



File Number: EB-2014-0096

Date Filed: September 23, 2014

Exhibit 5

COST OF CAPITAL AND CAPITAL STRUCTURE



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Exhibit 5

Tab 1 of 2

Capital Structure

Capital Structure

OVERVIEW

This section provides evidence to support the method and cost of financing requirements for the 2015 test year.

NPEI has followed the *Report of the Board on Cost of Capital for Ontario's Regulated Utilities* dated December 11, 2009, to determine its capital structure and relied on the Board's November 25, 2013 *Cost of Capital Parameter Updates Letter* for the cost of capital parameters. NPEI will update the cost of capital parameters when new parameters are made available prior to the Board's decision on NPEI's 2015 distribution rates.

Overall, NPEI is requesting a deemed interest expense of \$3,567,234 and a deemed return on equity of \$5,382,446 for a total regulated return on capital of \$8,949,680 for the 2015TY.

The derivation of the 2015TY regulated return on capital is illustrated in the following attachment Capitalization and Cost of Capital (E5/T1/S1/Att1).

There are no adjustments required related to the MIFRS transition as the impact of MIFRS is fully reflected in the 2015 balances.

CAPITAL STRUCTURE

NPEI's current deemed capital structure, as approved in NPEI's 2011 COS Decision and Order (EB-2010-0138), is 4% as the short-term debt portion, 56% as the long-term debt portion and 40% as Equity. For the purpose of setting distribution rates for the 2015TY, NPEI adheres to Board policy where it has been determined that a split of 60% debt and, 40% equity is appropriate for all electricity distributors and is requesting that NPEI's capital structure remains the same.

1 The table below provides NPEI's proposed capital structure and cost of capital. Based on
2 NPEI's rate base for the 2015 test year, the aggregate deemed debt totals \$86,257,141 and the
3 total equity of \$57,504,761. Copies of the Board's Appendices 2-OA and 2-OB provide further
4 details on NPEI's cost of capital since the last 2010 Cost of Service rate application and are
5 provided in E5/T1/S1/Att1 and E5/T1/S1/Att2, respectively.

6
7 Table 5-1 below illustrates NPEI's deemed capital structure versus NPEI's actual capital
8 structure for the period from 2010 to the 2015 test year. Long Term Debt includes the current
9 portion due in the following year. Common equity is derived by removing any impact of the fair
10 market value bump resulting from the merger between the former Niagara Falls Hydro and the
11 former Peninsula West Utilities.

12
13 Table 5-2 below details the life-to-date removal of the depreciation expense related to the fair
14 market value and the contributed surplus. Interest on long term debt expense includes
15 accounts 6005-interest on long term debt and account 6030- interest expense on affiliated debt.
16 Net income is calculated as regulatory net income which removes the impact of depreciation
17 expense related to the fair market value bump on assets from the merger.

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19 For the 2015 test year NPEI's long term debt to equity ratio is 44%:56% which is not within the
20 56%:40% range set by the Board's policy where it has been determined that a split of 60% debt
21 and, 40% equity is appropriate for all electricity distributors.

Table 5-1 Capital Structure Deemed versus Actual

	Exclude FMV	Exclude FMV	Exclude FMV	Exclude FMV	Exclude FMV	Exclude FMV	Exclude FMV
	2010 Actual	2011 Board Approved	2011 Actual	2012 Actual	2013 Actual	2014 Bridge	2015 Test
	NPEI	NPEI	NPEI	NPEI	NPEI	NPEI	NPEI
Long Term Debt including current portion	41,356,335	66,964,501	39,239,365	47,027,846	54,714,362	52,844,734	59,329,659
Short Term Debt	-	4,783,179	-	-	-	-	-
Common Equity	61,518,553	47,831,787	64,417,111	67,471,719	70,416,924	71,927,310	76,109,756
Actual Debt/Equity							
Long Term Debt Ratio	40%	56%	38%	41%	44%	42%	44%
Short Term Debt Ratio	0%	4%	0%	0%	0%	0%	0%
Equity Ratio	60%	40%	62%	59%	56%	58%	56%
Deemed Debt/Equity	(56%+4%)/40%	(56%+4%)/40%	(56%+4%)/40%	(56%+4%)/40%	(56%+4%)/40%	(56%+4%)/40%	(56%+4%)/40%
Interest on Long Term Expense	2,569,377	3,452,039	2,605,619	2,255,403	2,172,196	2,347,315	2,412,462
Interest on Short Term Expense	-	117,666	-	-	-	-	-
Net Income add back PILS refund	3,767,602	5,409,881	3,398,558	3,888,793	4,145,205	2,710,387	5,382,446
Actual Long Term Debt Rate	6.21%	5.16%	6.64%	4.80%	3.97%	4.44%	4.07%
Actual Short Term Debt Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Actual Return on Equity	6.12%	11.31%	5.28%	5.76%	5.89%	3.77%	7.07%
Deemed Long Term Debt Rate	7.13%	5.16%	5.16%	5.16%	5.16%	5.16%	4.28%
Deemed Short Term Debt Rate	0.00%	2.46%	2.46%	2.46%	2.46%	2.46%	2.11%
Deemed Return on Equity	9.85%	9.58%	9.58%	9.58%	9.58%	9.58%	9.36%
Actual Cost of Capital	6.16%	7.41%	5.79%	5.37%	5.05%	4.05%	5.76%
Deemed Cost of Capital	8.06%	6.82%	6.82%	6.82%	6.82%	6.82%	6.23%

Long term debt includes the current portion. As per Table 5-2 which illustrates the current portion of long term debt as well as the long term portion per an extract of the Liabilities and Shareholder's Equity portion of NPEI's audited financial statements from 2008 to 2013. The Common Equity above in Table 5-1 is derived on a life to date basis by removing the annual impact from 2008 to 2013 of the depreciation related to the fair market value bump on the assets from the merger between the former Niagara Falls Hydro and the former Peninsula West Utilities. Table 5-2 details the removal of this depreciation from 2008 to 2015.

1 Interest expense is the actual interest expense related to long-term debt and only includes
2 interest from accounts 6005 and 6030. Other interest expense in account 6035 includes
3 interest on long term hydro deposits and interest related to carrying charges on regulatory
4 liabilities and is excluded from the calculations provided in Table 5-1.

5 Net income for 2012 includes the impact of the PILS refund and agrees to the regulatory net
6 income filed in the RRR 2.1.13 filing for that year.

7 In 2013, the Return on Equity template issued by the OEB adjusted the net income calculation
8 to exclude the impact of the PILS refund. As a result Table 5-1 adds back the PILS refund in
9 the amount of \$1,554,277, for the purpose of calculating the 2013 regulatory net income. See
10 Table 5-2 for details of calculating the net income for 2013 in the amount of \$4,145,205
11 (\$1,458,179 + \$1,132,277 + 1,554,749).

12 Net income for 2014 is calculated by excluding the impact of carrying charges included in
13 account 4405, the PILS refund for 2014 was added back to revenue and the impact of smart
14 meters related to prior years for both the revenue and expenses were removed as well. As a
15 result normalized net income for 2014 is calculated at \$2,710,387. See Table 6-3 for details of
16 this calculation.

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23 Table 5-2 Calculation of Common Equity with impact of FMV removed
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Per Audited Financial Statements	Actual	Actual	Actual	Actual	Actual	Actual
	2013	2012	2011	2010	2009	2008
Liabilities and Shareholders' Equity						
Current liabilities:						
Accounts payable and accrued liabilities	15,473,628	14,559,095	17,050,910	12,563,424	14,930,359	16,027,939
Due to affiliated companies - note 2	-	-	7,057,380	7,076,931	6,604,304	6,931,923
Payments in lieu of corporate income taxes payable	6,913,022	7,513,902	-	-	420,248	-
Current portion of customer deposits	709,338	700,199	703,755	956,994	920,998	871,903
Current portion of capital lease	-	-	-	-	-	47,177
Current portion of long-term liabilities - note 4	1,869,628	2,313,484	2,211,519	2,116,973	1,576,810	10,286,548
	24,965,616	25,086,680	27,023,564	22,714,322	24,452,719	34,165,490
Long-term liabilities:						
Long term debt - note 4	52,844,734	44,714,362	37,027,846	39,239,362	37,468,835	29,842,316
Customer deposits	746,673	737,534	741,089	994,329	1,135,265	1,085,030
Employees' accumulated vested sick leave	112,861	168,533	196,738	213,467	198,757	185,679
Employee future benefits - note 11	3,886,289	3,778,345	3,710,564	3,657,023	3,612,877	3,571,160
Regulatory liabilities - note 10	4,107,313	2,894,654	3,764,714	7,616,488	7,629,013	4,960,259
	61,697,871	52,293,428	45,440,952	51,720,669	50,044,747	39,644,444
Shareholders' Equity						
Share capital - note 5	31,245,882	31,245,882	31,245,882	31,245,882	31,245,882	31,245,882
Contributed surplus	25,459,207	25,459,207	25,459,207	25,459,207	25,459,207	25,459,207
Retained earnings	26,588,420	26,330,241	24,778,872	22,966,983	20,933,183	18,760,559
	83,293,509	83,035,330	81,483,961	79,672,072	77,638,272	75,465,648
Contingent Liabilities - note 8						
	169,956,995	160,415,438	153,948,476	154,107,064	152,135,738	149,275,582
	2008	2008			2011	2011
	Without FMV Bump	With FMV bump			Without FMV Bump	With FMV bump
3005 Common Shares Issued	31,245,882	31,245,882		3005 Common Shares Issued	31,245,882	31,245,882
3010 Contributed Surplus	-	18,753,902		3010 Contributed Surplus	-	18,753,902
3047 Appropriations of Retained Earnings - current	6,705,305	6,705,305		3047 Appropriations of Retained Earnings - current	6,705,305	6,705,305
3040 Appropriated Retained Earnings	13,764,077	16,667,617		3040 Appropriated Retained Earnings	23,567,366	22,966,983
3049 Dividends payable - Common Shares	(500,000)	(500,000)		3049 Dividends payable - Common Shares	(500,000)	(500,000)
3046 Balance Transferred from Income	2,592,941	2,592,941		3046 Balance Transferred from Income	2,311,889	2,311,889
FMV Depreciation expense current year	1,161,103	-		FMV Depreciation expense current year	1,086,669	-
	54,969,309	75,465,647			64,417,111	81,483,961
	2009	2009			2012	2012
	Without FMV Bump	With FMV bump			Without FMV Bump	With FMV bump
3005 Common Shares Issued	31,245,882	31,245,882		3005 Common Shares Issued	31,245,882	31,245,882
3010 Contributed Surplus	-	18,753,902		3010 Contributed Surplus	-	18,753,902
3047 Appropriations of Retained Earnings - current	6,705,305	6,705,305		3047 Appropriations of Retained Earnings - current	6,705,305	6,705,305
3040 Appropriated Retained Earnings	17,018,122	18,760,558		3040 Appropriated Retained Earnings	26,465,924	24,778,872
3049 Dividends payable - Common Shares	(500,000)	(500,000)		3049 Dividends payable - Common Shares	(1,200,000)	(1,200,000)
3046 Balance Transferred from Income	2,672,653	2,672,625		3046 Balance Transferred from Income	2,751,369	2,751,369
FMV Depreciation expense current year	1,108,989	-		FMV Depreciation expense current year	1,137,424	-
	58,250,951	77,638,272		Net Payment in lieu of taxes repayment	365,815	-
					67,471,719	83,035,330
	2010	2010			2013	2013
	Without FMV Bump	With FMV bump			Without FMV Bump	With FMV bump
3005 Common Shares Issued	31,245,882	31,245,882		3005 Common Shares Issued	31,245,882	31,245,882
3010 Contributed Surplus	-	18,753,902		3010 Contributed Surplus	-	18,753,902
3047 Appropriations of Retained Earnings - current	6,705,305	6,705,305		3047 Appropriations of Retained Earnings - current	6,705,305	6,705,305
3040 Appropriated Retained Earnings	20,299,764	20,933,183		3040 Appropriated Retained Earnings	29,520,532	26,330,241
3049 Dividends payable - Common Shares	(500,000)	(500,000)		3049 Dividends payable - Common Shares	(1,200,000)	(1,200,000)
3046 Balance Transferred from Income	2,533,800	2,533,800		3046 Balance Transferred from Income	1,458,179	1,458,179
FMV Depreciation expense current year	1,233,802	-		FMV Depreciation expense current year	1,132,277	-
	61,518,553	79,672,072		Net Payment in lieu of taxes repayment	1,554,749	-
					70,416,924	83,293,509
	2014	2014			2015	2015
	Without FMV Bump	With FMV bump			Without FMV Bump	With FMV bump
3005 Common Shares Issued	31,245,882	31,245,882		3005 Common Shares Issued	31,245,882	31,245,882
3010 Contributed Surplus	-	18,753,902		3010 Contributed Surplus	-	18,753,902
3047 Appropriations of Retained Earnings - current	6,705,305	6,705,305		3047 Appropriations of Retained Earnings - current	6,705,305	6,705,305
3040 Appropriated Retained Earnings	32,465,737	26,588,420		3040 Appropriated Retained Earnings	33,976,123	28,098,807
3049 Dividends payable - Common Shares	(1,200,000)	(1,200,000)		3049 Dividends payable - Common Shares	(1,200,000)	(1,200,000)
3046 Balance Transferred from Income	2,710,387	2,710,387		3046 Balance Transferred from Income	5,382,446	-
FMV Depreciation expense current year	-	-		FMV Depreciation expense current year	-	-
Net Payment in lieu of taxes repayment	-	-			-	-
	71,927,310	84,803,896			76,109,756	83,603,896

1 **RETURN ON EQUITY**

2 ***Common Equity***

3 As noted previously, NPEI adheres to the Board's Cost of Capital policy. For rate making
4 purposes, NPEI proposes to recover an amount of \$5,382,446 for the Return on Equity through
5 distribution rates in the 2015TY. This amount is computed based on the Board's default rate of
6 return on equity of 9.36% in accordance with the 2014 Cost of Capital Parameters issued
7 November 25, 2013. NPEI has used the 9.36% as a place holder, subject to an update if new
8 parameters are available prior to the issuance of the Board's decision for NPEI's 2015
9 distribution rates.

10
11 There have been no changes to the actual equity share structure since the 2011 COS rate
12 application. Equity consists of 1,000 common shares with a book value of \$31,245,882 as at
13 December 31, 2013. Niagara Falls Hydro Holding Corporation owns 745 common shares and
14 Peninsula West Power Inc. owns 255 common shares.

15
16 NPEI's return on equity for 2013 was 6.7%. This calculation of ROE on a deemed basis was
17 filed with the OEB as part of its year end RRR filings in April 2014. NPEI has attached the
18 calculation of ROE on a deemed basis for 2013 in EX05T01A03.

19 ***Preference Shares***

20 NPEI does not have any preference shares and therefore there is no impact on the capital
21 structure for the 2015TY.



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OEB Appendix 2-OA

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Appendix 2-OA Capital Structure and Cost of Capital

This table must be completed for the last Board approved year and the test year.

Year: 2015

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$80,506,665	4.28%	\$3,445,899
2	Short-term Debt	4.00% (1)	\$5,750,476	2.11%	\$121,335
3	Total Debt	60.0%	\$86,257,141	4.14%	\$3,567,234
	Equity				
4	Common Equity	40.00%	\$57,504,761	9.36%	\$5,382,446
5	Preferred Shares	0.00%	\$ -		\$ -
6	Total Equity	40.0%	\$57,504,761	9.36%	\$5,382,446
7	Total	100.0%	\$143,761,902	6.23%	\$8,949,680

Notes
(1)

4.0% unless an applicant has proposed or been approved for a different amount.

Year: 2011 Board Approved

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$66,964,502	5.16%	\$3,452,039
2	Short-term Debt	4.00% (1)	\$4,783,179	2.46%	\$117,666
3	Total Debt	60.0%	\$71,747,680	4.98%	\$3,569,705
	Equity				
4	Common Equity	40.00%	\$47,831,787	9.58%	\$4,582,285
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.0%	\$47,831,787	9.58%	\$4,582,285
7	Total	100.0%	\$119,579,467	6.82%	\$8,151,990

Notes
(1)

4.0% unless an applicant has proposed or been approved for a different amount.



File Number:EB-2014-0096

Exhibit: 5
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Schedule: 1

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OEB Appendix 2-OB

Appendix 2-OB Debt Instruments

This table must be completed for all required historical years, the bridge year and the test year.

Year 2009 This is 2010

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%) (Note 2)	Interest (\$) (Note 1)	Additional Comments, if any
1	Long Term Note Payable	City of Niagara Falls	Affiliated	Fixed Rate	1-Apr-00	20	\$ 22,000,000	0.0725	\$ 1,595,000	
2	Long Term Note Payable	Niagara Falls Hydro Holding Corporation	Affiliated	Fixed Rate	1-Apr-00	20	\$ 3,605,090	0.0725	\$ 261,369	
3	Long Term Bank Loan Payable	Scotiabank	Third-Party	Fixed Rate	1-Jun-04	10	\$ 4,237,226	0.0644	\$ 248,408	Per amortization schedule
4	Term Loan payable	TD Bank	Third-Party	Fixed Rate	19-Jul-09	10	\$ 8,703,329	0.0458	\$ 383,217	Per amortization schedule
5	Non-revolving term loan payable	Scotiabank	Third-Party	Fixed Rate	30-Sep-10	5	\$ 4,500,000	0.0497	\$ 81,384	Per amortization schedule
12									\$ -	
Total							\$ 43,045,645	0.0597	\$ 2,569,378	

Year 2009 This is 2011 BOARD APPROVED

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%) (Note 2)	Interest (\$) (Note 1)	Additional Comments, if any
1	Long Term Note Payable	City of Niagara Falls	Affiliated	Fixed Rate	1-Apr-00	20	\$ 22,000,000	0.0532	\$ 1,170,400	
2	Long Term Note Payable	Niagara Falls Hydro Holding Corporation	Affiliated	Fixed Rate	1-Apr-00	20	\$ 3,605,090	0.0532	\$ 191,791	
3	Long Term Bank Loan Payable	Scotiabank	Third-Party	Fixed Rate	1-Jun-04	10	\$ 3,398,502	0.0644	\$ 192,771	Per amortization schedule
4	Term Loan payable	TD Bank	Third-Party	Fixed Rate	19-Jul-09	10	\$ 7,965,243	0.0458	\$ 348,793	Per amortization schedule
5	Non-revolving term loan payable	Scotiabank	Third-Party	Fixed Rate	30-Sep-10	5	\$ 4,143,643	0.0497	\$ 215,605	Per amortization schedule
6									\$ -	
Total							\$ 41,112,478	0.0516	\$ 2,119,360	

Year 2009 This is 2011 ACTUAL

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%) (Note 2)	Interest (\$) (Note 1)	Additional Comments, if any
1	Long Term Note Payable	City of Niagara Falls	Affiliated	Fixed Rate	1-Apr-00	20	\$ 22,000,000	0.0725	\$ 1,595,000	
2	Long Term Note Payable	Niagara Falls Hydro Holding Corporation	Affiliated	Fixed Rate	1-Apr-00	20	\$ 3,605,090	0.0725	\$ 261,369	
3	Long Term Bank Loan Payable	Scotiabank	Third-Party	Fixed Rate	1-Jun-04	10	\$ 2,951,322	0.0644	\$ 192,771	Per amortization schedule
4	Term Loan payable	TD Bank	Third-Party	Fixed Rate	19-Jul-09	10	\$ 7,578,939	0.0458	\$ 348,692	Per amortization schedule
5	Non-revolving term loan payable	Scotiabank	Third-Party	Fixed Rate	30-Sep-10	5	\$ 4,180,500	0.0497	\$ 207,786	Per amortization schedule
12									\$ -	
Total							\$ 40,315,851	0.0646	\$ 2,605,618	

Year 2012

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%) (Note 2)	Interest (\$) (Note 1)	Additional Comments, if any
1	Long Term Note Payable	City of Niagara Falls	Affiliated	Fixed Rate	1-Apr-00	20	\$ 22,000,000	0.058	\$ 1,276,550	
2	Long Term Note Payable	Niagara Falls Hydro Holding Corporation	Affiliated	Fixed Rate	1-Apr-00	20	\$ 3,605,090	0.0582	\$ 209,740	
3	Long Term Bank Loan Payable	Scotiabank	Third-Party	Fixed Rate	1-Jun-04	10	\$ 2,027,297	0.0644	\$ 133,443	Per amortization schedule
4	Term Loan payable	TD Bank	Third-Party	Fixed Rate	19-Jul-09	10	\$ 6,788,719	0.0458	\$ 313,473	Per amortization schedule
5	Non-revolving term loan payable	Scotiabank	Third-Party	Fixed Rate	30-Sep-10	5	\$ 3,712,500	0.0497	\$ 186,416	Per amortization schedule
6	Term Loan payable	TD Bank	Third-Party	Fixed Rate	27-Jun-12	5	\$ 10,000,000	0.028	\$ 135,781	Interest only repayments
Total							\$ 48,133,606	0.0469	\$ 2,255,403	

Year 2013

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%) (Note 2)	Interest (\$) (Note 1)	Additional Comments, if any
1	Long Term Note Payable	City of Niagara Falls	Affiliated	Fixed Rate	1-Apr-00	20	\$ 22,000,000	0.0532	\$ 1,170,400	
2	Long Term Note Payable	Niagara Falls Hydro Holding Corporation	Affiliated	Fixed Rate	1-Apr-00	20	\$ 3,605,090	0.0532	\$ 191,791	
3	Long Term Bank Loan Payable	Scotiabank	Third-Party	Fixed Rate	1-Jun-04	10	\$ 1,041,976	0.0644	\$ 70,180	Per amortization schedule
4	Term Loan payable	TD Bank	Third-Party	Fixed Rate	19-Jul-09	10	\$ 5,961,538	0.0458	\$ 274,771	Per amortization schedule
5	Non-revolving term loan payable	Scotiabank	Third-Party	Fixed Rate	30-Sep-10	5	\$ 3,262,500	0.0497	\$ 162,554	Per amortization schedule
6	Term Loan payable	TD Bank	Third-Party	Fixed Rate	27-Jun-12	5	\$ 10,000,000	0.028	\$ 288,035	Interest only repayments
7	Term Loan payable	TD Bank	Third-Party	Fixed Rate	3-Dec-13	5	\$ 10,000,000	0.02933	\$ 14,465	Interest only repayments
Total							\$ 55,871,104	0.0389	\$ 2,172,196	

Year 2014 BRIDGE YEAR

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%) (Note 2)	Interest (\$) (Note 1)	Additional Comments, if any
1	Long Term Note Payable	City of Niagara Falls	Affiliated	Fixed Rate	1-Apr-00	20	\$ 22,000,000	0.0532	\$ 1,170,400	
2	Long Term Note Payable	Niagara Falls Hydro Holding Corporation	Affiliated	Fixed Rate	1-Apr-00	20	\$ 3,605,090	0.0532	\$ 191,791	
3	Long Term Bank Loan Payable	Scotiabank	Third-Party	Fixed Rate	1-Jun-04	10	\$ 223,632	0.0644	\$ 10,065	Per amortization schedule
4	Term Loan payable	TD Bank	Third-Party	Fixed Rate	19-Jul-09	10	\$ 5,095,208	0.0458	\$ 235,175	Per amortization schedule
5	Non-revolving term loan payable	Scotiabank	Third-Party	Fixed Rate	30-Sep-10	5	\$ 2,812,500	0.0497	\$ 140,680	Per amortization schedule
6	Term Loan payable	TD Bank	Third-Party	Fixed Rate	27-Jun-12	5	\$ 10,000,000	0.028	\$ 280,000	Interest only repayments
7	Term Loan payable	TD Bank	Third-Party	Fixed Rate	3-Dec-13	5	\$ 10,000,000	0.02933	\$ 293,300	Interest only repayments
7	Term Loan payable-NEW	To be Determined	Third-Party	Fixed Rate	30-Nov-14	5	\$ 849,315	0.0305	\$ 25,904	Interest only repayments
Total							\$ 54,585,745	0.0430	\$ 2,347,315	

Year 2015 TEST YEAR

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%) (Note 2)	Interest (\$) (Note 1)	Additional Comments, if any
1	Long Term Note Payable	City of Niagara Falls	Affiliated	Fixed Rate	1-Apr-00	20	\$ 22,000,000	0.0488	\$ 1,073,600	
2	Long Term Note Payable	Niagara Falls Hydro Holding Corporation	Affiliated	Fixed Rate	1-Apr-00	20	\$ 3,605,090	0.0488	\$ 175,928	
4	Term Loan payable	TD Bank	Third-Party	Fixed Rate	19-Jul-09	10	\$ 3,724,570	0.0458	\$ 193,728	Per amortization schedule
5	Non-revolving term loan payable	Scotiabank	Third-Party	Fixed Rate	30-Sep-10	5	\$ -	0.0497	\$ 90,905	Per amortization schedule
6	Term Loan payable	TD Bank	Third-Party	Fixed Rate	27-Jun-12	5	\$ 10,000,000	0.028	\$ 280,000	Interest only repayments
7	Term Loan payable	TD Bank	Third-Party	Fixed Rate	3-Dec-13	5	\$ 10,000,000	0.02933	\$ 293,300	Interest only repayments
7	Term Loan payable-NEW	To be Determined	Third-Party	Fixed Rate	30-Nov-14	5	\$ 10,000,000	0.0305	\$ 305,000	Interest only repayments
Total							\$ 59,329,660	0.0407	\$ 2,412,461	

Notes

- 1 If financing is in place only part of the year, calculate the pro-rated interest and input in the cell.
- 2 Input actual or deemed long-term debt rate in accordance with the guidelines in *The Report of the Board on the Cost of Capital for Ontario's Regulated Utilities*, issued December 11, 2009, or with any subsequent update issued by the Board.
- 3 Add more lines above row 12 if necessary.

Year 2015 Deemed Interest Calculation

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%) (Note 2)	Interest (\$) (Note 1)	Additional Comments, if any
1	Long Term Note Payable	City of Niagara Falls	Affiliated	Fixed Rate	1-Apr-00	20	\$ 22,000,000	0.0488	\$ 1,073,600	
2	Long Term Note Payable	Niagara Falls Hydro Holding Corporation	Affiliated	Fixed Rate	1-Apr-00	20	\$ 3,605,090	0.0488	\$ 175,928	
4	Term Loan payable	TD Bank	Third-Party	Fixed Rate	19-Jul-09	10	\$ 3,724,570	0.0458	\$ 193,728	Per amortization schedule
5	Non-revolving term loan payable	Scotiabank	Third-Party	Fixed Rate	30-Sep-10	5	\$ -	0.0497	\$ 90,905	Per amortization schedule
6	Term Loan payable	TD Bank	Third-Party	Fixed Rate	27-Jun-12	5	\$ 10,000,000	0.028	\$ 280,000	Interest only repayments
7	Term Loan payable	TD Bank	Third-Party	Fixed Rate	3-Dec-13	5	\$ 10,000,000	0.02933	\$ 293,300	Interest only repayments
7	Term Loan payable-NEW	To be Determined	Third-Party	Fixed Rate	30-Nov-14	5	\$ 10,000,000	0.0305	\$ 305,000	Interest only repayments
Total							\$ 59,329,660	0.0407	\$ 2,412,461	
Remaining subject to deemed interest							\$ 21,177,005	0.0488	\$ 1,033,438	
							\$ 80,506,665	0.0428	\$ 3,445,899	



File Number:EB-2014-0096

Exhibit: 5
Tab: 1
Schedule: 1

Date Filed:September 23, 2014

Attachment 3 of 3

NPEI's 2013 calculation of deemed ROE

Template for Calculation of ROE on a Deemed Basis

UTILITY NAME: Niagara Peninsula Energy
YEAR END DATE: December 31, 2013

Please input based on your utility in the grey cells.

Regulatory Net Income Calculation:

Staff Comments

Regulated net income, as per RRR 2.1.13 reconciliation	\$ 4,145,206	A	Must match regulated net income amount from 2.1.13 template. Input net surplus as positive number and net deficit as a negative number.
Remove:			Must match account 6115. Input deferred tax expense as a negative number and deferred tax income as a positive number.
Future/deferred taxes	\$ (510,994)	B	As an example, non rate regulated items may include income/expenses associated with generation or CDM
Non rate regulated items	\$ 147,194	C	
Adjustment to interest expense - for deemed debt	\$ 1,027,353	D (=W)	
Adjusted regulated net income	\$ 3,481,652	E = A-B-C-D	

Deemed Equity Calculation:

Staff Comments

Rate Base:			
Cost of power	\$ 130,559,982	F	Must match sum of accounts 4705 to 4751 inclusive. Input as positive number.
Operating expenses	\$ 16,598,017	G	Must approximate sum of accounts 4505-4640, 4805-5695, 6105, 6205-6225, 6310-6415. Input as positive number.
Total	\$ 147,157,999	H = F + G	
Working capital allowance %	15%		Must match percentage allowance in last approved CoS rate proceeding
Total working capital allowance	\$ 22,073,700	J	
Fixed Assets			
Opening balance - regulated fixed assets (NBV)	\$ 103,934,202		Please make the necessary adjustments to bring the fixed assets reported in the Audited Financial Statements to reflect the regulated rate base. NBV = Net Book Value
Closing balance - regulated fixed assets (NBV)	\$ 111,460,559		
Average regulated fixed assets	\$ 107,697,380	\$ 107,697,380	
Total rate base		\$ 129,771,080	L = J + K
Regulated deemed short-term debt	4%	\$ 5,190,843	M
Regulated deemed long-term debt	56%	\$ 72,671,805	N
Regulated deemed equity	40%	\$ 51,908,432	P
		\$ 129,771,080	

Regulated Rate of Return on Deemed Equity

Staff Comments

		6.7%	Q = E / P	
ROE% from most recent cost of service application	last approved EDR	9.58%	R	Must match approved ROE from last CoS rate proceeding
Difference - maximum deadband 3%		-2.87%	S = Q - R	

Interest adjustment on deemed debt:

Staff Comments

Regulated deemed short-term debt - as above	\$ 5,190,843	6.67%		
Regulated deemed long-term debt - as above	\$ 72,671,805	93.33%		
	\$ 77,862,648	100.00%		
Short-term debt rate	2.46%	0.16%		Interest rate on short-term debt from last approved CoS rate proceeding
Long-term debt rate	5.16%	4.82%		Interest rate on long-term debt from last approved CoS rate proceeding
Average debt rate		4.98%		
Regulated deemed debt - as above	\$ 77,862,648			
Weighted average interest rate	4.98%			
Deemed interest	\$ 3,877,560	T		
Interest expense as per the OEB trial balance	\$ 2,445,708	U		Must match sum of accounts 6005-6045
Difference	\$ 1,431,851	V = T - U		
Utility tax rate	28.25%			Distributor's Board-approved tax rate from the distributor's last rate application (IRM or CoS).
Tax effect on interest expense	\$ (404,498)			
Interest adjustment on deemed debt:	\$ 1,027,353	W		



File Number: EB-2014-0096

Date Filed: September 23, 2014

Exhibit 5

Tab 2 of 2

Cost of Capital (Return on Equity and Cost
of Debt)

Cost of Capital (Return on Equity and Cost of Debt)

COST OF DEBT

Short-Term Debt

For rate making purposes, NPEI proposes to recover \$121,335 (E5/T1/S1/Att1) through distribution rates in the 2015TY for the Deemed Short-Term Debt. The Short-Term Debt Amount is derived by applying the Board's November 25, 2013 published 2014 cost of capital parameters for short-term debt to the deemed 4% of the capital structure at a rate of 2.11%. The applicable default rate for the Short-Term Debt will be updated when 2015 Cost of Capital parameters are made available by the Board prior to the 2015 COS decision.

Long-Term Debt

For the 2015 test year, NPEI is requesting a return on Long Term debt of 4.28%. The 4.28% rate is computed based on the weighted average of the following long term debt components:

1. NPEI's affiliate debt consists of two demand Promissory Notes held by its shareholder Niagara Falls Hydro Holding Corporation in the amount of \$3,605,090 and The City of Niagara Falls in the amount of \$22,000,000. Each of these debt instruments has been assigned the January 1, 2014 Board approved deemed interest rate of 4.88%. As per Attachment 2 and Attachment 3 which details the interest rate terms of both Promissory Notes, the interest rate is based on the interest rate for third party financing which the Ontario Energy Board or its successor may permit regulated distribution corporations to recover for rate making purposes. The actual interest rate in 2013 for both affiliated debt were the Board's approved deemed interest rate of 5.32% from the 2011 COS rate application decision dated May 30, 2011. As per the Board's decision date May 30, 2011, the terms of the two long-term promissory notes make them callable on demand and the express terms of the notes makes them variable. The 2009 Report of the Board

1 on the Cost of Capital for Ontario's Regulated Utilities dated December 11, 2009 makes
2 it clear that the deemed long-term debt rate will be a ceiling on the rate allowed for such
3 debt. As such NPEI has used the most recent deemed debt rate ceiling as per the
4 November 25, 2013 Report until the 2015 Cost of Capital parameters are made available
5 by the Board prior to the 2015 COS decision. See EX05T02S01A01 and
6 EX05T02S01A02 for details of the promissory notes

7 2. In June of 2004, NPEI obtained an \$8,000,000 loan from Scotiabank for the purposes of
8 constructing its own transformer station. This loan carried a 6.44% fixed interest rate
9 over ten year amortization period. The loan was fully repaid in June 2014. For the
10 purposes of calculating the actual weighted cost of debt for the periods from 2011 to
11 2014, the principal balance on Appendix 2-OB represents the December 31 year-end
12 balance per the amortization schedule attached in EX5T02S01A03. This long-term loan
13 has no impact on the 2015 Weighted Cost of Capital for NPEI's rate application.

14 3. Prior to the merger between the former Niagara Falls Hydro and Peninsula West Utilities
15 in 2007, Peninsula West Utilities had a long-term loan in the amount of \$9,500,000 due
16 and payable July 19, 2009. NPEI refinanced this loan in the amount of \$9,000,000
17 effective July 20, 2009. This loan carries a fixed rate of 4.58% amortized over 10 years.
18 Principal and interest payments are made on a monthly basis. For the purposes of
19 calculating the actual weighted cost of debt for the periods from 2011 to 2015, the
20 principal balance on Appendix 2-OB represents the December 31 year-end balance per
21 the amortization schedule attached in EX5T02S01A04. Total interest to be repaid in
22 2015 per the amortization schedule is \$193,728.07 resulting in an effective cost of
23 capital of 5.20% for 2015 for this loan.

24 4. Between May of 2009 and December 31 2010, NPEI commenced the installation of its
25 smart meters and incurred \$4,412,736 of the estimated total capital costs of \$5,895,151.
26 The estimated total capital costs are up to December 31, 2014 as per Tab 2 of NPEI's
27 smart meter model filed in January 2014. NPEI obtained a long-term bank loan from
28 Scotiabank in the amount of \$4,500,000 to finance the capital expenditures for smart
29 meters. The loan carries an interest rate of 4.97% over five years effective September
30 30, 2010. Principal and interest are repaid monthly, however the term of the loan is 5
31 years and the amortization is over 10 years. As a result the final balance on September

30, 2015 is \$2,287,500. This loan will only be outstanding for 273 days in 2015. For the purposes of calculating the actual weighted cost of debt for the periods from 2011 to 2015, the principal balance on Appendix 2-OB represents the December 31 year-end balance per the amortization schedule attached in EX5T02S01A05.

Total interest paid up to September 30, 2015 will be \$90,905.04 as per the amortization schedule.

5. In 2012, NPEI issued a request for proposal (RFP) from 5 banks and one credit union for financing in the amount of \$10,000,000. TD was awarded the RFP. The terms of this loan are interest only payments over a term of 5 years at a fixed interest rate of 2.80%.
6. In 2013, NPEI issued a request for proposal (RFP) from 5 banks and one credit union for financing in the amount of \$10,000,000. TD was awarded the RFP. The terms of this loan are interest only payments over a term of 5 years at a fixed interest rate of 2.933%.
7. In September 2014, NPEI will issue a request for proposal (RFP) from 5 banks and one credit union for financing in the amount of \$10,000,000. The terms of this loan will be determined by November 30, 2014. NPEI has estimated an interest rate of 3.05% to be used for the purposes of filing the rate application. NPEI requests permission to update its cost of capital with the terms of this loan prior to the Board's decision on NPEI's rate application.
8. The rate of 4.88% has been applied to the remaining amount of deemed debt in excess of the actual long-term debt obligations noted in 1 to 7 in the amount of \$21,177,005. The rate of 4.88% is the deemed long-term debt rate in accordance with the January 1, 2014 Cost of Capital Parameters issued November 25, 2013. Total deemed long-term debt is \$80,464,324 and total actual long term debt at December 31, 2015 is \$59,329,660.

NPEI is seeking to obtain additional financing in 2014 in the amount of \$10M dollars. Cash balances per NPEI's audited year-end financial statements show a decreasing cash balance.

- December 31, 2010 \$8,025,373
- December 31, 2011 \$6,646,041
- December 31, 2012(excluding 2012 loan) \$3,354,020

- December 31, 2013 (excluding 2013 loan) \$1,481,267

Cash balances have decreased due to:

- Repayment of existing principal on Long Term Debt from 2011 to 2013 \$6.6M
- Deferral and variance repayments from 2011 to 2013 \$4.4M
- Smart meter costs are estimated to total \$5,895,151 which is \$1,395,151 in excess of the \$4.5M loan NPEI obtained related to these costs
- Water and billing activities are true-up on a quarterly basis. At the end of each fiscal year the Due to Affiliate liability represents the fourth quarter cash balance owing to Niagara Falls Hydro Services which is the affiliate company that bills and collects water activities on behalf of the City of Niagara Falls. NPEI ceased all water related activities May 1st 2014 and as a result paid the final balance owing thereby decreasing NPEI's cash position.
- Capital expenditures net of capital contributions from 2011 to 2013 totalled \$31.3M

Appendix 2-OB provides details of NPEI's 2011 Board approved cost of capital, the actual long term debt instruments from 2010 to 2013, and the cost of capital for the 2014 bridge year and 2015 test year. The principal balances on these schedules represent the December 31 year-end balance. The interest expense represents the actual interest expense to be incurred in that fiscal year. Where financing is in place for only part of the year, NPEI calculated the interest on a prorated basis.

To determine the weighted average long term debt rate, the table below provides the various long term debt instruments, the 2015 interest expense amount and the calculation of the return associated with the remaining deemed debt.

Year 2015 Deemed Interest Calculation

Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%) (Note 2)	Interest (\$) (Note 1)	Additional Comments, if any
Long Term Note Payable	City of Niagara Falls	Affiliated	Fixed Rate	1-Apr-00	20	\$ 22,000,000	0.0488	\$ 1,073,600	
Long Term Note Payable	Niagara Falls Hydro Holding Corporation	Affiliated	Fixed Rate	1-Apr-00	20	\$ 3,605,090	0.0488	\$ 175,928	
Term Loan payable	TD Bank	Third-Party	Fixed Rate	19-Jul-09	10	\$ 3,724,570	0.0458	\$ 193,728	Per amortization schedule
Non-revolving term loan payable	Scotiabank	Third-Party	Fixed Rate	30-Sep-10	5	\$ -	0.0497	\$ 90,905	Per amortization schedule
Term Loan payable	TD Bank	Third-Party	Fixed Rate	27-Jun-12	5	\$ 10,000,000	0.028	\$ 280,000	Interest only repayments
Term Loan payable	TD Bank	Third-Party	Fixed Rate	3-Dec-13	5	\$ 10,000,000	0.02933	\$ 293,300	Interest only repayments
Term Loan payable-NEW	To be Determined	Third-Party	Fixed Rate	30-Nov-14	5	\$ 10,000,000	0.0305	\$ 305,000	Interest only repayments
						\$ 59,329,660	0.0407	\$ 2,412,461	
						\$ 21,177,005	0.0488	\$ 1,033,438	
						\$ 80,506,665	0.0428	\$ 3,445,899	

Remaining subject to deemed interest

1

2 NPEI understands that the Board will provide a future update to the Cost of Capital Parameters

3 for January 1, 2015 Cost of Service Applications. NPEI's use of the weighted average rate of

4 4.88% is without prejudice to any revised rate which may be adopted by the Board for January

5 1, 2015 COS applications.

6 **Other Credit Facilities**

7 In addition to the debt instruments above, NPEI has two other credit facilities which include:

- 8
- 9 1. \$8,000,000 operating credit line facility by way of direct advances evidenced by
- 10 Agreement re Operating Credit Line and/or Bankers' Acceptances, which is used for
- 11 short term financing.
- 12 2. \$12,000,000 Standby Letter of Credit mainly to provide support to the Independent
- 13 Electricity System Operator ("IESO") for the purchase of electricity. The IESO is the
- 14 beneficiary for \$11,910,187.

15

16 All credit facilities are secured by a general security agreement over NPEI's distribution assets

17 and subject to restrictive covenants. NPEI pays a 0.50% per annum commission fee, calculated

18 on the issued amount. NPEI estimates that it will cost approximately \$59,551 in fees related to



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- 1 these credit facilities. At the time of filing the 2015 COS rate application, NPEI had a \$nil
- 2 balance drawn on its operating line of credit.



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Date Filed:September 23, 2014

Attachment 1 of 8

NPEI's Financing Documents



File Number:EB-2014-0096

Exhibit: 5
Tab: 2
Schedule: 1

Date Filed:September 23, 2014

Attachment 2 of 8

City of Niagara Falls Promissory Note

PROMISSORY NOTE

COPY

Due: April 1, 2020

FOR VALUE RECEIVED, Niagara Falls Hydro Inc. ("WiresCo") hereby promises to pay to or to the order of the City of Niagara Falls (the "City") the principal sum of twenty-two million dollars (\$22,000,000.00) with interest at the rate specified herein, either upon demand by the City or on April 1, 2020 (the "Maturity Date").

Interest on the principal sum shall accrue from April 1, 2000 and be payable at a rate of seven and one-quarter percent (7¼ %) per annum, based on the interest rate for third party financing which the Ontario Energy Board or its successor may permit regulated distribution corporations to recover for rate making purposes.

Interest at the aforesaid rate shall be payable in quarterly installments, by means of an electronic funds transfer to the City, with the first of such payments commencing on June 30, 2000.

At the option of the City, on one year's prior written notice to WiresCo, the Maturity Date and any of the terms of this Promissory Note may be revised, changed or restated by the City in consultation with WiresCo.

This Promissory Note may, at the option of the City, be converted, as to some or all of the principal sum outstanding, into common shares of WiresCo at a conversion ratio of \$100 per share. The foregoing conversion right may be exercised by the City at any time on 90 days prior written notice to WiresCo.

The terms of this Promissory Note are subject to the adjustment provisions of the Transfer By-law passed by the City of Niagara Falls on May 8, 2000 as By-law No.2000-97.

This Promissory Note is not assignable by the City without the consent of WiresCo.

DATED this 26th day of September, 2000.

NIAGARA FALLS HYDRO INC.

Per:

[Signature]
Authorized Signing Officer

[Signature]
Authorized Signing Officer



File Number:EB-2014-0096

Exhibit: 5
Tab: 2
Schedule: 1

Date Filed:September 23, 2014

Attachment 3 of 8

Niagara Falls Hydro Holding Corporation Promissory Note

PROMISSORY NOTE

Due: April 1, 2020

FOR VALUE RECEIVED, Niagara Falls Hydro Inc. ("WiresCo") hereby promises to pay to or to the order of the Niagara Falls Hydro Holding Corporation ("HoldCo") the principal sum of Three Million Six Hundred and Five Thousand and Ninety Dollars (\$3,605,090.00) with interest at the rate specified herein, either upon demand by HoldCo or on April 1, 2020 (the "Maturity Date").

Interest on the principal sum shall accrue from April 1, 2000 and be payable at a rate of seven and one-quarter percent (7¼ %) per annum, based on the interest rate for third party financing which the Ontario Energy Board or its successor may permit regulated distribution corporations to recover for rate making purposes.

Interest at the aforesaid rate shall be payable in quarterly installments, by means of an electronic funds transfer to HoldCo, with the first of such payments commencing on June 30, 2000.

At the option of HoldCo, on one year's prior written notice to WiresCo, the Maturity Date and any of the terms of this Promissory Note may be revised, changed or restated by HoldCo in consultation with WiresCo.

This Promissory Note may, at the option of HoldCo, be converted, as to some or all of the principal sum outstanding, into common shares of WiresCo at a conversion ratio of \$100 per share. The foregoing conversion right may be exercised by HoldCo at any time on 90 days prior written notice to WiresCo.

The terms of this Promissory Note are subject to the adjustment provisions of the Transfer By-law passed by the City of Niagara Falls on May 8, 2000 as By-law No.2000-97.

This Promissory Note is not assignable by HoldCo without the consent of WiresCo.

This Promissory Note replaces a promissory note in the principal amount of \$5,000,000.00 previously issued by WiresCo to HoldCo pursuant to the provisions of the said Transfer By-law.

DATED this 24th day of July, 2001.

NIAGARA FALLS HYDRO INC.

per: 
President

per: 
Treasurer



File Number:EB-2014-0096

Exhibit: 5
Tab: 2
Schedule: 1

Date Filed:September 23, 2014

Attachment 4 of 8

Scotiabank TS loan amortization schedule

customer

1-Nov-03

Transaction: Fixed Rate Loan
 Lending Branch: Hamilton Main Branch 60012 (or such other Commercial branch as may be aut
 Borrower: Niagara Falls Hydro
 Fixed rate: 6.440%
 Initial advance: \$8,000,000.00 Canadian
 Date of initial advance: 1-Jun-04 (conversion of existing variable rate loan plus additional funds)

Date	NPA	Interest Payments	Principal Payments	Total Payments
		0.0644		
1-Jun-04			-8,000,000.00	(8,000,000.00)
2-Jul-04	-8,000,000.00	42,933.33	47,661.01	90,594.34
3-Aug-04	-7,952,338.99	42,677.55	47,916.80	90,594.35
1-Sep-04	-7,904,422.19	42,420.40	48,173.94	90,594.34
1-Oct-04	-7,856,248.25	42,161.87	48,432.48	90,594.35
1-Nov-04	-7,807,815.77	41,901.94	48,692.40	90,594.34
1-Dec-04	-7,759,123.37	41,640.63	48,953.72	90,594.35
4-Jan-05	-7,710,169.65	41,377.91	49,216.43	90,594.34
1-Feb-05	-7,660,953.22	41,113.78	49,480.57	90,594.35
1-Mar-05	-7,611,472.65	40,848.24	49,746.11	90,594.35
1-Apr-05	-7,561,726.54	40,581.27	50,013.08	90,594.35
2-May-05	-7,511,713.46	40,312.86	50,281.48	90,594.34
1-Jun-05	-7,461,431.98	40,043.02	50,551.33	90,594.35
4-Jul-05	-7,410,880.65	39,771.73	50,822.62	90,594.35
2-Aug-05	-7,360,058.03	39,498.98	51,095.36	90,594.34
1-Sep-05	-7,308,962.67	39,224.77	51,369.58	90,594.35
3-Oct-05	-7,257,593.09	38,949.08	51,645.26	90,594.34
1-Nov-05	-7,205,947.83	38,671.92	51,922.43	90,594.35
1-Dec-05	-7,154,025.40	38,393.27	52,201.08	90,594.35
3-Jan-06	-7,101,824.32	38,113.12	52,481.22	90,594.34
1-Feb-06	-7,049,343.10	37,831.47	52,762.87	90,594.34
1-Mar-06	-6,996,580.23	37,548.31	53,046.03	90,594.34
3-Apr-06	-6,943,534.20	37,263.63	53,330.71	90,594.34
1-May-06	-6,890,203.49	36,977.43	53,616.92	90,594.35
1-Jun-06	-6,836,586.57	36,689.68	53,904.67	90,594.35
4-Jul-06	-6,782,681.90	36,400.39	54,193.95	90,594.34
1-Aug-06	-6,728,487.95	36,109.55	54,484.79	90,594.34
1-Sep-06	-6,674,003.16	35,817.15	54,777.20	90,594.35
2-Oct-06	-6,619,225.96	35,523.18	55,071.16	90,594.34
1-Nov-06	-6,564,154.80	35,227.63	55,366.72	90,594.35
1-Dec-06	-6,508,788.08	34,930.50	55,663.85	90,594.35
2-Jan-07	-6,453,124.23	34,631.77	55,962.58	90,594.35
1-Feb-07	-6,397,161.65	34,331.43	56,262.91	90,594.34
1-Mar-07	-6,340,898.74	34,029.49	56,564.85	90,594.34
2-Apr-07	-6,284,333.89	33,725.93	56,868.42	90,594.35
1-May-07	-6,227,465.47	33,420.73	57,173.62	90,594.35
1-Jun-07	-6,170,291.85	33,113.90	57,480.44	90,594.34
3-Jul-07	-6,112,811.41	32,805.42	57,788.93	90,594.35
1-Aug-07	-6,055,022.48	32,495.29	58,099.05	90,594.34
4-Sep-07	-5,996,923.43	32,183.49	58,410.86	90,594.35

		Interest	Principal	
1-Oct-07	-5,938,512.57	31,870.02	58,724.33	90,594.35
1-Nov-07	-5,879,788.24	31,554.86	59,039.48	90,594.34
3-Dec-07	-5,820,748.76	31,238.02	59,356.33	90,594.35
2-Jan-08	-5,761,392.43	30,919.47	59,674.87	90,594.34
1-Feb-08	-5,701,717.56	30,599.22	59,995.13	90,594.35
3-Mar-08	-5,641,722.43	30,277.24	60,317.10	90,594.34
1-Apr-08	-5,581,405.33	29,953.54	60,640.80	90,594.34
1-May-08	-5,520,764.53	29,628.10	60,966.25	90,594.35
2-Jun-08	-5,459,798.28	29,300.92	61,293.42	90,594.34
2-Jul-08	-5,398,504.86	28,971.98	61,622.37	90,594.35
1-Aug-08	-5,336,882.49	28,641.27	61,953.08	90,594.35
2-Sep-08	-5,274,929.41	28,308.79	62,285.56	90,594.35
1-Oct-08	-5,212,643.85	27,974.52	62,619.82	90,594.34
3-Nov-08	-5,150,024.03	27,638.46	62,955.88	90,594.34
1-Dec-08	-5,087,068.15	27,300.60	63,293.75	90,594.35
2-Jan-09	-5,023,774.40	26,960.92	63,633.42	90,594.34
2-Feb-09	-4,960,140.98	26,619.42	63,974.93	90,594.35
2-Mar-09	-4,896,166.05	26,276.09	64,318.25	90,594.34
1-Apr-09	-4,831,847.80	25,930.92	64,663.43	90,594.35
1-May-09	-4,767,184.37	25,583.89	65,010.46	90,594.35
1-Jun-09	-4,702,173.91	25,235.00	65,359.34	90,594.34
2-Jul-09	-4,636,814.57	24,884.24	65,710.11	90,594.35
4-Aug-09	-4,571,104.46	24,531.59	66,062.75	90,594.34
1-Sep-09	-4,505,041.71	24,177.06	66,417.29	90,594.35
1-Oct-09	-4,438,624.42	23,820.62	66,773.73	90,594.35
2-Nov-09	-4,371,850.69	23,462.27	67,132.08	90,594.35
1-Dec-09	-4,304,718.61	23,101.99	67,492.35	90,594.34
4-Jan-10	-4,237,226.26	22,739.78	67,854.57	90,594.35
1-Feb-10	-4,169,371.69	22,375.63	68,218.71	90,594.34
1-Mar-10	-4,101,152.98	22,009.52	68,584.83	90,594.35
1-Apr-10	-4,032,668.15	21,641.45	68,952.89	90,594.34
3-May-10	-3,963,615.26	21,271.40	69,322.95	90,594.35
1-Jun-10	-3,894,292.31	20,899.37	69,694.97	90,594.34
2-Jul-10	-3,824,597.34	20,525.34	70,069.01	90,594.35
3-Aug-10	-3,754,528.33	20,149.30	70,445.04	90,594.34
1-Sep-10	-3,684,083.29	19,771.25	70,823.10	90,594.35
1-Oct-10	-3,613,260.19	19,391.16	71,203.18	90,594.34
1-Nov-10	-3,542,057.01	19,009.04	71,585.31	90,594.35
1-Dec-10	-3,470,471.70	18,624.86	71,969.48	90,594.34
4-Jan-11	-3,398,502.22	18,238.63	72,355.72	90,594.35
1-Feb-11	-3,326,146.50	17,850.32	72,744.02	90,594.34
1-Mar-11	-3,253,402.48	17,459.93	73,134.42	90,594.35
1-Apr-11	-3,180,268.06	17,067.44	73,526.91	90,594.35
2-May-11	-3,106,741.15	16,672.84	73,921.50	90,594.34
1-Jun-11	-3,032,819.65	16,276.13	74,318.21	90,594.34
4-Jul-11	-2,958,501.44	15,877.29	74,717.06	90,594.35
2-Aug-11	-2,883,784.38	15,476.31	75,118.04	90,594.35
1-Sep-11	-2,808,666.34	15,073.18	75,521.16	90,594.34
3-Oct-11	-2,733,145.18	14,667.88	75,926.47	90,594.35
1-Nov-11	-2,657,218.71	14,260.41	76,333.94	90,594.35
1-Dec-11	-2,580,884.77	13,850.75	76,743.60	90,594.35
3-Jan-12	-2,504,141.17	13,438.89	77,155.45	90,594.34

349,514

737,618

300,584

786,548

248,408.20

822,724

192,771.15

894,361

1,087,132.16

		Interest	Principal	
1-Feb-12	-2,426,985.72	13,024.82	77,569.52	90,594.34
1-Mar-12	-2,349,416.20	12,608.53	77,985.81	90,594.34
2-Apr-12	-2,271,430.39	12,190.01	78,404.34	90,594.35
1-May-12	-2,193,026.05	11,769.24	78,825.11	90,594.35
1-Jun-12	-2,114,200.94	11,346.21	79,248.13	90,594.34
3-Jul-12	-2,034,952.81	10,920.91	79,673.43	90,594.34
1-Aug-12	-1,955,279.38	10,493.33	80,101.01	90,594.34
4-Sep-12	-1,875,178.37	10,063.46	80,530.89	90,594.35
1-Oct-12	-1,794,647.48	9,631.27	80,963.07	90,594.34
1-Nov-12	-1,713,684.41	9,196.77	81,397.58	90,594.35
3-Dec-12	-1,632,286.83	8,759.94	81,834.40	90,594.34
2-Jan-13	-1,550,452.43	8,320.76	82,273.59	90,594.35
1-Feb-13	-1,468,178.84	7,879.23	82,715.12	90,594.35
1-Mar-13	-1,385,463.72	7,435.32	83,159.02	90,594.34
1-Apr-13	-1,302,304.70	6,989.04	83,605.31	90,594.35
1-May-13	-1,218,699.39	6,540.35	84,053.99	90,594.34
3-Jun-13	-1,134,645.40	6,089.26	84,505.08	90,594.34
2-Jul-13	-1,050,140.32	5,635.75	84,958.60	90,594.35
1-Aug-13	-965,181.72	5,179.81	85,414.53	90,594.34
3-Sep-13	-879,767.19	4,721.42	85,872.93	90,594.35
1-Oct-13	-793,894.26	4,260.57	86,333.78	90,594.35
1-Nov-13	-707,560.48	3,797.24	86,797.10	90,594.34
2-Dec-13	-620,763.38	3,331.43	87,262.92	90,594.35
2-Jan-14	-533,500.46	2,863.12	87,731.23	90,594.35
3-Feb-14	-445,769.23	2,392.29	88,202.05	90,594.34
3-Mar-14	-357,567.18	1,918.94	88,675.40	90,594.34
1-Apr-14	-268,891.78	1,443.05	89,151.29	90,594.34
1-May-14	-179,740.49	964.61	89,629.74	90,594.35
2-Jun-14	-90,110.75	483.59	90,110.75	90,594.34

1,087,132.12



File Number:EB-2014-0096

Exhibit: 5
Tab: 2
Schedule: 1

Date Filed:September 23, 2014

Attachment 5 of 8

TD loan amortization schedule



Commercial Banking

COMMERCIAL LOAN AMORTIZATION SCHEDULE

	Enter values
Loan amount	\$ 9,000,000.00
Annual Interest Rate	4.58 %
Monthly Equivalent Rate	4.58 %
Rate Term in months	120
Amortization period in months	120
Number of payments per year	12
Start Date	20-Jul-09
First Payment Date	20-Aug-09
Rate Term Maturity Date	20-Jul-19

Client Name:	NIAGARA PENINSULA ENERGY INC.
Sales Branch:	3524
Loan Number:	9315069-12

Loan summary	
Scheduled payment actual	\$ 93,441.92
Payment frequency	monthly
Scheduled number of payments	120
Total interest	\$ 2,243,398.24
Balance at End of Rate Term	\$ 30,367.84

This Schedule has been provided to you at your request for your convenience. While every reasonable effort has been made to ensure accurate calculations, we cannot guarantee them. The information contained herein is based on certain assumptions and is for illustration purposes only. It is not to be relied on. The terms and conditions of the lending agreements you sign with TD shall govern your payment obligations and if there is any inconsistency between the information contained in this schedule and the terms and conditions of the lending agreements, the lending agreements shall govern. Any legal or tax issues should be confirmed by your own legal or tax advisors.

No.	Payment Date	Beginning Balance	Scheduled Payment	Principal	Interest	Ending Balance	Cumulative Interest	Days
1	8/20/2009	9,000,000.00	93,441.92	58,433.15	35,008.77	8,941,566.85	35,008.77	31
2	9/20/2009	8,941,566.85	93,441.92	58,660.45	34,781.47	8,882,906.40	69,790.24	31
3	10/20/2009	8,882,906.40	93,441.92	60,003.25	33,438.67	8,822,903.14	103,228.90	30
4	11/20/2009	8,822,903.14	93,441.92	59,122.04	34,319.88	8,763,781.11	137,548.79	31
5	12/20/2009	8,763,781.11	93,441.92	60,451.69	32,990.23	8,703,329.42	170,539.02	30
6	1/20/2010	8,703,329.42	93,441.92	59,587.16	33,854.76	8,643,742.26	204,393.78	31
7	2/20/2010	8,643,742.26	93,441.92	59,818.95	33,622.97	8,583,923.31	238,016.75	31
8	3/20/2010	8,583,923.31	93,441.92	63,282.95	30,158.97	8,520,640.36	268,175.72	28
9	4/20/2010	8,520,640.36	93,441.92	60,297.80	33,144.12	8,460,342.57	301,319.85	31
10	5/20/2010	8,460,342.57	93,441.92	61,593.95	31,847.97	8,398,748.62	333,167.82	30
11	6/20/2010	8,398,748.62	93,441.92	60,771.94	32,669.98	8,337,976.68	365,837.80	31
12	7/20/2010	8,337,976.68	93,441.92	62,054.58	31,387.34	8,275,922.10	397,225.14	30
13	8/20/2010	8,275,922.10	93,441.92	61,249.72	32,192.20	8,214,672.39	429,417.35	31
14	9/20/2010	8,214,672.39	93,441.92	61,487.97	31,953.95	8,153,184.42	461,371.30	31
15	10/20/2010	8,153,184.42	93,441.92	62,750.21	30,691.71	8,090,434.21	492,063.01	30
16	11/20/2010	8,090,434.21	93,441.92	61,971.24	31,470.68	8,028,462.97	523,533.69	31
17	12/20/2010	8,028,462.97	93,441.92	63,219.71	30,222.21	7,965,243.27	553,755.91	30
18	1/20/2011	7,965,243.27	93,441.92	62,458.21	30,983.71	7,902,785.05	584,739.61	31
19	2/20/2011	7,902,785.05	93,441.92	62,701.17	30,740.75	7,840,083.88	615,480.36	31
20	3/20/2011	7,840,083.88	93,441.92	65,896.38	27,545.54	7,774,187.51	643,025.91	28
21	4/20/2011	7,774,187.51	93,441.92	63,201.40	30,240.52	7,710,986.11	673,266.43	31
22	5/20/2011	7,710,986.11	93,441.92	64,414.81	29,027.11	7,646,571.30	702,293.54	30
23	6/20/2011	7,646,571.30	93,441.92	63,697.81	29,744.11	7,582,873.50	732,037.66	31
24	7/20/2011	7,582,873.50	93,441.92	64,897.08	28,544.84	7,517,976.42	760,582.50	30
25	8/20/2011	7,517,976.42	93,441.92	64,198.02	29,243.90	7,453,778.40	789,826.40	31
26	9/20/2011	7,453,778.40	93,441.92	64,447.74	28,994.18	7,389,330.66	818,820.58	31
27	10/20/2011	7,389,330.66	93,441.92	65,625.65	27,816.27	7,323,705.01	846,636.85	30
28	11/20/2011	7,323,705.01	93,441.92	64,953.71	28,488.21	7,258,751.30	875,125.06	31
29	12/20/2011	7,258,751.30	93,441.92	66,117.20	27,324.72	7,192,634.10	902,449.78	30
30	1/20/2012	7,192,634.10	93,441.92	65,463.56	27,978.36	7,127,170.55	930,428.15	31
31	2/20/2012	7,127,170.55	93,441.92	65,718.20	27,723.72	7,061,452.34	958,151.86	31
32	3/20/2012	7,061,452.34	93,441.92	67,745.97	25,695.95	6,993,706.37	983,847.81	29
33	4/20/2012	6,993,706.37	93,441.92	66,237.36	27,204.56	6,927,469.01	1,011,052.37	31
34	5/20/2012	6,927,469.01	93,441.92	67,364.27	26,077.65	6,860,104.74	1,037,130.02	30
35	6/20/2012	6,860,104.74	93,441.92	66,757.05	26,684.87	6,793,347.69	1,063,814.89	31
36	7/20/2012	6,793,347.69	93,441.92	67,869.15	25,572.77	6,725,478.53	1,089,387.65	30
37	8/20/2012	6,725,478.53	93,441.92	67,280.73	26,161.19	6,658,197.80	1,115,548.84	31
38	9/20/2012	6,658,197.80	93,441.92	67,542.44	25,899.48	6,590,655.36	1,141,448.32	31

3.	Payment Date	Beginning Balance	Scheduled Payment	Principal	Interest	Ending Balance	Cumulative Interest	Days
39	10/20/2012	6,590,655.36	93,441.92	68,632.17	24,809.75	6,522,023.20	1,166,258.08	30
40	11/20/2012	6,522,023.20	93,441.92	68,072.14	25,369.78	6,453,951.05	1,191,627.85	31
41	12/20/2012	6,453,951.05	93,441.92	69,146.77	24,295.15	6,384,804.28	1,215,923.00	30
42	1/20/2013	6,384,804.28	93,441.92	68,605.91	24,836.01	6,316,198.37	1,240,759.01	31
43	2/20/2013	6,316,198.37	93,441.92	68,872.77	24,569.15	6,247,325.60	1,265,328.16	31
44	3/20/2013	6,247,325.60	93,441.92	71,492.41	21,949.51	6,175,833.19	1,287,277.67	28
45	4/20/2013	6,175,833.19	93,441.92	69,418.77	24,023.15	6,106,414.41	1,311,300.81	31
46	5/20/2013	6,106,414.41	93,441.92	70,455.03	22,986.89	6,035,959.38	1,334,287.70	30
47	6/20/2013	6,035,959.38	93,441.92	69,962.86	23,479.06	5,965,996.52	1,357,766.76	31
48	7/20/2013	5,965,996.52	93,441.92	70,983.62	22,458.30	5,895,012.89	1,380,225.05	30
49	8/20/2013	5,895,012.89	93,441.92	70,511.13	22,930.79	5,824,501.77	1,403,155.85	31
50	9/20/2013	5,824,501.77	93,441.92	70,785.41	22,656.51	5,753,716.36	1,425,812.36	31
51	10/20/2013	5,753,716.36	93,441.92	71,782.72	21,659.20	5,681,933.64	1,447,471.56	30
52	11/20/2013	5,681,933.64	93,441.92	71,339.98	22,101.94	5,610,593.66	1,469,573.50	31
53	12/20/2013	5,610,593.66	93,441.92	72,321.49	21,120.43	5,538,272.17	1,490,693.93	30
54	1/20/2014	5,538,272.17	93,441.92	71,898.80	21,543.12	5,466,373.37	1,512,237.05	31
55	2/20/2014	5,466,373.37	93,441.92	72,178.48	21,263.44	5,394,194.89	1,533,500.49	31
56	3/20/2014	5,394,194.89	93,441.92	74,489.82	18,952.10	5,319,705.07	1,552,452.59	28
57	4/20/2014	5,319,705.07	93,441.92	72,749.00	20,692.92	5,246,956.07	1,573,145.51	31
58	5/20/2014	5,246,956.07	93,441.92	73,690.36	19,751.56	5,173,265.71	1,592,897.07	30
59	6/20/2014	5,173,265.71	93,441.92	73,318.63	20,123.29	5,099,947.08	1,613,020.36	31
60	7/20/2014	5,099,947.08	93,441.92	74,243.76	19,198.16	5,025,703.32	1,632,218.52	30
61	8/20/2014	5,025,703.32	93,441.92	73,892.62	19,549.30	4,951,810.70	1,651,767.82	31
62	9/20/2014	4,951,810.70	93,441.92	74,180.05	19,261.87	4,877,630.64	1,671,029.68	31
63	10/20/2014	4,877,630.64	93,441.92	75,080.65	18,361.27	4,802,549.99	1,689,390.95	30
64	11/20/2014	4,802,549.99	93,441.92	74,760.66	18,681.26	4,727,789.34	1,708,072.22	31
65	12/20/2014	4,727,789.34	93,441.92	75,644.71	17,797.21	4,652,144.63	1,725,869.43	30
66	1/20/2015	4,652,144.63	93,441.92	75,345.71	18,096.21	4,576,798.91	1,743,965.63	31
67	2/20/2015	4,576,798.91	93,441.92	75,638.80	17,803.12	4,501,160.11	1,761,768.75	31
68	3/20/2015	4,501,160.11	93,441.92	77,627.43	15,814.49	4,423,532.68	1,777,583.24	28
69	4/20/2015	4,423,532.68	93,441.92	76,234.98	17,206.94	4,347,297.70	1,794,790.18	31
70	5/20/2015	4,347,297.70	93,441.92	77,077.02	16,364.90	4,270,220.67	1,811,155.07	30
71	6/20/2015	4,270,220.67	93,441.92	76,831.35	16,610.57	4,193,389.33	1,827,765.65	31
72	7/20/2015	4,193,389.33	93,441.92	77,656.39	15,785.53	4,115,732.93	1,843,551.17	30
73	8/20/2015	4,115,732.93	93,441.92	77,432.28	16,009.64	4,038,300.65	1,859,560.81	31
74	9/20/2015	4,038,300.65	93,441.92	77,733.48	15,708.44	3,960,567.17	1,875,269.25	31
75	10/20/2015	3,960,567.17	93,441.92	78,532.83	14,909.09	3,882,034.34	1,890,178.34	30
76	11/20/2015	3,882,034.34	93,441.92	78,341.34	15,100.58	3,803,693.00	1,905,278.92	31
77	12/20/2015	3,803,693.00	93,441.92	79,123.36	14,318.56	3,724,569.64	1,919,597.48	30
78	1/20/2016	3,724,569.64	93,441.92	78,953.85	14,488.07	3,645,615.79	1,934,085.55	31
79	2/20/2016	3,645,615.79	93,441.92	79,260.97	14,180.95	3,566,354.81	1,948,266.49	31
80	3/20/2016	3,566,354.81	93,441.92	80,464.30	12,977.62	3,485,890.52	1,961,244.12	29
81	4/20/2016	3,485,890.52	93,441.92	79,882.28	13,559.64	3,406,008.23	1,974,803.75	31
82	5/20/2016	3,406,008.23	93,441.92	80,620.40	12,821.52	3,325,387.83	1,987,625.27	30
83	6/20/2016	3,325,387.83	93,441.92	80,506.62	12,935.30	3,244,881.22	2,000,560.58	31
84	7/20/2016	3,244,881.22	93,441.92	81,226.94	12,214.98	3,163,654.27	2,012,775.55	30
85	8/20/2016	3,163,654.27	93,441.92	81,135.74	12,306.18	3,082,518.54	2,025,081.74	31
86	9/20/2016	3,082,518.54	93,441.92	81,451.35	11,990.57	3,001,067.19	2,037,072.31	31
87	10/20/2016	3,001,067.19	93,441.92	82,144.75	11,297.17	2,918,922.44	2,048,369.48	30
88	11/20/2016	2,918,922.44	93,441.92	82,087.71	11,354.21	2,836,834.73	2,059,723.69	31
89	12/20/2016	2,836,834.73	93,441.92	82,762.99	10,678.93	2,754,071.74	2,070,402.62	30
90	1/20/2017	2,754,071.74	93,441.92	82,728.96	10,712.96	2,671,342.78	2,081,115.58	31
91	2/20/2017	2,671,342.78	93,441.92	83,050.76	10,391.16	2,588,292.02	2,091,506.74	31
92	3/20/2017	2,588,292.02	93,441.92	84,348.15	9,093.77	2,503,943.87	2,100,600.51	28
93	4/20/2017	2,503,943.87	93,441.92	83,701.92	9,740.00	2,420,241.95	2,110,340.51	31
94	5/20/2017	2,420,241.95	93,441.92	84,331.20	9,110.72	2,335,910.75	2,119,451.23	30
95	6/20/2017	2,335,910.75	93,441.92	84,355.55	9,086.37	2,251,555.20	2,128,537.60	31
96	7/20/2017	2,251,555.20	93,441.92	84,966.20	8,475.72	2,166,589.00	2,137,013.32	30
97	8/20/2017	2,166,589.00	93,441.92	85,014.19	8,427.73	2,081,574.81	2,145,441.05	31
98	9/20/2017	2,081,574.81	93,441.92	85,344.88	8,097.04	1,996,229.93	2,153,538.09	31
99	10/20/2017	1,996,229.93	93,441.92	85,927.34	7,514.58	1,910,302.59	2,161,052.67	30
100	11/20/2017	1,910,302.59	93,441.92	86,011.10	7,430.82	1,824,291.48	2,168,483.48	31

No.	Payment Date	Beginning Balance	Scheduled Payment	Principal	Interest	Ending Balance	Cumulative Interest	Days
101	12/20/2017	1,824,291.48	93,441.92	86,574.59	6,867.33	1,737,716.90	2,175,350.82	30
102	1/20/2018	1,737,716.90	93,441.92	86,682.44	6,759.48	1,651,034.46	2,182,110.30	31
103	2/20/2018	1,651,034.46	93,441.92	87,019.62	6,422.30	1,564,014.84	2,188,532.60	31
104	3/20/2018	1,564,014.84	93,441.92	87,946.87	5,495.05	1,476,067.96	2,194,027.64	28
105	4/20/2018	1,476,067.96	93,441.92	87,700.22	5,741.70	1,388,367.75	2,199,769.35	31
106	5/20/2018	1,388,367.75	93,441.92	88,215.57	5,226.35	1,300,152.17	2,204,995.69	30
107	6/20/2018	1,300,152.17	93,441.92	88,384.51	5,057.41	1,211,767.67	2,210,053.11	31
108	7/20/2018	1,211,767.67	93,441.92	88,880.36	4,561.56	1,122,887.31	2,214,614.67	30
109	8/20/2018	1,122,887.31	93,441.92	89,074.04	4,367.88	1,033,813.26	2,218,982.54	31
110	9/20/2018	1,033,813.26	93,441.92	89,420.53	4,021.39	944,392.74	2,223,003.94	31
111	10/20/2018	944,392.74	93,441.92	89,886.86	3,555.06	854,505.87	2,226,558.99	30
112	11/20/2018	854,505.87	93,441.92	90,118.01	3,323.91	764,387.86	2,229,882.90	31
113	12/20/2018	764,387.86	93,441.92	90,564.47	2,877.45	673,823.39	2,232,760.35	30
114	1/20/2019	673,823.39	93,441.92	90,820.84	2,621.08	583,002.55	2,235,381.43	31
115	2/20/2019	583,002.55	93,441.92	91,174.12	2,267.80	491,828.43	2,237,649.23	31
116	3/20/2019	491,828.43	93,441.92	91,713.92	1,728.00	400,114.52	2,239,377.24	28
117	4/20/2019	400,114.52	93,441.92	91,885.53	1,556.39	308,228.99	2,240,933.63	31
118	5/20/2019	308,228.99	93,441.92	92,281.63	1,160.29	215,947.36	2,242,093.92	30
119	6/20/2019	215,947.36	93,441.92	92,601.91	840.01	123,345.44	2,242,933.92	31
120	7/20/2019	123,345.44	93,441.92	92,977.60	464.32	30,367.84	2,243,398.24	30



File Number:EB-2014-0096

Exhibit: 5
Tab: 2
Schedule: 1

Date Filed:September 23, 2014

Attachment 6 of 8

Scotiabank Smart Meter Loan Amortization Schedule

Schedule A



Trade date:	19-Nov-09
Advance date:	30-Sep-10
Amount of fixed rate advance:	4,500,000.00
Term:	5 years
Day Count:	Act/365
New customer loan rate:	4.97% Monthly
Prepayments:	Not permitted except subject to break costs as calculated by Global Capital Markets
Lending branch:	Ontario BSC 87866 Niagara Peninsula
Borrower:	Energy

Period Start	Period End (and payment)	Outstanding Principal	Principal Payment	All-in Deposit Interest at	Total Payment
	30-Sep-10		4,500,000.00		
30-Sep-10	29-Oct-10	-4,500,000.00	37,500.00	17,769.45	55,269.45
29-Oct-10	30-Nov-10	-4,462,500.00	37,500.00	19,444.27	56,944.27
30-Nov-10	30-Dec-10	-4,425,000.00	37,500.00	18,075.82	55,575.82
30-Dec-10	31-Jan-11	-4,387,500.00	37,500.00	19,117.48	56,617.48
31-Jan-11	28-Feb-11	-4,350,000.00	37,500.00	16,584.82	54,084.82
28-Feb-11	30-Mar-11	-4,312,500.00	37,500.00	17,616.27	55,116.27
30-Mar-11	29-Apr-11	-4,275,000.00	37,500.00	17,463.08	54,963.08
29-Apr-11	30-May-11	-4,237,500.00	37,500.00	17,886.89	55,386.89
30-May-11	30-Jun-11	-4,200,000.00	37,500.00	17,728.60	55,228.60
30-Jun-11	29-Jul-11	-4,162,500.00	37,500.00	16,436.74	53,936.74
29-Jul-11	30-Aug-11	-4,125,000.00	37,500.00	17,973.70	55,473.70
30-Aug-11	30-Sep-11	-4,087,500.00	37,500.00	17,253.73	54,753.73
30-Sep-11	31-Oct-11	-4,050,000.00	37,500.00	17,095.44	54,595.44
31-Oct-11	30-Nov-11	-4,012,500.00	37,500.00	16,390.79	53,890.79
30-Nov-11	30-Dec-11	-3,975,000.00	37,500.00	16,237.60	53,737.60
30-Dec-11	30-Jan-12	-3,937,500.00	37,500.00	16,620.57	54,120.57
30-Jan-12	29-Feb-12	-3,900,000.00	37,500.00	15,931.23	53,431.23
29-Feb-12	30-Mar-12	-3,862,500.00	37,500.00	15,778.05	53,278.05

30-Mar-12	30-Apr-12	-3,825,000.00	37,500.00	16,145.69	53,645.69
30-Apr-12	30-May-12	-3,787,500.00	37,500.00	15,471.68	52,971.68
30-May-12	29-Jun-12	-3,750,000.00	37,500.00	15,318.49	52,818.49
29-Jun-12	30-Jul-12	-3,712,500.00	37,500.00	15,670.82	53,170.82
30-Jul-12	30-Aug-12	-3,675,000.00	37,500.00	15,512.53	53,012.53
30-Aug-12	28-Sep-12	-3,637,500.00	37,500.00	14,363.64	51,863.64
28-Sep-12	30-Oct-12	-3,600,000.00	37,500.00	15,686.14	53,186.14
30-Oct-12	30-Nov-12	-3,562,500.00	37,500.00	15,037.65	52,537.65
30-Nov-12	31-Dec-12	-3,525,000.00	37,500.00	14,879.36	52,379.36
31-Dec-12	30-Jan-13	-3,487,500.00	37,500.00	14,246.20	51,746.20
30-Jan-13	28-Feb-13	-3,450,000.00	37,500.00	13,623.25	51,123.25
28-Feb-13	28-Mar-13	-3,412,500.00	37,500.00	13,010.51	50,510.51
28-Mar-13	30-Apr-13	-3,375,000.00	37,500.00	15,165.31	52,665.31
30-Apr-13	30-May-13	-3,337,500.00	37,500.00	13,633.46	51,133.46
30-May-13	28-Jun-13	-3,300,000.00	37,500.00	13,030.93	50,530.93
28-Jun-13	30-Jul-13	-3,262,500.00	37,500.00	14,215.56	51,715.56
30-Jul-13	30-Aug-13	-3,225,000.00	37,500.00	13,613.03	51,113.03
30-Aug-13	30-Sep-13	-3,187,500.00	37,500.00	13,454.74	50,954.74
30-Sep-13	30-Oct-13	-3,150,000.00	37,500.00	12,867.53	50,367.53
30-Oct-13	29-Nov-13	-3,112,500.00	37,500.00	12,714.35	50,214.35
29-Nov-13	30-Dec-13	-3,075,000.00	37,500.00	12,979.87	50,479.87
30-Dec-13	30-Jan-14	-3,037,500.00	37,500.00	12,821.58	50,321.58
30-Jan-14	28-Feb-14	-3,000,000.00	37,500.00	11,846.30	49,346.30
28-Feb-14	31-Mar-14	-2,962,500.00	37,500.00	12,505.00	50,005.00
31-Mar-14	30-Apr-14	-2,925,000.00	37,500.00	11,948.42	49,448.42
30-Apr-14	30-May-14	-2,887,500.00	37,500.00	11,795.24	49,295.24
30-May-14	30-Jun-14	-2,850,000.00	37,500.00	12,030.12	49,530.12
30-Jun-14	30-Jul-14	-2,812,500.00	37,500.00	11,488.87	48,988.87
30-Jul-14	29-Aug-14	-2,775,000.00	37,500.00	11,335.68	48,835.68
29-Aug-14	30-Sep-14	-2,737,500.00	37,500.00	11,928.00	49,428.00
30-Sep-14	30-Oct-14	-2,700,000.00	37,500.00	11,029.32	48,529.32
30-Oct-14	28-Nov-14	-2,662,500.00	37,500.00	10,513.59	48,013.59
28-Nov-14	30-Dec-14	-2,625,000.00	37,500.00	11,437.81	48,937.81
30-Dec-14	30-Jan-15	-2,587,500.00	37,500.00	10,922.09	48,422.09
30-Jan-15	27-Feb-15	-2,550,000.00	37,500.00	9,722.14	47,222.14
27-Feb-15	30-Mar-15	-2,512,500.00	37,500.00	10,605.50	48,105.50
30-Mar-15	30-Apr-15	-2,475,000.00	37,500.00	10,447.21	47,947.21
30-Apr-15	29-May-15	-2,437,500.00	37,500.00	9,625.12	47,125.12
29-May-15	30-Jun-15	-2,400,000.00	37,500.00	10,457.42	47,957.42
30-Jun-15	30-Jul-15	-2,362,500.00	37,500.00	9,650.65	47,150.65
30-Jul-15	31-Aug-15	-2,325,000.00	37,500.00	10,130.63	47,630.63
31-Aug-15	30-Sep-15	-2,287,500.00	2,287,500.00	9,344.28	2,296,844.28

184,041.48

162,554

(22,349.68)

140,479.93

450,000

450,000

450,000

435,000

90,905.04



File Number:EB-2014-0096

Exhibit: 5
Tab: 2
Schedule: 1

Date Filed:September 23, 2014

Attachment 7 of 8

TD 2012 loan financing



Commercial Banking

40 King Street
St. Catharines, Ont
L2R 3H4

Telephone No.: 905-685-7631
Fax No.: 905-685-7053

June 8, 2012

Niagara Peninsula Energy Inc.
P.O. Box 120
7447 Pin Oak Drive
Niagara Falls, Ontario
L2E 6S9

Attention: Suzanne Wilson, VP Finance

Dear Ms. Wilson:

Niagara Peninsula Energy Inc. – RFP Financing \$10,000,000.

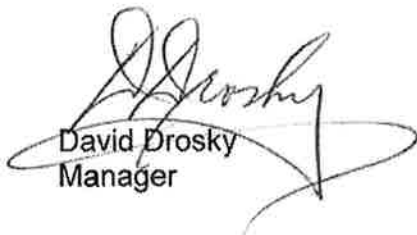
We are pleased to enclose details of our proposal and look forward to discussing financing options with you.

- Term Sheet – Cost of Funds
- Term Sheet – B/A Swap
- Schedule A

We value our relationship with NPEI and thank you for the opportunity and consideration to support your financing needs.

Please call upon us at anytime.

Sincerely,



David Drosky
Manager



TERM SHEET – Cost of Funds (COF)

SUMMARY OF CREDIT TERMS & CONDITIONS

The terms and conditions summarized herein are provided for discussion purposes only and for convenience of reference and do not constitute an offer, agreement or commitment to lend or to reach agreement of definitive terms and conditions. The Bank has not sought or received credit approval from the departments and persons within the Bank who approve credit. The actual terms and conditions on which the Bank might extend credit to the Borrower may change following our review of the Borrower and other information, including but not limited to operational, financial, and environmental information and following the review of departments and persons within the Bank who approve credit. This term sheet is to be held confidential and may not be shared with any other party, including any other financial institution, without the prior written consent of the Bank. All dollar amounts are in Canadian dollars unless expressly stated otherwise.

Borrower

- Niagara Peninsula Energy Inc.

Lender

- The Toronto-Dominion Bank (the "Bank") through its King Street branch in St. Catharines, Ont.

Facilities

1. Committed Term Loan Facility up to \$10,000,000.

Purpose

1. General purposes including repatriation of funds previously utilized for past years capital expenditures.

Tenor

1. Committed

Contractual Term

1. Up to 5 years

Interest Rates

1. Committed Term Loan (Non-amortizing)
Fixed Rate loan: to be determined at time of drawdown, available by way of:

Cost of Funds (COF) Indicative "Spot" All-in Fixed Interest Rate as at June 8, 2012:

5 year term COF 2.082% + Spread 35 bps = 2.432% All-in Rate

Indicative All-in Fixed Interest Rate with a "Forward Start" date of July 13, 2012 based upon

COF priced as at June 8, 2012:

5 year term COF 2.126% + Spread 35 bps = 2.476% All-in Rate

Arrangement Fee: Waived - NIL

Repayment

1. Fixed Rate: Interest only monthly for up to 5 years or contractual maturity.

Prepayment

1. Fixed Rate: Standard prepayment penalties apply.

Security

- No new security documentation will be required.

Conditions Precedent to Funding / Disbursement Conditions

- To be in compliance with financial covenants pre and post advance.
- Acknowledgement from BNS as per Intercreditor Agreement dated July 31, 2009 - Section 16.

Reporting Covenants:

- Audited annual financial statements within 120 days of fiscal year end for Niagara Peninsula Energy Inc. To be accompanied by a Certificate of No Default which details compliance calculations outlined under financial covenants.
- Annually within 120 days of fiscal year end a 1 year budget report for Niagara Peninsula Energy Inc. which includes an income statement and schedule of capital expenditures.
- Unaudited internally prepared quarterly financial statements within 45 days of Q1, Q2 and Q3 (Q4 not required) for Niagara Peninsula Energy Inc.

Financial Covenants

The Borrower agrees at all times to:

- Maintain a Minimum Debt Service Coverage Ratio of 1.25x defined as:

Free Cash Flow (FCF) *

Total Cash Interest Expenses** + Mandatory principal payments

* Free Cash Flow (FCF) is defined as:

EBITDA less Cash taxes less 40% CAPEX (net of Contributed capital).

** Total Cash Interest Expense is calculated as the interest expense sum of the Borrower's direct obligations.

To be tested on a rolling four quarter basis.

- Maintain a maximum Debt* to Capitalization** of 0.60:1.

* Debt is defined as all third party interest bearing debt and non-interest bearing debt, including guarantees, not subordinated to the TD Bank.

** Capitalization is defined as the sum of total Debt, Guarantees, Shareholders' equity, Contributed capital, and Preference share capital net of any Goodwill and other intangible assets such as deferred transition costs.

To be tested quarterly.

Summary

- Recognizing that the interest rate environment remains at historically low levels, establishing a fixed rate loan option can provide a solution to significantly minimize interest costs.
- We appreciate and value our relationship and thank you for allowing TD to review this opportunity to support your financing needs.



TERM SHEET – B/A Swap

SUMMARY OF CREDIT TERMS & CONDITIONS

The terms and conditions summarized herein are provided for discussion purposes only and for convenience of reference and do not constitute an offer, agreement or commitment to lend or to reach agreement of definitive terms and conditions. The Bank has not sought or received credit approval from the departments and persons within the Bank who approve credit. The actual terms and conditions on which the Bank might extend credit to the Borrower may change following our review of the Borrower and other information, including but not limited to operational, financial, and environmental information and following the review of departments and persons within the Bank who approve credit. This term sheet is to be held confidential and may not be shared with any other party, including any other financial institution, without the prior written consent of the Bank. All dollar amounts are in Canadian dollars unless expressly stated otherwise.

Borrower

- Niagara Peninsula Energy Inc.

Lender

- The Toronto-Dominion Bank (the "Bank") through its King Street branch in St. Catharines, Ont.

Facilities

1. Committed Term Loan Facility up to \$10,000,000.

Purpose

1. General purposes including repatriation of funds previously utilized for past years capital expenditures.

Tenor

1. Committed

Contractual Term

1. Up to 5 years

Interest Rates

1. Committed Term Loan (Non-amortizing)
Fixed Rate loan: to be determined at time of drawdown, available by way of:

Bankers Acceptances (B/A's) Indicative "Spot" All-in Fixed Interest Rate as at June 8, 2012:

5 year term B/A Swap Rate 1.45% + Spread 120 bps = 2.65% All-in Rate

Indicative All-in Fixed Interest Rate with a "Forward Start" date of July 13, 2012 based upon B/A Swap priced as at June 8, 2012:

5 year term B/A Swap Rate 1.47% + Spread 120 bps = 2.67% All-in Rate

Arrangement Fee – Waived - NIL

Repayment

1. Fixed Rate: Interest only monthly for up to 5 years or contractual maturity.

Prepayment

1. Fixed Rate: Subject to unwinding costs.

Security

- No new security documentation will be required.

Conditions Precedent to Funding / Disbursement Conditions

- To be in compliance with financial covenants pre and post advance.
- Acknowledgement from BNS as per Intercreditor Agreement dated July 31, 2009 – Section 16.

Reporting Covenants:

- Audited annual financial statements within 120 days of fiscal year end for Niagara Peninsula Energy Inc. To be accompanied by a Certificate of No Default which details compliance calculations outlined under financial covenants.
- Annually within 120 days of fiscal year end a 1 year budget report for Niagara Peninsula Energy Inc. which includes an income statement and schedule of capital expenditures.
- Unaudited internally prepared quarterly financial statements within 45 days of Q1, Q2 and Q3 (Q4 not required) for Niagara Peninsula Energy Inc.

Financial Covenants

The Borrower agrees at all times to:

1. Maintain a Minimum Debt Service Coverage Ratio of 1.25x defined as:

$$\frac{\text{Free Cash Flow (FCF) *}}{\text{Total Cash Interest Expenses** + Mandatory principal payments}}$$

* Free Cash Flow (FCF) is defined as:

EBITDA less Cash taxes less 40% CAPEX (net of Contributed capital).

** Total Cash Interest Expense is calculated as the interest expense sum of the Borrower's direct obligations.

To be tested on a rolling four quarter basis.

2. Maintain a maximum Debt* to Capitalization** of 0.60:1.

* Debt is defined as all third party interest bearing debt and non-interest bearing debt, including guarantees, not subordinated to the TD Bank.

** Capitalization is defined as the sum of total Debt, Guarantees, Shareholders' equity, Contributed capital, and Preference share capital net of any Goodwill and other intangible assets such as deferred transition costs.

To be tested quarterly.

Summary

- Recognizing that the interest rate environment is currently at historically low levels, establishing a fixed rate loan option can provide a solution to significantly minimize interest costs.
- We appreciate and value our relationship and thank you for allowing TD to review this opportunity and look forward to discussing this flexible loan structure with you.

Schedule A

Description	Response
Interest Rate / Cost of Funds (COF)	5 year Indicative “Spot” rate as at June 8/12 = 2.432% Indicative “Forward Start” Rate at July 13/12 = 2.476%
Interest Rate / B/A Swap	5 year Indicative “Spot” rate as at June 8/12 = 2.65% Indicative “Forward Start” Rate to July 13/12 = 2.67%
Term of Loan	5 years: Interest only payments monthly (non-amortizing)
Prepayment Options	<u>COF</u> : Standard prepayment penalties apply. <u>B/A Swap</u> : Subject to unwinding costs.
Commitment Fees	N/A
Legal Fees for amendments to existing Intercreditor Agreement	\$ Nil
Any and all Other Fees	\$ Nil
General Security Requirements	No new security documentation is required.
Debt Covenants	Reference Term Sheet attached.
Latest Date Funds will be Transferred to NPEI’s account	July 31/12 or earlier or later. We will provide maximum flexibility to meet the specific timeline requested by NPEI.
Reporting Requirements	Reference Term Sheet attached.
Other Notional / Comments	

Suzanne Wilson

From: Drosky, David [david.drosky@td.com]
Sent: Wednesday, June 27, 2012 9:46 AM
To: Suzanne Wilson
Subject: NPEI - COF Interest Rate Booking - \$10,000M

Suzanne,

As per chart below, we are pleased to provide an all-in rate of 2.80% (2.45% + 0.35%) for a 5 year term, non-amortizing \$10,000M loan with interest only payments monthly.

Kindly confirm and we will proceed to book this interest rate and arrange to fund the \$10,000M loan today – June 27, 2012.

We value and appreciate this opportunity to support your financing needs.

Regards,
Dave

Rate Quote Date	June 27, 2012
Funding Date	June 27, 2012
COF – Spot Rate	2.45%
Product System	Commercial Term Loan NON-Amortizing
Balance	\$10,000M
Term	5 Years
Amortization	NON-Amortizing
Payment Frequency	Interest Only Monthly
Rate Compounding Frequency	Semi Annual
COF Spread	35 bps

David Drosky | Manager | TD Commercial Banking
40 King Street, St. Catharines, ON, L2R 3H4
T: 905-685-7631 | F: 905-685-7053

Analyst: Cathy Ugulini cathy.ugulini@td.com
Client Services Officer: Lynn Parsons lynn.parsons@td.com

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File Number:EB-2014-0096

Exhibit: 5
Tab: 2
Schedule: 1

Date Filed:September 23, 2014

Attachment 8 of 8

TD 2013 loan financing

Dec 2013 \$ 10 M Loan



Commercial Banking

40 King St
St Catharines, ON
L2R 3H4

Telephone No.: (905) 685 7631
Fax No.: (905) 685 7053

November 22, 2013

NIAGARA PENINSULA ENERGY INC.
7447 Pin Oak Drive
Niagara Falls, Ontario
L2E 6S9

Attention: Brian Wilkie, President

Dear Mr. Wilkie,

The following amending agreement (the "Amending Agreement") amends the terms and conditions of the credit facilities (the "Facilities") provided to the Borrower pursuant to the Agreement dated July 14, 2009 and the subsequent Amending Agreement(s) dated December 20, 2010 and June 21, 2012.

BORROWER

NIAGARA PENINSULA ENERGY INC.

(the "Borrower")

LENDER

The Toronto-Dominion Bank (the "Bank"), through its 40 King Street branch, in St Catharines, Ontario.

CREDIT LIMIT

3) CAD\$10,000,000.

TYPE OF CREDIT AND BORROWING OPTIONS

3) Committed Term Facility (Single Draw) available at the Borrower's option by way of:
- Fixed Rate Term Loan in CAD\$

PURPOSE

3) Repatriation of funds previously utilized for past years capital expenditures.

TENOR

3) Committed

CONTRACTUAL TERM

3) Up to 60 months from the date of drawdown

RATE TERM
(FIXED RATE
TERM LOAN)

- 3) Fixed rate. Up to 60 months but never to exceed the Contractual Term Maturity Date

INTEREST RATES
AND FEES

Advances shall bear interest and fees as follows:

- 3) Committed Term Facility:
- Fixed Rate Term Loans: Cost of Funds (COF) + 0.32% per annum.

For all Facilities, interest payments will be made in accordance with Schedule "A" unless otherwise stated in this Letter or in the Rate and Payment Terms Notice applicable for a particular drawdown. Information on interest rate and fee definitions, interest rate calculations and payment is set out in the Schedule "A".

DRAWDOWN

- 3) Single draw, subject to disbursement conditions.
Notice periods, minimum amounts of draws, interest periods and other similar details are set out in the Schedule "A" attached hereto.

REPAYMENT AND
REDUCTION OF
AMOUNT OF CREDIT
FACILITY

- 3) Interest only monthly for up to 5 years with full principal repayment at the end of contractual term.

PREPAYMENT

- 3) Fixed Rate: Permitted in whole or in part at any time, subject to standard prepayment penalty.

DISBURSEMENT
CONDITIONS

The obligation of the Bank to permit any drawdown hereunder is subject to the Standard Disbursement Conditions contained in Schedule "A" and the following additional drawdown conditions:

- Acknowledgement from Bank of Nova Scotia as per Intercreditor Agreement dated July 31, 2009 - Section 16.
- Executed Loan Amending Agreement.
- To be in compliance with financial covenants pre and post advance under both the TD Bank and Bank of Nova Scotia deals, based on the most recent financial reporting.

POSITIVE
COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and each of the Guarantors will observe the Standard Positive Covenants set out in Schedule "A" and in addition will:

- 1,2,3) All existing indebtedness (beyond that permitted under Financial Covenants below), is held direct or indirect, secured or unsecured, with no acceleration rights by municipal shareholders and is bound by distribution restrictions outlined by Negative Covenants below.
- 1,2,3) Comply with Affiliate Relationship Code (legislated by OEB).
- 1,2,3) Comply with all applicable environmental regulations at all times.
- 1,2,3) Comply with all contractual obligations and laws, including payment of taxes, at all times.
- 1,2,3) Comply with all terms of all licenses and immediately advise the Bank if the OEB shall notify the Borrower of a default under a license or if the license is amended, cancelled, suspended or revoked. (Any of such occurrences will be an event of default.)

- 1,2,3) File all OEB rate submissions as outlined in three year business plan.
- 1,2,3) LDC to remain in the regulated business of electricity distribution and maintain all requisite licenses to do so.
- 1,2,3) Maintain adequate liability insurance.
- 1,2,3) Provide Audited annual financial statements within 120 days of fiscal year end for Niagara Peninsula Energy Inc.
- 1,2,3) Provide annual OEB rate submission and Service Quality Index (SQI), if applicable.
- 1,2,3) Provide annually within 120 days of fiscal year end a 1 year budget report for Niagara Peninsula Energy Inc. The budget report will include an income statement and schedule of capital expenditures.
- 1,2,3) Provide unaudited quarterly financial statements within 45 days of Q1, Q2 and Q3 (Q4 not required) for Niagara Peninsula Energy Inc.
- 1,2,3) Transfer pricing between affiliates to be in accordance with Affiliate Relationship Code and approved by the OEB, and no compliance orders from the OEB to exist under any OEB Code of Conduct.

NEGATIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and each of the Guarantors will observe the Standard Negative Covenants set out in Schedule "A". In addition the Borrower will not and will ensure that its subsidiaries and each of the Guarantors will not:

- 1,2,3) Change its ownership/control without the Bank's prior written consent.
- 1,2,3) Change its status as a Limited Distribution Company.
- 1,2,3) Make distributions beyond (EBITDA - Cash Taxes - Unfinanced Capex (net of contributed capital) - Interest Costs - Principal, if any), providing Debt Service Coverage test exceeds **1.20x** (~~1.25x~~) and no other default has occurred. ✓
- 1,2,3) Repay shareholder debt, beyond the permitted distributions outlined below, without the Bank's prior written consent.
- 1,2,3) Undertake additional debt or guarantees without the Bank's prior written consent.
- 1,2,3) Undertake further material outside investments, mergers, amalgamations or consolidations without the Bank's prior written consent.

FINANCIAL COVENANTS

The Borrower agrees at all times to:

- 1,2,3) Maintain a Minimum Debt Service Coverage Ratio of **1.20x** (~~1.25x~~) defined as: ✓

$$\frac{\text{EBITDA*} - \text{Cash Taxes (PILS)} - 40\% \text{ of Capital Expenditures (net of contributed capital)}}{\text{Mandatory Principal} + \text{Interest}}$$

*EBITDA is defined as Earnings before Interest, Income Taxes, Depreciation and Amortization

To be tested on a rolling four quarter basis.

- 1,2,3) Maintain a Notional Minimum Debt Service Coverage Ratio of 1.20x defined as:

$$\frac{\text{EBITDA*} - \text{Cash Taxes (PILS)} - 40\% \text{ of Capital Expenditures (net of contributed capital)}}{\text{Principal**} + \text{Interest}}$$

*EBITDA is defined as Earnings before Interest, Income Taxes, Depreciation and Amortization

** Principal defined as non-amortizing term debt repaid notionally over 30 years. (i.e. drawn non-amortizing term debt divided by 30) and mandatory principal payments on amortizing term debt.

To be tested annually.

1,2,3) Maintain a maximum Debt* to Capitalization** of 0.60:1.

* Debt is defined as all third party interest bearing debt and non-interest bearing debt, including guarantees and contingent liabilities, not subordinated to TD Bank.

** Capitalization is defined as the sum of total Debt, Guarantees, Shareholders' equity, Contributed capital, and Preference share capital net of any Goodwill and other intangible assets such as deferred transition costs.

To be tested quarterly.

EVENTS OF DEFAULT

The Bank may accelerate the payment of principal and interest under any committed credit facility hereunder and cancel any undrawn portion of any committed credit facility hereunder, at any time after the occurrence of any one of the Standard Events of Default contained in Schedule "A" attached hereto and after any one of the following additional Events of Default:

- 1,2,3) Any material adverse change in legislation or regulation of the electrical distribution business in Ontario.
- 1,2,3) Cross Default to Bank of Nova Scotia.
- 1,2,3) Loss of OEB License.
- 1,2,3) Material judgments.

SCHEDULE "A" - STANDARD TERMS AND CONDITIONS

Schedule "A" sets out the Standard Terms and Conditions ("Standard Terms and Conditions") which apply to these credit facilities. The Standard Terms and Conditions, including the defined terms set out therein, form part of this Agreement, unless this letter states specifically that one or more of the Standard Terms and Conditions do not apply or are modified.

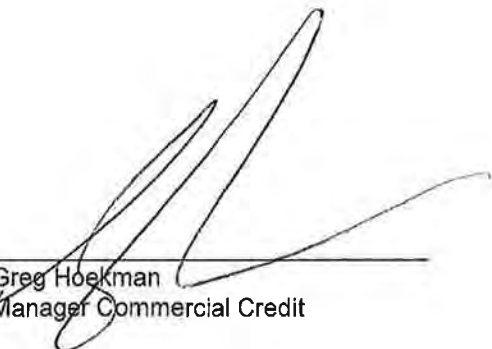
We ask that the Borrower acknowledges agreement to these amendments by signing and returning the attached duplicate copy of this Amending Agreement to the undersigned on or before **December 4, 2013**

Yours truly,

THE TORONTO-DOMINION BANK



David Drosky
Manager



Greg Hoekman
Manager Commercial Credit

TO THE TORONTO-DOMINION BANK:

NIAGARA PENINSULA ENERGY INC. hereby accepts the foregoing offer this _____ day of _____, 2013. The Borrower confirms that, except as may be set out above, the credit facilities detailed herein shall not be used by or on behalf of any third party.

Brian Wilkie - President

Suzanne Wilson – VP Finance

Suzanne Wilson

From: Drosky, David [david.drosky@td.com]
Sent: Tuesday, December 03, 2013 10:34 AM
To: Suzanne Wilson
Subject: COF Spot Rate - Dec 3rd

Importance: High

Annual = 293,300

Suzanne,

Today's spot rate (Dec 3, 2013) for a \$10,000M - 5 year term non-amortizing (interest only) loan is:

Cost of Funds (COF)	2.613%
Spread	<u>0.320%</u>
All-in Rate	2.933%

Please confirm that this interest rate is acceptable and we will proceed to formally book rate and arrange to advance loan proceeds today.

Many thanks,
Dave

David Drosky | Manager | TD Commercial Banking
40 King Street, St. Catharines, ON, L2R 3H4
T: 905-685-7631 | F: 905-685-7053

Analyst: Cathy Ugulini cathy.ugulini@td.com
Client Services Officer: Lynn Parsons lynn.parsons@td.com

From: Suzanne Wilson [mailto:suzanne.wilson@npei.ca]
Sent: Tuesday, November 26, 2013 11:33 AM
To: Drosky, David
Subject: RE: Indicative Spot Rate

Hi David

Please fund the account on Tuesday December 3rd, 2013.

Thank you
Suzanne

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AVIS : Message confidentiel dont le contenu peut être privilégié. Utilisation/divulgarion interdites sans permission. Si reçu par erreur, prière d'aller au www.td.com/francais/avis_juridique pour des instructions.