued by the Board on December 5, 2013, Board File EB-2013-0144. The proposed adjustments include:

1. Price Cap adjustment:
2. The continuation of current LV service charge as approved in EB-2012-0271:
3. The approval for the proposed adjustments to the current Retail Transmission Service Rates:
4. The approval for disposition of the Group 1 deferral and variance accounts:
5. The continuation of the revenue to cost ratio adjustments as approved in EB-2012-0271:
6. The approval of a Rate Rider for the incremental capital costs associated with the design and construction of IHDSL’s new Corporate/Operations Work Facility in central Innisfil:
7. The continuation of existing specific service charges and loss factors as approved in EB-2012-0271:
8. The approval of DVA accounts to track potential loss revenues specific to the Street Lighting rate class:

Details of these adjustments are provided in the models that accompany this application and are summarized in the following pages.

### **3.1.1 Contact Information**

IHDSL's contact for this application is as follows:

Brenda L. Pinke  
Regulatory/Conservation Manager  
[brendap@innisfilhydro.com](mailto:brendap@innisfilhydro.com)  
Office: 705-431-6870 Ext. 262  
Cell: 705-331-5596

### **3.1.2 Notice Information**

IHDSL will be providing notice of the January 1, 2015 rates in the Innisfil Examiner which is a paid publication and has an estimated weekly circulation of 13,000.

### **3.1.3 Current Tariff Sheet**

## Innisfil Hydro Distribution Systems Limited

### TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2014

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

EB-2013-0144

## RESIDENTIAL SERVICE CLASSIFICATION

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

### APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	20.19
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until April 30, 2014	\$	0.27
Rate Rider for Recovery of Stranded Meter Assets – effective until April 30, 2015	\$	0.83
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0180
Low Voltage Service Rate	\$/kWh	0.0022
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2014	\$/kWh	(0.0032)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2014	\$/kWh	(0.0020)
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) - effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	(0.0002)
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0062
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0070
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0051

### MONTHLY RATES AND CHARGES - Regulatory Component

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

Issued December 5, 2013

# **Innisfil Hydro Distribution Systems Limited**

## **TARIFF OF RATES AND CHARGES**

### **Effective and Implementation Date January 1, 2014**

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

EB-2013-0144

## **GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION**

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

### **APPLICATION**

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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### **MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	33.29
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until April 30, 2014	\$	0.92
Rate Rider for Recovery of Stranded Meter Assets – effective until April 30, 2015	\$	3.53
Rate Rider for Smart Metering Entry Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0081
Low Voltage Service Rate	\$/kWh	0.0020
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2014	\$/kWh	(0.0026)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2014	\$/kWh	(0.0020)
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) - effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	(0.0002)
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0062
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0063
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047

### **MONTHLY RATES AND CHARGES - Regulatory Component**

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

Issued December 5, 2013

# **Innisfil Hydro Distribution Systems Limited**

## **TARIFF OF RATES AND CHARGES**

### **Effective and Implementation Date January 1, 2014**

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

EB-2013-0144

## **GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION**

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

### **APPLICATION**

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

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

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### **MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	147.01
Distribution Volumetric Rate	\$/kWh	3.0190
Low Voltage Volumetric Rate	\$/kWh	0.7883
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2014	\$/kWh	(0.7860)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2014	\$/kWh	(0.6800)
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) - effective until April 30, 2014 Applicable only for Non-RPP Customers	\$/kWh	(0.0632)
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2014 Applicable only for Non-RPP Customers	\$/kWh	2.1298
Retail Transmission Rate - Network Service Rate	\$/kWh	2.5667
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	1.8275
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kWh	2.4859
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kWh	2.6798

### **MONTHLY RATES AND CHARGES - Regulatory Component**

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

Issued December 5, 2013

## Innisfil Hydro Distribution Systems Limited TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2014

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

EB-2013-0144

### UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

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

#### APPLICATION

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

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#### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	10.25
Distribution Volumetric Rate	\$/kWh	0.0172
Low Voltage Service Rate	\$/kWh	0.0020
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2014	\$/kWh	(0.0036)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2014	\$/kWh	(0.0020)
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) - effective until April 30, 2014 Applicable only for Non-RPP Customers	\$/kWh	(0.0002)
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2014 Applicable only for Non-RPP Customers	\$/kWh	0.0062
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0063
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047

#### MONTHLY RATES AND CHARGES - Regulatory Component

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

Issued December 5, 2013

## Innisfil Hydro Distribution Systems Limited

### TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2014

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

EB-2013-0144

## SENTINEL LIGHTING SERVICE CLASSIFICATION

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

### APPLICATION

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	10.86
Distribution Volumetric Rate	\$/kWh	49.4721
Low Voltage Service Rate	\$/kWh	0.8065
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2014	\$/kWh	(1.3065)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2014	\$/kWh	(0.7056)
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) - effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	(0.0656)
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	2.2100
Retail Transmission Rate - Network Service Rate	\$/kWh	1.9455
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	2.0944

### MONTHLY RATES AND CHARGES - Regulatory Component

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

Issued December 5, 2013

## Innisfil Hydro Distribution Systems Limited

### TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2014

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

EB-2013-0144

## STREET LIGHTING SERVICE CLASSIFICATION

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

### APPLICATION

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	5.55
Distribution Volumetric Rate	\$/kWh	38.3564
Low Voltage Service Rate	\$/kWh	1.6331
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2014	\$/kWh	(0.9549)
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until April 30, 2014	\$/kWh	(0.6594)
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) - effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	(0.0613)
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	2.0655
Retail Transmission Rate - Network Service Rate	\$/kWh	1.9357
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	1.4126

### MONTHLY RATES AND CHARGES - Regulatory Component

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

Issued December 5, 2013

## **Innisfil Hydro Distribution Systems Limited**

### **TARIFF OF RATES AND CHARGES**

**Effective and Implementation Date January 1, 2014**

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

EB-2013-0144

### **microFIT SERVICE CLASSIFICATION**

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

#### **APPLICATION**

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

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

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

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

#### **MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	5.40
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Issued December 5, 2013

## Innisfil Hydro Distribution Systems Limited

### TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2014

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

EB-2013-0144

## ALLOWANCES

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

## SPECIFIC SERVICE CHARGES

### APPLICATION

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

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### Customer Administration

Arrears certificate	\$	15.00
Easement Letter	\$	15.00
Credit Reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque charge (plus bank charges)	\$	15.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Special meter reads	\$	30.00

### Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	15.00
Collection of account charge - no disconnection - after regular hours	\$	165.00
Disconnect/Reconnect Charge - At Meter - During Regular Hours	\$	40.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
Disconnect/Reconnect at pole - during regular hours	\$	185.00
Disconnect/Reconnect at pole - after regular hours	\$	415.00
Install/Remove load control device - during regular hours	\$	40.00
Install/Remove load control device - after regular hours	\$	185.00
Temporary Service - Install & remove - overhead - no transformer	\$	500.00
Temporary service installation and removal - underground - no transformer	\$	300.00
Temporary service installation and removal - overhead - with transformer	\$	1,000.00
Specific Charge for Bell Canada Access to the Power Poles - per pole/year	\$	22.35

Issued December 5, 2013

## Innisfil Hydro Distribution Systems Limited

### TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2014

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EB-2013-0144

### RETAIL SERVICE CHARGES (if applicable)

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

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

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

### LOSS FACTORS

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

Total Loss Factor – Secondary/Metered Customer < 5,000 kW	1.0723
Total Loss Factor – Primary/Metered Customer < 5,000 kW	1.0616

Issued December 5, 2013

### 3.1.3 Proposed Tariff Sheet

The following proposed tariff sheets were produced utilizing the 2015 Rate Generator Model. Let it be noted that the “effective date” displayed on the enclosed tariff sheets for the “Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until December 31, 2018” is incorrect.

IHDSL requested a 1 year disposition within the 2015 Rate Generator Model which should have generated an effective date of December 31, 2015. Board staff notified 2015 IRM filers via email on August 8, 2014 of the following changes to the Rate Generator model and that Board staff would update the model for January 1 filers:

The following changes have been made:

1. Sheet 6 – Column O – insert customer numbers for the Residential and GS<50 classes. The proportion of number of customers will be used to allocate account 1551 between the Residential and GS<50 classes (Account 1551 is used to record the variance arising from the smart metering entity charges to residential and GS<50 customers).
2. Sheet 7 – updated allocation formulas for account 1551.
3. Sheet 27 – updated macro to ensure correct effective dates are inserted for deferral and variance account rate riders.
4. Sheet 28 – updated the current RRRP amount from 0.0012 to 0.0013.

# Innisfil Hydro Distribution Systems Limited

## TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 01, 2015

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

EB-2014-0086

## RESIDENTIAL SERVICE CLASSIFICATION

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

### APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	20.47
Rate Rider for Recovery of Stranded Meter Assets – effective until April 30, 2015	\$	0.83
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0183
Low Voltage Service Rate	\$/kWh	0.0022
Rate Rider for Incremental Capital	\$	2.82
Rate Rider for Incremental Capital	\$/kWh	0.0025
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2018	\$/kWh	0.0030
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2018 Applicable only for Non RPP Customers	\$/kWh	0.0080
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0068
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

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

### APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	33.76
Rate Rider for Recovery of Stranded Meter Assets – effective until April 30, 2015	\$	3.53
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0082
Low Voltage Service Rate	\$/kWh	0.0020
Rate Rider for Incremental Capital	\$	4.64
Rate Rider for Incremental Capital	\$/kWh	0.0011
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2018	\$/kWh	0.0030
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2018 Applicable only for Non RPP Customers	\$/kWh	0.0080
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0043

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

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

### APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	149.07
Distribution Volumetric Rate	\$/kW	3.0613
Low Voltage Service Rate	\$/kW	0.7883
Rate Rider for Incremental Capital	\$	20.51
Rate Rider for Incremental Capital	\$/kW	0.4212
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2018	\$/kW	1.0279
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2018 Applicable only for Non RPP Customers	\$/kW	2.7850
Retail Transmission Rate - Network Service Rate	\$/kW	2.4784
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.6751
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.4004
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.4563

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

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

### APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	10.39
Distribution Volumetric Rate	\$/kWh	0.0174
Low Voltage Service Rate	\$/kWh	0.0020
Rate Rider for Incremental Capital	\$	1.43
Rate Rider for Incremental Capital	\$/kWh	0.0024
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2018	\$/kWh	0.0030
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2018 Applicable only for Non RPP Customers	\$/kWh	0.0080
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0043

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## SENTINEL LIGHTING SERVICE CLASSIFICATION

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

### APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	11.01
Distribution Volumetric Rate	\$/kW	50.1647
Low Voltage Service Rate	\$/kW	0.6065
Rate Rider for Incremental Capital	\$	1.52
Rate Rider for Incremental Capital	\$/kW	6.9023
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2018	\$/kW	1.0627
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2018 Applicable only for Non RPP Customers	\$/kW	2.8794
Retail Transmission Rate - Network Service Rate	\$/kW	1.8786
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9197

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## STREET LIGHTING SERVICE CLASSIFICATION

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

### APPLICATION

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	5.63
Distribution Volumetric Rate	\$/kW	38.8934
Low Voltage Service Rate	\$/kW	1.6331
Rate Rider for Incremental Capital	\$	0.77
Rate Rider for Incremental Capital	\$/kW	5.3515
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2018	\$/kW	1.0120
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2018 Applicable only for Non RPP Customers	\$/kW	2.7421
Retail Transmission Rate - Network Service Rate	\$/kW	1.8691
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2948

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

## MICROFIT SERVICE CLASSIFICATION

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

### APPLICATION

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

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### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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### ALLOWANCES

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

## SPECIFIC SERVICE CHARGES

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

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

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### Customer Administration

Arrears certificate	\$	15.00
Easement Letter	\$	15.00
Credit Reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Special meter reads	\$	30.00

### Non-Payment of Account

Late Payment – per month	%	1.5000
Late Payment – per annum	%	19.5600
Collection of account charge – no disconnection	\$	15.00
Collection of account charge – no disconnection – after regular hours	\$	165.00
Disconnect/Reconnect Charge – At Meter – During Regular Hours	\$	40.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Disconnect/Reconnect at pole – after regular hours	\$	415.00
Install/Remove load control device – during regular hours	\$	40.00
Install/Remove load control device – after regular hours	\$	185.00
Temporary Service – Install & remove – overhead – no transformer	\$	500.00
Temporary service installation and removal – underground – no transformer	\$	300.00
Temporary service installation and removal – overhead – with transformer	\$	1,000.00
Specific Charge for Bell Canada Access to the Power Poles – per pole/year	\$	22.35

## RETAIL SERVICE CHARGES (if applicable)

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

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

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

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

## LOSS FACTORS

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

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0723
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0616

### **3.1.4 Bill Impacts**

The attached sheets were produced utilizing the 2015 Rate Generator Model and identify the overall bill impacts by customer rate class for IHDSL. IHDSL has provided 2 versions of the bill impact output files, the first represent bill impacts including the IRM factors and the ICM factors. The second represent bill impacts without the ICM factor for comparison.

#### **Bill Impacts with IRM/ICM Factors**

Rate Class RESIDENTIAL									
Loss Factor		1.0723		Update Bill Impacts					
Consumption		kWh		800					
If Billed on a kW basis:									
Demand		kW							

Rate Class		GENERAL SERVICE LESS THAN 50 KW				
Loss Factor		1.0723			Update Bill Impacts	
Consumption	kWh	2,000				
If Billed on a kW basis:						
Demand		kW				

	Current Board-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 33.29	1	\$ 33.29	\$ 33.76	1	\$ 33.76	\$ 0.47	1.41%
Distribution Volumetric Rate	\$ 0.0081	2,000	\$ 16.20	\$ 0.0082	2,000	\$ 16.40	\$ 0.20	1.23%
Fixed Rate Riders	\$ 4.45	1	\$ 4.45	\$ 8.17	1	\$ 8.17	\$ 3.72	83.60%
Volumetric Rate Riders	0.0000	2,000	\$ -	0.0011	2,000	\$ 2.20	\$ 2.20	
Sub-Total A (excluding pass through)			\$ 53.94			\$ 60.53	\$ 6.59	12.22%
Line Losses on Cost of Power	\$ 0.0839	145	\$ 12.13	\$ 0.0839	145	\$ 12.13	\$ -	0.00%
Total Deferral/Variance	-0.0046	2,000	-\$ 9.20	0.0110	2,000	\$ 22.00	\$ 31.20	-339.13%
Account Rate Riders								
Low Voltage Service Charge	\$ 0.0020	2,000	\$ 4.00	\$ 0.0020	2,000	\$ 4.00	\$ -	0.00%
Smart Meter Entity Charge	\$ 0.7900	1	\$ 0.79	\$ 0.7900	1	\$ 0.79	\$ -	0.00%
Sub-Total B - Distribution (includes Sub-Total A)			\$ 61.66			\$ 99.45	\$ 37.79	61.28%
RTSR - Network	\$ 0.0063	2,145	\$ 13.51	\$ 0.0061	2,145	\$ 13.08	-\$ 0.43	-3.17%
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0047	2,145	\$ 10.08	\$ 0.0043	2,145	\$ 9.22	-\$ 0.86	-8.51%
Sub-Total C - Delivery (including Sub-Total B)			\$ 85.26			\$ 121.76	\$ 36.50	42.82%
Wholesale Market Service Charge (WMSC)	\$ 0.0044	2,145	\$ 9.44	\$ 0.0044	2,145	\$ 9.44	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0012	2,145	\$ 2.57	\$ 0.0013	2,145	\$ 2.79	\$ 0.21	8.33%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	2,000	\$ 14.00	\$ 0.0070	2,000	\$ 14.00	\$ -	0.00%
TOU - Off Peak	\$ 0.0670	1,280	\$ 85.76	\$ 0.0670	1,280	\$ 85.76	\$ -	0.00%
TOU - Mid Peak	\$ 0.1040	360	\$ 37.44	\$ 0.1040	360	\$ 37.44	\$ -	0.00%
TOU - On Peak	\$ 0.1240	360	\$ 44.64	\$ 0.1240	360	\$ 44.64	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 279.36			\$ 316.07	\$ 36.72	13.14%
HST	13%		\$ 36.32	13%		\$ 41.09	\$ 4.77	13.14%
Total Bill (including HST)			\$ 315.67			\$ 357.16	\$ 41.49	13.14%
Ontario Clean Energy Benefit <sup>1</sup>			-\$ 31.57			-\$ 35.72	-\$ 4.15	13.15%
Total Bill on TOU (including OCEB)			\$ 284.10			\$ 321.44	\$ 37.34	13.14%

Note: For distributors who have a majority of customers on Tiered pricing, please provide a separate bill impact for such customers.

Note: For distributors who have a majority of customers on Tiered pricing, please provide a separate bill impact for such customers.

Rate Class		GENERAL SERVICE 50 TO 4,999 KW									
Loss Factor		1.0723									
Consumption		kWh								Update Bill Impacts	
<u>If Billed on a kW basis:</u>											
Demand		kW		100							
				Current Board-Approved			Proposed			Impact	
				Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge				\$ 147.01	1	\$ 147.01	\$ 149.07	1	\$ 149.07	\$ 2.06	1.40%
Distribution Volumetric Rate				\$ 3.0190	100	\$ 301.90	\$ 3.0613	100	\$ 306.13	\$ 4.23	1.40%
Fixed Rate Riders				\$ -	1	\$ -	\$ 20.51	1	\$ 20.51	\$ 20.51	
Volumetric Rate Riders				0.0000	100	\$ -	0.4212	100	\$ 42.12	\$ 42.12	
Sub-Total A (excluding pass through)						\$ 448.91			\$ 517.83	\$ 68.92	15.35%
Line Losses on Cost of Power				\$ 0.0839	-	\$ -	\$ 0.0839	-	\$ -	\$ -	
Total Deferral/Variance				0.6006	100	\$ 60.06	1.0279	100	\$ 102.79	\$ 42.73	71.15%
Account Rate Riders											
Low Voltage Service Charge				\$ 0.7883	100	\$ 78.83	\$ 0.7883	100	\$ 78.83	\$ -	0.00%
Smart Meter Entity Charge					1	\$ -		1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)						\$ 587.80			\$ 699.45	\$ 111.65	18.99%
RTSR - Network				\$ 5.0500	100	\$ 505.00	\$ 4.8800	100	\$ 488.00	-\$ 17.00	-3.37%
RTSR - Connection and/or Line and Transformation Connection				\$ 4.5073	100	\$ 450.73	\$ 4.1314	100	\$ 413.14	-\$ 37.59	-8.34%
Sub-Total C - Delivery (including Sub-Total B)						\$ 1,543.53			\$ 1,600.59	\$ 57.06	3.70%
Wholesale Market Service Charge (WMSC)				\$ 0.0044	-	\$ -	\$ 0.0044	-	\$ -	\$ -	
Rural and Remote Rate Protection (RRRP)				\$ 0.0012	-	\$ -	\$ 0.0013	-	\$ -	\$ -	
Standard Supply Service Charge				\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)				\$ 0.0070	-	\$ -	\$ 0.0070	-	\$ -	\$ -	
TOU - Off Peak				\$ 0.0670	-	\$ -	\$ 0.0670	-	\$ -	\$ -	
TOU - Mid Peak				\$ 0.1040	-	\$ -	\$ 0.1040	-	\$ -	\$ -	
TOU - On Peak				\$ 0.1240	-	\$ -	\$ 0.1240	-	\$ -	\$ -	
Total Bill on TOU (before Taxes)						\$ 1,543.78			\$ 1,600.84	\$ 57.06	3.70%
HST				13%		\$ 200.69	13%		\$ 208.11	\$ 7.42	3.70%
Total Bill (including HST)						\$ 1,744.47			\$ 1,808.95	\$ 64.48	3.70%
Ontario Clean Energy Benefit <sup>1</sup>						-\$ 174.45			-\$ 180.89	-\$ 6.44	3.69%
Total Bill on TOU (including OCEB)						\$ 1,570.02			\$ 1,628.06	\$ 58.04	3.70%

**Note: For distributors who have a majority of customers on Tiered pricing, please provide a separate bill impact for such customers.**

Rate Class		UNMETERED SCATTERED LOAD							
Loss Factor		1.0723				Update Bill Impacts			
Consumption		kWh		300					
If Billed on a kW basis:									
Demand		kW							
	Current Board-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	\$ 10.25	1	\$ 10.25	\$ 10.39	1	\$ 10.39	\$ 0.14	1.37%	
Distribution Volumetric Rate	\$ 0.0172	300	\$ 5.16	\$ 0.0174	300	\$ 5.22	\$ 0.06	1.16%	
Fixed Rate Riders	\$ -	1	\$ -	\$ 1.43	1	\$ 1.43	\$ 1.43		
Volumetric Rate Riders	0.0000	300	\$ -	0.0024	300	\$ 0.72	\$ 0.72		
Sub-Total A (excluding pass through)			\$ 15.41				\$ 17.76	\$ 2.35	15.25%
Line Losses on Cost of Power	\$ 0.0839	22	\$ 1.82	\$ 0.0839	22	\$ 1.82	\$ -	0.00%	
Total Deferral/Variance	-0.0056	300	-\$ 1.68	0.0110	300	\$ 3.30	\$ 4.98	-296.43%	
Account Rate Riders									
Low Voltage Service Charge	\$ 0.0020	300	\$ 0.60	\$ 0.0020	300	\$ 0.60	\$ -	0.00%	
Smart Meter Entity Charge		1	\$ -		1	\$ -	\$ -		
Sub-Total B - Distribution (includes Sub-Total A)			\$ 16.15				\$ 23.48	\$ 7.33	45.39%
RTSR - Network	\$ 0.0063	322	\$ 2.03	\$ 0.0061	322	\$ 1.96	-\$ 0.06	-3.17%	
RTSR - Connection and/or Line and Transformation Connection	\$ 0.0047	322	\$ 1.51	\$ 0.0043	322	\$ 1.38	-\$ 0.13	-8.51%	
Sub-Total C - Delivery (including Sub-Total B)			\$ 19.69				\$ 26.83	\$ 7.14	36.25%
Wholesale Market Service Charge (WMSC)	\$ 0.0044	322	\$ 1.42	\$ 0.0044	322	\$ 1.42	\$ -	0.00%	
Rural and Remote Rate Protection (RRRP)	\$ 0.0012	322	\$ 0.39	\$ 0.0013	322	\$ 0.42	\$ 0.03	8.33%	
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%	
Debt Retirement Charge (DRC)	\$ 0.0070	300	\$ 2.10	\$ 0.0070	300	\$ 2.10	\$ -	0.00%	
TOU - Off Peak	\$ 0.0670	192	\$ 12.86	\$ 0.0670	192	\$ 12.86	\$ -	0.00%	
TOU - Mid Peak	\$ 0.1040	54	\$ 5.62	\$ 0.1040	54	\$ 5.62	\$ -	0.00%	
TOU - On Peak	\$ 0.1240	54	\$ 6.70	\$ 0.1240	54	\$ 6.70	\$ -	0.00%	
Total Bill on TOU (before Taxes)			\$ 49.02				\$ 56.19	\$ 7.17	14.63%
HST	13%		\$ 6.37	13%		\$ 7.30	\$ 0.93	14.63%	
Total Bill (including HST)			\$ 55.39				\$ 63.49	\$ 8.10	14.63%
Ontario Clean Energy Benefit <sup>1</sup>			-\$ 5.54				-\$ 6.35	-\$ 0.81	14.62%
Total Bill on TOU (including OCEB)			\$ 49.85				\$ 57.14	\$ 7.29	14.63%

Note: For distributors who have a majority of customers on Tiered pricing, please provide a separate bill impact for such customers.

Rate Class		SENTINEL LIGHTING							
Loss Factor		1.0723							
Consumption		kWh	150					Update Bill Impacts	
If Billed on a kW basis:									
Demand		kW	1						

Rate Class		STREET LIGHTING							
Loss Factor		1.0723				Update Bill Impacts			
Consumption		kWh	150						
Demand		kW	1						
If Billed on a kW basis:									

Note: For distributors who have a majority of customers on Tiered pricing, please provide a separate bill impact for such customers.

**Bill Impacts with IRM Factors Only**

Rate Class		RESIDENTIAL									
Loss Factor		1.0723									
Consumption		kWh		800		Update Bill Impacts					
If Billed on a kW basis:											
Demand		kW									

Note: For distributors who have a majority of customers on Tiered pricing, please provide a separate bill impact for such customers.

Rate Class		GENERAL SERVICE LESS THAN 50 KW						
Loss Factor		1.0723					Update Bill Impacts	
Consumption		kWh	2,000					
Demand		kW						
If Billed on a kW basis:								

Rate Class		GENERAL SERVICE 50 TO 4,999 KW	
Loss Factor		1.0723	
Consumption		kWh	-
Update Bill Impacts			
If Billed on a kW basis:			
Demand		kW	100

	Current Board-Approved			Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 147.01	1	\$ 147.01	\$ 149.07	1	\$ 149.07	\$ 2.06	1.40%
Distribution Volumetric Rate	\$ 3.0190	100	\$ 301.90	\$ 3.0613	100	\$ 306.13	\$ 4.23	1.40%
Fixed Rate Riders	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	0.0000	100	\$ -	0.0000	100	\$ -	\$ -	
Sub-Total A (excluding pass through)			\$ 448.91			\$ 455.20	\$ 6.29	1.40%
Line Losses on Cost of Power	\$ 0.0839	-	\$ -	\$ 0.0839	-	\$ -	\$ -	
Total Deferral/Variance	0.6006	100	\$ 60.06	1.0279	100	\$ 102.79	\$ 42.73	71.15%
Account Rate Riders								
Low Voltage Service Charge	\$ 0.7883	100	\$ 78.83	\$ 0.7883	100	\$ 78.83	\$ -	0.00%
Smart Meter Entity Charge		1	\$ -		1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 587.80			\$ 636.82	\$ 49.02	8.34%
RTSR - Network	\$ 5.0500	100	\$ 505.00	\$ 4.8800	100	\$ 488.00	-\$ 17.00	-3.37%
RTSR - Connection and/or Line and Transformation Connection	\$ 4.5073	100	\$ 450.73	\$ 4.1314	100	\$ 413.14	-\$ 37.59	-8.34%
Sub-Total C - Delivery (including Sub-Total B)			\$ 1,543.53			\$ 1,537.96	-\$ 5.57	-0.36%
Wholesale Market Service Charge (WMSC)	\$ 0.0044	-	\$ -	\$ 0.0044	-	\$ -	\$ -	
Rural and Remote Rate Protection (RRRP)	\$ 0.0012	-	\$ -	\$ 0.0013	-	\$ -	\$ -	
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	-	\$ -	\$ 0.0070	-	\$ -	\$ -	
TOU - Off Peak	\$ 0.0670	-	\$ -	\$ 0.0670	-	\$ -	\$ -	
TOU - Mid Peak	\$ 0.1040	-	\$ -	\$ 0.1040	-	\$ -	\$ -	
TOU - On Peak	\$ 0.1240	-	\$ -	\$ 0.1240	-	\$ -	\$ -	
Total Bill on TOU (before Taxes)			\$ 1,543.78			\$ 1,538.21	-\$ 5.57	-0.36%
HST	13%		\$ 200.69	13%		\$ 199.97	-\$ 0.72	-0.36%
Total Bill (including HST)			\$ 1,744.47			\$ 1,738.18	-\$ 6.29	-0.36%
Ontario Clean Energy Benefit 1			-\$ 174.45			-\$ 173.82	\$ 0.63	-0.36%
Total Bill on TOU (including OCEB)			\$ 1,570.02			\$ 1,564.36	-\$ 5.66	-0.36%

Note: For distributors who have a majority of customers on Tiered pricing, please provide a separate bill impact for such customers.

Note: For distributors who have a majority of customers on Tiered pricing, please provide a separate bill impact for such customers.

Rate Class		UNMETERED SCATTERED LOAD								
Loss Factor		1.0723				Update Bill Impacts				
Consumption		kWh	300							
Demand		kW								
If Billed on a kW basis:										

Note: For distributors who have a majority of customers on Tiered pricing, please provide a separate bill impact for such customers.

Rate Class				SENTINEL LIGHTING						
Loss Factor		1.0723			Update Bill Impacts					
Consumption		kWh	150							
If Billed on a kW basis:										
Demand		kW	1							
			Current Board-Approved			Proposed			Impact	
			Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge			\$ 10.86	1	\$ 10.86	\$ 11.01	1	\$ 11.01	\$ 0.15	1.38%
Distribution Volumetric Rate			\$ 49.4721	1	\$ 49.47	\$ 50.1647	1	\$ 50.16	\$ 0.69	1.40%
Fixed Rate Riders			\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Volumetric Rate Riders			0.0000	1	\$ -	0.0000	1	\$ -	\$ -	
Sub-Total A (excluding pass through)					\$ 60.33			\$ 61.17	\$ 0.84	1.40%
Line Losses on Cost of Power			\$ 0.0839	11	\$ 0.91	\$ 0.0839	11	\$ 0.91	\$ -	0.00%
Total Deferral/Variance			0.1323	1	\$ 0.13	3.9421	1	\$ 3.94	\$ 3.81	2879.67%
Account Rate Riders										
Low Voltage Service Charge			\$ 0.6065	1	\$ 0.61	\$ 0.6065	1	\$ 0.61	\$ -	0.00%
Smart Meter Entity Charge				1	\$ -		1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)					\$ 61.98			\$ 66.63	\$ 4.65	7.51%
RTSR - Network			\$ 1.9455	1	\$ 1.95	\$ 1.8786	1	\$ 1.88	-\$ 0.07	-3.44%
RTSR - Connection and/or Line and Transformation Connection			\$ 2.0944	1	\$ 2.09	\$ 1.9197	1	\$ 1.92	-\$ 0.17	-8.34%
Sub-Total C - Delivery (including Sub-Total B)					\$ 66.02			\$ 70.43	\$ 4.41	6.68%
Wholesale Market Service Charge (WMSC)			\$ 0.0044	161	\$ 0.71	\$ 0.0044	161	\$ 0.71	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)			\$ 0.0012	161	\$ 0.19	\$ 0.0013	161	\$ 0.21	\$ 0.02	8.33%
Standard Supply Service Charge			\$ 0.2500	1	\$ 0.25	\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)			\$ 0.0070	150	\$ 1.05	\$ 0.0070	150	\$ 1.05	\$ -	0.00%
TOU - Off Peak			\$ 0.0670	96	\$ 6.43	\$ 0.0670	96	\$ 6.43	\$ -	0.00%
TOU - Mid Peak			\$ 0.1040	27	\$ 2.81	\$ 0.1040	27	\$ 2.81	\$ -	0.00%
TOU - On Peak			\$ 0.1240	27	\$ 3.35	\$ 0.1240	27	\$ 3.35	\$ -	0.00%
Total Bill on TOU (before Taxes)					\$ 80.81			\$ 85.24	\$ 4.43	5.48%
HST			13%		\$ 10.51	13%		\$ 11.08	\$ 0.58	5.48%
Total Bill (including HST)					\$ 91.31			\$ 96.32	\$ 5.00	5.48%
Ontario Clean Energy Benefit <sup>1</sup>					-\$ 9.13			-\$ 9.63	-\$ 0.50	5.48%
Total Bill on TOU (including OCEB)					\$ 82.18			\$ 86.69	\$ 4.50	5.48%

Note: For distributors who have a majority of customers on Tiered pricing, please provide a separate bill impact for such customers.

Rate Class				STREET LIGHTING			
Loss Factor		1.0723		Update Bill Impacts			
Consumption	kWh	150					
If Billed on a kW basis:							
Demand	kW	1					

	Current Board-Approved				Proposed			Impact	
	Rate (\$)	Volume	Charge (\$)		Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	\$ 5.55	1	\$ 5.55		\$ 5.63	1	\$ 5.63	\$ 0.08	1.44%
Distribution Volumetric Rate	\$ 38.3564	1	\$ 38.36		\$ 38.8934	1	\$ 38.89	\$ 0.54	1.40%
Fixed Rate Riders	\$ -	1	\$ -		\$ -	1	\$ -	\$ -	
Volumetric Rate Riders	0.0000	1	\$ -		0.0000	1	\$ -	\$ -	
Sub-Total A (excluding pass through)			\$ 43.91			\$ 44.52	\$ 0.62	1.41%	
Line Losses on Cost of Power	\$ 0.0839	11	\$ 0.91		\$ 0.0839	11	\$ 0.91	\$ -	0.00%
Total Deferral/Variance	0.3899	1	\$ 0.39		3.7541	1	\$ 3.75	\$ 3.36	862.84%
Account Rate Riders									
Low Voltage Service Charge	\$ 1.6331	1	\$ 1.63		\$ 1.6331	1	\$ 1.63	\$ -	0.00%
Smart Meter Entity Charge		1	\$ -			1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)			\$ 46.84			\$ 50.82	\$ 3.98	8.50%	
RTSR - Network	\$ 1.9357	1	\$ 1.94		\$ 1.8691	1	\$ 1.87	-\$ 0.07	-3.44%
RTSR - Connection and/or Line and Transformation Connection	\$ 1.4126	1	\$ 1.41		\$ 1.2948	1	\$ 1.29	-\$ 0.12	-8.34%
Sub-Total C - Delivery (including Sub-Total B)			\$ 50.19			\$ 53.98	\$ 3.80	7.57%	
Wholesale Market Service Charge (WMSC)	\$ 0.0044	161	\$ 0.71		\$ 0.0044	161	\$ 0.71	\$ -	0.00%
Rural and Remote Rate Protection (RRRP)	\$ 0.0012	161	\$ 0.19		\$ 0.0013	161	\$ 0.21	\$ 0.02	8.33%
Standard Supply Service Charge	\$ 0.2500	1	\$ 0.25		\$ 0.2500	1	\$ 0.25	\$ -	0.00%
Debt Retirement Charge (DRC)	\$ 0.0070	150	\$ 1.05		\$ 0.0070	150	\$ 1.05	\$ -	0.00%
TOU - Off Peak	\$ 0.0670	96	\$ 6.43		\$ 0.0670	96	\$ 6.43	\$ -	0.00%
TOU - Mid Peak	\$ 0.1040	27	\$ 2.81		\$ 0.1040	27	\$ 2.81	\$ -	0.00%
TOU - On Peak	\$ 0.1240	27	\$ 3.35		\$ 0.1240	27	\$ 3.35	\$ -	0.00%
Total Bill on TOU (before Taxes)			\$ 64.98			\$ 68.79	\$ 3.81	5.87%	
HST	13%		\$ 8.45		13%	\$ 8.94	\$ 0.50	5.87%	
Total Bill (including HST)			\$ 73.42			\$ 77.73	\$ 4.31	5.87%	
Ontario Clean Energy Benefit <sup>1</sup>			-\$ 7.34			-\$ 7.77	-\$ 0.43	5.86%	
Total Bill on TOU (including OCEB)			\$ 66.08			\$ 69.96	\$ 3.88	5.87%	

Note: For distributors who have a majority of customers on Tiered pricing, please provide a separate bill impact for such customers.

### 3.1.5 Electronic Models

IHDSL has provided the following models with this application in excel and PDF formats:

- Innisfil\_2015\_IRM\_Rate\_Generator\_EB-2014-0086
- Innisfil\_2015\_IRM\_RCRA\_Adjustment\_Wrkfrm\_EB-2014-0086
- Innisfil\_2015\_Incremental\_Capital\_Wrkfrm\_EB-2014-0086
- Innisfil\_2015\_Incremental\_Capital\_Project\_EB-2014-0086

## 3.2 Elements of the Price Cap IR and the Annual IR Index Plan

### 3.2.1 Annual Adjustment Mechanism

IHDSL has utilized the 2014 rate setting-parameters within the Rate Generator model. IHDSL acknowledges that Board staff will update Innisfil Rate Generator model with the 2015 price cap parameters once they are available.

#### 2014 Price Cap Parameters

Price Escalator	1.70%	Choose Stretch Factor Group	III
Productivity Factor	0.00%	Associated Stretch Factor Value	0.30%
Price Cap Index	1.40%		

### 3.2.2 Electricity Distribution Retail Transmission Service Rates

IHDSL has calculated the adjustment to the current retail transmission service rates within the Rate Generator model. IHDSL acknowledges that once any January 1, 2015 UTR adjustments have been determined that Board staff will adjust the 2015 RTSR section of the Rate Generator to incorporate the change.

## Proposed RTSR Rates

Rate Class	Rate Description	Unit	Proposed Retail Transmission Rate
RESIDENTIAL	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0068
RESIDENTIAL	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047
GENERAL SERVICE LESS THAN 50 KW	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
GENERAL SERVICE LESS THAN 50 KW	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0043
GENERAL SERVICE 50 TO 4,999 KW	Retail Transmission Rate - Network Service Rate	\$/kW	2.4784
GENERAL SERVICE 50 TO 4,999 KW	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.6751
GENERAL SERVICE 50 TO 4,999 KW	Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.4004
GENERAL SERVICE 50 TO 4,999 KW	Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.4563
UNMETERED SCATTERED LOAD	Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
UNMETERED SCATTERED LOAD	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0043
SENTINEL LIGHTING	Retail Transmission Rate - Network Service Rate	\$/kW	1.8786
SENTINEL LIGHTING	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9197
STREET LIGHTING	Retail Transmission Rate - Network Service Rate	\$/kW	1.8691
STREET LIGHTING	Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2948

### 3.2.3 Review and Disposition of Group 1 Deferral and Variance Account Balances

IHDSL has completed the DVA worksheets included in the 2015 Rate Generator model. The receivable balance for the Group 1 accounts is \$966,112. The threshold test resulting from the Group 1 balance is of .0041. As this exceeds the threshold limit IHDSL will be seeking a 1 year disposition on the Group 1 deferral/variance accounts.

#### Group 1 Deferral/Variance Claim as of December 31, 2013

Account Name	Account Number	Principal Balance	Interest Balance	Total Claim
LV Variance Account	1550	\$ 123,723	-\$ 1,059	\$ 122,664
RSVA-Wholesale Market Service Charge	1580	-\$ 522,778	-\$ 11,173	-\$ 533,951
RSVA-Retail Transmission Network	1584	\$ 439,970	\$ 3,497	\$ 443,467
RSVA-Retail Transmission Connection	1586	\$ 305,894	\$ 1,656	\$ 307,550
RSVA-Power (excl Global Adjustment)	1588	\$ 349,831	\$ 492	\$ 350,323
RSVA-Power Global Adjustment	1589	\$ 597,818	-\$ 1,507	\$ 596,311
Recovery of Regulatory Asset Balances	1590	\$ -	\$ -	\$ -
Disp. Recovery/Refund Regulatory Balance	1595	-\$ 251,865	-\$ 72,387	-\$ 324,252
Group 1 Balance exluding Account 1589		\$ 444,775	-\$ 78,974	\$ 365,801
<b>Total Group 1 Balance</b>		<b>\$ 1,042,593</b>	<b>-\$ 80,481</b>	<b>\$ 962,112</b>

### 3.2.4 LRAM Variance Account (LRAMVA) for 2011 – 2014

IHDSL is not claiming disposition of LRAM/VA in this application.

### 3.2.5 Revenue-to-Cost Ratio Adjustments

IHDSL has completed the continuity schedule within the Revenue to Cost Ratio Adjustment model and has utilized the approved Revenue to Cost ratios from EB-2012-0139.

#### Proposed Revenue to Cost Ratios (2015 model)

Rate Class	Adjusted Revenue	Current Revenue Cost Ratio	Re-Allocated Cost	Proposed Revenue Cost Ratio	Final Adjusted Revenue	Dollar Change	Percentage Change
	A	B	C = A / B	D	E = C * D	F = E - C	G = (E / C) - 1
Residential	\$ 6,555,888	0.98	\$ 6,710,223	0.98	\$ 6,555,888	-\$	0.0%
General Service Less Than 50 kW	\$ 655,481	1.12	\$ 586,298	1.12	\$ 655,481	\$	0.0%
General Service 50 to 4,999 kW	\$ 561,313	1.20	\$ 467,761	1.20	\$ 561,313	\$	0.0%
Unmetered Scattered Load	\$ 19,288	1.20	\$ 16,073	1.20	\$ 19,288	\$	0.0%
Sentinel Lighting	\$ 48,396	0.98	\$ 49,535	0.98	\$ 48,396	-\$	0.0%
Street Lighting	\$ 392,941	0.98	\$ 402,191	0.98	\$ 392,941	-\$	0.0%
	<u>\$ 8,233,306</u>		<u>\$ 8,232,081</u>		<u>\$ 8,233,306</u>	<u>\$</u>	<u>0.0%</u>
Out of Balance -						0	
Final ?						Yes	

The following table is from IHDSL's Settlement Agreement for Board File EB-2012-0139 identifying the agreed upon Revenue to Cost Ratios.

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

### 3.2.6 Tax Changes

IHDSL has completed the Tax Sharing work form with data from the RRWF completed in our COS Application EB-2012-0139, Tab 3 and Tab 6. There are no tax changes effective for 2015.

Taxes/PILs Worksheet from RRWF EB-2012-0139.

## Taxes/PILs

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

### 3.2.7 Z-factor Claims

IHDSL has no Z-factor claims with this application.

### 3.2.8 Regulatory Accounting Policy Changes

IHDSL implemented the required regulatory accounting changes for depreciation expense and capitalization policies for January 1, 2013 with our COS application EB-2012-0139.

### 3.2.9 Conservation and Demand Management Costs for Distributors

IHDSL has no Board approved or Tier 2 & 3 CDM programs.

### 3.2.10 Off-ramps

On April 30, 2014 IHDSL submitted RRR 2.1.5.6- Calculation of ROE on a Deemed Basis. The calculation identified that IHDSL's earning were within the range of +/- 300 basis points from the

Board-approved return on equity. Although within the range, IHDSL has been made aware of a significant change that will occur in 2015 which may trigger IHDSL to be outside the range.

1. Conversion of the Town of Innisfil streetlights to LED technology. The project is estimated to commence in October 2014 and be completed by December 31, 2014. Preliminary calculations for the LED conversion indicate a potential revenue shortfall of \$110,809 for the Street Lighting rate class in 2015 and beyond.

Savings table provided by AMO for TOI

Measure	Incentive Metric (kW or kWh)	Base Case		Energy Efficient Case		Estimated Savings		Calculated Participant Incentive (\$400/kW of Demand Savings or \$0.05/kWh of Energy Savings)
		electricity demand (kW)	annual electricity consumption (kWh)	electricity demand (kW)	annual electricity consumption (kWh)	Demand Savings (kW)	Energy Savings (kWh)	
(205) 64W LED Fixtures	kWh	38.95	166,352	13.12	56,034	25.83	110,318	\$5,515.90
(37) 82W LED Fixtures	kWh	9.25	39,506	3.03	12,958	6.22	26,548	\$1,327.40
(87) 101W LED Fixtures	kWh	26.97	115,186	8.79	37,528	18.18	77,658	\$3,882.90
(1,059) 25W LED Fixtures	kWh	143.36	612,256	37.73	161,120	105.63	451,136	\$22,556.80
(976) 42W LED Fixtures	kWh	126.88	541,893	40.99	175,073	85.89	366,820	\$18,341.00
<b>TOTAL</b>		<b>345.41</b>	<b>1,475,193</b>	<b>103.66</b>	<b>442,713</b>	<b>241.75</b>	<b>1,032,480</b>	<b>\$51,624.00</b>

TOI impact	Base Case	After Conver	Variance	Monthly
Annual kw	4,145	1,244	2,901	242
Annualized savings			110,809.50	
Forecasted Street light Annual Revenue			\$172,959.02	
Potential Revenue Shortfall			\$110,809.50	

Based on 2014 volumetric rate of \$38.197

\*based on run time of 12 hrs/day, 365 days/year (4,380 hours/year)

The full impact of the potential revenue shortfall will not be fully evident until filing the 2015 PBR in April of 2016. IHDSL is therefore asking the Board to approve a DVA account to track forecasted revenue to actual revenue incurred for the Street Lighting Rate class until our next COS application.

### 3.3 Elements Specific to the Price Cap IR Plan

#### 3.3.1 Incremental Capital Module

IHDSL requests the approval of a Rate Rider to recover amounts through rates related to non-discretionary, incremental capital investments.

IHDSL submits that its claim for the recovery of the incremental capital expenditures related to the design and construction of a new Corporate Headquarters and Operations Facility exceeds the

materiality threshold, is clearly non-discretionary and that expenditures to date have not previously been included in IHDSL's approved rate base.

IHDSL's new Corporate Headquarters and Operations Facility is estimated to be fully functional by November 1, 2014

### **IHDSL's Corporate Headquarters and Operations Facility Background**

In September 2012, IHDSL submitted a COS Application EB-2012-0139 which initially identified the requirement for a new Corporate Headquarters and Operations Facility. Throughout the interrogatory process IHDSL removed the capital from the application as the asset would not have been completed in the bridge year. IHDSL communicated at that time that an ICM would be forthcoming throughout the annual IR process timeline to address the capital requirements for the new Corporate Headquarters and Operations Facility.

Key components for the requirements of a new building/facility remain as follows;

- Long term growth forecasts from 14,500 customers in 2009 to 38,000 customers in 2031.
- 5 non-contiguous buildings, all with accessibility issues for customers and IHDSL staff. IHDSL will not be in a position to meet future accessibility requirements for our customers.
- Health and Safety – 10 reported slip/trip/fall incidents including 1 customer since 2009. Environment concerns due to extreme weather conditions, example snow and rain with existing stair access and building leakage in the Operations building.
- Currently not meeting Government Office Space Standards of 250 sq' per person by 17% with existing staff compliment.

Following are some pictures of IHDSL's current site reflecting some of the afore-mentioned issues.

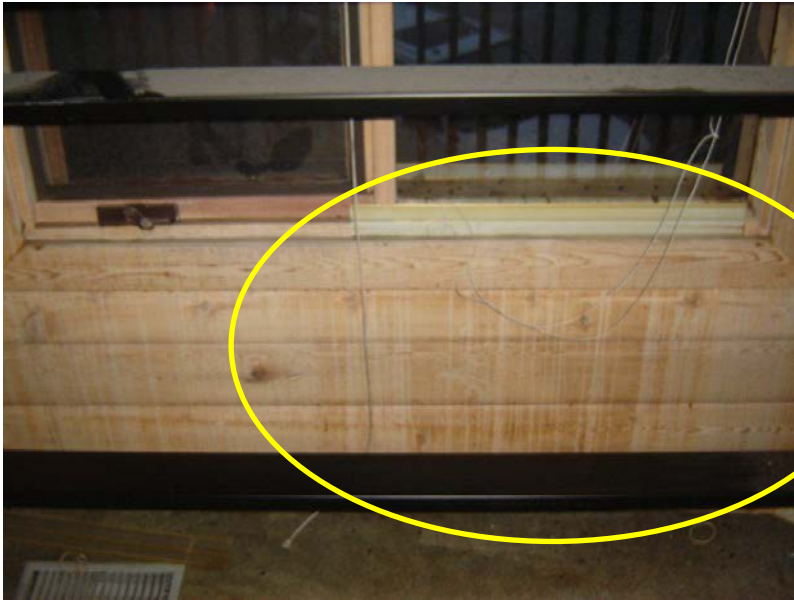
## WATER DAMAGE ENGINEERING BUILDING

1 of 2



**WATER DAMAGE**  
**ENGINEERING BUILDING**

2 of 2



## UNACCESSIBLE ACCESS TO BUILDINGS FOR CUSTOMERS & STAFF

1 of 2

### Entrance to Engineering Finance Building



## UNACCESSIBLE ACCESS TO BUILDINGS FOR CUSTOMERS & STAFF

2 of 2

### Entrance to Customer Service Building



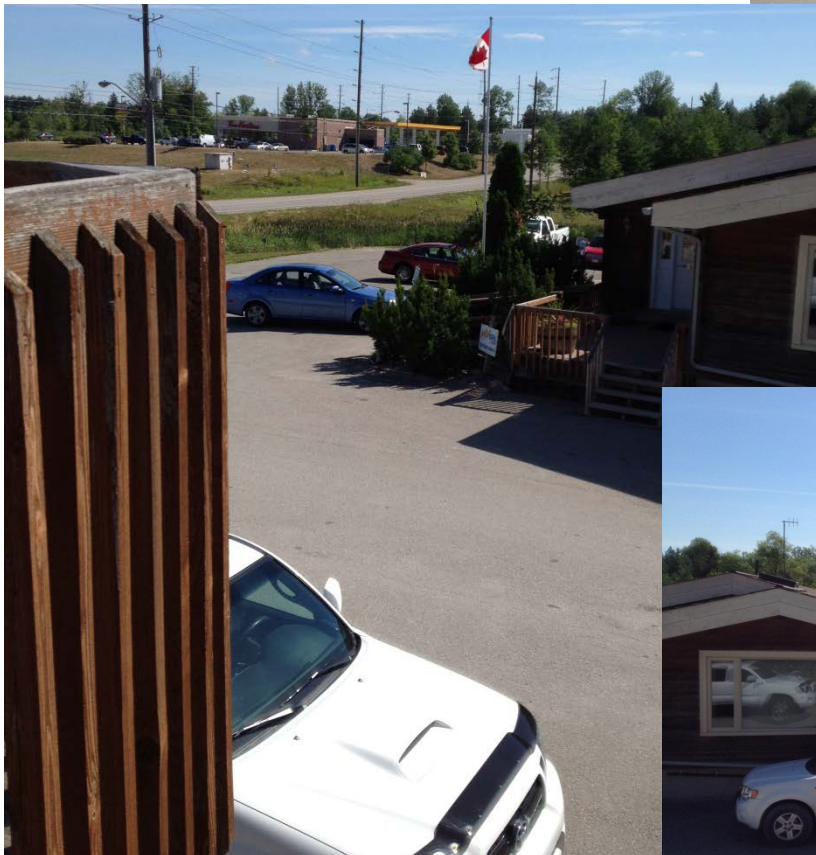
## PARKING ISSUES / MULTIPLE BUILDINGS ON SITE

1 of 2

**Parking Lot**



**Metering, Stores, and access to yard**



## **PARKING ISSUES / MULTIPLE BUILDINGS ON SITE**

**2 of 2**



In the EB-2012-0139 submission, IHDSL communicated that the requirement for a new office building was budgeted for in 2004 but was deferred until a comprehensive long range plan was in place. Long range planning strategies commenced in early 2006 and by 2009 the planning assumptions identified were as follows (Innisfil Load Projections 2006-2031 is included in ICM Exhibit #1):

- The 2009 customer base of 14,500 was expected to grow to 38,000 customers by 2013
- Staff growth requirements, from ~30 FTE in 2009 to ~75 in 2031

Based on these growth assumptions, an investigation was commissioned to McKnight Sharron Laurin Architects which undertook an investigation of five options (2009 Option Analysis is included in ICM Exhibit #2):

1. Purchase a Greenfield site and build new facilities
2. Purchase a site with an existing 15,000 sq' building, modify to suit and build an Operations Centre
3. Build a new building on the existing site
4. Modify the existing buildings on the existing site
5. Utilize the vacant 12,000 sq' Old Town Hall, modify and build an Operations Centre.

The most cost beneficial option was option 5 which had the following attributes:

- ◆ Land is less expensive at the new site
- ◆ The new site is fully serviced, the existing site is on a septic system
- ◆ Access to GO bus service
- ◆ Closer to the centre of Town for dispatch

Original design proposals included the renovation of the existing (1973 vintage) building with a new operations centre that was a five minute walk away. An internal analysis indicated that all buildings should be contiguous and meet future accessibility requirements. The Old Town Hall sat basically vacant for four years and the cost of rehabilitation for accessibility and asbestos removal was cost prohibitive.

Following an in-depth analysis, the Innisfil Hydro Board gave direction to demolish the old building and build a new facility on that Town Campus site. A purchase agreement was developed to sell 2.07 acres at the existing Innisfil Hydro site for \$925k and purchase 3.5 acres at the Old Town Hall site for \$650k. All transactions are set at full appraised values and included in ICM Exhibits #3 and #4.

Innisfil Hydro had governance approvals to proceed with the construction of a new head office and operations centre at Innisfil Town Administration campus on Innisfil Beach Road. The main reasons for the location on the Town Campus, was the relatively low cost of serviced land, proximity to the

large urban density for customer response and proximity to the Town of Innisfil Roads department and fuelling facility.

Subsequent to going out to tender for the construction of the building (at the Old Town Hall), the Town of Innisfil announced the purchase of 72 acres of land at the south part of the Administrative campus for a new operations centre and salt barn. IHDSL was invited to move with them to form an operational cluster. Upon review, it was determined that efficiencies and economies of scale could be achieved by remaining contiguous with the Town of Innisfil Parks and Roads cluster. IHDSL had decided to swap land with the Town of Innisfil and have received more land at a lower cost per acre. The architectural drawings were transposed onto the new site without modification. Agreements for the purchase and sale of the Innisfil Beach Road property and the Yonge Street property are included in the ICM Exhibits #5 and #6.

The sharing of driveways, servicing, communication networks, power lines, fleet maintenance and fueling will be an outcome of this symbiotic relationship which will provide economic benefit to both Innisfil Hydro customers and Town of Innisfil tax payers.

Once the site location was finalized IHDSL commenced with a tender for the construction of the new Corporate Headquarters and Operations Facility. The RFP was awarded to B.W.K Construction Company LTD, and the agreement signed on July 8, 2013. A copy of the executed agreement is in the ICM Exhibits #7.

Ground breaking ceremonies were held at the new site location on June 19, 2013. Construction of IHDSL new Corporate Headquarters and Operations Facility commenced in July 2013.

IHDSL Staff at Yonge St Site



Site progress February 2014



Site Progress July 2014



IHDSL staff is scheduled to move into the new Corporate Headquarters by November 1, 2014. The Town of Innisfil Operations Centre is expected to be completed by November 2015. A feasibility study was engendered to install PV solar arrays on all three buildings. The expected timeline for the three installations is expected in the spring of 2016.

### **Innisfil Hydro's Existing Site**

A property appraisal Executive Summary for 2061 and 2073 Commerce Park Drive in Innisfil is attached in Appendix 1. The appraisal provides a detailed summary of the legal and property descriptions. The area of the three buildings is as follows:

2073 – Main Office	3,133 sq'
2061 – Engineers Office	3,680 sq'
2073 – Carriage House (Storage)	<u>1,315 sq'</u>
Total usable office space	8,128 sq'

Using Government Office Space Standards of 250 sq' per person<sup>1</sup>, (this includes common areas), the existing usable office space can accommodate 32.5 people. The existing staff complement of 35 + 3 co-op students currently exceeds space requirements by 17%. The twenty year plan calculates the need for 75 employees and an additional 10,600 sq' of office space.

Analyzing the existing office scenario, the following major deficiencies are noted:

1. All buildings do not meet accessibility requirements; all have stairs and no elevators.
2. Ten stair slip and fall incidences have been documented since 2009.
3. Inadequate parking available, staff routinely park on the grass over top of the septic system.
4. More office, septic, warehousing and parking space needs to be made available to meet current and long range space requirements.

Following the investigation of five different options, the option to move to the Town of Innisfil Administrative campus was chosen. Innisfil Hydro will maintain the existing 1.3 acre storage yard which houses a 13.3kVA 44-27.6kV transformer station that has the provision of being doubled. ICM Exhibit #3 contains the purchase agreement for the sale of the property for 2061 and 2073 Commerce Park Drive. The sale of the property will not be finalized until February 2015.

### Additional Design Considerations for the Corporate Headquarters & Operational Facility

As identified in the aforementioned summary IHDSL's current buildings are at end of life and no longer meet the required space requirements, or safety concerns for IHDSL staff and customers.

In looking at our long range planning, careful consideration was given to staffing and customer requirements out to 2031 so as to mitigate future costs for the rate payer. To offset these future costs the design of the new Corporate Headquarters and Operations Facility includes building space that will be leased to generate revenue offsets. It is anticipated that leasing options will materialize in July 2015.

#### Estimated Leasing Revenue for IHDSL Corporate Headquarters

<b>Leasing Area - IHDSL Corporate Headquarters</b>	<b>SQ FT</b>	<b>Est. Lease Rate per SQ FT</b>	<b>Est. Annual Revenue</b>
Lower Level	2570	\$ 23.50	\$ 60,395.00
Upper Level	3060	\$ 13.50	\$ 41,310.00
<b>Total</b>	<b>5630</b>		<b>\$ 101,705.00</b>

It is estimated that leasing income will commence in July 2015.

### ICM Threshold

The 2015 Incremental Capital Work Form issued by the OEB on July 30, 2014 calculates the Board defined materiality threshold. The calculation is based upon IHDSL's COS application EB-2012-0139. Tab E2.1 of the 2015 Incremental Capital Work Form is reproduced below and provides the threshold for capital expenditures of \$ 2,593,944.

## Threshold Test

Year	2013	
<b>Price Cap Index</b>	<b>0.58%</b>	<b>A</b>
<b>Growth</b>	<b>1.45%</b>	<b>B</b>
<b>Dead Band</b>	<b>20%</b>	<b>C</b>
<b>Average Net Fixed Assets</b>		
Gross Fixed Assets Opening	\$56,421,107	
Add: CWIP Opening	\$ 1,288,668	
Capital Additions	\$ 9,163,866	
Capital Disposals	-\$ 325,500	
Capital Retirements	\$ -	
Deduct: CWIP Closing	-\$ 5,288,668	
Gross Fixed Assets - Closing	\$61,259,473	
Average Gross Fixed Assets	<u>\$58,840,290</u>	
Accumulated Depreciation - Opening	\$29,418,106	
Depreciation Expense	\$ 1,612,044	<b>D</b>
Disposals	-\$ 276,675	
Retirements	\$ -	
Accumulated Depreciation - Closing	\$30,753,475	
Average Accumulated Depreciation	<u>\$30,085,791</u>	
<b>Average Net Fixed Assets</b>	<u>\$28,754,500</u>	<b>E</b>
<b>Working Capital Allowance</b>		
Working Capital Allowance Base	\$29,375,212	
Working Capital Allowance Rate	12%	
<b>Working Capital Allowance</b>	<u>\$ 3,525,025</u>	<b>F</b>
<b>Rate Base</b>	<u>\$32,279,525</u>	<b>G = E + F</b>
<b>Depreciation</b>	<b>D \$ 1,612,044</b>	<b>H</b>
<b>Threshold Test</b>	<b>160.91%</b>	<b>I = 1 + ( G / H ) * ( B + A * ( 1 + B ) ) + C</b>
<b>Threshold CAPEX</b>	<b>\$ 2,593,944</b>	<b>J = H * I</b>

In the EB-2012-0139 Settlement Agreement the Board approved a capital expenditure of \$4,900,000. IHDSL's forecasted capital expenditures for 2015 are \$18,146,704 which includes the forecasted cost of \$13,246,704 for the design and build of the new Corporate Headquarters and Operations Facility. The cost of the new facility clearly exceeds the Board defined threshold of \$2,593,944.

## ICM Project Details

The following table details the estimated capital costs for IHDSL Corporate Headquarters and Operations Facility.

### IHDSL Capital Cost Estimates for Corporate Headquarters

Breakdown	Estimated Cost
Land	\$ 1,015,496.00
Building	\$ 3,461,208.00
General Contractor	\$ 8,670,000.00
Furniture	\$ 75,000.00
Moving Costs	\$ 25,000.00
<b>Total</b>	<b>\$ 13,246,704.00</b>

## Incremental Capital Rate Adder

IHDSL request the approval of an incremental rate rider to recover the incremental revenue requirement of \$1,076,122. the incremental capital adjustment is calculated in Tab E4.1 of the 2015 Incremental Capital Work Form and is reproduced below. IHDSL is proposing that the recovery of the incremental revenue requirement be via Option A – fixed and variable rate rider with an effective date of January 1, 2015 and a sunset date of December 31, 2016.

In the event that the Board does not approve Innisfil Hydro's ICM application to recover costs associated with office and operational requirements, IHDSL will be faced with a significant negative cash flow and possible financial hardship during the incentive regulation term if no return is allowed. IHDSL will be forced to undertake one or all of the following actions;

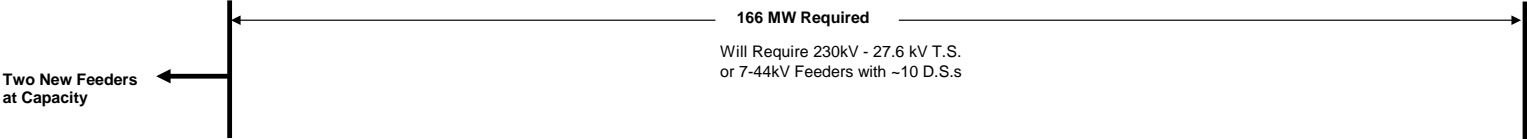
- Early rebasing
- Amend the schedule of planned multi-year capital projects
- Amend the level of planned maintenance and operational activities

## **ICM Exhibits**

EXHIBIT 1  
INNISFIL LOAD PROJECTIONS 2006 – 2031

25 Year Innisfil Hydro Supply Analysis (2006-2031)

G. Shaparew Sept 14, 2006



Available Supply From Hydro One (MW)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Present	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63	63
Opt C2	63	63	63	113	113	113	113	113	113	113	113	113	113	113	113	113	113	113	113	113	113	113	113	113	113	113	113	113

Projected Load in Innisfil (MW)																												
135,000 Population																												
Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
IGAP MW	57.5	63.3	63	64	65	66	68	72	78	86	96	106	116	126	136	146	156	166	176	186	196	206	216	226	236	246	258	270
With BBP MW	57.5	63.3	63	64	65	67	69	74	81	89	101	112	123	135	145	155	165	175	185	195	205	215	225	235	245	255	267	279
population	30.5	30.9	31.3	31.8	32.3	33	34	36	39	43	48	53	58	63	68	73	78	83	88	93	98	103	108	113	118	123	129	135
(000s)																												
Increase		400	400	500	500	700	1000	2000	3000	4000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	6000	6000

BBP Requirements (MW)	0.675	1.05	1.8	2.55	3.3	4.65	6	7.275	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
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Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Employees	21.5	21.5	22	23	23	24	24	25	27	30	33	36	40	44	48	51	54	58	61	64	67	70	73	76	80	84	88	92
Customers	13864	14045	14227	14455	14682	15005	15463	16379	17750	19578	21869	24163	26461	28768	31053	33335	35617	37901	40183	42465	44746	47028	49310	51592	53876	56161	58900	61640
Cust/Emp	645	653	647	628	638	625	644	655	657	653	663	671	662	654	647	654	660	653	659	664	668	672	675	679	673	669	669	670
Add Emp		0.5	0	1	0	1	0	1	2	3	3	3	4	4	4	3	3	4	3	3	3	3	3	3	4	4	4	4
Office Space	sq ft	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200	5200
Sq ft/employee		242	236	226	226	217	217	208	193	173	158	144	130	118	108	102	96	90	85	81	78	74	71	68	65	62	59	57
Add 2 portables +1500 sq ' sq ft/employee					6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700	6700
					291	279	279	268	248	223	203	186	168	152	140	131	124	116	110	105	100	96	92	88	84	80	76	73



Space requirements for 250 sq'/person	5375	5500	5750	5750	6000	6000	6250	6750	7500	8250	9000	10000	11000	12000	12750	13500	14500	15250	16000	16750	17500	18250	19000	20000	21000	22000	23000
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EXHIBIT 2  
MCKNIGHT OPTION ANALYSIS



# McKNIGHT • CHARRON • LAURIN Inc. ARCHITECTS

Tel: 705-722-6739  
Fax: 705-726-5418  
www.MCLarchitects.ca

67 High Street  
Barrie, Ontario  
L4N 1W5

## Innisfil Hydro Option Analysis for Various Locations

15 December 2009

### Site Option 1: Purchase Greenfield Site - 3249 Clifford Court (7.4 acres)

-Land cost:	\$ 997,000.00
-new building: 12,000 sq. ft. x \$170:	\$2,040,000.00
-Operations & warehousing: 4000 sq. ft. x 120	\$ 480,000.00
-Outside Storage & servicing	\$ 60,000.00
-Parking: 70 x \$2,500	\$ 175,000.00
Sub-total:	\$3,752,000.00
Less sale value for present property:	\$1,000,000.00
Total:	\$2,752,000.00

### Site Option 2: Purchase existing 15,000 sq. ft. building - 1988 Commerce Park Drive (6 acres)

-Land cost with building:	\$2,925,000.00
-renovate existing building: 15,000 x \$45	\$ 675,000.00
-Operations & warehousing: 4000 sq. ft. x 120	\$ 480,000.00
-Outside Storage & servicing	\$ 60,000.00
-Parking: existing	\$ 00
Sub-total:	\$4,140,000.00
Less sale value for present property:	\$1,000,000.00
Total:	\$3,140,000.00

### Site Option 3: Existing Innisfil Hydro site with all New Building (3.3 acres)

-Land cost:	\$ 00
-demolish existing 3 buildings & remove 2 portables:	\$ 150,000.00
-new building: 12,000 sq. ft. x \$170:	\$2,040,000.00
-Operations & warehousing: 4000 sq. ft. x 120	\$ 480,000.00
-Outside Storage & servicing	\$ 60,000.00
-Parking: 70 x \$2,500	\$ 175,000.00
Total:	\$2,905,000.00

**Site Option 4:** Existing Innisfil Hydro with 2,500 sq. ft. addition & renos  
(3.3 acres)

-Land cost:	\$	00
-renovate existing 3 buildings (8,500 x \$50) :	\$	425,000.00
-accessibility upgrades: (ramps + 2 elevators)	\$	180,000.00
-new addition: 2,500 sq. ft. x \$170:	\$	425,000.00
-Operations & warehousing: 4000 sq. ft. x 120	\$	480,000.00
-remove two portables:	\$	10,000.00
-Outside Storage & servicing	\$	60,000.00
-Parking: 70 x \$2,500	\$	<u>175,000.00</u>
Total:		\$1,755,000.00

**Site Option 5:** Town of Innisfil Campus (Old Town Hall) (12,000 sq. ft.)

-Land cost:	\$	00
-renovate existing buildings and add Elevator addition:	\$	1,835,000.00
-Operations & warehousing (south campus): 4000 sq. ft. x 120	\$	480,000.00
-Parking: existing	\$	00
-Outside Storage & servicing	\$	<u>60,000.00</u>
Sub-total:		\$2,375,000.00
Less sale value for present property:		<u>\$1,000,000.00</u>
Total:		\$1,375,000.00

## Pros & Cons:

- Site Option 1:      Pros: Greenfield - build to suit, will not disrupt present operations
- Cons: land expense, low site may need to be raised, no sanitary or storm sewers, relatively high project cost.
- Site Option 2:      Pros: close to Hwy. 400, existing parking, will not disrupt present operations
- Cons: large interior volumes not conducive to widow adjacencies, Log building requires special clearances at partitions for seasonal building movement, most expensive project cost
- Site Option 3:      Pros: close to Hwy. 400
- Cons: relatively high project cost, construction will disrupt on-going operations (swing space needed), relatively small site.
- Site Option 4:      Pros: close to Hwy. 400, relatively low project cost, work can be phased
- Cons: some disruption will occur to present operations, inefficient operational space in 3 buildings, accessibility costs high and awkward, relatively small site.
- Site Option 5:      Pros: part of Campus Plan (close to admin), will not disrupt present operations, least expensive option,
- Cons: operations & warehousing remote from admin,

**Recommendation:** Site Option 5 is the recommended choice.

Michael McKnight, B. Arch. OAA

A handwritten signature in blue ink, appearing to read "Michael McKnight", enclosed within a thin yellow rectangular border.

EXHIBIT 3

PURCHASE AGREEMENT TO SELL 2061/2073 COMMERCE  
PARK DRIVE (\$925K)



**LEGAL SERVICES**  
L07-2012-03

February 13, 2013

George Shaparew  
Innisfil Hydro Distribution Systems Limited  
2073 Commerce Park Drive  
Innisfil, ON L9S 4A2

*VIA REGULAR MAIL AND  
E-MAIL (georges@Innisfilhydro.com)*

Dear Mr. Shaparew

**Re: The Corporation of the Town of Innisfil purchase  
from Innisfil Hydro Distributions Systems Limited ("Hydro")  
Lot 28, Plan 1640, Innisfil - 2073 Commerce Park Drive, Innisfil**

Please accept this letter as notice that the Town wishes to exercise the Option to purchase the Option Lands pursuant to Paragraph 4 of Schedule "A" of the Agreement of Purchase and Sale signed on July 31, 2012.

We understand that Hydro would like to change the scheduled closing date of February 28, 2014. Please advise as to an acceptable closing date for completing this transaction.

Yours very truly,

Jason Reynar  
Director of Legal Services  
705-436-3740 Ext. 1401  
[jreynar@innisfil.ca](mailto:jreynar@innisfil.ca)

JR/dd

cc: George Cameron, HGR Graham Partners

# Agreement of Purchase and Sale Commercial

Form 500  
for use in the Province of Ontario

This Agreement of Purchase and Sale dated this ..... day of ..... July ..... 20.12

**BUYER, THE CORPORATION OF THE TOWN OF INNISFIL**  
(Full legal names of all Buyers) ....., agrees to purchase from

**SELLER, INNISFIL HYDRO DISTRIBUTION SYSTEMSLIMITED**  
(Full legal names of all Sellers) ....., the following

**REAL PROPERTY:**

Address. 2061 Commerce Park Drive

fronting on the ..... east ..... side of ..... Commerce Park Drive  
in the Town of Innisfil

and having a frontage of ..... 146 m ..... more or less by a depth of ..... 77 m (irreg) ..... more or less  
and legally described as Lot 27, Plan 1640, Town of Innisfil, County of Simcoe

(Legal description of land including easements not described elsewhere) ..... (the "property").

**PURCHASE PRICE:**

Dollars (CDN\$) 500,000.00

Five Hundred Thousand

..... Dollars

**DEPOSIT:** Buyer submits herewith

(Herewith/Upon Acceptance/as otherwise described in this Agreement)

One

..... Dollars (CDN\$) 1.00

by negotiable cheque payable to the Seller  
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion.  
For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the  
Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that,  
unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's  
non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

**Buyer agrees to pay the balance as more particularly set out in Schedule A attached.**

**SCHEDULE(S) A...&B &C**

..... attached hereto form(s) part of this Agreement.

1. **IRREVOCABILITY:** This Offer shall be irrevocable by ..... Seller ..... until ..... 6:00 ..... a.m. on  
the ..... 31st ..... day of ..... July ..... 20.12 ..... after which time, if not accepted, this  
Offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the ..... 28th ..... day  
of ..... February ..... 20.14 ..... Upon completion, vacant possession of the property shall be given to the  
Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



## Amendment to Agreement of Purchase and Sale

**BETWEEN BUYER:** THE CORPORATION OF THE TOWN OF INNISFIL

**AND SELLER:** INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

**RE:** Agreement of Purchase and Sale between the Seller and Buyer, dated the 31st day of July, 20 2012,

concerning the property known as 2061 Commerce Park Drive, Innisfil

.....as more particularly described in the aforementioned Agreement.

**The Buyer(s) and Seller(s) herein agree to the following Amendments to the aforementioned Agreement:**

**Delete:**

**The Closing Date is February 28th, 2014.**

**The Requisition Date is February 19, 2014.**

**Insert:**

**The Closing Date is December 8, 2014**

**The Requisition Date is November 26, 2014**

**INITIALS OF BUYER(S):**

**INITIALS OF SELLER(S):**



**IRREVOCABILITY:** This Offer to Amend the Agreement shall be irrevocable by buyer until .....a.m./p.m. on the 18  
(Seller/Buyer)  
day of January, 2014, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor.

Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

**All other Terms and Conditions in the aforementioned Agreement to remain the same.**

SIGNED, SEALED AND DELIVERED in the presence of:

(Witness)

(Witness)

IN WITNESS whereof I have hereunto set my hand and seal:

THE CORPORATION OF THE TOWN OF INNISFIL

(Buyer/Seller)

(Buyer/Seller)

(Seal)

(Seal)

DATE January 6, 2014

DATE January 7, 2014

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of:

(Witness)

(Witness)

IN WITNESS whereof I have hereunto set my hand and seal:

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

(Buyer/Seller)

(Buyer/Seller)

(Seal)

(Seal)

DATE January 6, 2014

DATE January 6, 2014

The Undersigned Spouse of the Seller hereby consents to the Amendments hereinbefore set out:

(Witness)

(Spouse)

(Seal)

DATE .....

**CONFIRMATION OF ACCEPTANCE:** Notwithstanding anything contained herein to the contrary, I confirm this Amendment to Agreement with all changes

both typed and written was finally accepted by all parties at .....a.m./p.m. this ..... day of ..... 20.....

(Signature of Seller or Buyer)

#### ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

(Signature of Seller)  
(Signature of Seller)  
(Signature of Seller)

DATE JAN 6/14

DATE JAN 6/14

Address for Service.....

Tel.No.(.....)

Seller's Lawyer... **HGR GRAHAM PARTNERS (George Cameron)**

Address... **190 Cundels Road East, #107, Barrie, Ontario, L4M 4S5**

(**705**) **737-1811**

Tel.No.

(**705**) **737-5390**

FAX No.

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

(Buyer) DATE .....

(Buyer) DATE .....

Address for Service.....

Tel.No.(.....)

Buyer's Lawyer... **Jason Reynar**

Address... **2101 Innisfil Beach Road, Innisfil, Ontario, L9S 1A1**

(**705**) **436-3740**

Tel No

(**705**) **436-7121**

FAX No



3. **NOTICES:** ~~The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.~~ Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: ..... FAX No.: .....  
(For delivery of Documents to Seller) (For delivery of Documents to Buyer)

Email Address: ..... Email Address: .....  
(For delivery of Documents to Seller) (For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:** .....  
N/A  
.....  
.....  
.....

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:** .....  
N/A  
.....  
.....  
.....

6. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable: .....  
N/A  
.....  
.....

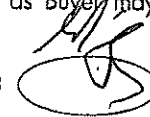
7. **HST:** If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price. The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the purchase price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the ..... 19th ..... day of ..... February ..... 20.14., (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (commercial) ..... may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):





9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.
10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.
11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.
12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller.
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.
15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
25. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



28. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) \_\_\_\_\_  
(Buyer/Authorized Signing Officer) **Barbara Bagwey** (Seal) DATE **July 31/12**  
(Witness) \_\_\_\_\_  
(Buyer/Authorized Signing Officer) **Jason Reynar** (Seal) DATE **July 31, 2012**  
**Director Legal Services/Clerk**

I, the Undersigned Seller, agree to the above Offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) \_\_\_\_\_  
(Seller/Authorized Signing Officer) \_\_\_\_\_ (Seal) DATE **July 31, 12.**  
(Witness) \_\_\_\_\_  
(Seller/Authorized Signing Officer) \_\_\_\_\_ (Seal) DATE **July 31, 12**

**SPOUSAL CONSENT:** The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) \_\_\_\_\_ (Spouse) \_\_\_\_\_ (Seal) DATE \_\_\_\_\_

**CONFIRMATION OF ACCEPTANCE:** Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at ..... a.m./p.m. this ..... day of ..... , 20.....

(Signature of Seller or Buyer)

**INFORMATION ON BROKERAGE(S)**

Listing Brokerage.....	Tel.No.(.....)
Co-op/Buyer Brokerage.....	Tel.No.(.....)

**ACKNOWLEDGEMENT**

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.	I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.
(Seller) _____ DATE _____	(Buyer) _____ DATE _____
(Seller) _____ DATE _____	(Buyer) _____ DATE _____
Address for Service..... Tel.No.(.....)	Address for Service..... Tel.No.(.....)
Seller's Lawyer: <b>HGR Graham Partners (George Cameron)</b> Address: <b>190 Cundles Road East, #107, Barrie, ON</b> ( 705 ) 737-1811 ( 705 ) 737-5390 Tel.No. FAX No.	Buyer's Lawyer: <b>Keisha-Ann Shaw Hill</b> Address: <b>The Corporation of The Town of Innisfil</b> ( 705 ) 436-3740 ( 705 ) 436-7120 Tel.No. FAX No.

<b>FOR OFFICE USE ONLY</b>	
<b>COMMISSION TRUST AGREEMENT</b>	
To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale: In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.	
DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.	Acknowledged by:
(Authorized to bind the Listing Brokerage)	(Authorized to bind the Co-operating Brokerage)

**Schedule A**  
**Agreement of Purchase and Sale – Commercial**

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

**BUYER,** THE CORPORATION OF THE TOWN OF INNISFIL ....., and

**SELLER,** INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED .....

for the purchase and sale of 2061 Commerce Park Drive .....

..... dated the ..... day of July, 2012 .....

Buyer agrees to pay the balance as follows:

1. The Buyer agrees to pay the balance of the purchase price, subject to adjustments, by bank draft or certified cheque to the Seller on the completion of this transaction.
2. This Agreement is conditional until 6:00 p.m. August 31, 2012 (the "Condition Date") upon each of the Buyer and Seller obtaining the requisite corporate or municipal authority, as the case may be, for (a) the purchase and sale of the subject Property, (b) the License arrangement described at Section 3 below, and (c) the Option set forth at Section 4 below; all substantially as set forth herein (hereinafter, the "Approval Conditions"). If either the Buyer or Seller fails to satisfy the Approval Conditions by the Condition Date, then this Agreement shall be at an end, the Deposit shall be returned to the Buyer and each of the Parties shall be relieved of their respective rights, entitlements and obligations herein.
3. The Purchaser shall have a License to occupy the Property by way of License, in the form attached hereto as Schedule "C" (the "License") from and after August 31, 2012 for the purposes of installing a reservoir and pumping station (the "Works"). The Purchaser shall be responsible for arranging all regulatory approvals for construction of the Works and for payment of all costs related to the Works. The Purchaser shall indemnify and save the Vendor harmless from and against any and all costs, liabilities, damages or any other form of obligation whatsoever that may arise out of or in connection with the Works. The Purchaser shall maintain builders risk and liability coverage for its occupation of the Property under License in the form and content satisfactory to the Vendor, which coverage shall name the Vendor as an additional secured party. The Purchaser shall provide the Vendor with a certificate confirming the foregoing coverage prior to closing.
4. The Vendor hereby grants the Purchaser an option to purchase Lot 28, Plan 1640 (the "Option Lands") at a price of \$425,000.00 (the "Option"). The Option must be triggered by the Purchaser on or before February 28, 2013 by notice, in writing, to the Vendor. If the Option is triggered by the Purchaser as aforesaid, the acquisition of the Option Lands shall be completed on the Closing Date set forth for the Subject Property herein. The purchase price for the Option Lands shall be paid by the Purchaser in full at Closing.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

**INITIALS OF BUYER(S):**

**INITIALS OF SELLER(S):**





SCHEDULE "C"

**LICENSE AGREEMENT**

This Agreement is made this 31<sup>st</sup> day of July, 2012.

BETWEEN:

**INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED**  
("Licensor" or "Hydro")

and

**THE CORPORATION OF THE TOWN OF INNISFIL**  
("Licensee" or "Town")

**RECITALS:**

- A. Hydro is the registered owner of lands known as 2061 Commerce Park Drive, Innisfil, more particularly described in Schedule "A", attached ("Lands").
- B. The Town is a municipal corporation incorporated and subsisting under the laws of the Province of Ontario.
- C. Hydro and the Town have entered into Purchase and Sale Agreement for the Lands to be completed February 28, 2014. As such, Hydro wishes to grant a license to the Town in order for the Licensee to have, use and possess a portion of the vacant Lands (as shown in schedule B) until completion of the Purchase and Sale Agreement.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the mutual covenants and agreements herein, the sufficiency of which is acknowledged, and subject to the terms and conditions set out in this Agreement, the parties agree as follows:

**1. GRANT OF LICENSE**

- 1.1 The Licensor authorizes and licenses the Licensee to occupy, maintain and use a portion of the vacant Lands for the purposes of constructing a water reservoir in accordance with its approved plans, and in accordance with the terms and conditions set out in this Agreement (the "Works").
- 1.2 It is understood and agreed that during the term of the license, Hydro will require the continued use of the building on the lands which includes but not limited to existing parking, septic system, ground source heating and driveway access. The Town may encroach onto the existing parking, septic system and ground source heating provided accommodations are made to the satisfaction of Hydro at the Town's cost.
- 1.3 This Agreement shall be in effect from and after August 31, 2012 to an until February 28, 2014 ("**Termination Date**").
- 1.4 It is understood and agreed that in the event that the Agreement for Purchase of Sale between the parties herein be extended for whatever reasons, then this License

Agreement shall also extend to the date of the closing of the Agreement for Sale and Purchase.

## **2. THE WORKS: SERVICES AND MATERIALS**

- 2.1 The Licensee undertakes to construct the Works in a good and workmanlike manner and in accordance with all federal, provincial and municipal statutory and regulatory authority of competent jurisdiction.
- 2.2 The Licensee undertakes and agrees with the Licensors to pay for the services and materials related to the Works promptly as those payments come due. In the event of any registration of a Notice of Lien under the *Construction Lien Act* (Ont.) <sup>a</sup>the Licensee shall (a) immediately notify the Licensors, stating the value and the nature of the claim and the services or materials to which it applies and (b) shall either (i) satisfy the Claim for Lien or (ii) vacate the Lien by payment of sufficient moneys into Court on account of any action arising out of the Lien.

## **3. INDEMNIFICATION**

- 3.1 The Licensee agrees that it will, from time to time and at all times hereafter, indemnify and save harmless the Licensors, its Board of Directors, employees, successors and assigns, from all claims, demands, actions, losses, damages, costs and causes of action, of every nature and kind which may be brought against or made upon the Licensors, arising out of the License permitted pursuant to this Agreement or the Works undertaken by the Licensors.

## **4. INSURANCE**

- 4.1 During the term of this Agreement, the Licensee shall obtain and maintain continuously in full force and effect Commercial General Liability insurance, naming the Licensors as an additional insured, with limits of not less than Five Million Dollars (\$5,000,000.00) inclusive per occurrence for bodily injury, death and damage to property. This insurance coverage shall include cross-liability and severability of interest clauses, non-owned automobile liability and standard contractual liability. This insurance coverage shall be taken out with an insurance company licensed to transact business in the Province of Ontario.
- 4.2 The Licensee shall provide proof of such insurance coverage to the Licensors.

## **5. MAINTENANCE OF LANDS**

- 5.1 The Licensee agrees to maintain the Licensors's lands free from obstruction and refuse and in a tidy condition, and to remove or remedy any hazardous matter or condition arising out of the use of the Lands pursuant to this Agreement, save and except obstruction and refuse generated during the normal course of construction. Failure to

comply with this condition may result in written notice to the Licensee to maintain the Lands in a tidy condition within thirty (30) days of the date of the notice.

## **6. COMPLIANCE**

- 6.1 The Licensee shall comply with all statutes, regulations, bylaws, rules, orders, and other requirements enacted or imposed by federal, provincial, municipal, or other governmental bodies, agencies, tribunals, or other authorities with respect to the obligations.

## **7. TAXES**

- 7.1 The Licensee agrees to pay any increase in federal, provincial and municipal taxes, rates, duties and assessments which may be specifically levied in respect of the use and occupancy of the Licensor's lands by the Licensee.

## **8. RIGHT OF ENTRY**

- 8.1 The Licensee agrees that the Licensor, its agents and invitees shall have the to enter on the Lands for any purpose necessary in the opinion of the Licensor, and such purposes may interfere to any extent necessary with the use of the Lands.

## **9. ASSIGNMENT**

- 9.1 The Licensee agrees that this Agreement and the rights contained herein shall not be assigned or transferred, either in whole or in part, without the consent of the Licensor, such consent not to be unreasonably withheld or delayed.

## **10. TENANCY NOT IMPLIED**

- 10.1 The parties agree that nothing in this Agreement shall be deemed to set up a tenancy by implication or otherwise.

## **11. REGISTRATION ON TITLE**

- 11.1 The Licensee agrees that this Agreement may be registered by the Licensor, at the Licensee's expense, against title to the Licensor's lands.

## **12. NOTICE**

- 12.1 Any notice to be given pursuant to this Agreement may be delivered or sent by registered mail and addressed as follows:

(a) to the Licensor at:                   Innisfil Hydro Distribution Systems Limited  
2073 Commerce Park Drive  
Innisfil, ON L9S 4A2

Attention: President

(b) to the Licensee at:                   The Corporation of the Town of Innisfil  
2101 Innisfil Beach Road  
Innisfil, ON L9S 1A1

Attention: Town Clerk

or to such other addresses as either party may from time to time designate by written notice to the other party.

- 13.2 Any notice given under this Agreement shall be deemed to have been received in the case of delivery, on the day on which it was delivered and, in the case of notice by mail, on the fifth business day following the day on which the notice was mailed.

### **13. CORPORATE CAPACITY**

- 13.1 The Licensee represents and warrants to the Licensor as follows:

- (a) the Licensee is a municipal corporation validly subsisting under the laws of Ontario and has full municipal power and corporate capacity to enter into this Agreement and any documents arising from this Agreement; and
- (b) all necessary municipal action has been taken by the Licensee to authorize the execution and delivery of this Agreement.

### **14. SUCCESSORS AND ASSIGNS**

- 14.1 This Agreement shall enure to the benefit of and be binding upon each of the parties hereto and their respective successors, heirs, executors, administrators and assigns.

## 15. SCHEDULES

15.1 Schedules "A" and "B", attached, shall form part of this Agreement.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be duly executed as of the date first written above.

INNISFIL HYDRO DISTRIBUTION  
SYSTEMS LIMITED

\_\_\_\_\_  
Name: John Skorobohacz  
Title: Chairman

\_\_\_\_\_  
Name: George Shaparew  
Title: President & CEO

I/We have authority to bind the corporation

SIGNED, SEALED AND DELIVERED )

Authorized by Bylaw No. 2012-XXXX )

RESOLUTION NO. CR-135-05-12

THE CORPORATION OF THE TOWN  
OF INNISFIL

\_\_\_\_\_  
Per: Barbara Baguley  
Name: Barbara Baguley  
Title: Mayor

\_\_\_\_\_  
Per: Jason Reynar  
Name: Jason Reynar  
Title: Clerk

We have authority to bind the Corporation.

## **SCHEDULE "A"**

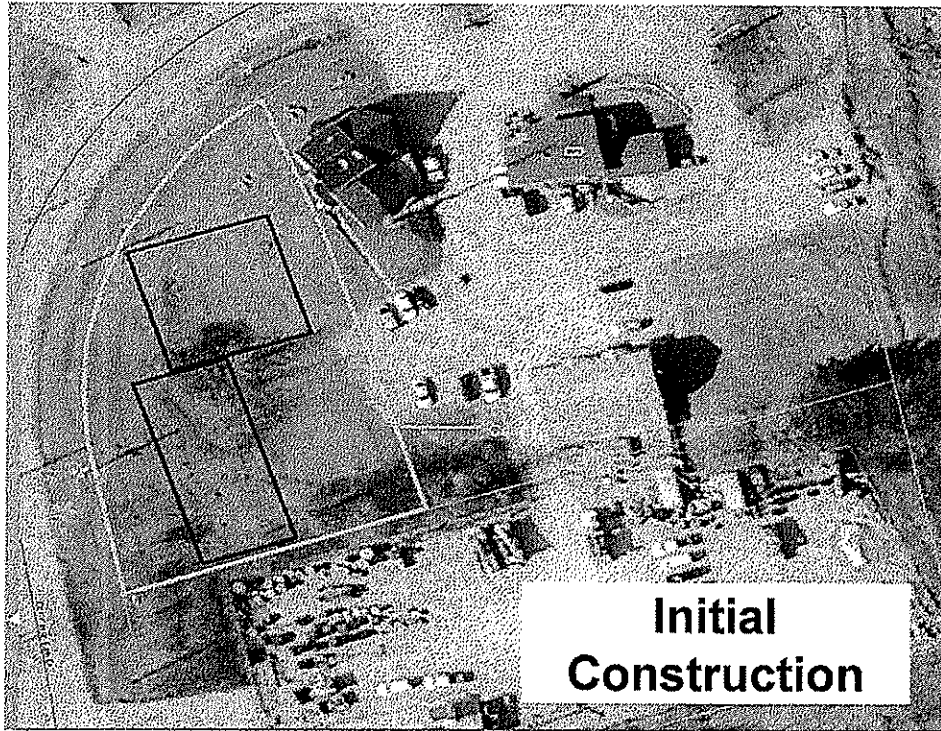
### **LANDS**

**PIN # 5806 20124**

2061 Commerce Park Avenue, being Lot 27, Plan 1640 (Innisfil), in the Town of Innisfil, County of Simcoe

## SCHEDULE "B"

Refer to drawings attached hereto and marked as Schedule "B"



## Amendment to Agreement of Purchase and Sale

**BETWEEN BUYER:** THE CORPORATION OF THE TOWN OF INNISFIL

**AND SELLER:** INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

**RE:** Agreement of Purchase and Sale between the Seller and Buyer, dated the 31st day of July, 20 2012,

concerning the property known as 2061 Commerce Park Drive, Innisfil

.....as more particularly described in the aforementioned Agreement.

**The Buyer(s) and Seller(s) herein agree to the following Amendments to the aforementioned Agreement:**

**Delete:**

**The Closing Date is February 28th, 2014.**

**The Requisition Date is February 19, 2014.**

**Insert:**

**The Closing Date is December 8, 2014**

**The Requisition Date is November 26, 2014**

**INITIALS OF BUYER(S):**

**INITIALS OF SELLER(S):**



**IRREVOCABILITY:** This Offer to Amend the Agreement shall be irrevocable by buyer until .....a.m./p.m. on the 18  
(Seller/Buyer)  
day of January, 2014, after which time, if not accepted, this Offer to Amend the Agreement shall be null and void.

For the purposes of this Amendment to Agreement, "Buyer" includes purchaser and "Seller" includes vendor.

Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective solicitors who are hereby expressly appointed in this regard.

**All other Terms and Conditions in the aforementioned Agreement to remain the same.**

SIGNED, SEALED AND DELIVERED in the presence of:

(Witness)

(Witness)

IN WITNESS whereof I have hereunto set my hand and seal:

THE CORPORATION OF THE TOWN OF INNISFIL

(Buyer/Seller)

(Buyer/Seller)

(Seal)

(Seal)

DATE January 6, 2014

DATE January 7, 2014

I, the Undersigned, agree to the above Offer to Amend the Agreement.

SIGNED, SEALED AND DELIVERED in the presence of:

(Witness)

(Witness)

IN WITNESS whereof I have hereunto set my hand and seal:

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

(Buyer/Seller)

(Buyer/Seller)

(Seal)

(Seal)

DATE January 6, 2014

DATE January 6, 2014

The Undersigned Spouse of the Seller hereby consents to the Amendments hereinbefore set out:

(Witness)

(Spouse)

(Seal)

DATE .....

**CONFIRMATION OF ACCEPTANCE:** Notwithstanding anything contained herein to the contrary, I confirm this Amendment to Agreement with all changes

both typed and written was finally accepted by all parties at .....a.m./p.m. this ..... day of ..... 20.....

(Signature of Seller or Buyer)

#### ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

(Signature of Seller)  
(Signature of Seller)  
(Signature of Seller)

DATE JAN 6/14

DATE JAN 6/14

Address for Service.....

Tel.No.(.....)

Seller's Lawyer... **HGR GRAHAM PARTNERS (George Cameron)**

Address... **190 Cundels Road East, #107, Barrie, Ontario, L4M 4S5**

(**705**) **737-1811**

Tel.No.

(**705**) **737-5390**

FAX No.

I acknowledge receipt of my signed copy of this accepted Amendment to Agreement and I authorize the Brokerage to forward a copy to my lawyer.

(Buyer) DATE .....

(Buyer) DATE .....

Address for Service.....

Tel.No.(.....)

Buyer's Lawyer... **Jason Reynar**

Address... **2101 Innisfil Beach Road, Innisfil, Ontario, L9S 1A1**

(**705**) **436-3740**

Tel.No.

(**705**) **436-7121**

FAX No.



EXHIBIT 4

PURCHASE AGREEMENT TO PURCHASE OLD TOWN HALL  
(\$650K)

This Agreement of Purchase and Sale dated this..... day of July 20 12

**BUYER, INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED**  
(Full legal names of all Buyers), agrees to purchase from

**SELLER, THE CORPORATION OF THE TOWN OF INNISFIL**  
(Full legal names of all Sellers), the following

**REAL PROPERTY:**

Address 2147 Innisfil Beach Road

fronting on the ..... side of .....

in the Town of Innisfil

and having a frontage of 116.2 m more or less by a depth of 123.9 m more or less

and legally described as Part Lot 16, Concession 7, Except Parts 1 & 2 on Plan 51R-35025

Town of Innisfil, County of Simcoe, more particularly shown as the (the "property").  
(Legal description of land including easements not described elsewhere)

draft R-Plan as attached as SCHEDULE (B).

**PURCHASE PRICE:** Dollars (CDN\$) 650,000.00

Six Hundred and Fifty Thousand Dollars

**DEPOSIT:** Buyer submits herewith  
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

One Dollars (CDN\$) 1.00

by negotiable cheque payable to the Seller "Deposit Holder"  
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion.  
For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the  
Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that,  
unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's  
non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

**Buyer agrees to pay the balance as more particularly set out in Schedule A attached.**

**SCHEDULE(S) A. & B** attached hereto form(s) part of this Agreement.

1. **IRREVOCABILITY:** This Offer shall be irrevocable by ..... until ..... a.m./p.m. on  
(Seller/Buyer)  
the 31st day of July 20 12, after which time, if not accepted, this  
Offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the 30th day  
of August, 20 12. Upon completion, vacant possession of the property shall be given to the  
Buyer unless otherwise provided for in this Agreement.

**INITIALS OF BUYER(S):**

**INITIALS OF SELLER(S):**



3. **NOTICES:** ~~The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.~~ Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: \_\_\_\_\_ FAX No.: \_\_\_\_\_  
(For delivery of Documents to Seller) (For delivery of Documents to Buyer)

Email Address: \_\_\_\_\_ Email Address: \_\_\_\_\_  
(For delivery of Documents to Seller) (For delivery of Documents to Buyer)

4. **CHATTELS INCLUDED:** .....  
N/A

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:** .....  
N/A

6. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable: .....  
N/A

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, If applicable, is not included in the purchase price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 20th day of August, 2012, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (commercial) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

INITIALS OF BUYER(S):



INITIALS OF SELLER(S):





9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.
10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.
11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.
12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller.
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.
15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
25. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



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28. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED  
(Witness) (Buyer/Authorized Signing Officer) (Seal) DATE July 31/12  
(Witness) (Buyer/Authorized Signing Officer) (Seal) DATE July 31/12

I, the Undersigned Seller, agree to the above Offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

THE CORPORATION OF THE TOWN OF INNISFIL  
(Witness) (Seller/Authorized Signing Officer) (Seal) DATE July 31/12  
(Witness) (Seller/Authorized Signing Officer) (Seal) DATE July 31/12

**SPOUSAL CONSENT:** The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) DATE

**CONFIRMATION OF ACCEPTANCE:** Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all

changes both typed and written was finally accepted by all parties at.....a.m./p.m. this.....day

of....., 20..... (Signature of Seller or Buyer)

#### INFORMATION ON BROKERAGE(S)

Listing Brokerage.....	Tel.No.(.....)
Co-op/Buyer Brokerage.....	Tel.No.(.....)

#### ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) DATE

(Seller) DATE

Address for Service.....

Tel.No.(.....)

Seller's Lawyer: **Keisha-Ann Shaw Hill**

Address: **The Corporation of the Town of Innisfil**

( 705 ) 436-3740 ( 705 ) 436-7120  
Tel.No. FAX No.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Buyer) DATE

(Buyer) DATE

Address for Service.....

Tel.No.(.....)

Buyer's Lawyer: **HGR Graham Partners (George Cameron)**

Address: **190 Cundles Road East, Suite 107, Barrie, ON**

( 705 ) 737-1811 ( 705 ) 737-5390  
Tel.No. FAX No.

#### FOR OFFICE USE ONLY

#### COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:

In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.

Acknowledged by:

(Authorized to bind the Listing Brokerage)

(Authorized to bind the Co-operating Brokerage)



# Schedule A

## Agreement of Purchase and Sale – Commercial

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

**BUYER, INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED**....., and

**SELLER, THE CORPORATION OF THE TOWN OF INNISFIL**.....

for the purchase and sale of **2147 Innisfil Beach Road**.....

..... dated the ..... day of **July**, 20 **12** .....

Buyer agrees to pay the balance as follows:

1. The Buyer agrees to pay the balance of the purchase price, subject to adjustments, by bank draft or certified cheque to the Seller on the completion of this transaction.

2. This Agreement is conditional until 6:00 p.m. on August 25, 2012 (the "Condition Date") upon each of the Buyer and Seller obtaining the requisite corporate or municipal authority, as the case may be, for the purchase and sale of the subject property substantially as set forth herein (hereinafter, the "Approval Conditions"). If either the Buyer or Seller fails to satisfy the Approval Conditions by the Condition Date, then this Agreement shall be at an end, the Deposit shall be returned to the Buyer and each of the Parties shall be relieved of their respective rights, entitlements and obligations herein.

3. If, following Closing, the Buyer ("Innisfil Hydro", in this section) should receive a bona fide offer to purchase the Subject Property or part thereof which it is willing to accept ("Third Party Offer"), Innisfil Hydro shall, by notice in writing ("Notice") to the Seller (the "Town", in this section), make an offer to sell the Subject Property (the "Hydro Offer to Sell") or part thereof to the Town at the price and at the same terms and conditions as are contained in the Third Party Offer. The Town shall have a period of 30 days from the date of Notice to accept the Hydro Offer to Sell, failing which Innisfil Hydro shall be free to accept the Third Party Offer and complete the sale of the Subject Property or part thereof in accordance with the Third Party Offer.

4. Title to the Subject Property shall be transferred to the Buyer subject to the following interests:

- (a) together with easements for ingress and egress over Parts 1 and 3, shown on the attached sketch; and
- (b) subject to easements in favour of the Town of Innisfil;
  - (i) over Part 4 for sewer and water utilities;
  - (ii) over Part 5 for the 10kw solar facility; and
  - (iii) over Part 6 for parking facilities.

5. THE BUYER AND SELLER HEREBY ACKNOWLEDGE THAT CLAUSE 3 UNDER SCHEDULE (A) SHALL REMAIN IN FULL FORCE AND EFFECT BINDING UPON THE BUYER, AND SHALL NOT BE DEEMED TO HAVE MERGED ON THE DELIVERY OF THE TRANSFER INSTRUMENT BUT SHALL SURVIVE THE CLOSING OF THE TRANSACTION.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

**INITIALS OF BUYER(S):** 

**INITIALS OF SELLER(S):** 



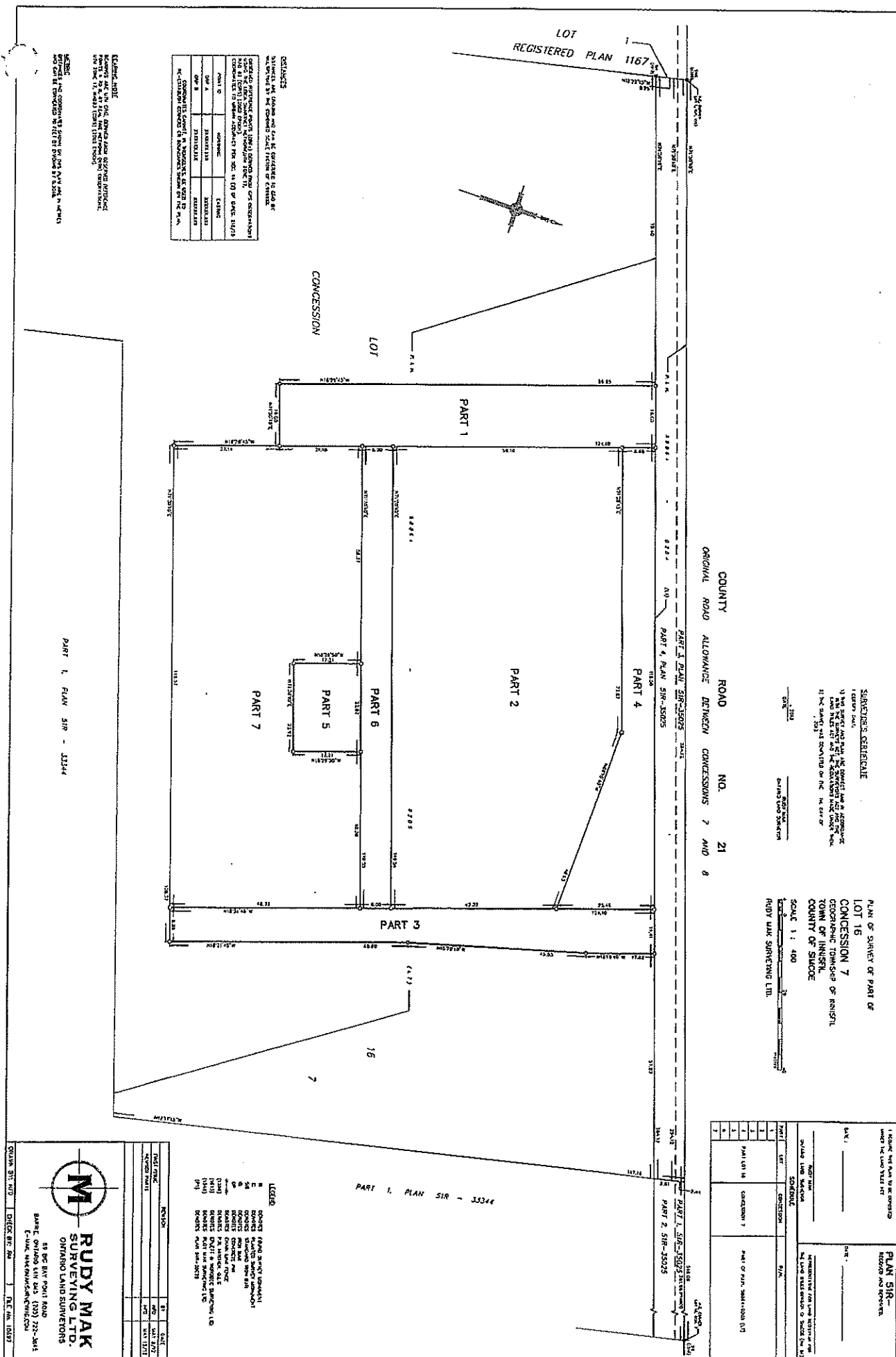


EXHIBIT 5

PURCHASE AGREEMENT TO SELL OLD TOWN HALL

This Agreement of Purchase and Sale dated this 23 day of May 2013

**BUYER,** THE CORPORATION OF TOWN OF INNISFIL, agrees to purchase from  
(Full legal names of all Buyers)

**SELLER,** INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED, the following  
(Full legal names of all Sellers)

**REAL PROPERTY:**

Address, 2147 Innisfil Beach Road

fronting on the side of

in the TOWN OF INNISFIL

and having a frontage of 116.2m more or less by a depth of 123.9m more or less

and legally described as Part Lot 16, Concession 7, being Parts 2, 4, 5, 6 & 7 on Plan 51R-38545,

Town of Innisfil, County of Simcoe (the "property").  
(Legal description of land including easements not described elsewhere)

**PURCHASE PRICE:** Dollars (CDN\$) 663,500.00

SIX HUNDRED & SIXTY-THREE THOUSAND & FIVE HUNDRED-----XX/100 Dollars

**DEPOSIT:** Buyer submits NIL  
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

Dollars (CDN\$) NIL

by negotiable cheque payable to "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

**Buyer agrees to pay the balance as more particularly set out in Schedule A attached.**

**SCHEDULE(S) A. & B (reference plan)** attached hereto form(s) part of this Agreement.

1. **IRREVOCABILITY:** This offer shall be irrevocable by Buyer until 5:00 a.m./p.m. on the 8 day of June 2013, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the 14 day of June 2013. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

**INITIALS OF BUYER(S):**

**INITIALS OF SELLER(S):**

3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: .....  
(For delivery of Documents to Seller)

FAX No.: .....  
(For delivery of Documents to Buyer)

Email Address: georges@innisfilhydro.com  
(For delivery of Documents to Seller)

Email Address: jreynar@innisfil.ca  
(For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:** N/A

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:** N/A

6. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable: N/A

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, If applicable, is not included in the Purchase Price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 13 day of June, 2013, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (vacant land) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

INITIALS OF BUYER(S):

\_\_\_\_\_

INITIALS OF SELLER(S):

\_\_\_\_\_



16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
25. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



**28. SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:  
**THE CORPORATION OF THE TOWN OF  
INNISFIL**

(Witness)

(Buyer/Authorized Signing Officer)

(Seal)

DATE.....

(Witness)

(Buyer/Authorized Signing Officer)

(Seal)

DATE.....

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:  
**INNISFIL HYDRO DISTRIBUTION  
SYSTEMS LIMITED**

(Witness)

(Seller/Authorized Signing Officer)

(Seal)

DATE.....

(Witness)

(Seller/Authorized Signing Officer)

(Seal)

DATE.....

**SPOUSAL CONSENT:** The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness)

(Spouse)

(Seal)

DATE.....

**CONFIRMATION OF ACCEPTANCE:** Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at.....a.m./p.m. this.....day of.....  
**May**, 20 **13**

(Signature of Seller or Buyer)

**INFORMATION ON BROKERAGE(S)**

Listing Brokerage..... Tel.No.(.....)

Co-op/Buyer Brokerage..... Tel.No.(.....)

**ACKNOWLEDGEMENT**

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller)..... DATE.....

(Seller)..... DATE.....

Address for Service.....

Tel.No.(.....)

Seller's Lawyer: **HGR Graham Partners - George Cameron**

Address: **190 Cundles Road East, Suite 107, Barrie, ON, L4M 4S5**

( 705 ) 737-1811 ( 705 ) 737-5390

Tel.No.

FAX No.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Buyer)..... DATE.....

(Buyer)..... DATE.....

Address for Service.....

Tel.No.(.....)

Buyer's Lawyer: **Jason Reynar**

Address: **2101 Innisfil Beach Road, Innisfil, ON, L9S 1A1**

( 705 ) 436-3740 ( 705 ) 436-7121

Tel.No.

FAX No.

**FOR OFFICE USE ONLY**

**COMMISSION TRUST AGREEMENT**

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:

In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.

Acknowledged by:

(Authorized to bind the Listing Brokerage)

(Authorized to bind the Co-operating Brokerage)



**Schedule A**  
**Agreement of Purchase and Sale – Commercial**

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

**BUYER,** THE CORPORATION OF TOWN OF INNISFIL ....., and

**SELLER,** INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED .....

for the purchase and sale of 2147 Innisfil Beach Road .....

..... dated the 23 ..... day of May ....., 20.13 .....

The Buyer acknowledges and agrees that the Seller has undertaken the demolition of the buildings and other improvements at the Property at an accumulated cost to the Seller in the amount of \$174,000 (the "Demo Costs"). The Demo Costs shall constitute an Adjustment in favour of the Seller at Closing. The Seller represents and warrants to the Buyer that all trade creditor accounts related to the Demo Costs have been paid in full. Upon adjustment for the Demo Costs, as aforesaid, the Seller shall indemnify and save the Buyer harmless against any third party claims for moneys owing in respect of the Demo Costs.

The Vendor agrees to accept payment of the Purchase Price plus Adjustments in the aggregate amount of \$837,500.00 as a credit against the purchase price of the Vendor's property at Part Lot 16, Con 7 (being Parts 1 & 3 on Reference Plan 51R-38921) which is valued at \$998,250.00.

This Agreement is conditional upon the coincident completion of the purchase and sale of Part of Lot 16, Con 7 Innisfil (being Parts 1 & 3 on Reference Plan 51R-38921) together with an easement over Part 2 on 51R-38291 for purposes of ingress and egress and utility access to and from Parts 1 & 3 51R-38291 in accordance with an Agreement of Purchase and sale between the Parties hereto of even date. This condition is a condition precedent and cannot be waived by either the Buyer or the Seller.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

**INITIALS OF BUYER(S):** 

**INITIALS OF SELLER(S):** 



# SCHEDULE "B"

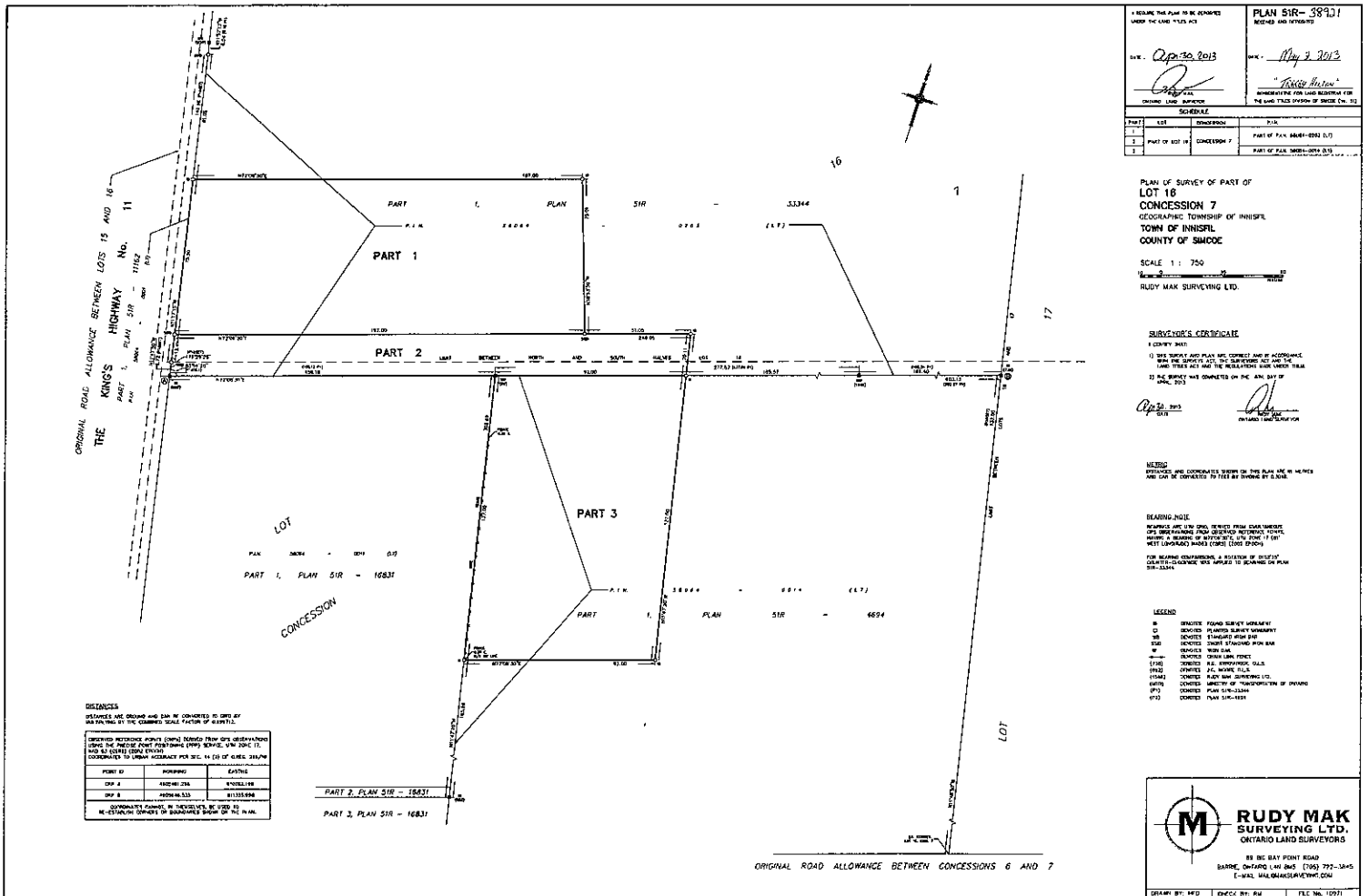


EXHIBIT 6  
PURCHASE AGREEMENT TO PURCHASE NEW SITE  
LOCATION

This Agreement of Purchase and Sale dated this 23 day of May 2013

**BUYER,** INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED, agrees to purchase from  
(Full legal names of all Buyers)

**SELLER,** THE CORPORATION OF THE TOWN OF INNISFIL, the following  
(Full legal names of all Sellers)

**REAL PROPERTY:**

Address.....

fronting on the southern side of Yonge Street

in the Town of Innisfil

and having a frontage of ..... more or less by a depth of ..... more or less

and legally described as Pt of Lot 16, Con 7, being Pts 1 & 3 on Plan 51R38921 t/w an easement over Pt 2 on Plan

51R38921, for the purpose of ingress & egress to Pts 1 & 3, Plan 51R382 for utility access (the "property").  
(Legal description of land including easements not described elsewhere)

**PURCHASE PRICE:** Dollars (CDN\$) 998,250.00

NINE HUNDRED & NINETY EIGHT THOUSAND TWO HUNDRED & FIFTY-----XX/100 Dollars

**DEPOSIT:** Buyer submits NIL  
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

..... Dollars (CDN\$) NIL

by negotiable cheque payable to..... "Deposit Holder"  
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion.  
For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the  
Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that,  
unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's  
non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

**Buyer agrees to pay the balance as more particularly set out in Schedule A attached.**

**SCHEDULE(S) A. & B (reference plan)**.....**attached hereto form(s) part of this Agreement.**

1. **IRREVOCABILITY:** This offer shall be irrevocable by Buyer until 5:00 a.m./p.m. on  
(Seller/Buyer)  
the 8 day of June 2013, after which time, if not accepted, this  
offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. **COMPLETION DATE:** This Agreement shall be completed by no later than 6:00 p.m. on the 14 day  
of June, 2013. Upon completion, vacant possession of the property shall be given to the  
Buyer unless otherwise provided for in this Agreement.

**INITIALS OF BUYER(S):**

\_\_\_\_\_

**INITIALS OF SELLER(S):**

\_\_\_\_\_

3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.: .....  
(For delivery of Documents to Seller)

FAX No.: .....  
(For delivery of Documents to Buyer)

Email Address: jreynar@innifil.ca  
(For delivery of Documents to Seller)

Email Address: georges@innifilhydro.com  
(For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:** N/A  
.....  
.....  
.....  
.....

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:** N/A  
.....  
.....  
.....  
.....

6. **RENTAL ITEMS:** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable: N/A  
.....  
.....  
.....

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 13 day of June, 2013, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (vacant land) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

INITIALS OF BUYER(S):

.....

INITIALS OF SELLER(S):

.....



9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.
10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.
11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Upper Canada. Unless otherwise agreed to by the lawyers, such exchange of the Requisite Deliveries will occur in the applicable Land Titles Office or such other location agreeable to both lawyers.
12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.
14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.
15. **PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



16. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
17. **RESIDENCY:** Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
18. **ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
20. **PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
21. **TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
22. **FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless Seller's spouse has executed the consent hereinafter provided.
23. **UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
24. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
25. **CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
26. **AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. **TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):



This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

**BUYER, INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED** ....., and

**SELLER, THE CORPORATION OF THE TOWN OF INNISFIL** .....

for the purchase and sale of .....

**Plan 51R38921** ..... dated the **23** ..... day of **May** ....., 20**13** .....

Buyer agrees to pay the balance as follows:

**The Purchase Price shall be paid by the Buyer to the Seller as follows:**

- By the transfer of 2147 Innisfil Beach Road from the Buyer to Seller, at an aggregate value of \$837,500.00; and
- By the payment of the balance of the Purchase Price, subject to adjustments, to the Seller on completion of this transaction, with funds drawn in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

This Agreement is conditional upon the coincident completion of the purchase and sale of 2147 Innisfil Beach Rd, Innisfil (being Parts 2, 4, 5, 6 & 7 on Reference Plan 51R-38545) in accordance with a separate Agreement of Purchase and sale between the Parties hereto of even date. This condition is a condition precedent and cannot be waived by either the Buyer or the Seller.

In the event that the Buyer should determine in its best interests that it intends to sell all or any portion of the subject Property then it shall so notify the Seller of its intention to sell in writing ("Notice of Intention to Sell"). Upon receipt of a Notice of Intention to Sell, the Seller (Town of Innisfil) shall have a right to purchase the subject Property (or any portion thereof which is intended to be sold according to the Notice) by so notifying the Buyer (Innisfil Hydro) of its intention to do so not later than 90 days following the said Notice of Intention to Sell ("Notice of Intention to Buy"). If the Town of Innisfil does not deliver a Notice of Intention to Buy then Innisfil Hydro shall be free to sell the Property (or portion thereof) to any third party. If the Town of Innisfil does deliver a Notice of Intention to Buy then Innisfil Hydro shall sell and the Town of Innisfil shall buy the Property (or part thereof which intended to be sold by Innisfil Hydro) upon the following terms and conditions:

- The Property which is tended to be bought and sold shall be appraised by an appraiser nominated jointly by Innisfil Hydro and Town of Innisfil;
- The purchase price of the Property shall be determined by that single appraiser as the fair market value of the property determined for its highest and best use according to its permitted uses allowed by applicable zoning requirements and in its then current buildings, facilities and other improvements;
- The purchase and sale shall be completed within six months following delivery of the Notice of Intention to Buy;
- The Property shall be conveyed from Innisfil Hydro to the Town of Innisfil with good and marketable title free and clear of all encumbrances save for (i) minor utility easements which have been complied with or (ii) site plan or development agreements which have been complied with.
- The purchase price of the Property, as determined by the aforementioned appraisal, shall be paid in full, subject to usual adjustments, at the time of completion of the transfer;
- Any issue or disagreement between the Town of Innisfil and Innisfil Hydro arising out of this Option shall be referred to non binding mediation. If the issue or disagreement is not settled within 90 days then the matter shall be settled in accordance with the Arbitration Act (Ont.)

This form must be initialed by all parties to the Agreement of Purchase and Sale.

**INITIALS OF BUYER(S):** 

**INITIALS OF SELLER(S):** 



28. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:  
**INNISFIL HYDRO DISTRIBUTION SYSTEMS  
LIMITED**

(Witness)

(Buyer/Authorized Signing Officer)



DATE.....

(Witness)

(Buyer/Authorized Signing Officer)



DATE.....

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of:

IN WITNESS whereof I have hereunto set my hand and seal:  
**THE CORPORATION OF THE TOWN OF  
INNISFIL**

(Witness)

(Seller/Authorized Signing Officer)



DATE.....

(Witness)

(Seller/Authorized Signing Officer)



DATE.....

**SPOUSAL CONSENT:** The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness)

(Spouse)



DATE.....

**CONFIRMATION OF ACCEPTANCE:** Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at.....a.m./p.m. this.....day of....., 20.....

(Signature of Seller or Buyer)

#### INFORMATION ON BROKERAGE(S)

Listing Brokerage..... Tel.No.(.....)

Co-op/Buyer Brokerage..... Tel.No.(.....)

#### ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller)..... DATE.....

(Buyer)..... DATE.....

(Seller)..... DATE.....

(Buyer)..... DATE.....

Address for Service.....  
Tel.No.(.....)

Address for Service.....  
Tel.No.(.....)

Seller's Lawyer: **Jason Reynar**

Buyer's Lawyer: **HGR GRAHAM PARTNERS, - George Cameron**

Address: **2101 Innisfil Beach Road, Innisfil, ON, L9S 1A1**

Address: **190 Cundles Road East, Suite 107, Barrie, ON, L4M 4S5**

( 705 ) **436-3740** ( 705 ) **436-7121**  
Tel.No. FAX No.

( 705 ) **737-1811** ( 705 ) **737-5390**  
Tel.No. FAX No.

#### FOR OFFICE USE ONLY

#### COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:

In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.

Acknowledged by:

(Authorized to bind the Listing Brokerage)

(Authorized to bind the Co-operating Brokerage)



[illegible]

ORIGINAL ROAD ALLOWANCE BETWEEN CONCESSIONS 6 AND 7

**RUDY MAK**  
SURVEYING LTD.  
ONTARIO LAND SURVEYORS

89 BIG BAY POINT ROAD  
BARRIE, ONTARIO L4N 6M5 (705) 722-3845  
E-MAIL MAIL@MAKSURVEYING.COM

DATE	10/10/2010	TIME	10:10
BY	HEO	CLERK	NO
REMARKS	10/10/2010 10:10		

EXHIBIT 7

B.W.K. CONSTRUCTION AGREEMENT

## CCDC 2

## stipulated price contract

2008

INNISFIL HYDRO NEW FACILITY  
INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

This agreement is protected by  
copyright and is intended by the  
parties to be an unaltered version of  
CCDC 2 - 2008 except to the extent  
that any alterations, additions or  
modifications are set forth in  
supplementary conditions.



CANADIAN CONSTRUCTION DOCUMENTS COMMITTEE  
CANADIAN CONSTRUCTION DOCUMENTS COMMITTEE  
CANADIAN CONSTRUCTION DOCUMENTS COMMITTEE

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The Canadian Construction Documents Committee (CCDC) is a national joint committee responsible for the development, production and review of standard Canadian construction contracts, forms and guides. Formed in 1974 the CCDC is made up of volunteer representatives from:

- Public Sector Owners
- Private Sector Owners
- Canadian Bar Association (Ex-Officio)
- \* The Association of Canadian Engineering Companies
- \* The Canadian Construction Association
- \* Construction Specifications Canada
- \* The Royal Architectural Institute of Canada

\*Committee policy and procedures are directed and approved by the four constituent national organizations.

CCDC 2 is the product of a consensus-building process aimed at balancing the interests of all parties on the construction project. It reflects recommended industry practices. CCDC 2 can have important consequences. The CCDC and its constituent member organizations do not accept any responsibility or liability for loss or damage which may be suffered as a result of the use or interpretation of CCDC 2.

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AGREEMENT BETWEEN OWNER AND CONTRACTOR  
For use when a stipulated price is the basis of payment.

This Agreement made on the 8th day of July in the year 2013 .

by and between the parties

Innisfil Hydro Distribution Systems Limited

hereinafter called the "Owner"

and

B.W.K. Construction Company Ltd.

hereinafter called the "Contractor"

The Owner and the Contractor agree as follows:

ARTICLE A-1 THE WORK

The Contractor shall:

- 1.1 perform the Work required by the Contract Documents for  
Innisfil Hydro New Facility

insert above the name of the Work

located at  
7251 Yonge Street, Innisfil, Ontario

insert above the Place of the Work

for which the Agreement has been signed by the parties, and for which  
McKnight Charron Laurin Inc. - Architects

insert above the name of the Consultant

is acting as and is hereinafter called the "Consultant" and

- 1.2 do and fulfill everything indicated by the Contract Documents, and
- 1.3 commence the Work by the 29 day of July in the year 2013 and, subject to adjustment in Contract Time as provided for in the Contract Documents, attain Substantial Performance of the Work, by the 29 day of September in the year 2014 .

ARTICLE A-2 AGREEMENTS AND AMENDMENTS

- 2.1 The Contract supersedes all prior negotiations, representations or agreements, either written or oral, relating in any manner to the Work, including the bidding documents that are not expressly listed in Article A-3 of the Agreement - CONTRACT DOCUMENTS.
- 2.2 The Contract may be amended only as provided in the Contract Documents.

Note: This contract is protected by copyright. Use of a CCDC 2 document not containing a CCDC 2 copyright seal constitutes an infringement of copyright. Only sign this contract if the document cover page bears a CCDC 2 copyright seal to demonstrate that it is intended by the parties to be an accurate and unamended version of CCDC 2 – 2008 except to the extent that any alterations, additions or modifications are set forth in supplementary conditions.

## ARTICLE A-3 CONTRACT DOCUMENTS

3.1 The following are the *Contract Documents* referred to in Article A-1 of the Agreement - THE WORK:

- Agreement between *Owner* and *Contractor*
- Definitions
- The General Conditions of the Stipulated Price Contract
- \*

Refer attached List of Tender Documents Appendix "A"

\* (Insert here, attaching additional pages if required, a list identifying all other Contract Documents e.g. supplementary conditions; information documents; specifications, giving a list of contents with section numbers and titles, number of pages and date; material finishing schedules; drawings, giving drawing number, title, date, revision date or mark; addenda, giving title, number, date)

## ARTICLE A-4 CONTRACT PRICE

4.1 The *Contract Price*, which excludes *Value Added Taxes*, is:

Eight Million Six Hundred Seventy Thousand

/100 dollars

\$ 8,670,000.00

4.2 *Value Added Taxes* (of 13 %) payable by the *Owner* to the *Contractor* are:

One Million One Hundred Twenty Seven Thousand One Hundred

/100 dollars

\$ 1,127,100.00

4.3 Total amount payable by the *Owner* to the *Contractor* for the construction of the *Work* is:

Nine Million Seven Hundred Ninety Seven Thousand One Hundred

/100 dollars

\$ 9,797,100.00

4.4 These amounts shall be subject to adjustments as provided in the *Contract Documents*.

4.5 All amounts are in Canadian funds.

## ARTICLE A-5 PAYMENT

5.1 Subject to the provisions of the *Contract Documents*, and in accordance with legislation and statutory regulations respecting holdback percentages and, where such legislation or regulations do not exist or apply, subject to a holdback of Ten percent ( 10 %), the *Owner* shall:

- .1 make progress payments to the *Contractor* on account of the *Contract Price* when due in the amount certified by the *Consultant* together with such *Value Added Taxes* as may be applicable to such payments, and
- .2 upon *Substantial Performance of the Work*, pay to the *Contractor* the unpaid balance of the holdback amount when due together with such *Value Added Taxes* as may be applicable to such payment, and
- .3 upon the issuance of the final certificate for payment, pay to the *Contractor* the unpaid balance of the *Contract Price* when due together with such *Value Added Taxes* as may be applicable to such payment.

5.2 In the event of loss or damage occurring where payment becomes due under the property and boiler insurance policies, payments shall be made to the *Contractor* in accordance with the provisions of GC 11.1 – INSURANCE.

5.3 Interest

- .1 Should either party fail to make payments as they become due under the terms of the *Contract* or in an award by arbitration or court, interest at the following rates on such unpaid amounts shall also become due and payable until payment:
  - (1) 2% per annum above the prime rate for the first 60 days.
  - (2) 4% per annum above the prime rate after the first 60 days.Such interest shall be compounded on a monthly basis. The prime rate shall be the rate of interest quoted by

Bank of Canada

(Insert name of chartered lending institution whose prime rate is to be used)

for prime business loans as it may change from time to time.

- .2 Interest shall apply at the rate and in the manner prescribed by paragraph 5.3.1 of this Article on the settlement amount of any claim in dispute that is resolved either pursuant to Part 8 of the General Conditions – DISPUTE RESOLUTION or otherwise, from the date the amount would have been due and payable under the *Contract*, had it not been in dispute, until the date it is paid.

## ARTICLE A-6 RECEIPT OF AND ADDRESSES FOR NOTICES IN WRITING

- 6.1 *Notices in Writing* will be addressed to the recipient at the address set out below. The delivery of a *Notice in Writing* will be by hand, by courier, by prepaid first class mail, or by facsimile or other form of electronic communication during the transmission of which no indication of failure of receipt is communicated to the sender. A *Notice in Writing* delivered by one party in accordance with this *Contract* will be deemed to have been received by the other party on the date of delivery if delivered by hand or courier, or if sent by mail it shall be deemed to have been received five calendar days after the date on which it was mailed, provided that if either such day is not a *Working Day*, then the *Notice in Writing* shall be deemed to have been received on the *Working Day* next following such day. A *Notice in Writing* sent by facsimile or other form of electronic communication shall be deemed to have been received on the date of its transmission provided that if such day is not a *Working Day* or if it is received after the end of normal business hours on the date of its transmission at the place of receipt, then it shall be deemed to have been received at the opening of business at the place of receipt on the first *Working Day* next following the transmission thereof. An address for a party may be changed by *Notice in Writing* to the other party setting out the new address in accordance with this Article.

### Owner

Innisfil Hydro Distribution Systems Limited

\_\_\_\_\_  
*name of Owner\**

2073 Commerce Park Drive, Innisfil, Ontario, L9S 4A2

\_\_\_\_\_  
*address*

705-431-6872

\_\_\_\_\_  
*facsimile number*

\_\_\_\_\_  
*email address*

### Contractor

B.W.K. Construction Company Ltd.

\_\_\_\_\_  
*name of Contractor\**

642 Welham Road, Unit 101, Barrie, Ontario, L4N 9A1

\_\_\_\_\_  
*address*

705-722-7742

\_\_\_\_\_  
*facsimile number*

\_\_\_\_\_  
*email address*

### Consultant

McKnight Charron Laurin Inc. - Architects

\_\_\_\_\_  
*name of Consultant\**

67 High Street, Barrie, Ontario. L4N 1W5

\_\_\_\_\_  
*address*

705 726-5418

\_\_\_\_\_  
*facsimile number*

\_\_\_\_\_  
*email address*

\* If it is intended that the notice must be received by a specific individual, that individual's name shall be indicated.

## ARTICLE A-7 LANGUAGE OF THE CONTRACT

- 7.1 When the *Contract Documents* are prepared in both the English and French languages, it is agreed that in the event of any apparent discrepancy between the English and French versions, the English / ~~French~~ # language shall prevail.  
# Complete this statement by striking out inapplicable term.

- 7.2 This Agreement is drawn in English at the request of the parties hereto. La présente convention est rédigée en anglais à la demande des parties.

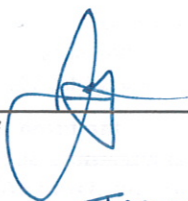
## ARTICLE A-8 SUCCESSION

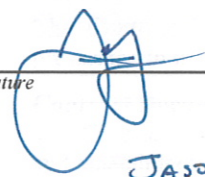
8.1 The *Contract* shall enure to the benefit of and be binding upon the parties hereto, their respective heirs, legal representatives, successors, and assigns.

In witness whereof the parties hereto have executed this Agreement by the hands of their duly authorized representatives.

SIGNED AND DELIVERED  
in the presence of:

WITNESS

  
signature  
JASON REYNAR  
name of person signing

  
signature  
JASON REYNAR  
name of person signing

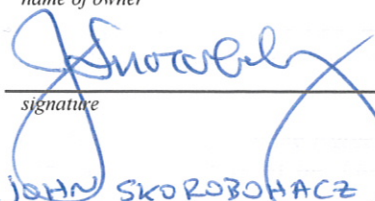
WITNESS

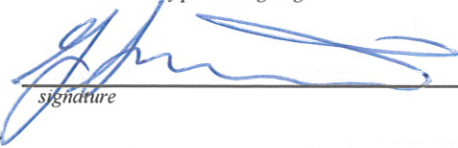
Kim Robillard  
signature  
Kim Robillard  
name of person signing

\_\_\_\_\_  
signature  
\_\_\_\_\_  
name of person signing

OWNER

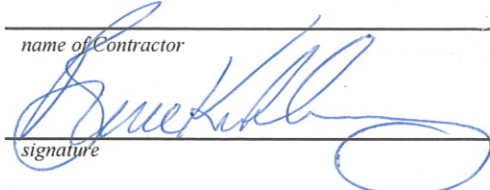
Innisfil Hydro Distribution Systems Limited

\_\_\_\_\_  
name of owner  
  
signature  
JOHN SKOROBOHACZ, CHAIRMAN  
name and title of person signing

  
signature  
GEORGE SHAPAREN, PRESIDENT CCDC  
name and title of person signing

CONTRACTOR

B.W.K. Construction Company Ltd.

\_\_\_\_\_  
name of Contractor  
  
signature  
BRUCE ROBBINGA, PRESIDENT  
name and title of person signing

\_\_\_\_\_  
signature  
\_\_\_\_\_  
name and title of person signing

N.B. Where legal jurisdiction, local practice or Owner or Contractor requirement calls for:  
(a) proof of authority to execute this document, attach such proof of authority in the form of a certified copy of a resolution naming the representative(s) authorized to sign the Agreement for and on behalf of the corporation or partnership; or  
(b) the affixing of a corporate seal, this Agreement should be properly sealed.