

St. Thomas Energy Inc.  
135 Edward St.  
St. Thomas, ON  
N5P 4A8

December 2, 2014

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

Dear Ms. Walli,

**RE: St. Thomas Energy Inc.'s  
2015 Cost of Service Electricity Distribution Rate Application;  
Decision and Order; EB-2014-0113**

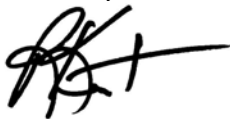
On November 27, 2014 the Ontario Energy Board issued a Decision and Order with respect to St. Thomas Energy Inc.'s ("STEI") Cost of Service Rate Application for rates effective January 1, 2015.

As directed on page 2 of that Order, STEI has attached a draft Tariff of Rates and Charges. The draft Tariff of Rates and Charges reflects the Cost of Capital Parameter Updates for 2015 Applications issued November 20, 2014.

Along with the Draft Rate Order, STEI has included detailed supporting information and Board models, including the Revenue Requirement Work Form, Cost Allocation Model, PIL model and Board Appendices.

STEI's submission will be filed through the Board's web portal consisting of one (1) electronic copy of the application in searchable/unrestricted PDF format and one (1) electronic copy in Microsoft Excel format.

Sincerely,



Robert Kent, CPA, CGA  
Director of Finance and Regulatory Affairs  
St. Thomas Energy Inc.  
(519)-631-5550 x 5258  
rkent@sttenergy.com

**IN THE MATTER OF** the Ontario Energy Board Act, 1988, S.O. 1988, C 15 (Sched. B),  
**AND IN THE MATTER OF** an application by St. Thomas Energy Inc. for an Order or Orders  
approving or fixing just and reasonable rates and other charges for the distribution of  
electricity as of January 1, 2015.

**DRAFT RATE ORDER**

**ST. THOMAS ENERGY INC.**

Filed December 2, 2014

St. Thomas Energy Inc. filed a complete application with the Ontario Energy Board (the "Board") on June 26, 2014 under section 78 of the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that St. Thomas Energy charges for electricity distribution, to be effective January 1, 2015. The Board assigned the Application file number EB-2014-0113.

Three parties requested and were granted intervenor status: The Energy Probe Research Foundation ("Energy Probe"), the Vulnerable Energy Consumers Coalition ("VECC") and the School Energy Coalition ("SEC"). These parties are referred to collectively as the "Intervenors".

In Procedural Order No. 1, issued on August 6, 2014, the Board approved the Intervenors in this proceeding, made its determination regarding the cost eligibility of the Intervenors, and invited comments from St. Thomas Energy Inc. and the Intervenors on a Draft issues List subsequent to the filing in interrogatory responses.

Procedural Order No. 1 also set the dates for the interrogatories: Board staff August 15, 2014, Intervenors August 19, 2014, interrogatory responses September 19, 2014, a Technical Conference September 23-24, 2014, and a Settlement Conference October 6-7, 2014.

The Board issued the approved issue list on October 14, 2014.

The facilitated Settlement Conference was held on October 6 and 7, 2014 with EP, VECC and SEC participation. The parties to the conference reached a complete settlement on all issues and filed the Settlement Proposal with the Board on November 7, 2014.

A Decision and Order (the "Decision") was issued by the Board on November 27, 2014 in which the Board accepted the Settlement Proposal in its entirety.

### **Implementation of Rates**

The Board approved St. Thomas Energy Inc.'s new rates to be effective January 1, 2015, as provided for in the Settlement Proposal.

A Rate Order is to be issued after the process set out below has been completed:

1. St. Thomas Energy Inc. shall file with the Board and serve on Intervenors, a draft Rate Order that includes revised models in Microsoft Excel format and a proposed Tariff of Rates and Charges with an effective date of January 1, 2015 reflecting the Board's findings in this Decision by December 5, 2014.
2. Board staff and Intervenors shall file any comments on the draft Rate Order, including the revised models and proposed rates, and forward them to St. Thomas Energy, within 5 days of filing of the draft Rate Order.
3. St. Thomas Energy Inc. shall file with the Board and serve on Intervenors any response to comments on its draft Rate Order, including the revised models and proposed rates, within 5 days of the date of receipt of Board staff and Intervenor comments.

## Appendices

The following list identifies those Appendices that have been attached in support of the draft Rate Order.

- Appendix A – Draft Tariff and Charges
- Appendix B – Summary of Bill Impacts
- Appendix C – Revenue Requirement Work Form

## Summary of Changes

St. Thomas Energy Inc. has updated its revenue requirement for the 2015 Test Year and has recalculated the original rates proposed in its Application in accordance with the Settlement Proposal and Board findings in the Decision.

## Cost of Capital Parameters

### Board Issued

A corrected settlement proposal was filed with the Board on November 7, 2014. Within that proposal, section 2.1.5 Capital Structure, Rate of Return on Equity and Short Term Debt Rate, STEI committed to updating the cost of capital parameters when the Board issued the revised parameters.

The following Table provides the Settlement Vs November 20<sup>th</sup> Cost of Capital Parameters.

OEB Cost of Capital Parameters		
	Settlement	Updated
Long-Term Debt	4.88%	4.77%
Short - Term Debt	2.11%	2.16%
Equity	9.36%	9.30%

### STEI Cost of Capital Parameters

STEI's cost of capital parameters are based upon Board issued capital parameters and STEI's weighted-average long term debt.

STEI's cost of capital parameters have been updated to reflect the November 20<sup>th</sup> Board issued rates and STEI's weighted-average long term debt rate.

The following table provides STEI's Settlement Vs November 20th Cost of Capital Parameters.

STEI Cost of Capital Parameters		
	Settlement	Updated
Long-Term Debt	4.67%	4.60%
Short - Tern Debt	2.11%	2.16%
Equity	9.36%	9.30%

### Long Term Debt

As a result of the Board's updated Cost of Capital Parameters STEI's weighted-average long term debt rate has been reduced from 4.67% to 4.60%

STEI's long term debt rate was based upon a weighted average of the following debt instruments.

- City of St. Thomas Promissory note, \$7,714,426;
- Bank of Nova Scotia Revolving Term Loan:
  - Fixed by interest swap, \$1,750,000
  - Prime plus 0.55%, \$1,750,000

The following table provides the Settlement weighted average debt rate Vs November 20<sup>th</sup> Cost of capital Parameters.

Weighted-Average Long Term Debt				
Debt	Settlement %	Updated %	Settlement	Updated
7,714,126	4.88%	4.77%	3.36%	3.28%
1,750,000	4.87%	4.87%	0.76%	0.76%
1,750,000	3.55%	3.55%	0.55%	0.55%
<b>11,214,126</b>			<b>4.67%</b>	<b>4.60%</b>

### Revenue Requirement

STEI's revenue requirement has been reduced by \$19,598, from a settlement amount of \$7,041,033 to \$7,021,435.

The reduction in the revenue requirement reflects the changes to STEI's cost of capital parameters and reduced payment in Lieu of taxes.

The following table provides STEI's Settlement Revenue Requirement vs November 20<sup>th</sup> Cost of Capital Parameter.

	Revenue Requirement					
	Original 2015 TY Filing	Technical Conference	Settlement	Updated	Updated \$ Change	Updated % Change
OM&A Expenses	4,634,620	4,672,160	4,490,000	4,490,000	-	0.0%
Amortization / Depreciation	1,208,219	1,208,219	1,154,077	1,154,077	-	0.0%
Income Taxes (Grossed up) Return	54,162	32,205	20,892	19,233	(1,659)	-7.9%
Deemed Interest Expense	886,973	879,786	791,290	780,386	(10,904)	-1.4%
Return on Deemed Equity	1,178,768	1,169,217	1,097,418	1,090,383	(7,035)	-0.6%
<b>Service Revenue Requirement</b>	<b>7,962,742</b>	<b>7,961,587</b>	<b>7,553,677</b>	<b>7,534,079</b>	<b>(19,598)</b>	<b>-0.3%</b>
<b>Other Operating Revenue and Offsets</b>	<b>496,044</b>	<b>511,044</b>	<b>512,644</b>	<b>512,644</b>	<b>-</b>	<b>0.0%</b>
<b>Base Revenue Requirement</b>	<b>7,466,698</b>	<b>7,450,543</b>	<b>7,041,033</b>	<b>7,021,435</b>	<b>(19,598)</b>	<b>-0.3%</b>

### Rate Base

St. Thomas Energy Inc.'s rate base of \$29,311,377 is based upon the Average Net Fixed Assets of \$25,762,736 and an allowance for working capital of \$36,396,320. St. Thomas Energy Inc.'s rate base remains unchanged from the Settlement Proposal and is presented in the following table.

<b>2015TY Rate Base vs Settlement</b>				
	<b>Original 2015 TY Filing</b>	<b>Technical Conference</b>	<b>Settlement Agreement</b>	<b>Changes</b>
<b>Gross Fixed Assets (average)</b>	52,172,331	52,172,331	50,459,323	(1,713,008)
<b>Accumulated Depreciation (average)</b>	(25,737,485)	(25,737,485)	(24,696,587)	1,040,898
<b>Average Net Fixed Assets</b>	<b>26,434,846</b>	<b>26,434,846</b>	<b>25,762,736</b>	<b>(672,110)</b>
<b>Allowance for Working Capital</b>				
<b>Controllable Expenses</b>	4,634,620	4,672,160	4,490,000	(182,160)
<b>Cost of Power</b>	34,206,528	32,206,692	31,906,320	(300,372)
<b>Working Capital Base</b>	<b>38,841,148</b>	<b>36,878,852</b>	<b>36,396,320</b>	<b>(482,532)</b>
<b>Working Capital Rate</b>	<b>13.00%</b>	<b>13.00%</b>	<b>9.75%</b>	<b>-3.25%</b>
<b>Allowance for Working Capital Rate Base</b>	<b>5,049,349</b>	<b>4,794,251</b>	<b>3,548,641</b>	<b>(1,245,610)</b>
	<b>31,484,195</b>	<b>31,229,097</b>	<b>29,311,377</b>	<b>(1,917,720)</b>

### Working Capital Allowance

St. Thomas Energy Inc.'s working capital allowance \$3,548,641 is based on the settled amount 9.75% of the Cost of Power and eligible controllable expenses (i.e. Operations, Maintenance, Billing and Collecting, Community Relations, Administration and General inclusive of property taxes). St. Thomas Energy Inc.'s working capital allowance remains unchanged from the Settlement Proposal and is presented on the following table.

<b>2015 Working Capital Allowance vs Settlement</b>					
	<b>Original 2015 TY Filing</b>	<b>Technical Conference</b>	<b>Settlement Reallocation</b>	<b>Settlement Reduction</b>	<b>Settlement 2015TY</b>
<b>Cost of Power</b>	34,206,528	(1,999,836)		(300,372)	<b>31,906,320</b>
<b>Operations</b>	977,701	8,570		(19,380)	<b>966,891</b>
<b>Maintenance</b>	340,842	8,570		(19,380)	<b>330,032</b>
<b>Customer Service</b>	965,058	13,500	(23,400)	-	<b>955,158</b>
<b>Administration</b>	2,351,019	6,900		(120,000)	<b>2,237,919</b>
<b>Working Capital</b>	<b>38,841,148</b>	<b>(1,962,296)</b>	<b>(23,400)</b>	<b>(459,132)</b>	<b>36,396,320</b>

### Operating, Maintenance and Administration (OM&A)

St. Thomas Energy Inc.'s OM&A of \$4,490,000 remains unchanged from the Settlement Proposal and is presented in the following table.

<b>2015 OM&amp;A Expenditures vs Settlement</b>					
	<b>Original 2015 TY Filing</b>	<b>Technical Conference</b>	<b>Settlement Reallocation</b>	<b>Settlement Reduction</b>	<b>Settlement 2015TY</b>
<b>Operations</b>	977,701	8,570	-	(19,380)	966,891
<b>Maintenance</b>	340,842	8,570	-	(19,380)	330,032
<b>Customer Service</b>	965,058	13,500	(23,400)	-	955,158
<b>Administration</b>	2,351,019	6,900	-	(120,000)	2,237,919
<b>TOTAL OM&amp;A</b>	<b>4,634,620</b>	<b>37,540</b>	<b>(23,400)</b>	<b>(158,760)</b>	<b>4,490,000</b>

### Payment in Lieu of Taxes (PILs)

STEI's PILs has been reduced by \$1,659 from a settlement amount of \$20,892 to \$19,233. The reduction in the PILs requirement reflects the changes to STEI's cost of capital parameters. STEI's PIL requirement is presented in the following table.

<b>Payment in Lieu of Taxes</b>					
	<b>Original 2015 TY Filing</b>	<b>Technical Conference</b>	<b>Settlement Adjustments</b>	<b>Settlement 2015TY</b>	<b>Settlement Updated</b>
<b>Payment in Lieu of Taxes</b>	<b>54,162</b>	<b>(21,957)</b>	<b>(11,313)</b>	<b>20,892</b>	<b>19,233</b>

### Cost of Power

St. Thomas Energy Inc.'s cost of power of \$31,906,320 remains unchanged from the Settlement Proposal and is presented in the following table.

<b>Cost of Power - 2015 Settlement</b>	
Electricity (Commodity)	26,335,313
Transmission - Network	2,143,471
Transmission - Connection	1,602,954
Wholesale Market Service	1,285,092
Rural Rate Protection	379,686
Smart Meter Entity Charge	159,804
<b>GRAND TOTAL</b>	<b>31,906,320</b>

### Billing Determinants

St. Thomas Energy Inc.'s billing determinants remains unchanged from the Settlement Proposal and are presented in the following table.

Billing Determinants			
	Customer /		
	Connections	kWh	kW
Residential	15,120	120,603,908	-
General Service < 50 kW	1,737	40,656,676	-
General Service > 50	144	116,608,841	297,360
Sentinel Lighting	52	22,839	174
Street Lighting	4,918	3,118,174	8,629
<b>Totals</b>	<b>21,971</b>	<b>281,010,438</b>	<b>306,163</b>

### Deferral and Variance Accounts

In the Settlement Proposal the parties agreed that the account balances, cost allocation methodology and disposition period for the deferral and variance accounts were appropriate, as provided in the following tables.

#### Rate Rider Calculation for Deferral / Variance Accounts Balances (excluding Global Adj.)

Rate Class (Enter Rate Classes in cells below)	Units	kW / kWh / # of Customers	Allocated Balance (excluding 1589)	Rate Rider for Deferral/Variance Accounts	
Residential	kWh	120,603,908	-\$ 317,234	- 0.0026	\$/kWh
General Service < 50 kW	kWh	40,656,676	-\$ 106,943	- 0.0026	\$/kWh
General Service > 50 kW	kW	297,360	-\$ 306,726	- 1.0315	\$/kW
Sentinel Lighting	kW	174	-\$ 60	- 0.3453	\$/kW
Street Lighting	kW	8,629	-\$ 8,202	- 0.9505	\$/kW
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
		-	\$ -	-	
<b>Total</b>			<b>-\$ 739,165</b>		



### Rate Rider Calculation for RSVA - Power - Global Adjustment

<b>Rate Class</b> <b>(Enter Rate Classes in cells below)</b>	<b>Units</b>	<b>Non-RPP kW / kWh / # of Customers</b>	<b>Balance of RSVA - Power - Global Adjustment</b>	<b>Rate Rider for RSVA - Power - Global Adjustment</b>
Residential	kWh	15,455,793	\$ 78,768	0.0051
General Service < 50 kW	kWh	8,727,820	\$ 44,480	0.0051
General Service > 50 kW	kW	283,647	\$ 566,874	1.9985
Sentinel Lighting		-	\$ -	-
Street Lighting	kW	925	\$ 1,703	1.8416
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
<b>Total</b>			<b>\$ 691,825</b>	

### Rate Rider Calculation for Accounts 1568

Please indicate the Rate Rider Recovery Period (in years)	1
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<b>Rate Class</b> <b>(Enter Rate Classes in cells below)</b>	<b>Units</b>	<b>kW / kWh / # of Customers</b>	<b>Balance of Account 1568</b>	<b>Rate Rider for Account 1568</b>
Residential	kWh	120,603,908	\$ 5,741	0.00005
General Service < 50 kW	kWh	40,656,676	\$ 26,831	0.0007
General Service > 50 kW	kW	297,360	-\$ 441	- 0.0015
Sentinel Lighting		-	\$ -	-
Street Lighting		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
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		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
		-	\$ -	-
<b>Total</b>			<b>\$ 32,131</b>	

## Stranded Meter Rate Rider

STEI's stranded meter costs will be recovered over a five-year period based upon the following rate riders.

### Stranded Meter Rate Rider

	Applied for Settlement	
Residential	0.42	0.37
GS<50	0.42	0.79

### Retail Transmission Service Rates

In the Settlement Proposal the parties agreed on St. Thomas Energy Inc.'s Retail Transmission Service Rates ("RTSR"). Under section 3.5 of the proposal, St. Thomas Energy Inc. committed to updating the RTSR rates based if updated rates are available before the Board issues its final rate order for the application. St. Thomas Energy Inc. has not received any updated rates. The following table provides the RTSR rates as provided for in the Settlement Proposal.

Rate Class	Unit		Proposed RTSR Network		Proposed RTSR Connection
Residential	kWh	\$	0.0075	\$	0.0058
General Service Less Than 50 kW	kWh	\$	0.0074	\$	0.0054
General Service 500 to 4,999 kW	kW	\$	2.9672	\$	2.2033
Sentinel Lighting	kW	\$	1.8652	\$	1.3840
Street Lighting	kW	\$	2.2882	\$	1.6988

### Cost Allocation

The following tables reflect the Revised Board Appendix 2-P adjusted to reflect STEI's revised cost of capital parameters.

#### A) Allocated Costs

Classes	Costs Allocated from Previous Study	%	Costs Allocated in Test Year Study (Column 7A)	%
Residential	\$4,225,650	60.43%	\$ 4,785,696	63.52%
GS < 50 kW	\$1,047,217	14.98%	\$ 1,220,995	16.21%
GS > 50 kW (or 50 kW < GS < xxx kW, if applicable)	\$1,394,746	19.95%	\$ 1,295,851	17.20%
GS > xxx kW, if applicable		0.00%		0.00%
Large User, if applicable		0.00%		0.00%
Street Lighting	\$ 317,527	4.54%	\$ 228,175	3.03%
Sentinel Lighting	\$ 7,342	0.11%	\$ 3,362	0.04%
Unmetered Scattered Load (USL)				
Other class, if applicable				
Embedded distributor class				
<b>Total</b>	<b>\$6,992,482</b>	<b>100.00%</b>	<b>\$ 7,534,078</b>	<b>100.00%</b>

B) Calculated Class Revenues

Classes (same as previous table)	Column 7B	Column 7C	Column 7D	Column 7E
	Load Forecast (LF) X current approved rates	L.F. X current approved rates X (1 + d)	LF X proposed rates	Miscellaneous Revenue
Residential	\$ 4,388,175	\$ 4,601,982	\$ 4,601,982	\$ 354,826
GS < 50 kW	\$ 1,074,096	\$ 1,126,430	\$ 1,126,430	\$ 75,450
GS > 50 kW (or 50 kW < GS < xxx kW, if applicable)	\$ 1,026,602	\$ 1,076,622	\$ 1,077,764	\$ 74,092
GS > xxx kW, if applicable				
Large User, if applicable				
Street Lighting	\$ 201,532	\$ 211,351	\$ 211,351	\$ 8,150
Sentinel Lighting	\$ 4,814	\$ 5,049	\$ 3,908	\$ 126
Unmetered Scattered Load (USL)				
Other class, if applicable				
Embedded distributor class				
<b>Total</b>	<b>\$ 6,695,218</b>	<b>\$ 7,021,434</b>	<b>\$ 7,021,435</b>	<b>\$ 512,644</b>

C) Rebalancing Revenue-to-Cost (R/C) Ratios

Class	Previously Approved Ratios	Status Quo Ratios	Proposed Ratios	Policy Range
	Most Recent Year: 2011	(7C + 7E) / (7A)	(7D + 7E) / (7A)	
	%	%	%	%
Residential	108.62	103.58	103.60	85 - 115
GS < 50 kW	101.31	98.43	98.43	80 - 120
GS > 50 kW (or 50 kW < GS < xxx kW, if applicable)	93.40	88.80	88.89	80 - 120
GS > xxx kW, if applicable				80 - 120
Large User, if applicable				85 - 115
Street Lighting	11.47	96.20	96.20	70 - 120
Sentinel Lighting	32.98	153.93	119.99	80 - 120
Unmetered Scattered Load (USL)				80 - 120
Other class, if applicable				
Embedded distributor class				

**Bill Impact**

Following the adjustments made as a result of the revised Cost of Capital Parameters, Cost Allocation model and the Payment in Lieu model, the total bill impact for a typical Residential Class Customer consuming 800 kWh per month is an increase of \$0.27 or 0.24%. In addition, the bill impact for a typical General Service < 50 kW Class Customer consuming 2,000 kWh per month would be an increase of \$0.75 or 0.29%

**Rates**

The following table provides STEI's Settlement Customer rates Vs November 20<sup>th</sup> Cost of Capital Parameter

Customer Rates					
Class	Volumetric	Settlement		Updated	
		Fixed \$	Variable \$	Fixed \$	Variable \$
Residential	kWh	14.25	0.01680	14.21	0.01680
GS < 50	kWh	23.26	0.01590	23.20	0.01580
GS > 50	KW	72.31	3.47180	72.31	3.46170
Sentinel light	kW	4.70	5.68300	4.68	5.66210
Street light	kW	3.59	0.03500	3.58	0.03490

**Attachment “A”**

**Decision and Rate Order**

**Draft Tariff of Rates and Charges**

**Board File No: EB-2014-0113**

**December 2, 2014**

**St. Thomas Energy Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2015**

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

**EB-2014-0113**

**RESIDENTIAL SERVICE CLASSIFICATION**

This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consists of a detached house or one unit of a semi-detached, duplex, triplex or quadruple house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. Further servicing details are available in the distributor'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	\$	14.21
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.01680
Rate Rider for LRAMVA – effective until December 31, 2015	\$/kWh	0.00005
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kWh	(0.0064)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015, Applicable only for Non-RPP Customers	\$/kWh	0.0095
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2015	\$/kWh	(0.0026)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until December 31, 2015, Applicable only for Non-RPP Customers	\$/kWh	0.0051
Rate Rider for Recovery of Stranded Meter Assets – effective until December 31, 2019	\$	0.37
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0075
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0058

**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

**St. Thomas Energy Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2015**

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

EB-2014-0113

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

This classification refers to a non residential account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecasted to be less than, 50 kW. Further servicing details are available in the distributor'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	\$	23.20
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.01580
Rate Rider for LRAMVA – effective until December 31, 2015	\$/kWh	0.00070
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kWh	(0.0063)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015, Applicable only for Non-RPP Customers	\$/kWh	0.0095
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2015	\$/kWh	(0.0026)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until December 31, 2015, Applicable only for Non-RPP Customers	\$/kWh	0.0051
Rate Rider for Recovery of Stranded Meter Assets – effective until December 31, 2019	\$	0.79
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0074
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0054

**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

**St. Thomas Energy Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2015**

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

EB-2014-0113

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

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecasted to be equal to or greater than 50 kW but less than 5,000 kW. Further servicing details are available in the distributor'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	\$	72.31
Distribution Volumetric Rate	\$/kW	3.4617
Rate Rider for LRAMVA – effective until December 31, 2015	\$/kW	(0.0015)
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kW	(2.3802)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015, Applicable only for Non-RPP Customers	\$/kW	3.5333
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2015	\$/kW	(1.0315)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until December 31, 2015, Applicable only for Non-RPP Customers	\$/kW	1.9985
Retail Transmission Rate - Network Service Rate	\$/kW	2.9672
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.2033

**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

**St. Thomas Energy Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2015**

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approved schedules of Rates, Charges and Loss Factors

EB-2014-0113

## SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for individual lighting on private property controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor'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)	\$	4.68
Distribution Volumetric Rate	\$/kW	5.6621
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kW	(2.5325)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2015	\$/kW	(0.3453)
Retail Transmission Rate - Network Service Rate	\$/kWh	1.8652
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.3840

## 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



**St. Thomas Energy Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2015**

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EB-2014-0113

**STREET LIGHTING SERVICE CLASSIFICATION**

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption of these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor'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)	\$	3.58
Distribution Volumetric Rate	\$/kW	0.0349
Rate Rider for Disposition of Deferral/Variance Accounts (2014) - effective until April 30, 2015	\$/kW	(2.3082)
Rate Rider for Disposition of Global Adjustment Account (2014) - effective until April 30, 2015, Applicable only for Non-RPP Customers	\$/kW	3.4271
Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until December 31, 2015	\$/kW	(0.9505)
Rate Rider for Disposition of Global Adjustment Account (2015) - effective until December 31, 2015, Applicable only for Non-RPP Customers	\$/kW	1.8416
Retail Transmission Rate - Network Service Rate	\$/kW	2.2882
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.6988

**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

**St. Thomas Energy Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2015**

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EB-2014-0113

**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. Further servicing details are available in the distributor'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	\$	10.00
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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)

**St. Thomas Energy Inc.**  
**TARIFF OF RATES AND CHARGES**  
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EB-2014-0113

**SPECIFIC SERVICE CHARGES**

**APPLICATION**

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**Customer Administration**

Arrears certificate	\$	15.00
Statement of Account	\$	15.00
Pulling Post Dated Cheques	\$	15.00
Duplicate Invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement Letter	\$	15.00
Income Tax Letter	\$	15.00
Notification charge	\$	15.00
Account History	\$	15.00
Credit check (plus credit agency costs)	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

**Non-Payment of Account**

Late Payment – per month	%	1.50
Late Payment – per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Collection of account charge – no disconnection – after regular hours	\$	165.00
Disconnect/Reconnect at meter – during regular hours	\$	65.00
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	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00
Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35
Disconnect/Reconnect Charge at Customer's Request - at meter during regular hours	\$	65.00

**St. Thomas Energy Inc.**  
**TARIFF OF RATES AND CHARGES**  
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EB-2014-0113

**RETAIL SERVICE CHARGES (if applicable)**

The application of these rates and charges shall be in accordance with the License 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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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.

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	1.0393
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0289

## **Attachment “B”**

### **Summary of Monthly Bill Impacts**

Customer Class: **Residential**Consumption **800** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 11.5300	1	\$ 11.53	\$ 14.2100	1	\$ 14.21	\$ 2.68	23.24%
Smart Meter Rate Adder			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	kWh	\$ 0.0160	800	\$ 12.80	\$ 0.0168	800	\$ 13.44	\$ 0.64	5.00%
Rate Rider for Recovery of Smart	Monthly	\$ 2.0200	1	\$ 2.02	\$ -	1	\$ -	-\$ 2.02	-100.00%
Rate Rider for LRAM/SSM	kWh	\$ -	800	\$ -	\$ 0.0001	800	\$ 0.08	\$ 0.08	
Stranded Meter Rate Rider	kWh	\$ -	800	\$ -	\$ -	800	\$ -	\$ -	
Rate Rider for Smart Metering En	Monthly	\$ 0.7900	1	\$ 0.79	\$ 0.7900	1	\$ 0.79	\$ -	
Rate Rider for Application of Tax	kWh	-\$ 0.0001	800	-\$ 0.08	\$ -	800	\$ -	\$ 0.08	-100.00%
Stranded Meter Recovery Rate Ri	Monthly	\$ -	1	\$ -	\$ 0.3700	1	\$ 0.37	\$ 0.37	
<b>Sub-Total A</b>				<b>\$ 27.06</b>			<b>\$ 28.89</b>	<b>\$ 1.83</b>	<b>6.76%</b>
Rate Rider for Deferral/Variance Account Disposition (2014) - effective until April 30, 2015	kWh	-\$ 0.0064	800	-\$ 5.12	-\$ 0.0064	800	-\$ 5.12	\$ -	
Rate Rider for Deferral/Variance Account Disposition (2015) - Effective until Dec 31, 2015	kWh	\$ -	800	\$ -	-\$ 0.0026	800	-\$ 2.08	-\$ 2.08	
Low Voltage Service Charge	kWh	\$ -	800	\$ -	\$ -	800	\$ -	\$ -	
Smart Meter Entity Charge						800	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>				<b>\$ 21.94</b>			<b>\$ 21.69</b>	<b>-\$ 0.25</b>	<b>-1.14%</b>
RTSR - Network	kWh	\$ 0.0070	828	\$ 5.80	\$ 0.0075	831	\$ 6.24	\$ 0.44	7.59%
RTSR - Line and Transformation Connection	kWh	\$ 0.0052	828	\$ 4.31	\$ 0.0057	831	\$ 4.74	\$ 0.43	10.08%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>				<b>\$ 32.04</b>			<b>\$ 32.67</b>	<b>\$ 0.62</b>	<b>1.95%</b>
Wholesale Market Service Charge (WMSC)	kWh	\$ 0.0052	828	\$ 4.31	\$ 0.0044	831	\$ 3.66	-\$ 0.65	-15.03%
Rural and Remote Rate Protection (RRRP)	kWh	\$ 0.0013	828	\$ 1.08	\$ 0.0013	831	\$ 1.08	\$ 0.00	0.42%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	800	\$ 5.60	\$ 0.0070	800	\$ 5.60	\$ -	
Energy - RPP - Tier 1	kWh	\$ 0.0750	600	\$ 45.00	\$ 0.0750	600	\$ 45.00	\$ -	
Energy - RPP - Tier 2	kWh	\$ 0.0880	228	\$ 20.06	\$ 0.0880	231	\$ 20.37	\$ 0.31	1.52%
TOU - Off Peak	kWh	\$ 0.0650	530	\$ 34.44	\$ 0.0650	532	\$ 34.59	\$ 0.14	0.42%
TOU - Mid Peak	kWh	\$ 0.1000	149	\$ 14.90	\$ 0.1000	150	\$ 14.97	\$ 0.06	0.42%
TOU - On Peak	kWh	\$ 0.1170	149	\$ 17.44	\$ 0.1170	150	\$ 17.51	\$ 0.07	0.42%
<b>Total Bill on RPP (before Taxes)</b>				<b>\$ 108.09</b>			<b>\$ 108.37</b>	<b>\$ 0.29</b>	<b>0.27%</b>
HST		13%		\$ 14.05	13%		\$ 14.09	\$ 0.04	0.27%
<b>Total Bill (including HST)</b>				<b>\$ 122.14</b>			<b>\$ 122.46</b>	<b>\$ 0.32</b>	<b>0.27%</b>
<b>Ontario Clean Energy Benefit 1</b>				<b>-\$ 12.21</b>			<b>-\$ 12.25</b>	<b>-\$ 0.04</b>	<b>0.33%</b>
<b>Total Bill on RPP (including OCEB)</b>				<b>\$ 109.93</b>			<b>\$ 110.21</b>	<b>\$ 0.28</b>	<b>0.26%</b>
<b>Total Bill on TOU (before Taxes)</b>				<b>\$ 109.81</b>			<b>\$ 110.07</b>	<b>\$ 0.26</b>	<b>0.24%</b>
HST		13%		\$ 14.28	13%		\$ 14.31	\$ 0.03	0.24%
<b>Total Bill (including HST)</b>				<b>\$ 124.09</b>			<b>\$ 124.38</b>	<b>\$ 0.30</b>	<b>0.24%</b>
<b>Ontario Clean Energy Benefit 1</b>				<b>-\$ 12.41</b>			<b>-\$ 12.44</b>	<b>-\$ 0.03</b>	<b>0.24%</b>
<b>Total Bill on TOU (including OCEB)</b>				<b>\$ 111.68</b>			<b>\$ 111.94</b>	<b>\$ 0.27</b>	<b>0.24%</b>

Loss Factor (%)

3.50%

3.93%

Customer Class: **General Service < 50 kW**

Consumption **2000** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 17.4700	1	\$ 17.47	\$ 23.2000	1	\$ 23.20	\$ 5.73	32.80%
Smart Meter Rate Adder			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	kWh	\$ 0.0151	2000	\$ 30.20	\$ 0.0158	2000	\$ 31.60	\$ 1.40	4.64%
Rate Rider for Recovery of Smart	Monthly	\$ 4.6500	1	\$ 4.65	\$ -	1	\$ -	\$ -4.65	-100.00%
Rate Rider for LRAM/SSM	kWh	\$ -	2000	\$ -	\$ 0.0007	2000	\$ 1.40	\$ 1.40	
Stranded Meter Rate Rider	kWh	\$ -	2000	\$ -	\$ -	2000	\$ -	\$ -	
Rate Rider for Smart Metering En	Monthly	\$ 0.7900	1	\$ 0.79	\$ 0.7900	1	\$ 0.79	\$ -	
Rate Rider for Application of Tax	kWh	-\$ 0.0001	2000	-\$ 0.20	\$ -	2000	\$ -	\$ 0.20	-100.00%
Stranded Meter Recovery Rate Ri	Monthly	\$ -	1	\$ -	\$ 0.7900	1	\$ 0.79	\$ 0.79	
<b>Sub-Total A</b>				\$ 52.91			\$ 57.78	\$ 4.87	9.20%
Rate Rider for Deferral/Variance Account Disposition (2014) - effective until April 30, 2015	kWh	-\$ 0.0063	2000	-\$ 12.60	-\$ 0.0063	2000	-\$ 12.60	\$ -	
Rate Rider for Deferral/Variance Account Disposition (2015) - Effective until Dec 31, 2015	kWh	\$ -	2000	\$ -	-\$ 0.0026	2000	-\$ 5.20	-\$ 5.20	
Low Voltage Service Charge	kWh	\$ -	2000	\$ -	\$ -	2000	\$ -	\$ -	
Smart Meter Entity Charge						2000	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>				\$ 40.31			\$ 39.98	-\$ 0.33	-0.82%
RTSR - Network	kWh	\$ 0.0069	2070	\$ 14.28	\$ 0.0073	2079	\$ 15.17	\$ 0.89	6.24%
RTSR - Line and Transformation Connection	kWh	\$ 0.0048	2070	\$ 9.94	\$ 0.0053	2079	\$ 11.02	\$ 1.08	10.88%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>				\$ 64.53			\$ 66.17	\$ 1.64	2.55%
Wholesale Market Service Charge (WMSC)	kWh	\$ 0.0052	2070	\$ 10.76	\$ 0.0044	2079	\$ 9.15	-\$ 1.62	-15.03%
Rural and Remote Rate Protection (RRRP)	kWh	\$ 0.0013	2070	\$ 2.69	\$ 0.0013	2079	\$ 2.70	\$ 0.01	0.42%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	2000	\$ 14.00	\$ 0.0070	2000	\$ 14.00	\$ -	
Energy - RPP - Tier 1	kWh	\$ 0.0750	750	\$ 56.25	\$ 0.0750	750	\$ 56.25	\$ -	
Energy - RPP - Tier 2	kWh	\$ 0.0880	1320	\$ 116.16	\$ 0.0880	1329	\$ 116.92	\$ 0.76	0.66%
TOU - Off Peak	kWh	\$ 0.0650	1325	\$ 86.11	\$ 0.0650	1330	\$ 86.47	\$ 0.36	0.42%
TOU - Mid Peak	kWh	\$ 0.1000	373	\$ 37.26	\$ 0.1000	374	\$ 37.42	\$ 0.16	0.42%
TOU - On Peak	kWh	\$ 0.1170	373	\$ 43.59	\$ 0.1170	374	\$ 43.78	\$ 0.18	0.42%
<b>Total Bill on RPP (before Taxes)</b>				\$ 264.39			\$ 265.19	\$ 0.80	0.30%
HST		13%		\$ 34.37	13%		\$ 34.48	\$ 0.10	0.30%
<b>Total Bill (including HST)</b>				\$ 298.77			\$ 299.67	\$ 0.90	0.30%
<i>Ontario Clean Energy Benefit 1</i>				-\$ 29.88			-\$ 29.97	-\$ 0.09	0.30%
<b>Total Bill on RPP (including OCEB)</b>				\$ 268.89			\$ 269.70	\$ 0.81	0.30%
<b>Total Bill on TOU (before Taxes)</b>				\$ 258.95			\$ 259.69	\$ 0.74	0.28%
HST		13%		\$ 33.66	13%		\$ 33.76	\$ 0.10	0.28%
<b>Total Bill (including HST)</b>				\$ 292.61			\$ 293.45	\$ 0.83	0.28%
<i>Ontario Clean Energy Benefit 1</i>				-\$ 29.26			-\$ 29.34	-\$ 0.08	0.27%
<b>Total Bill on TOU (including OCEB)</b>				\$ 263.35			\$ 264.11	\$ 0.75	0.29%

Loss Factor (%)

3.50%

3.93%

Customer Class: **General Service > 50**Consumption **40000** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 72.3100	1	\$ 72.31	\$ 72.3100	1	\$ 72.31	\$ -	
Smart Meter Rate Adder			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	kW	\$ 3.2366	100	\$ 323.66	\$ 3.4617	100	\$ 346.17	\$ 22.51	6.95%
Rate Rider for Recovery of Smart	Monthly	\$ 9.1200	1	\$ 9.12	\$ -	1	\$ -	\$ -9.12	-100.00%
Rate Rider for LRAM/SSM	kW	\$ -	100	\$ -	\$ 0.0015	100	\$ 0.15	\$ 0.15	
Stranded Meter Rate Rider	kWh	\$ -	40000	\$ -	\$ -	40000	\$ -	\$ -	
Rate Rider for Smart Metering En	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Rate Rider for Application of Tax	kW	\$ 0.0093	100	\$ 0.93	\$ -	100	\$ -	\$ 0.93	-100.00%
Stranded Meter Recovery Rate Ri	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
<b>Sub-Total A</b>				\$ 404.16			\$ 418.33	\$ 14.17	3.51%
Rate Rider for Deferral/Variance Account Disposition (2014) - effective until April 30, 2015	kW	\$ -2.3802	100	\$ -238.02	\$ -2.3802	100	\$ -238.02	\$ -	
Rate Rider for Deferral/Variance Account Disposition (2015) - Effective until Dec 31, 2015	kW	\$ -	100	\$ -	\$ 1.0315	100	\$ 103.15	\$ 103.15	
Low Voltage Service Charge	kWh	\$ -	40000	\$ -	\$ -	40000	\$ -	\$ -	
Smart Meter Entity Charge						40000	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>				\$ 166.14			\$ 77.16	\$ 88.98	-53.56%
RTSR - Network	kW	\$ 2.7638	104	\$ 286.05	\$ 2.9425	104	\$ 305.83	\$ 19.77	6.91%
RTSR - Line and Transformation Connection	kW	\$ 1.9761	104	\$ 204.53	\$ 2.1850	104	\$ 227.10	\$ 22.57	11.04%
<b>Sub-Total C - Delivery (including Sub-Total B)</b>				\$ 656.72			\$ 610.08	\$ 46.64	-7.10%
Wholesale Market Service Charge (WMSC)	kWh	\$ 0.0052	41400	\$ 215.28	\$ 0.0044	41574	\$ 182.92	\$ 32.36	-15.03%
Rural and Remote Rate	kWh	\$ 0.0013	41400	\$ 53.82	\$ 0.0013	41574	\$ 54.05	\$ 0.23	0.42%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	40000	\$ 280.00	\$ 0.0070	40000	\$ 280.00	\$ -	
Energy - RPP - Tier 1	kWh	\$ 0.0750	750	\$ 56.25	\$ 0.0750	750	\$ 56.25	\$ -	
Energy - RPP - Tier 2	kWh	\$ 0.0880	40650	\$ 3,577.20	\$ 0.0880	40824	\$ 3,592.49	\$ 15.29	0.43%
TOU - Off Peak	kWh	\$ 0.0650	26496	\$ 1,722.24	\$ 0.0650	26607	\$ 1,729.47	\$ 7.23	0.42%
TOU - Mid Peak	kWh	\$ 0.1000	7452	\$ 745.20	\$ 0.1000	7483	\$ 748.33	\$ 3.13	0.42%
TOU - On Peak	kWh	\$ 0.1170	7452	\$ 871.88	\$ 0.1170	7483	\$ 875.54	\$ 3.66	0.42%
<b>Total Bill on RPP (before Taxes)</b>				\$ 4,839.27			\$ 4,775.79	\$ 63.48	-1.31%
HST	13%			\$ 629.11	13%		\$ 620.85	\$ 8.25	-1.31%
<b>Total Bill (including HST)</b>				\$ 5,468.37			\$ 5,396.65	\$ 71.73	-1.31%
<b>Ontario Clean Energy Benefit 1</b>				\$ 546.84			\$ 539.66	\$ 7.18	-1.31%
<b>Total Bill on RPP (including OCEB)</b>				\$ 4,921.53			\$ 4,856.99	\$ 64.55	-1.31%
<b>Total Bill on TOU (before Taxes)</b>				\$ 4,545.14			\$ 4,480.39	\$ 64.75	-1.42%
HST	13%			\$ 590.87	13%		\$ 582.45	\$ 8.42	-1.42%
<b>Total Bill (including HST)</b>				\$ 5,136.01			\$ 5,062.84	\$ 73.17	-1.42%
<b>Ontario Clean Energy Benefit 1</b>				\$ 513.60			\$ 506.28	\$ 7.32	-1.43%
<b>Total Bill on TOU (including OCEB)</b>				\$ 4,622.41			\$ 4,556.56	\$ 65.85	-1.42%

Loss Factor (%)

3.50%

3.93%



Customer Class: **Sentinel Lighting**Consumption **36.60096154** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 5.7700	1	\$ 5.77	\$ 4.6800	1	\$ 4.68	-\$ 1.09	-18.89%
Smart Meter Rate Adder			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	kW	\$ 6.9740	0.27885	\$ 1.94	\$ 5.6621	0.27885	\$ 1.58	-\$ 0.37	-18.81%
Rate Rider for Recovery of Smart	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Rate Rider for LRAM/SSM	kW	\$ -	0.27885	\$ -	\$ -	0.27885	\$ -	\$ -	
Stranded Meter Rate Rider	kWh	\$ -	36.601	\$ -	\$ -	36.601	\$ -	\$ -	
Rate Rider for Smart Metering En	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Rate Rider for Application of Tax	kW	-\$ 0.0727	0.27885	-\$ 0.02	\$ -	0.27885	\$ -	\$ 0.02	-100.00%
Stranded Meter Recovery Rate Ri	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
<b>Sub-Total A</b>				\$ 7.69			\$ 6.26	<b>-\$ 1.44</b>	<b>-18.66%</b>
Rate Rider for	kW	-\$ 2.5325							
Deferral/Variance Account			0.27885	-\$ 0.71	-\$ 2.5325	0.27885	-\$ 0.71	\$ -	
Disposition (2014) - effective									
until April 30, 2015									
Rate Rider for	kW	\$ -							
Deferral/Variance Account			0.27885	\$ -	-\$ 0.3453	0.27885	-\$ 0.10	-\$ 0.10	
Disposition (2015) - Effective									
until Dec 31, 2015									
Low Voltage Service Charge	kWh	\$ -	36.601	\$ -	\$ -	36.601	\$ -	\$ -	
Smart Meter Entity Charge						36.601	\$ -	\$ -	
<b>Sub-Total B - Distribution</b>				<b>\$ 6.99</b>			<b>\$ 5.46</b>	<b>-\$ 1.53</b>	<b>-21.92%</b>
<b>(includes Sub-Total A)</b>									
RTSR - Network	kW	\$ 1.7373	0	\$ 0.50	\$ 1.8496	0	\$ 0.54	\$ 0.03	6.91%
RTSR - Line and	kW	\$ 1.2413	0	\$ 0.36	\$ 1.3725	0	\$ 0.40	\$ 0.04	11.03%
Transformation Connection									
<b>Sub-Total C - Delivery</b>				<b>\$ 7.85</b>			<b>\$ 6.39</b>	<b>-\$ 1.46</b>	<b>-18.57%</b>
<b>(including Sub-Total B)</b>									
Wholesale Market Service	kWh	\$ 0.0052	38	\$ 0.20	\$ 0.0044	38	\$ 0.17	-\$ 0.03	-15.03%
Charge (WMSC)									
Rural and Remote Rate	kWh	\$ 0.0013	38	\$ 0.05	\$ 0.0013	38	\$ 0.05	\$ 0.00	0.42%
Protection (RRRP)									
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	37	\$ 0.26	\$ 0.0070	37	\$ 0.26	\$ -	
Energy - RPP - Tier 1	kWh	\$ 0.0750	38	\$ 2.84	\$ 0.0750	38	\$ 2.85	\$ 0.01	0.42%
Energy - RPP - Tier 2	kWh	\$ 0.0880		\$ -	\$ 0.0880		\$ -	\$ -	
TOU - Off Peak	kWh	\$ 0.0650	24	\$ 1.58	\$ 0.0650	24	\$ 1.58	\$ 0.01	0.42%
TOU - Mid Peak	kWh	\$ 0.1000	7	\$ 0.68	\$ 0.1000	7	\$ 0.68	\$ 0.00	0.42%
TOU - On Peak	kWh	\$ 0.1170	7	\$ 0.80	\$ 0.1170	7	\$ 0.80	\$ 0.00	0.42%
<b>Total Bill on RPP (before Taxes)</b>				<b>\$ 11.19</b>			<b>\$ 9.72</b>	<b>-\$ 1.48</b>	<b>-13.18%</b>
HST	13%			\$ 1.45	13%		\$ 1.26	-\$ 0.19	-13.18%
<b>Total Bill (including HST)</b>				<b>\$ 12.65</b>			<b>\$ 10.98</b>	<b>-\$ 1.67</b>	<b>-13.18%</b>
<b>Ontario Clean Energy Benefit 1</b>				<b>-\$ 1.26</b>			<b>-\$ 1.10</b>	<b>\$ 0.16</b>	<b>-12.70%</b>
<b>Total Bill on RPP (including OCEB)</b>				<b>\$ 11.39</b>			<b>\$ 9.88</b>	<b>-\$ 1.51</b>	<b>-13.23%</b>
<b>Total Bill on TOU (before Taxes)</b>				<b>\$ 11.41</b>			<b>\$ 9.93</b>	<b>-\$ 1.47</b>	<b>-12.93%</b>
HST	13%			\$ 1.48	13%		\$ 1.29	-\$ 0.19	-12.93%
<b>Total Bill (including HST)</b>				<b>\$ 12.89</b>			<b>\$ 11.22</b>	<b>-\$ 1.67</b>	<b>-12.93%</b>
<b>Ontario Clean Energy Benefit 1</b>				<b>-\$ 1.29</b>			<b>-\$ 1.12</b>	<b>\$ 0.17</b>	<b>-13.18%</b>
<b>Total Bill on TOU (including OCEB)</b>				<b>\$ 11.60</b>			<b>\$ 10.10</b>	<b>-\$ 1.50</b>	<b>-12.90%</b>

Loss Factor (%)

3.50%

3.93%

Customer Class: **Street Lighting**Consumption **52.83607835** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 3.4100	1	\$ 3.41	\$ 3.5800	1	\$ 3.58	\$ 0.17	4.99%
Smart Meter Rate Adder			1	\$ -		1	\$ -	\$ -	
Distribution Volumetric Rate	kW	\$ 0.0333	0.14621	\$ 0.00	\$ 0.0349	0.14621	\$ 0.01	\$ 0.00	4.80%
Rate Rider for Recovery of Smart	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Rate Rider for LRAM/SSM	kW	\$ -	0.14621	\$ -	\$ -	0.14621	\$ -	\$ -	
Stranded Meter Rate Rider	kWh	\$ -	52.8361	\$ -	\$ -	52.8361	\$ -	\$ -	
Rate Rider for Smart Metering En	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Rate Rider for Application of Tax	kW	\$ 0.0576	0.14621	\$ 0.01	\$ -	0.14621	\$ -	\$ 0.01	-100.00%
Stranded Meter Recovery Rate Ri	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
<b>Sub-Total A</b>				\$ 3.41			\$ 3.59	\$ 0.18	5.24%
Rate Rider for	kW	-\$ 2.3082			-\$ 2.3082				
Deferral/Variance Account			0.14621	-\$ 0.34		0.14621	-\$ 0.34	\$ -	
Disposition (2014) - effective									
until April 30, 2015									
Rate Rider for	kW	\$ -	0.14621	\$ -	-\$ 0.9505	0.14621	-\$ 0.14	-\$ 0.14	
Low Voltage Service Charge	kWh	\$ -	52.8361	\$ -	\$ -	52.8361	\$ -	\$ -	
Smart Meter Entity Charge						52.8361	\$ -	\$ -	
<b>Sub-Total B - Distribution (includes Sub-Total A)</b>				\$ 3.07			\$ 3.11	\$ 0.04	1.29%
RTSR - Network	kW	\$ 2.1313	0	\$ 0.32	\$ 2.2691	0	\$ 0.34	\$ 0.02	6.91%
RTSR - Line and Transformation Connection	kW	\$ 1.5236	0	\$ 0.23	\$ 1.6846	0	\$ 0.26	\$ 0.03	11.03%
<b>Sub-Total C - Delivery</b>				\$ 3.62			\$ 3.71	\$ 0.09	2.41%
Wholesale Market Service	kWh	\$ 0.0052	55	\$ 0.28	\$ 0.0044	55	\$ 0.24	-\$ 0.04	-15.03%
Rural and Remote Rate	kWh	\$ 0.0013	55	\$ 0.07	\$ 0.0013	55	\$ 0.07	\$ 0.00	0.42%
Protection (RRRP)			1	\$ -		1	\$ -	\$ -	
Standard Supply Service Charge								\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	53	\$ 0.37	\$ 0.0070	53	\$ 0.37	\$ -	
Energy - RPP - Tier 1	kWh	\$ 0.0750	55	\$ 4.10	\$ 0.0750	55	\$ 4.12	\$ 0.02	0.42%
Energy - RPP - Tier 2	kWh	\$ 0.0880		\$ -	\$ 0.0880		\$ -	\$ -	
TOU - Off Peak	kWh	\$ 0.0650	35	\$ 2.27	\$ 0.0650	35	\$ 2.28	\$ 0.01	0.42%
TOU - Mid Peak	kWh	\$ 0.1000	10	\$ 0.98	\$ 0.1000	10	\$ 0.99	\$ 0.00	0.42%
TOU - On Peak	kWh	\$ 0.1170	10	\$ 1.15	\$ 0.1170	10	\$ 1.16	\$ 0.00	0.42%
<b>Total Bill on RPP (before Taxes)</b>				\$ 8.45			\$ 8.51	\$ 0.06	0.74%
HST	13%			\$ 1.10	13%		\$ 1.11	\$ 0.01	0.74%
<b>Total Bill (including HST)</b>				\$ 9.55			\$ 9.62	\$ 0.07	0.74%
<b>Ontario Clean Energy Benefit 1</b>				-\$ 0.95			-\$ 0.96	-\$ 0.01	1.05%
<b>Total Bill on RPP (including OCEB)</b>				\$ 8.60			\$ 8.66	\$ 0.06	0.70%
<b>Total Bill on TOU (before Taxes)</b>				\$ 8.76			\$ 8.82	\$ 0.06	0.72%
HST	13%			\$ 1.14	13%		\$ 1.15	\$ 0.01	0.72%
<b>Total Bill (including HST)</b>				\$ 9.90			\$ 9.97	\$ 0.07	0.72%
<b>Ontario Clean Energy Benefit 1</b>				-\$ 0.99			-\$ 1.00	-\$ 0.01	1.01%
<b>Total Bill on TOU (including OCEB)</b>				\$ 8.91			\$ 8.97	\$ 0.06	0.69%

Loss Factor (%)

3.50%

3.93%

**Attachment “C”**

**Revenue Requirement Work Form**



## Revenue Requirement Workform



Version 4.00

Utility Name	St. Thomas Energy Inc.
Service Territory	
Assigned EB Number	EB-2014-0113
Name and Title	Robert Kent, Director Finance and Regulatory Affairs
Phone Number	1-519-631-5550 x 5258
Email Address	rkent@sttenergy.com

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



# Revenue Requirement Workform

[1. Info](#)

[2. Table of Contents](#)

[3. Data Input Sheet](#)

[4. Rate Base](#)

[5. Utility Income](#)

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[7. Cost of Capital](#)

[8. Rev Def Suff](#)

[9. Rev Reqt](#)

## Notes:

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



# Revenue Requirement Workform

## Data Input <sup>(1)</sup>

	Initial Application	(2)	Adjustments	Technical Conference	(6)	Adjustments	Per Board Decision
<b>1</b>	<b><u>Rate Base</u></b>						
Gross Fixed Assets (average)	\$52,172,331			\$ 52,172,331		(\$1,713,008)	\$50,459,323
Accumulated Depreciation (average)	(\$25,737,485)	(5)		(\$25,737,485)		\$1,040,898	(\$24,696,587)
<b>Allowance for Working Capital:</b>							
Controllable Expenses	\$4,634,620		\$37,540	\$ 4,672,160		(\$182,160)	\$4,490,000
Cost of Power	\$34,206,528		(\$1,999,836)	\$ 32,206,692		(\$300,372)	\$31,906,320
Working Capital Rate (%)	13.00%	(9)		13.00%	(9)		9.75%
<b>2</b>	<b><u>Utility Income</u></b>						
Operating Revenues:							
Distribution Revenue at Current Rates	\$6,713,223		\$0	\$6,713,223		\$0	\$6,713,223
Distribution Revenue at Proposed Rates	\$7,466,698		(\$16,155)	\$7,450,543			
<b>Other Revenue:</b>							
Specific Service Charges	\$67,401		\$0	\$67,401		\$0	\$67,401
Late Payment Charges	\$120,000		\$0	\$120,000		\$0	\$120,000
Other Distribution Revenue	\$308,643		\$15,000	\$323,643		\$1,600	\$325,243
Other Income and Deductions							
Total Revenue Offsets	\$496,044	(7)	\$15,000	\$511,044		\$1,600	\$512,644
<b>Operating Expenses:</b>							
OM+A Expenses	\$4,532,520		\$37,540	\$ 4,570,060		(\$182,160)	\$4,387,900
Depreciation/Amortization	\$1,208,219		\$ -	\$ 1,208,219		(\$54,142)	\$1,154,077
Property taxes	\$102,100		\$ -	\$ 102,100		\$ -	\$102,100
Other expenses	\$ -		\$ -	0			\$0
<b>3</b>	<b><u>Taxes/PILs</u></b>						
Taxable Income:							
Adjustments required to arrive at taxable income	(\$838,412)	(3)		(\$944,523)			(\$985,528)
<b>Utility Income Taxes and Rates:</b>							
Income taxes (not grossed up)	\$45,767			\$27,213			\$16,252
Income taxes (grossed up)	\$54,162			\$32,205			\$19,233
Federal tax (%)	4.50%			4.50%			4.50%
Provincial tax (%)	11.00%			11.00%			11.00%
Income Tax Credits							
<b>4</b>	<b><u>Capitalization/Cost of Capital</u></b>						
<b>Capital Structure:</b>							
Long-term debt Capitalization Ratio (%)	56.0%			56.0%			56.0%
Short-term debt Capitalization Ratio (%)	4.0%	(8)		4.0%	(8)		4.0%
Common Equity Capitalization Ratio (%)	40.0%			40.0%			40.0%
Preferred Shares Capitalization Ratio (%)							
	100.0%			100.0%			100.0%
<b>Cost of Capital</b>							
Long-term debt Cost Rate (%)	4.88%			4.88%			4.60%
Short-term debt Cost Rate (%)	2.11%			2.11%			2.16%
Common Equity Cost Rate (%)	9.36%			9.36%			9.30%
Preferred Shares Cost Rate (%)							

### Notes:

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





# Revenue Requirement Workform

## Rate Base and Working Capital

Rate Base						
Line No.	Particulars		Initial Application	Adjustments	Technical Conference	Per Board Decision
1	Gross Fixed Assets (average)	(3)	\$52,172,331	\$ -	\$52,172,331	\$50,459,323
2	Accumulated Depreciation (average)	(3)	(\$25,737,485)	\$ -	(\$25,737,485)	(\$24,696,587)
3	Net Fixed Assets (average)	(3)	\$26,434,845	\$ -	\$26,434,845	\$25,762,736
4	Allowance for Working Capital	(1)	\$5,049,349	(\$255,098)	\$4,794,251	\$3,548,641
5	<b>Total Rate Base</b>		<b>\$31,484,195</b>	<b>(\$255,098)</b>	<b>\$31,229,096</b>	<b>\$29,311,377</b>

### (1) Allowance for Working Capital - Derivation

6	Controllable Expenses		\$4,634,620	\$37,540	\$4,672,160	(\$182,160)	\$4,490,000
7	Cost of Power		\$34,206,528	(\$1,999,836)	\$32,206,692	(\$300,372)	\$31,906,320
8	Working Capital Base		\$38,841,148	(\$1,962,296)	\$36,878,852	(\$482,532)	\$36,396,320
9	Working Capital Rate %	(2)	13.00%	0.00%	13.00%	-3.25%	9.75%
10	Working Capital Allowance		\$5,049,349	(\$255,098)	\$4,794,251	(\$1,245,610)	\$3,548,641

#### Notes

- (2) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 2014 cost of service applications is 13%.
- (3) Average of opening and closing balances for the year.



## Revenue Requirement Workform

### Utility Income

Line No.	Particulars	Initial Application	Adjustments	Technical Conference	Adjustments	Per Board Decision
<b>Operating Revenues:</b>						
1	Distribution Revenue (at Proposed Rates)	\$7,466,698	(\$16,155)	\$7,450,543	\$ -	\$7,450,543
2	Other Revenue (1)	\$496,044	\$15,000	\$511,044	\$1,600	\$512,644
3	Total Operating Revenues	\$7,962,742	(\$1,155)	\$7,961,587	\$1,600	\$7,963,187
<b>Operating Expenses:</b>						
4	OM+A Expenses	\$4,532,520	\$37,540	\$4,570,060	(\$182,160)	\$4,387,900
5	Depreciation/Amortization	\$1,208,219	\$ -	\$1,208,219	(\$54,142)	\$1,154,077
6	Property taxes	\$102,100	\$ -	\$102,100	\$ -	\$102,100
7	Capital taxes	\$ -	\$ -	\$ -	\$ -	\$ -
8	Other expense	\$ -	\$ -	\$ -	\$ -	\$ -
9	Subtotal (lines 4 to 8)	\$5,842,839	\$37,540	\$5,880,379	(\$236,302)	\$5,644,077
10	Deemed Interest Expense	\$886,973	(\$7,187)	\$879,786	(\$99,400)	\$780,386
11	Total Expenses (lines 9 to 10)	\$6,729,812	\$30,353	\$6,760,165	(\$335,702)	\$6,424,463
12	Utility income before income taxes	\$1,232,930	(\$31,508)	\$1,201,422	\$337,302	\$1,538,724
13	Income taxes (grossed-up)	\$54,162	(\$21,957)	\$32,205	(\$12,972)	\$19,233
14	Utility net income	\$1,178,768	(\$9,551)	\$1,169,217	\$350,274	\$1,519,491

### Notes

#### Other Revenues / Revenue Offsets

(1)	Specific Service Charges	\$67,401	\$ -	\$67,401	\$ -	\$67,401
	Late Payment Charges	\$120,000	\$ -	\$120,000	\$ -	\$120,000
	Other Distribution Revenue	\$308,643	\$15,000	\$323,643	\$1,600	\$325,243
	Other Income and Deductions	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Revenue Offsets	\$496,044	\$15,000	\$511,044	\$1,600	\$512,644





# Revenue Requirement Workform

## Taxes/PILs

Line No.	Particulars	Application	Technical Conference	Per Board Decision
<u>Determination of Taxable Income</u>				
1	Utility net income before taxes	\$1,178,768	\$1,169,217	\$1,090,383
2	Adjustments required to arrive at taxable utility income	(\$838,412)	(\$944,523)	(\$985,528)
3	Taxable income	<u>\$340,356</u>	<u>\$224,694</u>	<u>\$104,855</u>
<u>Calculation of Utility income Taxes</u>				
4	Income taxes	<u>\$45,767</u>	<u>\$27,213</u>	<u>\$16,252</u>
6	Total taxes	<u>\$45,767</u>	<u>\$27,213</u>	<u>\$16,252</u>
7	Gross-up of Income Taxes	<u>\$8,395</u>	<u>\$4,992</u>	<u>\$2,981</u>
8	Grossed-up Income Taxes	<u>\$54,162</u>	<u>\$32,205</u>	<u>\$19,233</u>
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	<u>\$54,162</u>	<u>\$32,205</u>	<u>\$19,233</u>
10	Other tax Credits	\$ -	\$ -	\$ -
<u>Tax Rates</u>				
11	Federal tax (%)	4.50%	4.50%	4.50%
12	Provincial tax (%)	11.00%	11.00%	11.00%
13	Total tax rate (%)	<u>15.50%</u>	<u>15.50%</u>	<u>15.50%</u>

## Notes



# Revenue Requirement Workform

## Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Initial Application			
		(%)	(\$)	(%)	(\$)
	<b>Debt</b>				
1	Long-term Debt	56.00%	\$17,631,149	4.88%	\$860,400
2	Short-term Debt	4.00%	\$1,259,368	2.11%	\$26,573
3	<b>Total Debt</b>	<b>60.00%</b>	<b>\$18,890,517</b>	<b>4.70%</b>	<b>\$886,973</b>
	<b>Equity</b>				
4	Common Equity	40.00%	\$12,593,678	9.36%	\$1,178,768
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	<b>Total Equity</b>	<b>40.00%</b>	<b>\$12,593,678</b>	<b>9.36%</b>	<b>\$1,178,768</b>
7	<b>Total</b>	<b>100.00%</b>	<b>\$31,484,195</b>	<b>6.56%</b>	<b>\$2,065,741</b>
		Technical Conference			
		(%)	(\$)	(%)	(\$)
	<b>Debt</b>				
1	Long-term Debt	56.00%	\$17,488,294	4.88%	\$853,429
2	Short-term Debt	4.00%	\$1,249,164	2.11%	\$26,357
3	<b>Total Debt</b>	<b>60.00%</b>	<b>\$18,737,458</b>	<b>4.70%</b>	<b>\$879,786</b>
	<b>Equity</b>				
4	Common Equity	40.00%	\$12,491,638	9.36%	\$1,169,217
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	<b>Total Equity</b>	<b>40.00%</b>	<b>\$12,491,638</b>	<b>9.36%</b>	<b>\$1,169,217</b>
7	<b>Total</b>	<b>100.00%</b>	<b>\$31,229,096</b>	<b>6.56%</b>	<b>\$2,049,003</b>
		Per Board Decision			
		(%)	(\$)	(%)	(\$)
	<b>Debt</b>				
8	Long-term Debt	56.00%	\$16,414,371	4.60%	\$755,061
9	Short-term Debt	4.00%	\$1,172,455	2.16%	\$25,325
10	<b>Total Debt</b>	<b>60.00%</b>	<b>\$17,586,826</b>	<b>4.44%</b>	<b>\$780,386</b>
	<b>Equity</b>				
11	Common Equity	40.00%	\$11,724,551	9.30%	\$1,090,383
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	<b>Total Equity</b>	<b>40.00%</b>	<b>\$11,724,551</b>	<b>9.30%</b>	<b>\$1,090,383</b>
14	<b>Total</b>	<b>100.00%</b>	<b>\$29,311,377</b>	<b>6.38%</b>	<b>\$1,870,769</b>

### Notes

(1)

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



## Revenue Requirement Workform

### Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application		Technical Conference		Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$761,745		\$746,332		\$308,213
2	Distribution Revenue	\$6,713,223	\$6,704,953	\$6,713,223	\$6,704,211	\$6,713,223	\$7,142,330
3	Other Operating Revenue	\$496,044	\$496,044	\$511,044	\$511,044	\$512,644	\$512,644
4	Offsets - net						
4	<b>Total Revenue</b>	<b>\$7,209,267</b>	<b>\$7,962,742</b>	<b>\$7,224,267</b>	<b>\$7,961,587</b>	<b>\$7,225,867</b>	<b>\$7,963,187</b>
5	Operating Expenses	\$5,842,839	\$5,842,839	\$5,880,379	\$5,880,379	\$5,644,077	\$5,644,077
6	Deemed Interest Expense	\$886,973	\$886,973	\$879,786	\$879,786	\$780,386	\$780,386
8	<b>Total Cost and Expenses</b>	<b>\$6,729,812</b>	<b>\$6,729,812</b>	<b>\$6,760,165</b>	<b>\$6,760,165</b>	<b>\$6,424,463</b>	<b>\$6,424,463</b>
9	<b>Utility Income Before Income Taxes</b>	<b>\$479,455</b>	<b>\$1,232,930</b>	<b>\$464,102</b>	<b>\$1,201,422</b>	<b>\$801,404</b>	<b>\$1,538,724</b>
10	Tax Adjustments to Accounting	(\$838,412)	(\$838,412)	(\$944,523)	(\$944,523)	(\$985,528)	(\$985,528)
11	Income per 2013 PILs model						
11	<b>Taxable Income</b>	<b>(\$358,957)</b>	<b>\$394,518</b>	<b>(\$480,421)</b>	<b>\$256,899</b>	<b>(\$184,124)</b>	<b>\$553,196</b>
12	Income Tax Rate	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
13	<b>Income Tax on Taxable Income</b>	<b>(\$55,638)</b>	<b>\$61,150</b>	<b>(\$74,465)</b>	<b>\$39,819</b>	<b>(\$28,539)</b>	<b>\$85,745</b>
14	<b>Income Tax Credits</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
15	<b>Utility Net Income</b>	<b>\$535,094</b>	<b>\$1,178,768</b>	<b>\$538,567</b>	<b>\$1,169,217</b>	<b>\$829,943</b>	<b>\$1,519,491</b>
16	<b>Utility Rate Base</b>	<b>\$31,484,195</b>	<b>\$31,484,195</b>	<b>\$31,229,096</b>	<b>\$31,229,096</b>	<b>\$29,311,377</b>	<b>\$29,311,377</b>
17	Deemed Equity Portion of Rate Base	\$12,593,678	\$12,593,678	\$12,491,638	\$12,491,638	\$11,724,551	\$11,724,551
18	Income/(Equity Portion of Rate Base)	4.25%	9.36%	4.31%	9.36%	7.08%	12.96%
19	Target Return - Equity on Rate Base	9.36%	9.36%	9.36%	9.36%	9.30%	9.30%
20	Deficiency/Sufficiency in Return on Equity	-5.11%	0.00%	-5.05%	0.00%	-2.22%	3.66%
21	Indicated Rate of Return	4.52%	6.56%	4.54%	6.56%	5.49%	7.85%
22	Requested Rate of Return on Rate Base	6.56%	6.56%	6.56%	6.56%	6.38%	6.38%
23	Deficiency/Sufficiency in Rate of Return	-2.04%	0.00%	-2.02%	0.00%	-0.89%	1.46%
24	Target Return on Equity	\$1,178,768	\$1,178,768	\$1,169,217	\$1,169,217	\$1,090,383	\$1,090,383
25	Revenue Deficiency/(Sufficiency)	\$643,675	(\$0)	\$630,650	(\$0)	\$260,440	\$429,108
26	<b>Gross Revenue Deficiency/(Sufficiency)</b>	<b>\$761,745 (1)</b>		<b>\$746,332 (1)</b>		<b>\$308,213 (1)</b>	

**Notes:**

(1) Revenue Deficiency/Sufficiency divided by (1 - Tax Rate)



# Revenue Requirement Workform

## Revenue Requirement

Line No.	Particulars	Application	Technical Conference	Per Board Decision
1	OM&A Expenses	\$4,532,520	\$4,570,060	\$4,387,900
2	Amortization/Depreciation	\$1,208,219	\$1,208,219	\$1,154,077
3	Property Taxes	\$102,100	\$102,100	\$102,100
5	Income Taxes (Grossed up)	\$54,162	\$32,205	\$19,233
6	Other Expenses	\$ -	\$ -	\$ -
7	Return			
	Deemed Interest Expense	\$886,973	\$879,786	\$780,386
	Return on Deemed Equity	\$1,178,768	\$1,169,217	\$1,090,383
8	<b>Service Revenue Requirement (before Revenues)</b>	<u>\$7,962,742</u>	<u>\$7,961,587</u>	<u>\$7,534,079</u>
9	Revenue Offsets	\$496,044	\$511,044	\$512,644
10	<b>Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)</b>	<u>\$7,466,698</u>	<u>\$7,450,543</u>	<u>\$7,021,435</u>
11	Distribution revenue	\$7,466,698	\$7,450,543	\$7,450,543
12	Other revenue	\$496,044	\$511,044	\$512,644
13	<b>Total revenue</b>	<u>\$7,962,742</u>	<u>\$7,961,587</u>	<u>\$7,963,187</u>
14	<b>Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)</b>	<u>(\$0) (1)</u>	<u>(\$0) (1)</u>	<u>\$429,108 (1)</u>

### Notes

(1) Line 11 - Line 8