Ontario Energy Board

Incentive Regulation Model for 2015 Filers

Version 1.1

Utility Name	Essex Powerlines Corporation
Service Territory	Amherstburg, LaSalle, Leamington, Tecumseh
Assigned EB Number	EB-2014-0072
Name of Contact and Title	Richard Dimmel, VP Regulatory Affairs
Phone Number	519-737-9811 ext 214
Email Address	rdimmel@essexpowerlines.ca
We are applying for rates effective	May-01-15
Rate-Setting Method	**Price Cap IR**
Please indicate in which Rate Year the Group 1 accounts were last cleared[1]	**2014**
Please indicate the last Cost of Service Re-Basing Year	**2010**

Notes

Pale green cells represent input cells.

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

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

Note:
1. Rate year of application

Ontario Energy Board

Incentive Regulation Model for 2015 Filers

Essex Powerlines Corporation - Amherstburg, LaSalle, Leamington, Tecumseh

Please complete the following continuity schedule for the following Deferral / Variance Accounts. Enter information into green cells only.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2015 DVA schedule below will be the balance sheet date as per your G/L for which you received approval. For example, if in the 2014 EDR process (CoS or IRM) you received approval for the December 31, 2012 balances, the starting point for your entries below should be the 2011 year. This will allow for the correct starting point for the 2012 opening balance columns for both principal and interest.

Please refer to the footnotes for further instructions.

		2010									
Account Descriptions	**Account Number**	**Opening Principal Amounts as of Jan-1-10**	**Transactions Debit / (Credit) during 2010 excluding interest and adjustments [2]**	**Board-Approved Disposition during 2010**	**Adjustments during 2010 - other [1]**	**Closing Principal Balance as of Dec-31-10**	**Opening Interest Amounts as of Jan-1-10**	**Interest Jan-1 to Dec-31-10**	**Board-Approved Disposition during 2010**	**Adjustments during 2010 - other [2]**	**Closing Interest Amounts as of Dec-31-10**
Group 1 Accounts											
LV Variance Account	1550					0					0
Smart Metering Entity Charge Variance	1551										
RSVA - Wholesale Market Service Charge	1580					0					0
RSVA - Retail Transmission Network Charge	1584					0					0
RSVA - Retail Transmission Connection Charge	1586					0					0
RSVA - Power (excluding Global Adjustment)	1588					0					0
RSVA - Global Adjustment	1589					0					0
Recovery of Regulatory Asset Balances	1590					0					0
Disposition and Recovery/Refund of Regulatory Balances (2008)[4]	1595					0					0
Disposition and Recovery/Refund of Regulatory Balances (2009)[4]	1595					0					0
Disposition and Recovery/Refund of Regulatory Balances (2010)[4]	1595					0					0
Disposition and Recovery/Refund of Regulatory Balances (2011)[4]	1595					0					0
Disposition and Recovery/Refund of Regulatory Balances (2012)[4]	1595					0					0
RSVA - Global Adjustment	**1589**	0	0	0	0	0	0	0	0	0	0
Total Group 1 Balance excluding Account 1589 - Global Adjustment		0	0	0	0	0	0	0	0	0	0
Total Group 1 Balance		0	0	0	0	0	0	0	0	0	0
LRAM Variance Account	**1568**					0					0
Total including Account 1568		0	0	0	0	0	0	0	0	0	0

Ontario Energy Board

Incentive Regulation Model for 20

Essex Powerlines Corporation - Amherstburg, LaSalle, Leaming

Please complete the following continuity schedule for the following Deferral / Variance Accounts. Enter information into green cells only.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2015 DVA schedule below will be the balance sheet date as per your G/L for which you received approval. For example, if in the 2014 EDR process (CoS or IRM) you received approval for the December 31, 2012 balances, the starting point for your entries below should be the 2011 year. This will allow for the correct starting point for the 2012 opening balance columns for both principal and interest.

Please refer to the footnotes for further instructions.

		2011									
Account Descriptions	**Account Number**	**Opening Principal Amounts as of Jan-1-11**	**Transactions Debit / (Credit) during 2011 excluding interest and adjustments [2]**	**Board-Approved Disposition during 2011**	**Adjustments during 2011 - other [1]**	**Closing Principal Balance as of Dec-31-11**	**Opening Interest Amounts as of Jan-1-11**	**Interest Jan-1 to Dec-31-11**	**Board-Approved Disposition during 2011**	**Adjustments during 2011 - other [2]**	**Closing Interest Amounts as of Dec-31-11**
Group 1 Accounts											
LV Variance Account	1550	0				0	0				0
Smart Metering Entity Charge Variance	1551										
RSVA - Wholesale Market Service Charge	1580	0				0	0				0
RSVA - Retail Transmission Network Charge	1584	0				0	0				0
RSVA - Retail Transmission Connection Charge	1586	0				0	0				0
RSVA - Power (excluding Global Adjustment)	1588	0				0	0				0
RSVA - Global Adjustment	1589	0				0	0				0
Recovery of Regulatory Asset Balances	1590	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2008)[4]	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2009)[4]	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2010)[4]	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2011)[4]	1595	0				0	0				0
Disposition and Recovery/Refund of Regulatory Balances (2012)[4]	1595	0				0	0				0
RSVA - Global Adjustment	**1589**	0	0	0	0	0	0	0	0	0	0
Total Group 1 Balance excluding Account 1589 - Global Adjustment		0	0	0	0	0	0	0	0	0	0
Total Group 1 Balance		0	0	0	0	0	0	0	0	0	0
LRAM Variance Account	**1568**					0					0
Total including Account 1568		0	0	0	0	0	0	0	0	0	0

Ontario Energy Board

Incentive Regulation Model for 20

Essex Powerlines Corporation - Amherstburg, LaSalle, Leaming

Please complete the following continuity schedule for the following Deferral / Variance Accounts. Enter information into green cells only.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2015 DVA schedule below will be the balance sheet date as per your G/L for which you received approval. For example, if in the 2014 EDR process (CoS or IRM) you received approval for the December 31, 2012 balances, the starting point for your entries below should be the 2011 year. This will allow for the correct starting point for the 2012 opening balance columns for both principal and interest.

Please refer to the footnotes for further instructions.

		2012											
Account Descriptions	**Account Number**	**Opening Principal Amounts as of Jan-1-12**	**Transactions Debit / (Credit) during 2012 excluding interest and adjustments [2]**	**Board-Approved Disposition during 2012**	**Other 1 Adjustments during Q1 2012**	**Other 1 Adjustments during Q2 2012**	**Other 1 Adjustments during Q3 2012**	**Other 1 Adjustments during Q4 2012**	**Closing Principal Balance as of Dec-31-12**	**Opening Interest Amounts as of Jan-1-12**	**Interest Jan-1 to Dec-31-12**	**Board-Approved Disposition during 2012**	**Adjustments during 2012 - other 1**
Group 1 Accounts													
LV Variance Account	1550	0							0	0			
Smart Metering Entity Charge Variance	1551												
RSVA - Wholesale Market Service Charge	1580	0							0	0			
RSVA - Retail Transmission Network Charge	1584	0							0	0			
RSVA - Retail Transmission Connection Charge	1586	0							0	0			
RSVA - Power (excluding Global Adjustment)	1588	0							0	0			
RSVA - Global Adjustment	1589	0							0	0			
Recovery of Regulatory Asset Balances	1590	0							0	0			
Disposition and Recovery/Refund of Regulatory Balances (2008)[4]	1595	0							0	0			
Disposition and Recovery/Refund of Regulatory Balances (2009)[4]	1595	0							0	0			
Disposition and Recovery/Refund of Regulatory Balances (2010)[4]	1595	0							0	0			
Disposition and Recovery/Refund of Regulatory Balances (2011)[4]	1595	0							0	0			
Disposition and Recovery/Refund of Regulatory Balances (2012)[4]	1595	0							0	0			
RSVA - Global Adjustment	**1589**	0	0	0	0	0	0	0	0	0	0	0	0
Total Group 1 Balance excluding Account 1589 - Global Adjustment		0	0	0	0	0	0	0	0	0	0	0	0
Total Group 1 Balance		0	0	0	0	0	0	0	0	0	0	0	0
LRAM Variance Account	**1568**	0							0	0			
Total including Account 1568		0	0	0	0	0	0	0	0	0	0	0	0

Ontario Energy Board

Incentive Regulation Model for 20

Essex Powerlines Corporation - Amherstburg, LaSalle, Leaming

Please complete the following continuity schedule for the following Deferral / Variance Accounts. Enter information into green cells only.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2015 DVA schedule below will be the balance sheet date as per your G/L for which you received approval. For example, if in the 2014 EDR process (CoS or IRM) you received approval for the December 31, 2012 balances, the starting point for your entries below should be the 2011 year. This will allow for the correct starting point for the 2012 opening balance columns for both principal and interest.

Please refer to the footnotes for further instructions.

			2013										
Account Descriptions	**Account Number**	**Closing Interest Amounts as of Dec-31-12**	**Opening Principal Amounts as of Jan-1-13**	**Transactions Debit / (Credit) during 2013 excluding interest and adjustments [2]**	**Board-Approved Disposition during 2013**	**Other 1 Adjustments during Q1 2013**	**Other 1 Adjustments during Q2 2013**	**Other 1 Adjustments during Q3 2013**	**Other 1 Adjustments during Q4 2013**	**Closing Principal Balance as of Dec-31-13**	**Opening Interest Amounts as of Jan-1-13**	**Interest Jan-1 to Dec-31-13**	**Board-Approved Disposition during 2013**
Group 1 Accounts													
LV Variance Account	1550	0	0							0	0		
Smart Metering Entity Charge Variance	1551	0	0							0	0		
RSVA - Wholesale Market Service Charge	1580	0	0							0	0		
RSVA - Retail Transmission Network Charge	1584	0	0							0	0		
RSVA - Retail Transmission Connection Charge	1586	0	0							0	0		
RSVA - Power (excluding Global Adjustment)	1588	0	0						(11,598,012)	(11,598,012)	0		
RSVA - Global Adjustment	1589	0	0						11,598,012	11,598,012	0		
Recovery of Regulatory Asset Balances	1590	0	0							0	0		
Disposition and Recovery/Refund of Regulatory Balances (2008)[4]	1595	0	0							0	0		
Disposition and Recovery/Refund of Regulatory Balances (2009)[4]	1595	0	0							0	0		
Disposition and Recovery/Refund of Regulatory Balances (2010)[4]	1595	0	0							0	0		
Disposition and Recovery/Refund of Regulatory Balances (2011)[4]	1595	0	0							0	0		
Disposition and Recovery/Refund of Regulatory Balances (2012)[4]	1595	0	0							0	0		
RSVA - Global Adjustment	**1589**	0	0	0	0	0	0	0	11,598,012	11,598,012	0	0	0
Total Group 1 Balance excluding Account 1589 - Global Adjustment		0	0	0	0	0	0	0	(11,598,012)	(11,598,012)	0	0	0
Total Group 1 Balance		0	0	0	0	0	0	0	0	0	0	0	0
LRAM Variance Account	**1568**	0	0							0	0		
Total including Account 1568		0	0	0	0	0	0	0	0	0	0	0	0

Ontario Energy Board

Incentive Regulation Model for 20

Essex Powerlines Corporation - Amherstburg, LaSalle, Leaming

Please complete the following continuity schedule for the following Deferral / Variance Accounts. Enter information into green cells only.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2015 DVA schedule below will be the balance sheet date as per your G/L for which you received approval. For example, if in the 2014 EDR process (CoS or IRM) you received approval for the December 31, 2012 balances, the starting point for your entries below should be the 2011 year. This will allow for the correct starting point for the 2012 opening balance columns for both principal and interest.

Please refer to the footnotes for further instructions.

				2014				Projected Interest on Dec-31-13 Balances			2.1.7 RRR
Account Descriptions	**Account Number**	**Adjustments during 2013 - other 1**	**Closing Interest Amounts as of Dec-31-13**	**Principal Disposition during 2014 - instructed by Board**	**Interest Disposition during 2014 - instructed by Board**	**Closing Principal Balances as of Dec 31-13 Adjusted for Dispositions during 2014**	**Closing Interest Balances as of Dec 31-13 Adjusted for Dispositions during 2014**	**Projected Interest from Jan 1, 2014 to December 31, 2014 on Dec 31 -13 balance adjusted for disposition during 2014 3**	**Projected Interest from January 1, 2015 to April 30, 2015 on Dec 31 -13 balance adjusted for disposition during 2014 3**	**Total Claim**	**As of Dec 31-13**
Group 1 Accounts											
LV Variance Account	1550		0			0	0			0	
Smart Metering Entity Charge Variance	1551		0			0	0			0	
RSVA - Wholesale Market Service Charge	1580		0			0	0			0	
RSVA - Retail Transmission Network Charge	1584		0			0	0			0	
RSVA - Retail Transmission Connection Charge	1586		0			0	0			0	
RSVA - Power (excluding Global Adjustment)	1588		0			(11,598,012)	0			(11,598,012)	
RSVA - Global Adjustment	1589		0			11,598,012	0			11,598,012	
Recovery of Regulatory Asset Balances	1590		0			0	0			0	
Disposition and Recovery/Refund of Regulatory Balances (2008)[4]	1595		0			0	0			0	
Disposition and Recovery/Refund of Regulatory Balances (2009)[4]	1595		0			0	0			0	
Disposition and Recovery/Refund of Regulatory Balances (2010)[4]	1595		0			0	0			0	
Disposition and Recovery/Refund of Regulatory Balances (2011)[4]	1595		0			0	0			0	
Disposition and Recovery/Refund of Regulatory Balances (2012)[4]	1595		0			0	0			0	
RSVA - Global Adjustment	**1589**	0	0	0	0	11,598,012	0	0	0	11,598,012	0
Total Group 1 Balance excluding Account 1589 - Global Adjustment		0	0	0	0	(11,598,012)	0	0	0	(11,598,012)	0
Total Group 1 Balance		0	0	0	0	0	0	0	0	0	0
LRAM Variance Account	**1568**		0	0	0	0	0			0	
Total including Account 1568		0	0	0	0	0	0	0	0	0	0

Ontario Energy Board

Incentive Regulation Model for 20

Essex Powerlines Corporation - Amherstburg, LaSalle, Leaming

Please complete the following continuity schedule for the following Deferral / Variance Accounts. Enter information into green cells only.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2015 DVA schedule below will be the balance sheet date as per your G/L for which you received approval. For example, if in the 2014 EDR process (CoS or IRM) you received approval for the December 31, 2012 balances, the starting point for your entries below should be the 2011 year. This will allow for the correct starting point for the 2012 opening balance columns for both principal and interest.

Please refer to the footnotes for further instructions.

Account Descriptions	Account Number	Variance RRR vs. 2013 Balance *(Principal + Interest)*
Group 1 Accounts		
LV Variance Account	1550	0
Smart Metering Entity Charge Variance	1551	0
RSVA - Wholesale Market Service Charge	1580	0
RSVA - Retail Transmission Network Charge	1584	0
RSVA - Retail Transmission Connection Charge	1586	0
RSVA - Power (excluding Global Adjustment)	1588	11,598,012
RSVA - Global Adjustment	1589	(11,598,012)
Recovery of Regulatory Asset Balances	1590	0
Disposition and Recovery/Refund of Regulatory Balances (2008)[4]	1595	0
Disposition and Recovery/Refund of Regulatory Balances (2009)[4]	1595	0
Disposition and Recovery/Refund of Regulatory Balances (2010)[4]	1595	0
Disposition and Recovery/Refund of Regulatory Balances (2011)[4]	1595	0
Disposition and Recovery/Refund of Regulatory Balances (2012)[4]	1595	0
RSVA - Global Adjustment	**1589**	(11,598,012)
Total Group 1 Balance excluding Account 1589 - Global Adjustment		11,598,012
Total Group 1 Balance		0
LRAM Variance Account	**1568**	0
Total including Account 1568		0

Ontario Energy Board

Incentive Regulation Model for 2015 Filers

Essex Powerlines Corporation - Amherstburg, LaSalle, Leamington, Tecumseh

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

Rate Class	Unit	Metered kWh	Metered kW	Billed kWh for Non-RPP Customers	Estimated kW for Non-RPP Customers	1590 Recovery Share Proportion*	1595 Recovery Share Proportion (2008) [1]	1595 Recovery Share Proportion (2009) [1]	1595 Recovery Share Proportion (2010) [1]	1595 Recovery Share Proportion (2011) [1]	1595 Recovery Share Proportion (2012) [1]	1568 LRAM Variance Account Class Allocation ($ amounts)	Number of Customers for Residential and GS<50 classes[3]
RESIDENTIAL	$/kWh	251,655,122		49,171,885	0								26,303
GENERAL SERVICE LESS THAN 50 KW	$/kWh	65,841,765		11,417,536	0								1,891
GENERAL SERVICE 50 TO 2,999 KW	$/kW	170,033,148	445,345	163,068,096	427,102								
GENERAL SERVICE 3,000 TO 4,999 KW	$/kW				0								
UNMETERED SCATTERED LOAD	$/kWh	1,581,327		309,879	0								
SENTINEL LIGHTING	$/kW	323,368	903	45,825	128								
STREET LIGHTING	$/kW	6,259,173	18,995	2,238,192	6,792								
microFIT													
	Total	495,693,903	465,243	226,251,413	434,023	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0	28,194
											Balance as per Sheet 5	0	
											Variance	0	

Threshold Test

Total Claim (including Account 1568)	$0
Total Claim for Threshold Test (All Group 1 Accounts)	$0
Threshold Test (Total claim per kWh) [2]	0.0000 **Claim does not meet the threshold test.**

As per Section 3.2.3 of the 2015 Filing Requirements for Electricity Distribution Rate Applications, an applicant may elect to dispose of the Group 1 account balances below the threshold. If doing so, please select YES from the adjacent drop-down cell and also indicate so in the Manager's Summary. If not, please select NO.

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

[2] The Threshold Test does not include the amount in 1568.

[3] The proportion of customers for the Residential and GS<50 Classes will be used to allocate Account 1551.

Ontario Energy Board

Incentive Regulation Model for 2015 Filers

Essex Powerlines Corporation - Amherstburg, LaSalle, Leamington, Tecumseh

No input required. This workshseet allocates the deferral/variance account balances (Group 1, 1589, and 1568) to the appropriate classes as per the EDDVAR Report dated July 31, 2009

Allocation of Group 1 Accounts (including Account 1568)

Rate Class	% of Total kWh	% of Total non-RPP kWh	% of Customer Numbers **	1550	1551	1580	1584	1586	1588	1589	1590	1595 (2008)	1595 (2009)	1595 (2010)	1595 (2011)	1595 (2012)	1568
RESIDENTIAL	50.8%	21.7%	93.3%	0	0	0	0	0	(5,888,108)	2,520,630	0	0	0	0	0	0	0
GENERAL SERVICE LESS THAN 50 KW	13.3%	5.0%	6.7%	0	0	0	0	0	(1,540,535)	585,281	0	0	0	0	0	0	0
GENERAL SERVICE 50 TO 2,999 KW	34.3%	72.1%		0	0	0	0	0	(3,978,355)	8,359,133	0	0	0	0	0	0	0
GENERAL SERVICE 3,000 TO 4,999 KW	0.0%	0.0%		0	0	0	0	0	0	0	0	0	0	0	0	0	0
UNMETERED SCATTERED LOAD	0.3%	0.1%		0	0	0	0	0	(36,999)	15,885	0	0	0	0	0	0	0
SENTINEL LIGHTING	0.1%	0.0%		0	0	0	0	0	(7,566)	2,349	0	0	0	0	0	0	0
STREET LIGHTING	1.3%	1.0%		0	0	0	0	0	(146,449)	114,733	0	0	0	0	0	0	0
microFIT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	**100.0%**	**100.0%**	**100.0%**	**0**	**0**	**0**	**0**	**0**	**(11,598,012)**	**11,598,012**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

** RSVA - Power (Excluding Global Adjustment)*

*** Used to allocate Account 1551 as this account records the variances arising from the Smart Metering Entity Charges to Residential and GS<50 customers.*

Ontario Energy Board

Incentive Regulation Model for 2015 Filers

Essex Powerlines Corporation - Amherstburg, LaSalle, Leamington, Tecumseh

Input required at cell C15 only. This workshseet calculates rate riders related to the Deferral/Variance Account Disposition (if applicable), associated rate riders for the global adjustment account (1589) and Account 1568. Rate Riders will not be generated for the microFIT class.

Please indicate the Rate Rider Recovery Period (in years) 4

Rate Class	Unit	Billed kWh	Billed kW or kVA	Balance of Accounts Allocated by kWh/kW (RPP) or Distribution	Deferral/Variance Account Rate Rider	Allocation of Balance in Account 1589	Billed kWh or Estimated kW for Non-RPP	Global Adjustment Rate Rider	Allocation of Account 1568	Account 1568 Rate Rider
RESIDENTIAL	$/kWh	251,655,122		(5,888,108)	(0.0058)	2,520,630	49,171,885	0.0128		
GENERAL SERVICE LESS THAN 50 KW	$/kWh	65,841,765		(1,540,535)	(0.0058)	585,281	11,417,536	0.0128		
GENERAL SERVICE 50 TO 2,999 KW	$/kW	170,033,148	445,345	(3,978,355)	(2.2333)	8,359,133	427,102	4.8929		
GENERAL SERVICE 3,000 TO 4,999 KW	$/kW			0	0.0000	0	0	0.0000		
UNMETERED SCATTERED LOAD	$/kWh	1,581,327		(36,999)	(0.0058)	15,885	309,879	0.0128		
SENTINEL LIGHTING	$/kW	323,368	903	(7,566)	(2.0947)	2,349	128	4.5892		
STREET LIGHTING	$/kW	6,259,173	18,995	(146,449)	(1.9275)	114,733	6,792	4.2229		
microFIT										
Total		**495,693,903**	**465,243**	**(11,598,012)**		**11,598,012**	**61,333,323**		**0**	

One or more rate classes appear to have negligible rate riders in columns F and/or I. As per Appendix B of the Filing Requirements, please provide details of the Applicant's proposal in the Manager's Summary.