

February 12, 2016

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

RE: 2016 IRM Rate Application (EB-2015-0090) and Application to Dispose of LRAMVA Balance (EB-2015-0328)

Dear Ms. Walli:

In accordance with Procedural Order No.1, issued November 10, 2015, and the Board's Letter of Combined Hearing, issued November 27, 2015, Niagara Peninsula Energy Inc. ("NPEI") hereby submits its written reply submission.

An electronic copy has been submitted to the Board through the RESS system. Two hard copies will be delivered to the OEB office by courier.

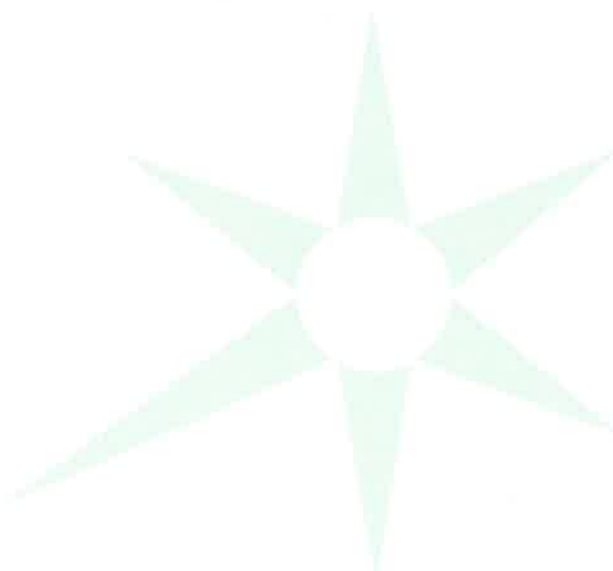
This document is being filed pursuant to the Board's e-filing service.

Please contact myself should anything further be required, I can be reached at 905-353-6004.

Yours truly,
NIAGARA PENINSULA ENERGY INC.



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**Niagara Peninsula Energy Inc.
2016 Price Cap IR Rate Application and
Application to Dispose of LRAMVA Balance
EB-2015-0090 and EB-2015-0328**

IN THE MATTER OF the Ontario Energy Board Act, 1998, being Schedule B to the Energy Competition Act, 1998, S.O. 1998, c.15;

AND IN THE MATTER OF an Application by Niagara Peninsula Energy Inc. to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates and other service charges for the distribution of electricity as of May 1, 2016.

Introduction

Niagara Peninsula Energy Inc. ("NPEI") filed a Cost of Service ("COS") Rate Application with the Ontario Energy Board ("OEB" or "Board") (EB-2014-0096) on September 23, 2014 for rates effective May 1, 2015. In the Decision and Order, dated May 14, 2015, the Board directed NPEI to conduct a lead/lag study and file the study with NPEI's next incentive rates application. The Board found that *"NPEI's 2015 final rates should be based on its actual, approved working capital needs."*¹ As a result, NPEI's rates were approved on an interim basis effective June 1, 2015. The interim rates are calculated using a 13% Working Capital Allowance ("WCA").

NPEI engaged Elenchus Research Associates Inc. ("Elenchus") to prepare the lead/lag study, which was filed on September 28, 2015 along with NPEI's 2016 Incentive Rate Mechanism ("IRM") Application (EB-2015-0090). The original lead/lag study filed resulted in a WCA of 13.22%.

¹ EB-2014-0096, Decision and Order, May 14, 2015, page 7

On November 10, 2015, the Board issued Procedural Order No.1, granting Energy Probe Research Foundation (“Energy Probe”) and Vulnerable Energy Consumers Coalition (“VECC”) intervenor status and setting out the dates for the interrogatory process and written submissions.

On November 16, 2015, NPEI filed an application with the OEB to dispose of Lost Revenue Adjustment Mechanism Variance Account (“LRAMVA”) balances (EB-2015-0328). The Board issued a letter on November 27, 2015 indicating that the EB-2015-0090 and EB-2015-0328 hearings would be combined.

NPEI received interrogatories from Board Staff and Energy Probe on November 27, 2015 and from VECC on November 30, 2015. NPEI filed its interrogatory response on December 18, 2015. As part of the interrogatory process, an updated lead/lag study was filed and the resulting WCA was 12.61%. The following table illustrates the change of 0.61% from 13.22% to 12.61%.

IRR #	WCA % Change
Error in model calculation the mid-point of all aging categories by 0.5 days IRR# 8 (d)	-0.22%
OM&A lead days corrected for 1/5th of regulatory expenses IRR #16	-0.03%
HST updated due to correction in the model IRR # 17 and IRR#19	-0.36%
Total	-0.61%

Board Staff and Energy Probe filed written submissions on January 22, 2016.

As a result of the written submissions by Board Staff and Energy Probe on January 22, 2016, NPEI has updated its lead/lag study in its reply submission to reflect the change submitted by Board Staff and Energy Probe related to PILS and to separate prepaid regulatory expenses that

have a 912.5 day service period from the annual prepaid expenses which carry a service period of 182.5 days. The result of the lead/lag study decreases NPEI's working capital from 12.61% to 12.30%.

NPEI hereby submits its reply submission which is due to the Ontario Energy Board by February 12, 2016.

LRAMVA Disposition

NPEI applied for the disposition of \$467,812.35 plus carrying charges of \$14,991.84 (including forecast carrying charges to April 30, 2016), for a total LRAMVA balance of \$482,804.19. NPEI proposed to recover this amount through class-specific volumetric rate riders, to be in effect for a one year period beginning May 1, 2016.

Board Staff submitted *"OEB Staff supports Niagara Peninsula Energy's LRAMVA claim as filed."* Energy Probe did not make a submission on NPEI's LRAMVA claim.

NPEI submits that the LRAMVA claim and resulting rate riders be approved as filed.

Working Capital Allowance

Summary

In preparing the lead/lag study, NPEI and Elenchus incorporated two key undertakings:

1. Developing an in-depth understanding of how the regulated distribution operates in terms of services provided to customers / purchased from vendors, and the details of policies and procedures that govern these transactions.
2. Modeling such operations using data from a relevant study period and a representative data set. It is important to determine and factor into the lead/lag study whether or not there are any known changes to existing business conditions going forward. Where such changes are known and material, they should be factored into the lead/lag study.

With respect to undertaking 2 above, NPEI determined that there were two such changes to business conditions to consider in the lead/lag study:

- i. The decrease in NPEI's IESO trading limit, effective June 2015 applies to the 2015 Test Year.
- ii. NPEI's PILs credit balance with the Ministry of Finance ("MOF") which may be unique with respect to other lead/lag studies filed with the OEB since NPEI did not actually pay any PILS during the study period as NPEI had a prepaid balance with the MOF.

These two conditions are expected to continue in the near future and will be part of normal business practice for NPEI.

NPEI's reply submission relating to working capital allowance is organized below by issue, corresponding to the specific elements of the WCA addressed in Board Staff and Energy Probe's submissions.

Payment in Lieu of Taxes ("PILs") Expense Lead

NPEI's originally filed and updated working capital allowance calculation included an expense lead for PILs of -562.75 days. This reflected the fact that NPEI has had a credit balance with the Ministry of Finance since June 30, 2013. Accordingly, NPEI calculated the PILs expense lead in the same manner as its other prepaid expenses, based on the principle of when the cash outflow occurred relative to the service period. As Energy Probe noted in its written submission January 22, 2016: *"The rationale used for the expense lead of -562.75 days is that NPEI has overpaid PILs and has a credit balance with the Ministry of Finance. In other words, NPEI has, in effect, prepaid its PILs."*

Energy Probe also submitted that an expense lead of 36.22 days should be used for PILs, stating: *"Based on a normal PILs payment schedule, the PILs expense lead, as calculated by NPEI would be 36.22 days. Energy Probe submits that this is what should be used in the WCA calculation."*

Board Staff submitted that *"the OEB should deem an expense lead of 36.22 days for Niagara Peninsula Energy's PILs which reflects a scenario where the credit is ignored"*.

As noted above, NPEI considers the PILs to be a prepaid expense, as the installment payments that generated the credit balance were made well before the service period of the expense. The principle of prepaid expenses is still valid for the PILs credit. However, given that NPEI did not make any PILs installment payments during the study period used in the lead/lag study (May 2014 to April 2015) or the 2015 Test Year, NPEI realizes that the PILS are unique to its lead/lag study and accepts the argument of Board Staff and Energy Probe that a PILs expense lead of 36.22 days be used in the WCA calculation.

As shown in the Table below, using a PILs expense lead of 36.22 days changes the WCA from 12.61% to 12.45%.

Table adjusted for change in PILS Expense Lead Days

Working Capital Allowance - PILS Adjusted							
Budget Item Description	Revenue Lag Days	Expense Lead Days	Net Lag (Lead) Days	WCA Factor	Test Year Expenses (\$)	WCA (\$)	WCA (%)
Cost of Power	64.75	29.59	35.16	10%	144,149,669	13,884,477	
Retailer Expenses	64.75	37.94	26.81	7%	2,417,005	177,520	
OM&A Expenses	64.75	-1.73	66.48	18%	16,424,995	2,991,424	
Interest on Long Term Debt	64.75	4.38	60.37	17%	2,345,596	387,927	
PILs	64.75	36.22	28.53	8%	168,430	13,163	
Debt Retirement Charges	64.75	28.26	36.48	10%	8,456,444	845,245	
Sub-Total					173,962,139	18,299,757	11.40%
HST (Receivables)			-10.45	-2.86%	(22,603,800)	(646,921)	
HST (Expenses)			43.63	11.95%	19,499,180	2,330,815	
Total (inc. HST)					170,857,518	19,983,651	12.45%

Collection Lag

NPEI is requesting a collection lag of 29.24 days, as shown in Table 3 of the updated lead/lag study, filed in Appendix D of NPEI's interrogatory responses. NPEI's collection lag was calculated using a dollar weighted average of accounts receivable balances by aging categories or bins of 0-30 days, 31-60 days, 61-90 days, 91-180 days and > 181 days, and using the mid-point method.

The mid-point method is defined in NPEI's lead/lag study as follows:²

“When a service is provided to a company or is provided by the company over a period of time, the service is deemed to have been provided or received evenly over the midpoint of the period, unless specific information regarding the provision or receipt of the service is available. If both the service start (“A”) and end date (“B”) are known, the midpoint of a service period can be calculated as follows:

$$\text{Mid-Point} = [(B)-(A) + 1]/2$$

If the start and end date are unknown and the service is evenly distributed over the period, the formula uses the number of days (C) in the period:

$$\text{Mid-Point} = (C)/2”$$

This methodology of calculating the collection lag is similar to the lead/lag studies file by Entegrus Powerlines Inc. (EB-2015-0061), North Bay Hydro Distribution Ltd. (EB-2014-0099), London Hydro Inc. (EB-2012-0146), Hydro Ottawa Limited (EB-2015-0004), Veridian Connections Inc. (EB-2013-0174) and Horizon Utilities Corporation (EB-2014-0002). The resulting collection lags from these lead/lag studies are provided in the table below.

Distributor Name	Case Number	Collection Lag (Days)
Entegrus Powerlines Inc.	EB-2015-0061	21.66
North Bay Hydro Distribution Inc.	EB-2014-0099	24.56
London Hydro Inc.	EB-2012-0146	30.29
Hydro Ottawa Limited	EB-2015-0004	25.98
Veridian Connections Inc.	EB-2013-0174	31.22
Horizon Utilities Corporation	EB-2014-0002	21.77

NPEI's collection lag, as calculated in accordance with the mid-point methodology, resulted in a collection lag of 29.24 days which is within the range of recently filed collection lags in the table

² NPEI's Lead/Lag Study, Introduction, pages 5-6

above. Further, NPEI submits that an LDC's rate class mixture and customer demographics can impact the collection lag resulting in variations in collection lag days.

During the interrogatory process, Board Staff requested that NPEI calculate the collection lag using smaller accounts receivable aging bin sizes. In response, NPEI was able to divide the first bin (0-30 days) into two smaller bins (0-19 days and 20-30 days). The resulting collection lag, as provided in NPEI's interrogatory response, was 24.13 days.³ In its written submission, Board Staff "notes that Niagara Peninsula Energy has applied a mid-point of 5.5 days to the current 20-30 day aging category in Table 4. This mid-point should likely be 25.5 days."⁴ NPEI agrees that the mid-point of the current 20-30 day aging category should be 25.5 days. This would have corrected the interrogatory response to 24.61 days, as shown in the table below.

Aging Categories	Mid Point	Average A/R \$	Weight	Collection Lag
Current 0-19	9.5	\$ 9,457,387	88.68%	8.42
Current 20-30	25.5	\$ 255,346	2.39%	0.61
Overdue 31-60	45.5	\$ 220,467	2.07%	0.94
Overdue 61-90	75.5	\$ 93,250	0.87%	0.66
Overdue 91-180	135.5	\$ 184,090	1.73%	2.34
Overdue > 181	273	\$ 454,631	4.26%	11.64
		10,665,170.68	100.00%	24.61

In the response to IRR#2, NPEI submitted: *"The interval of 30 days was used due to NPEI bills its customers on a monthly basis. NPEI incorporates a due date of nineteen days plus a seven day grace period before a reminder notice is sent out. The interest charge commences on the 26th day after the billing date. The due date is calculated as the minimum payment period of sixteen days plus the allowance of three days for mailing. The seven day grace period is the allowance for the customers who mail their payments back to NPEI. The 30 day interval mirrors NPEI's billing cycle as well as its accounting month end cycle. 30 day intervals are commonly*

³ NPEI response to Board Staff Interrogatory #2 b)

⁴ Board Staff Written Submissions, page 5.

used in aging accounts receivable and accounts payable.” Therefore, customers are billed once per month and make payments once per month.⁵

In its written submission, Board Staff states: *“OEB Staff submits that additional detail provided in Table 4 should be used instead of the 30 day group proposed by Niagara Peninsula Energy in the lead/lag study. This adjustment provides a better basis for revenue-weighting the calculation.”* However, Board Staff has failed to provide any technical reasoning or evidence supporting the use of smaller bin sizes in calculating the collection lag.

Energy Probe submitted in their written submission *“that the use of the smaller bin sizes for current accounts results in a more accurate estimation of the collection lag and should be used by the Board in the determination of the WCA percentage.”* In NPEI’s view, there is no basis to conclude that using smaller bin sizes results in a more accurate estimation of the collection lag.

The collection lag represents the time between when the customer’s bills are sent and payment is received. Collections are a service that is completed evenly over a period of 30 days, which corresponds to monthly billing. Hence, an aging analysis by account illustrates at a glance a customer who is one, two or three or more bills behind in payments.

As per Table 3 in NPEI’s updated lead/lag study, the average balance outstanding in the 0-30 day aging category is \$9,712,733. The average outstanding accounts receivable balance decreases after 30 days to \$220,467. The use of smaller bin sizes of 0-19 days and 20-30 days for the current accounts is arbitrary and not consistent with the mid-point method used in a lead/lag study. There is no basis or foundation for using the smaller bin sizes proposed by Board Staff and Energy Probe, nor any evidence to indicate that the smaller bin sizes predict any better when cash is received by NPEI between 20 and 30 days. Energy Probe submits *“This is primarily because more than 97% of the average accounts receivable in the 0 to 30 day bin is actually in the 0-19 day bin, with the remaining 3% in the 20 to 30 day bin.”* Energy Probe is assuming in their submission that 97% of the outstanding accounts receivable are collected and received on day 20. The smaller bin size does not result in this assumption, the smaller bin size only illustrates that 97% of the accounts receivable outstanding are received between day

⁵ NPEI response to Board Staff Interrogatory #2 a)

20 and day 30 which is exactly what the analysis submitted by NPEI using the mid-point method resulted in which was 29.24 days.

In calculating the average accounts receivable balances in Table 3, NPEI utilized the aged accounts receivable report which is used on a monthly basis for normal business purposes. This is similar to how the collection lags were calculated in the lead/lag studies filed by Horizon Utilities Corporation⁶ and Entegrus Powerlines Inc.⁷, and as accepted by the Board.

As per North Bay Hydro Distribution Limited's ("NBHDL") interrogatory responses, NBHDL's lead/lag study used a collection lag based on a 0-30 day bin.⁸ As per Veridian's undertaking JT1.7 (2) from EB-2013-0174 the collection bins used were in 30 day intervals.

Of the lead/lag studies filed by other LDCs that NPEI has reviewed, none have used accounts receivable aging bin sizes smaller than 30 day intervals for calculating the collection lag.

Board Staff also submitted that NPEI should remove bad debt balances from the greater than 181 days aging category's average balance in order to calculate the collection lag. Board Staff submits "*Niagara Peninsula Energy reported an average bad debt of \$273,604.*" Board Staff incorrectly assumes this quote is a monthly average bad debt when in fact it is a three year average of total bad expense.

Board Staff's submission adjusted the overdue > 181 day 12 month average outstanding accounts receivable balance of \$454,631 by the total annual write-off amount of \$273,604 to arrive at a 12 month average outstanding accounts receivable balance > 181 days of \$181,027. Staff's submission in Table 7 is equivalent to an annual write off of \$3,283,248 (\$273,604 * 12) in order to arrive at the average greater than 181 days balance of \$181,027. Board Staff's calculation in Table 7 is incorrect. Once an account is written off, the account is no longer included in the outstanding aged accounts receivable report. NPEI submitted in IRR#8 c) that the write-off during the study period from May 2014 to April 2015 was "*The average accounts*

⁶ EB-2010-0131, Exhibit 4, Tab 4, Schedule 1, Appendix 2-3, page 5, August 26, 2010.

⁷ EB-2015-0061, Exhibit 2, Attachment 2-B, page 2, August 28, 2015.

⁸ EB-2014-0099, Interrogatory Responses, page 48 of 58, August 31, 2015

receivable for >180 days have been adjusted for the removal of bad debts in October 2014. Please see the table in IR#2 d) above where the balance > 180 days decreases from \$611,962.59 in September to \$293,429.25 in October.” The total actual annual write-off in October 2014 was \$311,637.

NPEI further notes that weighting in Board Staff's Table 7 does not add to 100%.

The removal of bad debt balances from the > 181 day category was not done in the manner used by Board Staff in any of the other lead/lag studies reviewed by NPEI (Entegrus Powerlines Inc. (EB-2015-0061), North Bay Hydro Distribution Ltd. (EB-2014-0099), London Hydro Inc. (EB-2012-0146), Hydro Ottawa Limited (EB-2015-0004), Veridian Connections Inc. (EB-2013-0174) and Horizon Utilities Corporation (EB-2014-0002)).

Board Staff's submission is to remove bad debts from the calculation of the collection lag on a monthly basis. Board staff assumes bad debt accounts are written off on a monthly basis and therefore should be excluded entirely from the calculation of the collection lag which implies bad debt expenses should be excluded from a working capital allowance lead/lag study. Bad debt is an allowable distribution expense included in the revenue requirement for rate making purposes. NPEI currently has \$273,604 in annual bad debt expense approved in its 2015 revenue requirement.

There is a lead/lag associated with bad debt expense. The cash outflow occurs approximately at the same time as the customer is billed. In the case of a bad debt balance, there is no cash inflow from a customer payment. Therefore, bad debt is an eligible expenditure to be included in a lead/lag study however not in the manner used by Board Staff's calculation.

Board Staff's submission to remove the bad debt for calculating the collection lag is inconsistent with the logic and methodology of a lead/lag study.

In conclusion, NPEI has submitted detailed evidence supporting a collection lag of 29.24 days. NPEI has calculated the collection lag using the mid-point methodology commonly used in a lead/lag study and is consistent and comparable to the methodology used to prepare all other lead/lag studies previously filed with the OEB.

Operations, Maintenance and Administration (“OM&A”) Expense Lead

Board Staff submitted in its written submission that *“the five-year service period applied to the regulatory costs is inappropriate for the nature of those costs. First, this results in overstating the expense lead for annual prepaid expenses. Furthermore, the services provided by legal and consultant costs in preparation for a cost of service application only provide benefit while the cost of service application is being heard by the OEB. Once rates have been approved, no further service is being provided. While regulatory costs may be amortized over five years when designing rates that does not mean that regulatory expenses provide a service over that period.”*

The regulatory costs in NPEI's 2015 revenue requirement include one fifth of the costs related to the preparation of the COS application. This is reflected in the lead/lag study by way of one fifth of the regulatory costs paid during the study period ($1/5 * \$139,576 = \$27,915$) have been included in the distribution expenses. There is a lead/lag associated with the regulatory costs as all costs are paid in the first year, and the cash inflow occurs over the five year period relating to the COS Rate Application and hence the five-year service period applied to regulatory costs is appropriate. NPEI began incurring regulatory costs associated with its last COS Rate Application approximately 18 months prior to rates becoming effective.

NPEI disagrees with Board Staff's position regarding the service period that the regulatory cost relate to as noted above. However, NPEI submits that is appropriate to separate the prepaid regulatory costs which carry a five year service period of 912.5 days ($365 \times 5 / 2$) from the annual prepaid expenses which carry a service period of 182.5 days ($365 / 2$) as originally filed.

The table below shows the OM&A expense lead calculation as per Appendix C of NPEI's interrogatory responses (also included as Appendix E to this reply submission), where the regulatory prepaid expenses are included with the annual prepaid expenses.

Originally Filed Table (Annual Prepays as per Appendix C of the Interrogatory Responses)

OM&A Expense Lead Based on the period May 2014-April 2015				
	Expense Lead (days)	Amount (\$)	Weighting Factor	Weighted Lead
Payroll & Benefits	9.64	9,827,474	58.69%	5.66
Annual Prepays	-292.67	1,096,430	6.55%	-19.16
Quarterly Prepays	-31.44	458,258	2.74%	-0.86
Monthly Prepays	-13.00	78,934	0.47%	-0.06
Bi-weekly Prepays	-6.76	503,000	3.00%	-0.20
OM&A Expense Lead	45.18	4,780,842	28.55%	12.90
TOTAL	-94.30	16,744,939	100.00%	-1.73

After separating the regulatory prepaid expenses from the annual prepaid expenses, NPEI's revised OM&A lead days is 3.48 as shown in the table below. Details of the calculations of the lead days for regulatory prepaid expenses of -1074.39 and lead days for annual prepaid expenses of -190.55 are included as Appendix F.

Revised OM&A Expense Lead – Regulatory Prepays Separated from Annual Prepays due to Different Service Periods

OM&A Expense Lead Based on the period May 2014-April 2015				
	Expense Lead (days)	Amount (\$)	Weighting Factor	Weighted Lead
Payroll & Benefits	9.64	9,827,474	58.69%	5.66
Regulatory expenses prepaid	-1074.39	27,915	0.17%	-1.79
Annual Prepays	-190.55	1,068,514	6.38%	-12.16
Quarterly Prepays	-31.44	458,258	2.74%	-0.86
Monthly Prepays	-13.00	78,934	0.47%	-0.06
Bi-weekly Prepays	-6.76	503,000	3.00%	-0.20
OM&A Expense Lead	45.18	4,780,842	28.55%	12.90
TOTAL	-1066.58	16,744,938	100.00%	3.48

Board Staff states *“Given that payroll costs constitute a major element of OM&A expenses, it is counterintuitive that NPEI should have an expense lead that is significantly different than other utilities.”*

NPEI agrees that payroll costs are a major component of OM&A. NPEI's payroll is paid on a weekly basis which has an average service period of 3.51 days and an average payment lead of 1.72 days totaling 5.23 lead days for payroll. In just comparing payroll to other LDC's NPEI's review found the following: Entegrus Powerlines Inc.'s payroll is on a biweekly basis, which is paid on the Friday two weeks following a Sunday pay period end.⁹ This results in a payroll service period of 19 days. North Bay Hydro Distribution Limited has a biweekly payroll.¹⁰ London Hydro Inc. has a weekly payroll, with a four day payment lag.¹¹ Hydro Ottawa Limited has a biweekly payroll.¹² Veridian Connections Inc. has a biweekly payroll.¹³ Horizon Utilities Corporation's payroll is weekly with a two day payment lag.¹⁴ A bi-weekly payroll results in a service period of 7 days before a payment lead is added. NPEI should first only be compared to LDC's with a weekly payroll due to the significant weighting that payroll has on OM&A lead days calculated in a lead/lag study.

Of the OM&A expense leads for other LDCs shown in Table 2 of Board Staff's submission, NPEI's revised OM&A expense lead days of 3.48 is comparable to Horizon Utilities Corporation's OM&A expense lead days of 7.3. Both LDCs have a weekly payroll however, the weighting of prepaid expenses also influences the OM&A lead day calculation. It is difficult to compare weighted prepaid expenses and OM&A to Horizon Utilities due to the manner information was presented in their lead/lag study. In some of the other lead/lag studies filed with the Board, the weighting of bi-weekly payroll expense heavily influences a higher OM&A weighted average lead day calculation.

⁹ EB-2015-0061, Exhibit 2, Attachment 2-B, page 5

¹⁰ EB-2014-0099, Interrogatory Responses, page 29 of 58, August 31, 2015

¹¹ EB-2012-0146, Exhibit 2, Appendix 2-J, page 10, September 28, 2012

¹² EB-2015-0004, Amendment to Settlement Agreement, Attachment 2, Table 26, November 5, 2015.

¹³ EB-2013-0174, Exhibit 2, Tab 1, Schedule 4, Attachment 3, page 7, October 31, 2013.

¹⁴ EB-2014-0002, Exhibit 2, Tab 4, Schedule 1, Appendix 2-3, page 11, April 16, 2014.

Board Staff submits: *“In staff’s view, the OEB could instead impose the current minimum OM&A expense lead days observed from the sample below (7.3), or the average of the OM&A expense leads of previous studies (16.3), if it found that this alternative were warranted.”*

NPEI does not agree that Board Staff’s use of an alternative is warranted. Following Staff’s suggestion would be similar to reverting back to a default WCA value of 13%, which is contrary to the Board’s direction that *“NPEI’s 2015 final rates should be based on its actual, approved working capital needs.”* NPEI has filed complete evidence supporting its OM&A, payroll and prepaid expenses. In examining the detail of the OM&A expenses, the payroll expense lead and the relative weighting of prepaid expenses are major drivers of NPEI’s weighted average OM&A expense lead calculation. NPEI has demonstrated and filed its actual results, which may be different from other Ontario distributors due to the weighting methodology used. There is no evidence to support any value other than that filed by NPEI. NPEI submits that the Board should accept the updated OM&A weighted lead days of 3.48.

Long Term Debt Expense Lead

Energy Probe’s submission states:

“Energy Probe notes that NPEI does make monthly interest payments on its affiliate debt. In fact, those payments are made well in advance of month end, on average, based on the NPEI interrogatory response noted earlier.

However, as noted above, NPEI is not required to make monthly payments. The affiliate loan agreements clearly state interest is payable quarterly. Energy Probe submits that the Board should calculate the expense lead associated with the affiliate debt based on the actual loan agreements.”

NPEI has always paid the interest to the City of Niagara Falls (“City”) monthly, based on a verbal agreement made prior to 2004. NPEI can support monthly payments to the City since June 2004 (See Appendix A.) Prior to this date, the accounting software used is no longer available and would require NPEI to search archived files to obtain the interest payment dates that were made to the City prior to June 2004.

For the promissory note to Niagara Falls Hydro Holding Corporation ("NFHHC"), prior to January 1, 2013, a bank transfer was done monthly for the interest payment. Since the accounting for NFHHC was done by NPEI, this was more efficient than producing a cheque each month from NPEI to NFHHC and then going to the bank on behalf of NFHHC and depositing the cheque. Beginning in January 2013 there was a change in process due to a change in the Treasurer for NFHHC, resulting in NPEI issuing a cheque each month to NFHHC for interest payments. The NFHHC interest transactions are included in Appendix B from 2004 to January 2016.

Energy Probe submits that the calculation of NPEI's long term debt expense lead should be based on the quarterly due dates contained in the promissory notes thereby changing the service period from 15.21 days to 45.63 days for the shareholder loans and Energy Probe has also adjusted the payment lead to a "due date" of one day prior to the end of the month resulting in a payment lead of -1.0 days. Energy Probe is submitting the OEB require NPEI to change its existing business arrangements going forward by suggesting the shareholder interest be paid on the second to last day of each quarter in order for NPEI's working capital to mirror the actual payment practice. A business arrangement to pay the interest on a monthly basis was made in excess of ten years ago.

NPEI notes that the terms within both of the affiliate promissory notes relating to the interest rates have also been amended between April 2000 and January 2016, by letters issued to the City of Niagara Falls and Niagara Falls Hydro Holding Corporation. The interest rate was changed from 7.25%, as per the promissory note, to 5.32% in 2012 to reflect the Board's deemed debt rate which was applied to the affiliate debt in NPEI's 2011 COS Rate Application (EB-2010-0138). The rate was changed to be 4.77%, effective January 1, 2016, to reflect the Board's deemed debt rate that was applied to the affiliate debt in NPEI's 2015 COS Rate Application (EB-2014-0096). The letters sent to the affiliates regarding the change in debt rates are included in Appendix C. Energy Probe is only requesting that one term of the loan agreement be included in the calculation of the NPEI's working capital allowance. Energy Probe is not requesting the interest rate of 7.25% be upheld in the working capital allowance calculation. Both terms are part of the promissory note and by including only one term in the calculation of WCA would be considered selective in nature when in fact the actual interest

payments do not reflect any of the original terms of the loan agreements. NPEI submits there is no reason to deviate from this for one specific term of the loan agreement.

Using the legal obligation due date of the promissory notes in the lead/lag study is inconsistent with the methodology of cash inflow and cash outflow during a 12 month study period. NPEI has filed evidence supporting the interest payments with actual cheque dates during the study period. NPEI continued to pay the shareholder interest on a monthly basis for the 2015 Test year as well. The use of a legal obligation to pay or a due date was not used in the calculation of the expense lead for Cost of Power, Retailer Expense, Payroll and Benefits or any other OM&A expense. Therefore, to apply the legal obligation due date principle to one element of the OM&A expense lead calculation is selective in nature and inappropriate.

Therefore, NPEI submits that the Board accepts the long term debt expense lead of 4.38 days, as per NPEI's lead/lag study.

Cost of Power Expense Lead

Energy Probe submits that in the calculation of the cost of power expense lead, NPEI should use 30.39 days for the IESO expense lead, rather than the 28.99 days used by NPEI. This would change the overall weighted average cost of power expense lead (IESO, Hydro One and Niagara West Transformation Corp.) from 30.95 days to 29.59 days.

Energy Probe submits that *"the Board should use the 30.95 days for two reasons. First, it is consistent with the period used to estimate all of the other revenue lags and expense leads used in the lead/lag study, and there is no reason to deviate from this period for one specific expense. Second, NPEI has indicated that upon the receipt of a margin call warning, NPEI makes a prepayment to the IESO (Board Staff Interrogatory #3 (a)). However, as indicated in the response to Energy Probe interrogatory #6(d), NPEI is not required to make a payment. The margin call warning only indicates that NPEI has reached 70% of its trading limit with the IESO. Only when it receives a margin call, is NPEI required to make a payment to the IESO in advance of the regular monthly payment. NPEI has estimated that a margin call could be issued within 6 days of a margin call warning."*

NPEI notes that the 28.99 days used in the lead/lag study for the IESO expense lead is consistent with the study period used (May 2014 to April 2015) to calculate the other expense leads of payroll, prepaid expenses and OM&A. That is, NPEI used the actual IESO invoice amounts from the study period. NPEI adjusted the dates when prepayments would have been made, based on NPEI's revised trading limit which was effective June 2015. As noted in the Summary section above, it is important to determine and factor into the lead/lag study whether or not there are any known changes to existing business conditions going forward. Where such changes are known and material, they should be factored into the lead/lag study. The revised IESO trading limit is one such change. As per the Board's Decision and Order in NPEI's 2015 COS Rate Application, dated May 14, 2015, "*NPEI's 2015 final rates should be based on its actual, approved working capital needs.*" NPEI has filed detailed evidence updating the study period data to reflect the revised trading limit for the test period. The lead/lag study submitted, along with the evidence provided during the interrogatory process reflects NPEI's actual working capital needs with respect to the IESO expense lead.

Further, Energy Probe's submission that the due date of the invoice should be used in calculating the IESO expense lead is contrary to the methodology of using cash inflow and cash outflow over a study period. The use of an obligation to pay or a due date was not used in the calculation of any other component of the overall expense lead. Therefore, to apply it to only one element of the expense lead calculation is selective in nature and is deviating from the methodology used to prepare a lead/lag study similar to other lead/lag studies previously filed with the OEB.

In NPEI's view, there is substantial risk involved in waiting to receive a margin call before making a prepayment. For example, NPEI's market exposure could increase more rapidly than anticipated, due to consumption or changes in the IESO's estimation parameters. As indicated in the interrogatory responses¹⁵, NPEI's prudential support obligation with the IESO includes a good payment history credit of \$14 million. The loss of this credit would result in either more frequent margin calls or the need for NPEI to increase the value of the letter of credit posted with the IESO which would have increased OM&A costs related to the letter of credit increase.

¹⁵ EB-2015-0090 & EB-2015-0328, Interrogatory Responses, # 11-EP-6, December 18, 2015.

NPEI has managed its cash flow and has maintained its good payment history with the IESO in the manner of making cost of power prepayments due at the time of margin call warnings. NPEI has historically always made a prepayment of its cost of power to the IESO at the time of a margin call warning.

NPEI is not aware of any OEB policy decisions relating to using a due date methodology for expense lead day calculation in a lead/lag study.

Therefore, NPEI submits that the Board should accept the weighted average cost of power expense lead of 29.59 days as submitted and supported by NPEI.

HST for Revenues

Energy Probe submits that NPEI should use a weighted average HST expense lead for revenues of -19.33 days instead of the -10.45 days used by NPEI. Energy Probe's calculation includes a lag of -19.7 days for revenue from customer billing (versus -10.78 proposed by NPEI) and 35.35 days for revenue from other sources (versus 39.17 days proposed by NPEI).

Energy Probe argues *that "the lead (lag) days calculated by NPEI of -10.78 days include a number of assumptions that are not correct."* Energy Probe then submits how the HST revenue lag should be calculated.

Upon review of Energy Probe's submission, Energy Probe's proposed method of calculating the HST revenue lag provides the same result as NPEI's calculation, once three differences are factored in:

- Energy Probe has used their proposed collection lag of 24.13 days, whereas NPEI's calculation uses NPEI's calculated and supported collection lag of 29.24 days.
- Energy Probe's calculation assumes that *"NPEI issues bills on the average in one month at 15.21 days"*. NPEI's evidence supports the calculation of a billing lag of 17.98 days.
- Energy Probe has used 30.42 days as an average month and NPEI used 30 days.

The difference between Energy Probe's proposed HST revenue lag of -19.70 days and NPEI's value of -10.78 days is $-19.70 + 10.78 = -8.92$ days. The table below shows how the three differences listed above account for the difference of -8.92 days.

Component of HST Revenue Lag	Value Used by NPEI	Value Used by Energy Probe	Difference
Collection Lag	-29.24	-24.13	(5.11)
# of Days Between Billed Date and End of Month	11.82	15.21	(3.39)
Use of 30.42 Days versus 30 Days	30	30.42	(0.42)
Total			(8.92)

NPEI submits that it has calculated the HST revenue lag on customer billings correctly. Energy Probe submits that NPEI received the HST revenue 19.7 days prior to remittance to the government. NPEI submits they receive the HST revenue 10.78 days prior to remittance to the government. Same answer is achieved using different input variables as noted in the table above.

For the HST lag on other sources of revenue, Energy Probe submits that the service lag of 15.21 days and the billing lag of 17.98 days be removed. However, as indicated in Table 6 to NPEI's interrogatory responses (also included as Appendix D to this reply submission), the collection and billing lags for other revenue vary by the source of the revenue. The weighted average billing lag and collection lag are not equal to the values proposed by Energy Probe. Therefore, Energy Probe's submission is inaccurate and excludes any consideration for the evidence supporting NPEI's calculation which was filed in the interrogatory responses. NPEI submits that it has calculated the HST revenue lag on other revenue sources correctly.

NPEI submits that the Board should accept a weighted average HST revenue lag of -10.45 days, as filed in the updated lead/lag study.

Conclusion

NPEI provided evidence supporting in great detail the calculation of both the revenue lag days and the expense lead days for each expense component as well as supported the HST calculation. The result of which is illustrated in the table below:

Working Capital Allowance -Reply Submission							
Budget Item Description	Revenue Lag Days	Expense Lead Days	Net Lag (Lead) Days	WCA Factor	Test Year Expenses (\$)	WCA (\$)	WCA (%)
Cost of Power	64.75	29.59	35.16	10%	144,149,669	13,884,477	
Retailer Expenses	64.75	37.94	26.81	7%	2,417,005	177,520	
OM&A Expenses	64.75	3.48	61.26	17%	16,424,995	2,756,844	
Interest on Long Term Debt	64.75	4.38	60.37	17%	2,345,596	387,927	
PILs	64.75	36.22	28.53	8%	168,430	13,163	
Debt Retirement Charges	64.75	28.26	36.48	10%	8,456,444	845,245	
Sub-Total					173,962,139	18,065,177	11.25%
HST (Receivables)			-10.45	-2.86%	(22,603,800)	(646,921)	
HST (Expenses)			43.63	11.95%	19,499,180	2,330,815	
Total (inc. HST)					170,857,518	19,749,071	12.30%

NPEI applied the principles of cash inflow and outflow consistently for all variables included in the working capital allowance calculation throughout the twelve month study period. NPEI prepared its lead/lag study in accordance with the mid-point methodology and weighting calculations used that are consistent with other previously filed lead/lag studies with the OEB. NPEI has also supported any differences it may have to other previously filed lead/lag studies where information was available.

The Board's Decision and Order in NPEI's 2015 COS Application (EB-2014-0096), dated May 14, 2015, states *"The Board directs NPEI to establish a new deferral account to capture all incremental costs associated with the study, both internal and external costs to ensure NPEI is not financially affected by the Board's directive."* NPEI assumes that the costs related to the preparation of the lead/lag study will be disposed of when Group 2 Deferral and Variance accounts are submitted for disposition in NPEI's next COS Rate Application. NPEI estimates that these costs will be approximately \$35,000.

NPEI respectfully requests the OEB accept NPEI's reply submission and updated working capital allowance of 12.30%.

Using a working capital allowance of 12.30% in the calculation of NPEI's 2015 Revenue Requirement would result in a 2015 revenue sufficiency of \$82,533. This is well below the materiality threshold of \$146,874¹⁶ established in NPEI's 2015 COS Rate Application.

¹⁶ EB-2014-0096, Exhibit 1, Tab 5, Schedule 1, September 23, 2014.

Therefore, NPEI submits that no adjustment is required to its 2015 rates, and requests that the Board declare NPEI's interim 2015 rates final.

NPEI submits that rates based on the working capital allowance of 12.30% should be used in determining NPEI's 2016 IRM rates.

Appendix A- Interest payments to City of Niagara Falls

Vendor ID	Vendor Name	Document Numt	Document Date	Transaction D	Document Amoun	Document	Voided
CITY001	City of Niagara Falls	000465	6/22/2004	May 2004 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	000887	7/23/2004	June 2004 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	001221	8/17/2004	July 2004 Inte	132,916.67	Payment	No
CITY001	City of Niagara Falls	001544	9/3/2004	August 2004 I	132,916.67	Payment	No
CITY001	City of Niagara Falls	001641	9/13/2004	September 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	001967	10/13/2004	October 2004	132,916.67	Payment	No
CITY001	City of Niagara Falls	002568	11/26/2004	November 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	002871	12/16/2004	December 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	003840	2/15/2005	January 2005	132,916.67	Payment	No
CITY001	City of Niagara Falls	004236	3/23/2005	February 200	132,916.67	Payment	No
CITY001	City of Niagara Falls	004354	4/1/2005	March 2005 Ir	132,916.67	Payment	No
CITY001	City of Niagara Falls	004887	4/29/2005	April 2005 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	005335	5/27/2005	May 2005 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	005733	6/24/2005	June 2005 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	006166	7/29/2005	July 2005 Inte	132,916.67	Payment	No
CITY001	City of Niagara Falls	006565	8/26/2005	August 2005 I	132,916.67	Payment	No
CITY001	City of Niagara Falls	007018	9/30/2005	September 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	007337	10/28/2005	October 2005	132,916.67	Payment	No
CITY001	City of Niagara Falls	007737	11/25/2005	November 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	007973	12/15/2005	December 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	008181	1/6/2006	January 2006	132,916.67	Payment	No
CITY001	City of Niagara Falls	008702	2/10/2006	February 200	132,916.67	Payment	No
CITY001	City of Niagara Falls	009361	3/17/2006	March 2006 Ir	132,916.67	Payment	No
CITY001	City of Niagara Falls	009899	4/27/2006	April 2006 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	010302	5/19/2006	May 2006 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	010680	6/23/2006	June 2006 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	010850	7/5/2006	July 2006 Inte	132,916.67	Payment	No
CITY001	City of Niagara Falls	011536	8/25/2006	August 2006 I	132,916.67	Payment	No
CITY001	City of Niagara Falls	011851	9/22/2006	September 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	012301	10/27/2006	October 2006	132,916.67	Payment	No
CITY001	City of Niagara Falls	012503	11/3/2006	November 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	013054	12/15/2006	December 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	013423	1/19/2007	January 2007	132,916.67	Payment	No
CITY001	City of Niagara Falls	013772	2/16/2007	February 200	132,916.67	Payment	No
CITY001	City of Niagara Falls	014273	3/30/2007	March 2007 Ir	132,916.67	Payment	No
CITY001	City of Niagara Falls	014627	4/27/2007	April 2007 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	015059	5/30/2007	May 2007 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	015510	6/28/2007	June 2007 Int	132,916.67	Payment	No

CITY001	City of Niagara Falls	015978	7/31/2007 July 2007 Inte	132,916.67	Payment	No
CITY001	City of Niagara Falls	016083	8/3/2007 August 2007 I	132,916.67	Payment	No
CITY001	City of Niagara Falls	016436	9/13/2007 September 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	016797	10/11/2007 October 2007	132,916.67	Payment	No
CITY001	City of Niagara Falls	017521	11/30/2007 November 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	017777	12/21/2007 December 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	000012	1/11/2008 January 2008	132,916.67	Payment	No
CITY001	City of Niagara Falls	000597	3/7/2008 February 2008	132,916.67	Payment	No
CITY001	City of Niagara Falls	000989	4/4/2008 March 2008 Ir	132,916.67	Payment	No
CITY001	City of Niagara Falls	001310	4/25/2008 April 2008 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	001845	5/30/2008 May 2008 Inte	132,916.67	Payment	No
CITY001	City of Niagara Falls	002066	6/13/2008 June 2008 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	002405	7/11/2008 July 2008 Inte	132,916.67	Payment	No
CITY001	City of Niagara Falls	002944	8/12/2008 August 2008 I	132,916.67	Payment	No
CITY001	City of Niagara Falls	003552	9/26/2008 September 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	006544	10/17/2008 October 2008	132,916.67	Payment	No
CITY001	City of Niagara Falls	007560	11/21/2008 November 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	008245	12/22/2008 December 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	008715	1/16/2009 January 2009	132,916.67	Payment	No
CITY001	City of Niagara Falls	008988	2/6/2009 February 2009	132,916.67	Payment	No
CITY001	City of Niagara Falls	009627	3/27/2009 March 2009 Ir	132,916.67	Payment	No
CITY001	City of Niagara Falls	009953	4/9/2009 April 2009 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	010527	5/22/2009 May 2009 Inte	132,916.67	Payment	No
CITY001	City of Niagara Falls	010944	6/26/2009 June 2009 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	011355	7/24/2009 July 2009 Inte	132,916.67	Payment	No
CITY001	City of Niagara Falls	011789	8/21/2009 August 2009 I	132,916.67	Payment	No
CITY001	City of Niagara Falls	012129	9/18/2009 September 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	012680	10/16/2009 October 2009	132,916.67	Payment	No
CITY001	City of Niagara Falls	013218	11/27/2009 November 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	013649	12/18/2009 December 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	014099	1/29/2010 January 2010	132,916.67	Payment	No
CITY001	City of Niagara Falls	014542	3/1/2010 February 2010	132,916.67	Payment	No
CITY001	City of Niagara Falls	014886	3/19/2010 March 2010 Ir	132,916.67	Payment	No
CITY001	City of Niagara Falls	015338	4/23/2010 April 2010 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	015750	5/28/2010 May 2010 Inte	132,916.67	Payment	No
CITY001	City of Niagara Falls	016014	6/11/2010 June 2010 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	016240	7/2/2010 July 2010 Inte	132,916.67	Payment	No
CITY001	City of Niagara Falls	017005	8/27/2010 August 2010 I	132,916.67	Payment	No
CITY001	City of Niagara Falls	017388	9/24/2010 September 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	017856	10/29/2010 October 2010	132,916.67	Payment	No
CITY001	City of Niagara Falls	018289	11/19/2010 November 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	018535	12/10/2010 December 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	019024	1/14/2011 January 2011	132,916.67	Payment	No
CITY001	City of Niagara Falls	019596	2/25/2011 February 2011	132,916.67	Payment	No
CITY001	City of Niagara Falls	019916	3/25/2011 March 2011 Ir	132,916.67	Payment	No
CITY001	City of Niagara Falls	020357	4/21/2011 April 2011 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	020679	5/6/2011 May 2011 Inte	132,916.67	Payment	No

CITY001	City of Niagara Falls	021151	6/10/2011 June 2011 Int	132,916.67	Payment	No
CITY001	City of Niagara Falls	021876	7/22/2011 July 2011 Inte	132,916.67	Payment	No
CITY001	City of Niagara Falls	022130	8/12/2011 August 2011 I	132,916.67	Payment	No
CITY001	City of Niagara Falls	022632	9/9/2011 September 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	023113	10/7/2011 October 2011	132,916.67	Payment	No
CITY001	City of Niagara Falls	023832	11/11/2011 November 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	024167	12/9/2011 December 20	132,916.67	Payment	No
CITY001	City of Niagara Falls	025025	1/20/2012 January 2012	132,916.67	Payment	No
CITY001	City of Niagara Falls	025430	2/24/2012 February 201	132,916.67	Payment	No
CITY001	City of Niagara Falls	026230	3/30/2012 March 2012 Ir	132,916.67	Payment	No
CITY001	City of Niagara Falls	026851	4/27/2012 April 2012 Int	97,533.33	Payment	No
CITY001	City of Niagara Falls	027459	5/29/2012 May 2012 Inte	97,533.33	Payment	No
CITY001	City of Niagara Falls	027589	6/8/2012 June 2012 Int	97,533.33	Payment	No
CITY001	City of Niagara Falls	028256	7/20/2012 July 2012 Inte	97,533.33	Payment	No
CITY001	City of Niagara Falls	028944	8/17/2012 August 2012 I	97,533.33	Payment	No
CITY001	City of Niagara Falls	029289	9/12/2012 September 20	97,533.33	Payment	No
CITY001	City of Niagara Falls	029838	10/5/2012 October 2012	97,533.33	Payment	No
CITY001	City of Niagara Falls	030461	11/9/2012 November 20	97,533.33	Payment	No
CITY001	City of Niagara Falls	031141	12/14/2012 December 20	97,533.33	Payment	No
CITY001	City of Niagara Falls	031701	1/11/2013 January 2013	97,533.33	Payment	No
CITY001	City of Niagara Falls	032323	2/8/2013 February 201	97,533.33	Payment	No
CITY001	City of Niagara Falls	032987	3/15/2013 March 2013 Ir	97,533.33	Payment	No
CITY001	City of Niagara Falls	033670	4/12/2013 April 2013 Int	97,533.33	Payment	No
CITY001	City of Niagara Falls	034329	5/10/2013 May 2013 Inte	97,533.33	Payment	No
CITY001	City of Niagara Falls	034916	6/14/2013 June 2013 Int	97,533.33	Payment	No
CITY001	City of Niagara Falls	035530	7/12/2013 July 2013 Inte	97,533.33	Payment	No
CITY001	City of Niagara Falls	036205	8/9/2013 August 2013 I	97,533.33	Payment	No
CITY001	City of Niagara Falls	036861	9/13/2013 September 20	97,533.33	Payment	No
CITY001	City of Niagara Falls	037426	10/4/2013 October 2013	97,533.33	Payment	No
CITY001	City of Niagara Falls	038329	11/15/2013 November 20	97,533.33	Payment	No
CITY001	City of Niagara Falls	038984	12/13/2013 December 20	97,533.33	Payment	No
CITY001	City of Niagara Falls	040040	1/17/2014 January 2014	97,533.33	Payment	No
CITY001	City of Niagara Falls	040397	2/12/2014 February 201	97,533.33	Payment	No
CITY001	City of Niagara Falls	041078	3/14/2014 March 2014 Ir	97,533.33	Payment	No
CITY001	City of Niagara Falls	042270	4/25/2014 April 2014 Int	97,533.33	Payment	No
CITY001	City of Niagara Falls	042548	5/9/2014 May 2014 Inte	97,533.33	Payment	No
CITY001	City of Niagara Falls	043849	6/20/2014 June 2014 Int	97,533.33	Payment	No
CITY001	City of Niagara Falls	044027	7/4/2014 July 2014 Inte	97,533.33	Payment	No
CITY001	City of Niagara Falls	045605	8/29/2014 August 2014 I	97,533.33	Payment	No
CITY001	City of Niagara Falls	045815	9/11/2014 September 20	97,533.33	Payment	No
CITY001	City of Niagara Falls	047080	10/24/2014 October 2014	97,533.33	Payment	No
CITY001	City of Niagara Falls	047809	11/21/2014 November 20	97,533.33	Payment	No
CITY001	City of Niagara Falls	048616	12/19/2014 December 20	97,533.33	Payment	No
CITY001	City of Niagara Falls	049006	1/23/2015 January 2015	97,533.33	Payment	No
CITY001	City of Niagara Falls	049652	2/13/2015 February 201	97,533.33	Payment	No
CITY001	City of Niagara Falls	050391	3/12/2015 March 2015 Ir	97,533.33	Payment	No
CITY001	City of Niagara Falls	051147	4/17/2015 April 2015 Int	97,533.33	Payment	No
CITY001	City of Niagara Falls	051878	5/21/2015 May 2015 Inte	97,533.33	Payment	No
CITY001	City of Niagara Falls	052645	6/18/2015 June 2015 Int	97,533.33	Payment	No
CITY001	City of Niagara Falls	053363	7/15/2015 July 2015 Inte	97,533.33	Payment	No
CITY001	City of Niagara Falls	054027	8/6/2015 August 2015 I	97,533.33	Payment	No
CITY001	City of Niagara Falls	055133	9/10/2015 September 20	97,533.33	Payment	No
CITY001	City of Niagara Falls	055953	10/15/2015 October 2015	97,533.33	Payment	No
CITY001	City of Niagara Falls	056724	11/13/2015 November 20	97,533.33	Payment	No
CITY001	City of Niagara Falls	057949	12/18/2015 December 20	97,533.33	Payment	No
CITY001	City of Niagara Falls	058282	1/22/2016 January 2016	87,450.00	Payment	No

Appendix B- Interest payments to Niagara Falls Hydro Holding Corporation

Account Number	Originating Source	Journal Ent	TRX Date	Debit Amount	Credit Amount
01-100-1107-01-00	January 2008 Interest	7647	1/31/2008	-	21,780.75
01-100-1107-01-00	February 2008 Interest	7647	2/29/2008	-	21,780.75
01-100-1107-01-00	March 2008 Interest	7647	3/29/2008	-	21,780.75
01-100-1107-01-00	April 2008 Interest	7647	4/29/2008	-	21,780.75
01-100-1107-01-00	May 2008 Interest	7647	5/29/2008	-	21,780.75
01-100-1107-01-00	Transfer to Hold Co	19195	6/13/2008	100,000.00	-
01-100-1107-01-00	June 2008 Interest	7647	6/29/2008	-	21,780.75
01-100-1107-01-00	July 2008 Interest	7647	7/29/2008	-	21,780.75
01-100-1107-01-00	August 2008 Interest	7647	8/29/2008	-	21,780.75
01-100-1107-01-00	Transfer to Holdco	31835	9/26/2008	100,000.00	-
01-100-1107-01-00	September 2008 Interest	7647	9/29/2008	-	21,780.75
01-100-1107-01-00	October 2008 Interest	7647	10/29/2008	-	21,780.75
01-100-1107-01-00	Trans to Holdco-31313-Nov'	39234	11/12/2008	50,000.00	-
01-100-1107-01-00	November 2008 Interest	7647	11/29/2008	-	21,780.75
01-100-1107-01-00	December 2008 Interest	7647	12/29/2008	-	21,780.75
01-100-1107-01-00	January 2009 Interest	46846	1/31/2009	-	21,780.75
01-100-1107-01-00	February 2009 Interest	46846	2/28/2009	-	21,780.75
01-100-1107-01-00	March 2009 Interest	46846	3/28/2009	-	21,780.75
01-100-1107-01-00	April Hold Co. 1-16	53793	4/17/2009	60,000.00	-
01-100-1107-01-00	April 2009 Interest	46846	4/28/2009	-	21,780.75
01-100-1107-01-00	May 2009 Interest	46846	5/28/2009	-	21,780.75
01-100-1107-01-00	June Holdco 1-16	60021	6/8/2009	45,000.00	-
01-100-1107-01-00	June 2009 Interest	46846	6/28/2009	-	21,780.75
01-100-1107-01-00	July 2009 Interest	46846	7/28/2009	-	21,780.75
01-100-1107-01-00	Holdco- Aug 10	65540	8/10/2009	65,000.00	-
01-100-1107-01-00	Holdco advance-Aug 21	65541	8/21/2009	43,560.00	-
01-100-1107-01-00	August 2009 Interest	46846	8/28/2009	-	21,780.75
01-100-1107-01-00	September 2009 Interest	46846	9/28/2009	-	21,780.75
01-100-1107-01-00	October 2009 Interest	46846	10/28/2009	-	21,780.75
01-100-1107-01-00	Transfer to Holdco-Nov	74816	11/17/2009	20,000.00	-
01-100-1107-01-00	November 2009 Interest	46846	11/28/2009	-	21,780.75
01-100-1107-01-00	December 2009 Interest	46846	12/28/2009	-	21,780.75
01-100-1107-01-00	January 2010 Interest	82126	1/1/2010	-	21,780.75
01-100-1107-01-00	February 2010 Interest	82126	2/1/2010	-	21,780.75
01-100-1107-01-00	March 2010 Interest	82126	3/1/2010	-	21,780.75
01-100-1107-01-00	April 2010 Interest	82126	4/1/2010	-	21,780.75
01-100-1107-01-00	Holdco company advance	88052	4/15/2010	55,600.00	-
01-100-1107-01-00	May 2010 Interest	82126	5/1/2010	-	21,780.75
01-100-1107-01-00	June 2010 Interest	82126	6/1/2010	-	21,780.75
01-100-1107-01-00	July 2010 Interest	82126	7/1/2010	-	21,780.75
01-100-1107-01-00	August 2010 Interest	82126	8/1/2010	-	21,780.75
01-100-1107-01-00	September 2010 Interest	82126	9/1/2010	-	21,780.75
01-100-1107-01-00	Holdco Sept'10	100821	9/27/2010	50,000.00	-
01-100-1107-01-00	Holdco advance-Sept'10	100822	9/30/2010	50,000.00	-
01-100-1107-01-00	October 2010 Interest	82126	10/1/2010	-	21,780.75
01-100-1107-01-00	November 2010 Interest	82126	11/1/2010	-	21,780.75
01-100-1107-01-00	Transfer to Holdco Nov	106320	11/5/2010	50,000.00	-
01-100-1107-01-00	Transfer to Holdco Nov	106321	11/18/2010	22,000.00	-
01-100-1107-01-00	December 2010 Interest	82126	12/1/2010	-	21,780.75
01-100-1107-01-00	January 2011 Interest	114604	1/1/2011	-	21,780.75
01-100-1107-01-00	February 2011 Interest	114604	2/1/2011	-	21,780.75
01-100-1107-01-00	March 2011 Interest	114604	3/1/2011	-	21,780.75
01-100-1107-01-00	April 2011 Interest	114604	4/1/2011	-	21,780.75
01-100-1107-01-00	Advances NFH holding	119787	4/13/2011	50,000.00	-
01-100-1107-01-00	May 2011 Interest	114604	5/1/2011	-	21,780.75

01-100-1107-01-00	June 2011 Interest	114604	6/1/2011	-	21,780.75
01-100-1107-01-00	July 2011 Interest	114604	7/1/2011	-	21,780.75
01-100-1107-01-00	August 2011 Interest	114604	8/1/2011	-	21,780.75
01-100-1107-01-00	Transfer to NF Holdco	130476	8/4/2011	50,000.00	-
01-100-1107-01-00	September 2011 Interest	114604	9/1/2011	-	21,780.75
01-100-1107-01-00	Transfer to NFH Holding Sep	134104	9/8/2011	50,000.00	-
01-100-1107-01-00	Transfer to NFH Holding Sep	134105	9/28/2011	50,000.00	-
01-100-1107-01-00	October 2011 Interest	114604	10/1/2011	-	21,780.75
01-100-1107-01-00	November 2011 Interest	114604	11/1/2011	-	21,780.75
01-100-1107-01-00	Transfer to Holdco	139041	11/30/2011	30,000.00	-
01-100-1107-01-00	December 2011 Interest	114604	12/1/2011	-	21,780.75
01-100-1107-01-00	January 2012 Interest	145978	1/31/2012	-	21,780.75
01-100-1107-01-00	February 2012 Interest	145978	2/29/2012	-	21,780.75
01-100-1107-01-00	March 2012 Interest	145978	3/29/2012	-	21,780.75
01-100-1107-01-00	April 2012 Interest	153597	4/30/2012	-	15,982.56
01-100-1107-01-00	May 2012 Interest	153597	5/30/2012	-	15,982.56
01-100-1107-01-00	Transfer to Hold-Co	158685	6/28/2012	50,000.00	-
01-100-1107-01-00	June 2012 Interest	153597	6/30/2012	-	15,982.56
01-100-1107-01-00	Transfer to Hold-Co	158683	7/5/2012	50,000.00	-
01-100-1107-01-00	Transfer to Hold-Co	158684	7/5/2012	-	50,000.00
01-100-1107-01-00	July 11 Transfer to Hold-Co	162337	7/11/2012	25,000.00	-
01-100-1107-01-00	July 12 Transfer to Hold-Co	162338	7/12/2012	50,000.00	-
01-100-1107-01-00	July 2012 Interest	153597	7/30/2012	-	15,982.56
01-100-1107-01-00	Transfer to Hold-co	165067	8/7/2012	50,000.00	-
01-100-1107-01-00	Transfer to Hold-co	165068	8/10/2012	50,000.00	-
01-100-1107-01-00	August 2012 Interest	153597	8/30/2012	-	15,982.56
01-100-1107-01-00	September 2012 Interest	153597	9/30/2012	-	15,982.56
01-100-1107-01-00	October 2012 Interest	153597	10/30/2012	-	15,982.56
01-100-1107-01-00	Transfer from Holdco to 1-16	171352	10/31/2012	-	40,000.00
01-100-1107-01-00	November 2012 Interest	153597	11/30/2012	-	15,982.56
01-100-1107-01-00	December 2012 Interest	153597	12/30/2012	-	15,982.56

NFHH002	Niagara Falls Hydro Holding	032345	2/8/2013	January 2013 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	032759	2/22/2013	February 2013 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	033018	3/15/2013	March 2013 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	034001	4/19/2013	April 2013 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	034629	5/17/2013	May 2013 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	034949	6/14/2013	June 2013 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	035560	7/12/2013	July 2013 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	036664	8/23/2013	August 2013 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	037382	9/27/2013	September 2013 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	037983	10/18/2013	October 2013 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	038709	11/22/2013	November 2013 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	039030	12/13/2013	December 2013 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	040149	1/24/2014	January 2014 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	040845	2/21/2014	February 2014 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	041597	3/21/2014	March 2014 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	042293	4/25/2014	April 2014 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	043085	5/23/2014	May 2014 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	043874	6/20/2014	June 2014 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	044754	7/25/2014	July 2014 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	045639	8/29/2014	August 2014 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	046357	9/26/2014	September 2014 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	047110	10/24/2014	October 2014 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	047842	11/21/2014	November 2014 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	048662	12/19/2014	December 2014 Interest	15,982.56	Payment	No

NFHH002	Niagara Falls Hydro Holding	049042	1/23/2015	January 2015 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	050154	2/20/2015	February 2015 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	050418	3/12/2015	March 2015 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	051181	4/17/2015	April 2015 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	051899	5/21/2015	May 2015 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	052672	6/18/2015	June 2015 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	053385	7/15/2015	July 2015 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	054051	8/6/2015	August 2015 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	055706	9/25/2015	September 2015 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	056090	10/21/2015	October 2015 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	057334	11/25/2015	November 2015 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	057996	12/18/2015	December 2015 Interest	15,982.56	Payment	No
NFHH002	Niagara Falls Hydro Holding	058312	1/22/2016	January 2016 Interest	14,330.23	Payment	No

Appendix C- Amendments to Interest rate on Shareholder Loans



**Our energy
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for you.**

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July 15, 2011

Ken Todd
Chief Administrative Officer
The City of Niagara Falls
City Hall, P.O. Box 1023
4310 Queen St.,
Niagara Falls, ON
L2E 6X5

Dear Ken:

**Re: Niagara Peninsula Energy Inc. Note Payable – Ontario Energy Board
Decision**

Kindly be advised that during our recent Rate Application with the Ontario Energy Board, a decision was rendered by the Board which reduces the long term debt rate charged on affiliate debt from the 7.25% current level to the Ontario Energy Board deemed three year rate as 5.32%.

As you may recall, Niagara Peninsula Energy pays the City of Niagara Falls a 7.25% yearly interest rate on its \$22,000,000 Note Receivable. This long term debt rate was originally commenced at our incorporation on April 1, 2000, and has been in place since then. The City presently receives an interest payment in the amount of \$1,595,000 annually. The Energy Board has in its decision, a copy of which is attached, deemed our debt to be 5.32% for rate making purposes. In addition to the attached decision, I also include an argument put forth by Niagara Peninsula Energy previous to the decision defending our rate and asking for a continuation. This argument was written on our behalf by Mr. Paul Vlahos, a well respected OEB and Utility Consultant. Obviously, the Energy Board did not accept our argument and ruled otherwise.

I would like an opportunity for you and I to sit and discuss the impact of this decision, and some options for us going forward which may address your concerns. This decision has been shared with my Board of Directors and they have instructed me to meet with you accordingly.

If you should have any further questions regarding this matter, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Wilkie", with a stylized flourish at the end.

Brian Wilkie
President & CEO

BW:bk
Encl.



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for you.

Niagara Peninsula Energy Inc.
Reply Submission
EB-2015-0090 and EB-2015-0328
February 12, 2016

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September 14, 2015

Mr. Todd Harrison
Niagara Falls Hydro Holding Corporation
4310 Queen Street
PO Box 1023
Niagara Falls, ON L2E 6X5

RE: Niagara Peninsula Energy Inc.
Interest Rate on Long-term note payable to Niagara Falls Hydro Holding Corporation

Dear Mr. Harrison:

Please be advised that the Ontario Energy Board has amended the interest rate that applies to Niagara Peninsula Energy Inc.'s long-term note payable to Niagara Falls Hydro Holding Corporation from 5.32% to 4.77%, as per the Cost of Capital Parameters update for 2015 Cost of Service Rate Applications.

Accordingly, the annual interest payable on the principal amount of \$3,605,090 will change from \$191,790.79 to \$171,962.79, a reduction of \$19,828 per year.

Please be advised that the change in interest will be effective January 1, 2016.

Please contact the undersigned if any further information is required.

Yours truly,
Niagara Peninsula Energy Inc.

A handwritten signature in cursive script, appearing to read "S. Wilson".

Suzanne Wilson, CPA, CA
Vice-President, Finance



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for you.

Niagara Peninsula Energy Inc.
Reply Submission
EB-2015-0090 and EB-2015-0328
February 12, 2016

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September 14, 2015

Mr. Todd Harrison
Director of Finance
City of Niagara Falls
4310 Queen Street
PO Box 1023
Niagara Falls, ON L2E 6X5

RE: Niagara Peninsula Energy Inc.
Interest Rate on Long-term note payable to the City of Niagara Falls

Dear Mr. Harrison:

Please be advised that the Ontario Energy Board has amended the interest rate that applies to Niagara Peninsula Energy Inc.'s long-term note payable to the City of Niagara Falls from 5.32% to 4.77%, as per the Cost of Capital Parameters update for 2015 Cost of Service Rate Applications.

Accordingly, the annual interest payable on the principal amount of \$22,000,000 will change from \$1,170,400 to \$1,049,000, a reduction of \$121,000 per year.

Please be advised that the change in interest will be effective January 1, 2016.

Please contact the undersigned if any further information is required.

Yours truly,
Niagara Peninsula Energy Inc.

A handwritten signature in dark ink, appearing to read "S. Wilson", is written over a light gray, stylized outline of the signature.

Suzanne Wilson, CPA, CA
Vice-President, Finance

Appendix D – Revenue Lag calculation for Revenue from other sources

Table 6 2014 - 2015 Revenue Lag Other Sources

Other Revenue	Revenue \$ May 1 2014 to April 30, 2015	Service Lag	Billing Lag	Collection Lag	Payment Processing	Total Lag	Weighting	Revenue Lag for Other Revenue
SSS Admin Charge	144,762	15.21	17.98	29.24	1.80	64.22	8.29%	5.32
Retailer Revenue	42,629	15.21	17.98	29.24	1.80	64.22	2.44%	1.57
Microfit Charges	21,404	15.21	17.98	29.24	1.80	64.22	1.23%	0.79
Interest Charges Hydro Sales	419,706	15.21	17.98	29.24	1.80	64.22	24.03%	15.43
Collection & Reconnection Charges	213,012	15.21	17.98	29.24	1.80	64.22	12.19%	7.83
Connection During Hours	19,565	15.21	17.98	29.24	1.80	64.22	1.12%	0.72
Connection After Hours	7,695	15.21	17.98	29.24	1.80	64.22	0.44%	0.28
Connection at Pole	7,630	15.21	17.98	29.24	1.80	64.22	0.44%	0.28
Occupancy Change Charge	188,340	15.21	17.98	29.24	1.80	64.22	10.78%	6.92
Interest Revenue	109,586	15.21	1.51	0.00	0.00	16.72	6.27%	1.05
Pole Rental Revenue	268,719	182.54	16.32	54.88	1.80	255.54	15.38%	39.31
Sale of Scrap Materials	49,641	182.54	0.00	54.88	1.80	239.22	2.84%	6.80
Transformer Rental Revenue	9,625	32.66	5.19	54.88	1.80	94.53	0.55%	0.52
NSF Returned Cheque Charge	7,105	15.21	17.98	29.24	1.80	64.22	0.41%	0.26
Customer Admin Fees (Lawyer's Letters)	4,901	15.21	0.00	54.88	1.80	71.89	0.28%	0.20
Miscellaneous Service Revenues (Project Billing)	86,115	0.00	0.00	54.88	1.80	56.68	4.93%	2.79
Miscellaneous Service Revenues (Other)	32,435	15.21	0.00	0.00	0.00	15.21	1.86%	0.28
Miscellaneous Non-Operating Income (Apprenticeship tax credit)	113,937	182.50	0.00	182.50	0.00	365.00	8.52%	23.81
	1,746,807						100.00%	114.17

2.7 TOTAL REVENUE LAG

The total weighted average revenue lag from customers and other sources is 64.75 days. Table 7 shows the details.

Table 7 2014 - 2015 Total Revenue Lag

Service Revenue Lag Total				
Sources of Revenue	Revenue Lag	Amount \$	Weighting Factor	Weighted Revenue Lag
Sources of Rev from All Customers	64.22	164,532,857.29	0.99	63.55
Revenue from Services to Retailer	0.00	-	0.00	0.00
Revenue from Other Sources	114.17	1,746,806.98	0.01	1.20
Total	178.39	166,279,664.27	1.00	64.75

Appendix E – Regulatory and Annual Prepaid Expense Lead as per Interrogatory Responses

Niagara Peninsula Energy Inc.
Reply Submission
EB-2015-0090 and EB-2015-0328
February 12, 2016

Annual Prepaid Expenses

Invoice Date	Amount	Vendor Name	Description	Cheque Date	Start Date	End Date	Service Period	Service Lead	Payment Lead	Total Lead	Weight Factor %	Weighted Lead (Days)	Weighted Service Lead	Weighted Payment Lead
6/30/2014	165.66	GEOTRUST	Sync email-phone yrly SSL cert	8/15/14	6/1/2014	5/31/2015	365	182.50	-289	(106.50)	0.01%	(0.01)	0.03	(0.04)
1/21/2015	195.00	WEST LINCOLN CHAMBER COMMERCE	2015 membership dues	1/23/15	1/1/2015	12/31/2015	365	182.50	-342	(159.50)	0.02%	(0.03)	0.03	(0.06)
11/30/2014	200.00	Niagara Falls Tourism	GeneralMembershipNov14/Oct15	12/19/14	11/1/2014	10/31/2015	365	182.50	-316	(133.50)	0.02%	(0.02)	0.03	(0.05)
1/29/2015	462.00	JBM Office Systems LTD	WL-Annual Mail Machine mtnc	1/30/15	3/1/2015	2/28/2016	365	182.50	-394	(211.50)	0.04%	(0.08)	0.07	(0.15)
7/17/2014	475.00	Employers' Advocacy Council	2014 fees	7/18/14	5/1/2014	4/30/2015	365	182.50	-286	(103.50)	0.04%	(0.04)	0.07	(0.11)
3/4/2015	475.00	Employers' Advocacy Council	2015Membership Fee	3/6/15	5/1/2015	4/30/2016	366	183.00	-421	(238.00)	0.04%	(0.09)	0.07	(0.17)
2/23/2015	535.00	LINCOLN CHAMBER OF COMMERCE	2015 Membership dues	3/13/15	1/1/2015	12/31/2015	365	182.50	-293	(110.50)	0.04%	(0.05)	0.08	(0.13)
7/31/2014	664.50	SolarWinds Inc.	ipMonitor-yr Renewal	9/12/14	9/1/2014	8/31/2015	365	182.50	-353	(170.50)	0.06%	(0.09)	0.10	(0.19)
5/14/2014	725.00	GEMSYS Money Handling Systems Inc.	Yrly chq encoder mtnc	5/16/14	4/1/2014	3/31/2015	365	182.50	-319	(136.50)	0.06%	(0.08)	0.11	(0.19)
4/24/2015	725.00	GEMSYS Money Handling Systems Inc.	Yrly support fee-Apr-Mar	4/30/15	4/1/2015	3/31/2016	366	183.00	-336	(153.00)	0.06%	(0.09)	0.11	(0.20)
7/31/2014	793.35	CLEO Communications	VLSR VL Trader Renwal gold	9/12/14	8/1/2014	7/31/2015	365	182.50	-322	(139.50)	0.07%	(0.09)	0.12	(0.21)
10/31/2014	871.46	NEOPOST	Contract Dec'14-Dec'15	11/28/14	12/1/2014	11/30/2015	365	182.50	-367	(184.50)	0.07%	(0.13)	0.13	(0.26)
11/19/2014	930.00	Greater Niagara Chamber of Commerce	2015 member fees	11/21/14	12/1/2014	11/30/2015	365	182.50	-374	(191.50)	0.08%	(0.15)	0.14	(0.29)
1/7/2015	948.00	The Chamber of Comm. NF, CA	2015 membership dues	1/9/15	1/1/2015	12/31/2015	365	182.50	-356	(173.50)	0.08%	(0.14)	0.14	(0.28)
1/31/2015	950.00	Greater Niagara Chamber of Commerce	2014-2015BusinessDirectoryAd	2/6/15	1/1/2015	12/31/2015	365	182.50	-328	(145.50)	0.08%	(0.11)	0.14	(0.26)
3/30/2015	951.90	Orkin Canada Corporation	NF-Mar pest control	4/1/15	6/1/2015	5/31/2016	366	183.00	-426	(243.00)	0.08%	(0.19)	0.14	(0.34)
1/31/2015	995.00	The Canadian Public Relations Society, Inc.	2015 CPRS membership- Forcier	2/13/15	1/1/2015	12/31/2015	365	182.50	-321	(138.50)	0.08%	(0.11)	0.15	(0.26)
12/19/2014	1,397.25	SkyComp	Programming	1/2/15	12/1/2014	11/30/2015	365	182.50	-332	(149.50)	0.12%	(0.17)	0.21	(0.38)
1/7/2015	1,500.00	Cansel	2015 mapping subscription	1/9/15	1/1/2015	12/31/2015	365	182.50	-356	(173.50)	0.12%	(0.22)	0.23	(0.44)
6/4/2014	1,500.00	Canadian Distributer for ALLDATA	1yr sub.-Jun/14-may/15	6/13/14	6/1/2014	5/31/2015	365	182.50	-352	(169.50)	0.12%	(0.21)	0.23	(0.44)
2/28/2015	1,536.02	CDW Canada Inc.	Programming	3/26/15	5/1/2015	4/30/2016	366	183.00	-401	(218.00)	0.13%	(0.28)	0.23	(0.51)
9/18/2014	1,540.77	ITbrotherhood.com	ITbrotherhood-WMware yrly mtnc	9/19/14	11/16/2014	11/15/2015	365	182.50	-422	(239.50)	0.13%	(0.31)	0.23	(0.54)
1/7/2015	1,655.58	Pitney Bowes	2015 DM800 Config	1/9/15	1/1/2015	12/31/2015	365	182.50	-356	(173.50)	0.14%	(0.24)	0.25	(0.49)
12/19/2014	1,673.46	BELL CANADA	Programming	12/19/14	12/1/2014	11/30/2015	365	182.50	-346	(163.50)	0.14%	(0.23)	0.25	(0.48)
8/31/2014	1,679.28	Fire Monitoring of Canada Inc.	Strn17 Fire monitor sep14-aug15	9/5/14	9/1/2014	8/31/2015	365	182.50	-360	(177.50)	0.14%	(0.25)	0.25	(0.50)
12/31/2014	1,798.00	Care Pack Sales	Yrly Post Warranty Service	2/13/15	1/1/2015	12/31/2015	365	182.50	-321	(138.50)	0.15%	(0.21)	0.27	(0.48)
7/25/2014	1,981.20	Fire Monitoring of Canada Inc.	WL-Fire Mointor Aug/14-Jul/15	8/1/14	8/1/2014	7/31/2015	365	182.50	-364	(181.50)	0.16%	(0.30)	0.30	(0.60)
10/31/2014	2,280.00	Northrop Grumman - CIS	Versaprobe warrenty 1yr	11/21/14	1/1/2015	12/31/2015	365	182.50	-405	(222.50)	0.19%	(0.42)	0.34	(0.76)
4/15/2015	2,286.90	ITbrotherhood.com	Dell Poweredge yrly support	4/17/15	5/1/2015	4/30/2016	366	183.00	-379	(196.00)	0.19%	(0.37)	0.35	(0.72)
4/15/2015	2,286.90	ITbrotherhood.com	Pwr edge-yr warranty extension	4/17/15	5/1/2015	4/30/2016	366	183.00	-379	(196.00)	0.19%	(0.37)	0.35	(0.72)
9/30/2014	2,465.00	ITbrotherhood.com	Sep 14-Sep 15 server mtnc	10/3/14	10/1/2014	9/30/2015	365	182.50	-362	(179.50)	0.20%	(0.37)	0.37	(0.74)
1/7/2015	2,678.00	ITbrotherhood.com	2015 Power vault support	1/9/15	12/1/2014	11/30/2015	365	182.50	-325	(142.50)	0.22%	(0.32)	0.40	(0.72)
9/22/2014	2,690.00	ITbrotherhood.com	HydroNexus warranty 9/14-9/15	10/3/14	9/1/2014	8/31/2015	365	182.50	-332	(149.50)	0.22%	(0.33)	0.41	(0.74)
7/31/2014	3,030.83	Forsythe International, Inc.	Programming	8/28/14	7/1/2014	6/30/2015	365	182.50	-305	(122.50)	0.25%	(0.31)	0.46	(0.77)
3/31/2015	3,044.00	Receiver General for Canada	Yrly radio License Apr15-Mar16	5/15/15	4/1/2015	3/31/2016	366	183.00	-321	(138.00)	0.25%	(0.35)	0.46	(0.81)
10/27/2014	3,449.19	Association of Energy Services Professionals	Nov'14-Nov'15 Bronze level mem	11/14/14	11/1/2014	10/31/2015	365	182.50	-351	(168.50)	0.29%	(0.48)	0.52	(1.00)
3/31/2015	3,689.28	CDW Canada Inc.	Programming	4/17/15	5/1/2015	4/30/2016	366	183.00	-379	(196.00)	0.31%	(0.60)	0.56	(1.16)
9/10/2014	3,816.88	CDW Canada Inc.	Programming	9/19/14	10/1/2014	9/30/2015	365	182.50	-376	(193.50)	0.32%	(0.61)	0.58	(1.19)
3/17/2015	3,868.76	ITbrotherhood.com	ND & PowerEdge 3/15-3/16	3/19/15	4/1/2015	3/31/2016	366	183.00	-378	(195.00)	0.32%	(0.62)	0.59	(1.21)
12/31/2014	3,945.75	Essex Energy Corporation	2015 DESS user mtnc	1/30/15	1/1/2015	12/31/2015	365	182.50	-335	(152.50)	0.33%	(0.50)	0.60	(1.09)
10/31/2014	4,966.87	Oracle Canada ULC	Programming	11/21/14	12/1/2014	11/30/2015	365	182.50	-374	(191.50)	0.41%	(0.79)	0.75	(1.54)
2/4/2015	5,400.00	SilverBlaze Solutions Inc.	2015Apollo WE Software Renewal	2/6/15	4/1/2015	3/31/2016	366	183.00	-419	(236.00)	0.45%	(1.05)	0.82	(1.87)
6/23/2014	6,000.00	Erth Business Technologies Inc	Yrly Hub mtnc:May/14-Apr/15	7/4/14	5/1/2014	4/30/2015	365	182.50	-300	(117.50)	0.50%	(0.58)	0.91	(1.49)
7/23/2014	6,311.36	Forsythe International, Inc.	Programming	8/8/14	8/1/2014	7/31/2015	365	182.50	-357	(174.50)	0.52%	(0.91)	0.95	(1.87)
12/19/2014	6,704.93	BELL CANADA	Programming	12/19/14	12/1/2014	11/30/2015	365	182.50	-346	(163.50)	0.56%	(0.91)	1.01	(1.92)
10/28/2014	6,880.00	ITbrotherhood.com	Programming	10/31/14	12/1/2014	9/30/2015	304	152.00	-334	(182.00)	0.57%	(1.04)	0.87	(1.90)
10/23/2014	7,770.00	Eaton Power Quality Company	Pwrtware Oct/14-Sept/15	12/12/14	10/1/2014	9/30/2015	365	182.50	-292	(109.50)	0.64%	(0.70)	1.17	(1.88)
3/24/2015	8,142.00	Receiver General for Canada	2015 Radio Authorization	3/24/15	4/1/2015	3/31/2016	366	183.00	-373	(190.00)	0.67%	(1.28)	1.23	(2.51)
12/17/2014	8,900.00	Utilities Standards Forum	2015 Membership fee	12/19/14	1/1/2015	12/31/2015	365	182.50	-377	(194.50)	0.74%	(1.43)	1.34	(2.78)
9/10/2014	9,020.00	AEGISYS ONT CORP 1468625	2014 Maintenance contract	10/3/14	10/1/2014	9/30/2015	365	182.50	-362	(179.50)	0.75%	(1.34)	1.36	(2.70)
10/30/2014	9,477.00	Storage Clarity	Programming	10/31/14	8/1/2014	7/31/2015	365	182.50	-273	(90.50)	0.78%	(0.71)	1.43	(2.14)
6/24/2014	10,000.00	Burlington Electricity Services Inc	Yrly GridSmart membership	6/27/14	7/1/2014	6/30/2015	365	182.50	-368	(185.50)	0.83%	(1.54)	1.51	(3.05)
2/17/2015	11,376.00	Supremex Inc.	Envelopes	3/6/15	2/1/2015	10/31/2015	273	136.50	-239	(102.50)	0.94%	(0.97)	1.29	(2.25)
6/24/2014	12,378.40	IBM Canada Ltd	Programming	6/27/14	8/1/2014	7/31/2015	365	182.50	-399	(216.50)	1.02%	(2.22)	1.87	(4.09)
4/8/2015	12,500.00	Harris Computer Systems	NS Core Automation Bundle	4/9/15	3/1/2015	12/31/2015	306	153.00	-266	(113.00)	1.03%	(1.17)	1.58	(2.75)
10/28/2014	12,507.00	ITbrotherhood.com	Programming	11/7/14	10/1/2014	5/31/2015	243	121.50	-205	(83.50)	1.04%	(0.86)	1.26	(2.12)
10/8/2014	15,875.64	Tele-works Inc.	yrly support-Dec/14-Nov/15	11/30/14	12/1/2014	11/30/2015	365	182.50	-365	(182.50)	1.31%	(2.40)	2.40	(4.80)
4/29/2015	17,172.00	Emerson/Liebert	Programming	4/30/15	4/1/2015	3/31/2016	366	183.00	-336	(153.00)	1.42%	(2.17)	2.60	(4.78)
5/30/2014	18,883.80	BDO Canada LLP	GP Business Ready 1yr	5/30/14	8/1/2014	7/31/2015	365	182.50	-427	(244.50)	1.56%	(3.82)	2.85	(6.67)
1/31/2015	25,006.80	Electric Safety Authority	2015 Regulatory Oversight Cost	2/20/15	1/1/2015	12/31/2015	365	182.50	-314	(131.50)	2.07%	(2.72)	3.78	(6.50)
12/3/2014	26,955.02	Harris Computer Systems	2015 Metersense Support	12/5/14	1/1/2015	12/31/2015	365	182.50	-391	(208.50)	2.23%	(4.65)	4.07	(8.72)
4/1/2015	30,265.60	BELL CANADA	Programming	4/1/15	4/1/2015	3/31/2016	366	183.00	-365	(182.00)	2.51%	(4.56)	4.58	(9.14)
4/14/2015	59,551.41	IESO	LC Fee	4/14/15	4/14/2015	4/13/2016	366	183.00	-365	(182.00)	4.93%	(8.97)	9.02	(17.99)
11/17/2014	77,100.00	Electricity Distributors Assoc.	LDC Membership Jan/15-Dec/15	11/21/14	1/1/2015	12/31/2015	365	182.50	-405	(222.50)	6.38%	(14.20)	11.65	(25.85)
12/3/2014	123,778.69	Harris Computer Systems	2015 Mtnc Support	12/5/14	1/1/2015	12/31/2015	365	182.50	-391	(208.50)	10.25%	(21.36)	18.70	(40.06)
3/31/2015	148,081.20	Intergraph Canada Ltd.	G/technology 5/01/15-4/30/16	4/9/15	5/1/2015	4/30/2016	366	183.00	-387	(204.00)	12.26%	(25.01)	22.43	(47.44)
747,858.64														

5/20/2014	1,890.00	Aird & Berlis LLP	2015 Cost of Service Rate App	5/23/14	6/1/2015	4/30/2020	1796	898	-2169	(1,271.00)	0.16%	(1.99)	1.40	(3.39)
6/30/2014	15,000.00	Kinectrics Inc.	Rate App	7/25/14	6/1/2015	4/30/2020	1796	898	-2106	(1,208.00)	1.24%	(15.00)	11.15	(26.15)
6/30/2014	54.00	Aird & Berlis LLP	Jun serv- 2015 Rate ap	7/25/14	6/1/2015	4/30/2020	1796	898	-2106	(1,208.00)	0.00%		0.04	(0.09)

Niagara Peninsula Energy Inc.
Reply Submission
EB-2015-0090 and EB-2015-0328
February 12, 2016

Annual Prepaid Expenses

Invoice Date	Amount	Vendor Name	Description	Cheque Date	Start Date	End Date	Service Period	Service Lead	Payment Lead	Total Lead	Weight Factor %	Weighted Lead (Days)	Weighted Service Lead	Weighted Payment Lead
6/18/2014	1,728.00	Aird & Berlis LLP	Legal Fees for 2015 Rate App	6/20/14	6/1/2015	4/30/2020	1796	898	-2141	(1,243.00)	0.14%	(1.78)	1.28	(3.06)
8/21/2014	1,613.50	Aird & Berlis LLP	Prof.serv.-2015 COS rate appl	8/22/14	6/1/2015	4/30/2020	1796	898	-2078	(1,180.00)	0.13%	(1.58)	1.20	(2.78)
9/30/2014	10,000.00	Kinectrics Inc.	Rate App	8/29/14	6/1/2015	4/30/2020	1796	898	-2071	(1,173.00)	0.83%	(9.71)	7.43	(17.14)
9/30/2014	8,036.93	Aird & Berlis LLP	Aird&Berlis: 2015 COS Appl.	10/3/14	6/1/2015	4/30/2020	1796	898	-2036	(1,138.00)	0.67%	(7.57)	5.97	(13.54)
9/30/2014	25,000.00	Kinectrics Inc.	Rate App	11/28/14	6/1/2015	4/30/2020	1796	898	-1980	(1,082.00)	2.07%	(22.39)	18.58	(40.97)
10/31/2014	5,687.09	Aird & Berlis LLP	Sep- 2015 Cost of Service Ap	11/14/14	6/1/2015	4/30/2020	1796	898	-1994	(1,096.00)	0.47%	(5.16)	4.23	(9.39)
11/19/2014	503.00	Aird & Berlis LLP	Oct services	11/21/14	6/1/2015	4/30/2020	1796	898	-1987	(1,089.00)	0.04%	(0.45)	0.37	(0.83)
11/28/2014	25,000.00	Kinectrics Inc.	Rate App	11/28/14	6/1/2015	4/30/2020	1796	898	-1980	(1,082.00)	2.07%	(22.39)	18.58	(40.97)
12/31/2014	5,628.89	Aird & Berlis LLP	2015 Cost of Serv Rate Ap	1/23/15	6/1/2015	4/30/2020	1796	898	-1924	(1,026.00)	0.47%	(4.78)	4.18	(8.96)
2/28/2015	12,534.43	Aird & Berlis LLP	Aird&Berlis-2015 COS rate app	3/12/15	6/1/2015	4/30/2020	1796	898	-1876	(978.00)	1.04%	(10.15)	9.32	(19.46)
3/30/2015	15,435.65	Aird & Berlis LLP	2015 Cost of Service Rate	4/1/15	6/1/2015	4/30/2020	1796	898	-1856	(958.00)	1.28%	(12.24)	11.47	(23.71)
3/31/2015	11,464.79	Aird & Berlis LLP	2015 Cost of Service rate app	4/22/15	6/1/2015	4/30/2020	1796	898	-1835	(937.00)	0.95%	(8.89)	8.52	(17.41)
	139,576.28													
1/7/2015	37,100.00	Project Share	2015 LEAP	1/9/15	1/1/2015	12/31/2015	365	182.5	-356	(173.50)	3.07%	(5.33)	5.60	(10.93)
	37,100.00													
11/30/2014	191,742.73	The MEARIE Group	2014 Insurance Premiums	12/5/14	1/1/2015	12/31/2015	365	182.50	-391	(208.50)	15.87%	(33.09)	28.97	(62.06)
1/9/2015	25,014.96	Olsen-Sottile Insurance Brokers Inc	2015 Boiler&Machine 9150388612	1/9/15	1/1/2015	12/31/2015	365	182.50	-356	(173.50)	2.07%	(3.59)	3.78	(7.37)
1/9/2015	61,914.24	Olsen-Sottile Insurance Brokers Inc	2015 Commercial- FC33769	1/9/15	1/1/2015	12/31/2015	365	182.50	-356	(173.50)	5.12%	(8.89)	9.35	(18.24)
1/9/2015	4,883.76	Olsen-Sottile Insurance Brokers Inc	2015Crime/Brd Accident CP98211	1/9/15	1/1/2015	12/31/2015	365	182.50	-356	(173.50)	0.40%	(0.70)	0.74	(1.44)
	283,555.69													
	1,208,090.61										100.00%	(292.67)	263.74	(556.41)

Appendix F – Regulatory Prepaid Expenses Separated from Annual Prepaid Expenses due to Different Service Periods

Niagara Peninsula Energy Inc.
Reply Submission
EB-2015-0090 and EB-2015-0328
February 12, 2016

Annual Prepaid Expenses

Invoice Date	Amount	Vendor Name	Description	Cheque Date	Start Date	End Date	Service Period	Service Lead	Payment Lead	Total Lead	Weight Factor %	Weighted Lead (Days)	Weighted Service Lead	Weighted Payment Lead
Annual Prepaid Expenses														
6/30/2014	165.66	GEOTRUST	Sync email-phone yrly SSL cert	8/15/14	6/1/2014	5/31/2015	365	182.50	-289	(106.50)	0.02%	(0.02)	0.03	(0.04)
1/21/2015	195.00	WEST LINCOLN CHAMBER COMMERCE	2015 membership dues	1/23/15	1/1/2015	12/31/2015	365	182.50	-342	(159.50)	0.02%	(0.03)	0.03	(0.06)
11/30/2014	200.00	Niagara Falls Tourism	GeneralMembershipNov'14/Oct'15	12/19/14	11/1/2014	10/31/2015	365	182.50	-316	(133.50)	0.02%	(0.02)	0.03	(0.06)
1/29/2015	462.00	JBM Office Systems LTD	WL-Annual Mail Machine mtnc	1/30/15	3/1/2015	2/28/2016	365	182.50	-394	(211.50)	0.04%	(0.09)	0.08	(0.17)
7/17/2014	475.00	Employers' Advocacy Council	2014 fees	7/18/14	5/1/2014	4/30/2015	365	182.50	-286	(103.50)	0.04%	(0.05)	0.08	(0.13)
3/4/2015	475.00	Employers' Advocacy Council	2015Membership Fee	3/6/15	5/1/2015	4/30/2016	366	183.00	-421	(238.00)	0.04%	(0.11)	0.08	(0.19)
2/23/2015	535.00	LINCOLN CHAMBER OF COMMERCE	2015 Membership dues	3/13/15	1/1/2015	12/31/2015	365	182.50	-293	(110.50)	0.05%	(0.06)	0.09	(0.15)
7/31/2014	664.50	SolarWinds Inc.	ipMonitor-yr Renewal	9/12/14	9/1/2014	8/31/2015	365	182.50	-353	(170.50)	0.06%	(0.11)	0.11	(0.22)
5/14/2014	725.00	GEMSYS Money Handling Systems Inc.	Yrly chq encoder mtnc	5/16/14	4/1/2014	3/31/2015	365	182.50	-319	(136.50)	0.07%	(0.09)	0.12	(0.22)
4/24/2015	725.00	GEMSYS Money Handling Systems Inc.	Yrly support fee-Apr-Mar	4/30/15	4/1/2015	3/31/2016	366	183.00	-336	(153.00)	0.07%	(0.10)	0.12	(0.23)
7/31/2014	793.35	CLEO Communications	VLSR VL Trader Renwal gold	9/12/14	8/1/2014	7/31/2015	365	182.50	-322	(139.50)	0.07%	(0.10)	0.14	(0.24)
10/31/2014	871.46	NEOPOST	Contract Dec'14-Dec'15	11/28/14	12/1/2014	11/30/2015	365	182.50	-367	(184.50)	0.08%	(0.15)	0.15	(0.30)
11/19/2014	930.00	Greater Niagara Chamber of Commerce	2015 member fees	11/21/14	12/1/2014	11/30/2015	365	182.50	-374	(191.50)	0.09%	(0.17)	0.16	(0.33)
1/7/2015	948.00	The Chamber of Comm. NF, CA	2015 membership dues	1/9/15	1/1/2015	12/31/2015	365	182.50	-356	(173.50)	0.09%	(0.15)	0.16	(0.32)
1/31/2015	950.00	Greater Niagara Chamber of Commerce	2014-2015BusinessDirectoryAd	2/6/15	1/1/2015	12/31/2015	365	182.50	-328	(145.50)	0.09%	(0.13)	0.16	(0.29)
3/30/2015	951.90	Orkin Canada Corporation	NF-Mar pest control	4/1/15	6/1/2015	5/31/2016	366	183.00	-426	(243.00)	0.09%	(0.22)	0.16	(0.38)
1/31/2015	995.00	The Canadian Public Relations Society, Inc.	2015 CPRS membership- Forcier	2/13/15	1/1/2015	12/31/2015	365	182.50	-321	(138.50)	0.09%	(0.13)	0.17	(0.30)
12/19/2014	1,397.25	SkyComp	Programming	1/2/15	12/1/2014	11/30/2015	365	182.50	-332	(149.50)	0.13%	(0.20)	0.24	(0.43)
1/7/2015	1,500.00	Cansel	2015 mapping subscription	1/9/15	1/1/2015	12/31/2015	365	182.50	-356	(173.50)	0.14%	(0.24)	0.26	(0.50)
6/4/2014	1,500.00	Canadian Distributer for ALLDATA	1yr sub -Jun'14-may'15	6/13/14	6/1/2014	5/31/2015	365	182.50	-352	(169.50)	0.14%	(0.24)	0.26	(0.49)
2/28/2015	1,536.02	CDW Canada Inc.	Programming	3/26/15	5/1/2015	4/30/2016	366	183.00	-401	(218.00)	0.14%	(0.31)	0.26	(0.58)
9/18/2014	1,540.77	ITbrotherhood.com	ITbrotherhood-WMware yrly mtnc	9/19/14	11/16/2014	11/15/2015	365	182.50	-422	(239.50)	0.14%	(0.35)	0.26	(0.61)
1/7/2015	1,655.58	Pitney Bowes	2015 DM800 Config	1/9/15	1/1/2015	12/31/2015	365	182.50	-356	(173.50)	0.15%	(0.27)	0.28	(0.55)
12/19/2014	1,673.46	BELL CANADA	Programming	12/19/14	12/1/2014	11/30/2015	365	182.50	-346	(163.50)	0.16%	(0.26)	0.29	(0.54)
8/31/2014	1,679.28	Fire Monitoring of Canada Inc.	Str17 Fire monitor sep14-aug15	9/5/14	9/1/2014	8/31/2015	365	182.50	-360	(177.50)	0.16%	(0.28)	0.29	(0.57)
12/31/2014	1,798.00	Care Pack Sales	Yrly Post Warranty Service	2/13/15	1/1/2015	12/31/2015	365	182.50	-321	(138.50)	0.17%	(0.23)	0.31	(0.54)
7/25/2014	1,981.20	Fire Monitoring of Canada Inc.	WL-Fire Mointor Aug/14-Jul/15	8/1/14	8/1/2014	7/31/2015	365	182.50	-364	(181.50)	0.19%	(0.34)	0.34	(0.67)
10/31/2014	2,280.00	Northrop Grumman - CIS	Versaprobe warrenty 1yr	11/21/14	1/1/2015	12/31/2015	365	182.50	-405	(222.50)	0.21%	(0.47)	0.39	(0.86)
4/15/2015	2,286.90	ITbrotherhood.com	Dell Poweredge yrly support	4/17/15	5/1/2015	4/30/2016	366	183.00	-379	(196.00)	0.21%	(0.42)	0.39	(0.81)
4/15/2015	2,286.90	ITbrotherhood.com	Pwr edge-yr warranty extension	4/17/15	5/1/2015	4/30/2016	366	183.00	-379	(196.00)	0.21%	(0.42)	0.39	(0.81)
9/30/2014	2,465.00	ITbrotherhood.com	Sep 14-Sep 15 server mtnc	10/3/14	10/1/2014	9/30/2015	365	182.50	-362	(179.50)	0.23%	(0.41)	0.42	(0.84)
1/7/2015	2,678.00	ITbrotherhood.com	2015 Power vault support	1/9/15	12/1/2014	11/30/2015	365	182.50	-325	(142.50)	0.25%	(0.36)	0.46	(0.81)
9/22/2014	2,690.00	ITbrotherhood.com	HydroNexus warranty 9/14-9/15	10/3/14	9/1/2014	8/31/2015	365	182.50	-332	(149.50)	0.25%	(0.38)	0.46	(0.84)
7/31/2014	3,030.83	Forsythe International, Inc.	Programming	8/29/14	7/1/2014	6/30/2015	365	182.50	-305	(122.50)	0.28%	(0.35)	0.52	(0.87)
3/31/2015	3,044.00	Receiver General for Canada	Yrly radio License Apr15-Mar16	5/15/15	4/1/2015	3/31/2016	366	183.00	-321	(138.00)	0.28%	(0.39)	0.52	(0.91)
10/27/2014	3,449.19	Association of Energy Services Professionals	Nov'14-Nov'15 Bronze level mem	11/14/14	11/1/2014	10/31/2015	365	182.50	-351	(168.50)	0.32%	(0.54)	0.59	(1.13)
3/31/2015	3,689.28	CDW Canada Inc.	Programming	4/17/15	5/1/2015	4/30/2016	366	183.00	-379	(196.00)	0.35%	(0.68)	0.63	(1.31)
9/10/2014	3,816.88	CDW Canada Inc.	Programming	9/19/14	10/1/2014	9/30/2015	365	182.50	-376	(193.50)	0.36%	(0.69)	0.65	(1.34)
3/17/2015	3,868.76	ITbrotherhood.com	ND & PowerEdge 3/15-3/16	3/19/15	4/1/2015	3/31/2016	366	183.00	-378	(195.00)	0.36%	(0.71)	0.66	(1.37)
12/31/2014	3,945.75	Essex Energy Corporation	2015 DESS user mtnc	1/30/15	1/1/2015	12/31/2015	365	182.50	-335	(152.50)	0.37%	(0.56)	0.67	(1.24)
10/31/2014	4,966.87	Oracle Canada ULC	Programming	11/21/14	12/1/2014	11/30/2015	365	182.50	-374	(191.50)	0.46%	(0.89)	0.85	(1.74)
2/4/2015	5,400.00	SilverBlaze Solutions Inc.	2015Apollo WE Software Renewal	2/6/15	4/1/2015	3/31/2016	366	183.00	-419	(236.00)	0.51%	(1.19)	0.92	(2.12)
6/23/2014	6,000.00	Erth Business Technologies Inc	Yrly Hub mtnc:May/14-Apr/15	7/4/14	5/1/2014	4/30/2015	365	182.50	-300	(117.50)	0.56%	(0.66)	1.02	(1.68)
7/23/2014	6,311.36	Forsythe International, Inc.	Programming	8/8/14	8/1/2014	7/31/2015	365	182.50	-357	(174.50)	0.59%	(1.03)	1.08	(2.11)
12/19/2014	6,704.93	BELL CANADA	Programming	12/19/14	12/1/2014	11/30/2015	365	182.50	-346	(163.50)	0.63%	(1.03)	1.15	(2.17)
10/28/2014	6,880.00	ITbrotherhood.com	Programming	10/31/14	12/1/2014	9/30/2015	304	152.00	-334	(182.00)	0.64%	(1.17)	0.98	(2.15)
10/23/2014	7,770.00	Eaton Power Quality Company	Pwnware Oct/14-Sept/15	12/12/14	10/1/2014	9/30/2015	365	182.50	-292	(109.50)	0.73%	(0.80)	1.33	(2.12)
3/24/2015	8,142.00	Receiver General for Canada	2015 Radio Authorization	3/24/15	4/1/2015	3/31/2016	366	183.00	-373	(190.00)	0.76%	(1.45)	1.39	(2.84)
12/17/2014	8,900.00	Utilities Standards Forum	2015 Membership fee	12/19/14	1/1/2015	12/31/2015	365	182.50	-377	(194.50)	0.83%	(1.62)	1.52	(3.14)
9/10/2014	9,020.00	AEGISYS ONT CORP 1468625	2014 Maintenance contract	10/3/14	10/1/2014	9/30/2015	365	182.50	-362	(179.50)	0.84%	(1.52)	1.54	(3.06)
10/30/2014	9,477.00	Storage Clarity	Programming	10/31/14	8/1/2014	7/31/2015	365	182.50	-273	(90.50)	0.89%	(0.80)	1.62	(2.42)
6/24/2014	10,000.00	Burlington Electricity Services Inc	Yrly GridSmart membership	6/27/14	7/1/2014	6/30/2015	365	182.50	-368	(185.50)	0.94%	(1.74)	1.71	(3.44)
2/17/2015	11,376.00	Supremex Inc.	Envelopes	3/6/15	2/1/2015	10/31/2015	273	136.50	-239	(102.50)	1.06%	(1.09)	1.45	(2.54)
6/24/2014	12,378.40	IBM Canada Ltd	Programming	6/27/14	8/1/2014	7/31/2015	365	182.50	-399	(216.50)	1.16%	(2.51)	2.11	(4.62)
4/8/2015	12,500.00	Harris Computer Systems	NS Core Automation Bundle	4/9/15	3/1/2015	12/31/2015	306	153.00	-266	(113.00)	1.17%	(1.32)	1.79	(3.11)
10/28/2014	12,507.00	ITbrotherhood.com	Programming	11/7/14	10/1/2014	5/31/2015	243	121.50	-205	(83.50)	1.17%	(0.98)	1.42	(2.40)
10/8/2014	15,875.64	Tele-works Inc.	yrly support-Dec/14-Nov/15	11/30/14	12/1/2014	11/30/2015	365	182.50	-365	(182.50)	1.49%	(2.71)	2.71	(5.42)
4/29/2015	17,172.00	Emerson/Liebert	Programming	4/30/15	4/1/2015	3/31/2016	366	183.00	-336	(153.00)	1.61%	(2.46)	2.94	(5.40)
5/30/2014	18,883.80	BDO Canada LLP	GP Business Ready 1yr	5/30/14	8/1/2014	7/31/2015	365	182.50	-427	(244.50)	1.77%	(4.32)	3.23	(7.55)
1/31/2015	25,006.80	Electric Safety Authority	2015 Regulatory Oversight Cost	2/20/15	1/1/2015	12/31/2015	365	182.50	-314	(131.50)	2.34%	(3.08)	4.27	(7.35)
12/3/2014	26,955.02	Harris Computer Systems	2015 Metersense Support	12/5/14	1/1/2015	12/31/2015	365	182.50	-391	(208.50)	2.52%	(5.26)	4.60	(9.86)
4/1/2015	30,265.60	BELL CANADA	Programming	4/1/15	4/1/2015	3/31/2016	366	183.00	-365	(182.00)	2.83%	(5.16)	5.18	(10.34)
4/14/2015	59,551.41	IESO	LC Fee	4/14/15	4/14/2015	4/13/2016	366	183.00	-365	(182.00)	5.57%	(10.14)	10.20	(20.34)
11/17/2014	77,100.00	Electricity Distributors Assoc.	LDC Membership Jan/15-Dec/15	11/21/14	1/1/2015	12/31/2015	365	182.50	-405	(222.50)	7.22%	(16.05)	13.17	(29.22)
12/3/2014	123,778.69	Harris Computer Systems	2015 Mtnc Support	12/5/14	1/1/2015	12/31/2015	365	182.50	-391	(208.50)	11.58%	(24.15)	21.14	(45.29)
3/31/2015	148,081.20	Intergraph Canada Ltd.	G/technology 5/01/15-4/30/16	4/9/15	5/1/2015	4/30/2016	366	183.00	-387	(204.00)	13.86%	(28.27)	25.36	(53.63)
	747,858.64													
1/7/2015	37,100.00	Project Share	2015 LEAP	1/9/15	1/1/2015	12/31/2015	365	182.5	-356	(173.50)	3.47%	(6.02)	6.34	(12.36)
	37,100.00													
11/30/2014	191,742.73	THE MEARIE Group	2014 Insurance Premiums	12/5/14	1/1/2015	12/31/2015	365	182.50	-391	(208.50)	17.94%	41.07	32.75	(70.16)

Niagara Peninsula Energy Inc.
Reply Submission
EB-2015-0090 and EB-2015-0328
February 12, 2016

Annual Prepaid Expenses

Invoice Date	Amount	Vendor Name	Description	Cheque Date	Start Date	End Date	Service Period	Service Lead	Payment Lead	Total Lead	Weight Factor %	Weighted Lead (Days)	Weighted Service Lead	Weighted Payment Lead
1/9/2015	25,014.96	Olsen-Sottile Insurance Brokers Inc	2015 Boiler&Machine 9150388612	1/9/15	1/1/2015	12/31/2015	365	182.50	-356	(173.50)	2.34%	(4.06)	4.27	(8.33)
1/9/2015	61,914.24	Olsen-Sottile Insurance Brokers Inc	2015 Commercial- FC33769	1/9/15	1/1/2015	12/31/2015	365	182.50	-356	(173.50)	5.79%	(10.05)	10.57	(20.63)
1/9/2015	4,883.76	Olsen-Sottile Insurance Brokers Inc	2015Crime/Brd Accident CP98211	1/9/15	1/1/2015	12/31/2015	365	182.50	-356	(173.50)	0.46%	(0.79)	0.83	(1.63)
	283,555.69										100.00%	(190.55)	180.89	(371.44)
Total Annual Prepaid Expenses														
	1,068,514.33													

Regulatory Prepaid Expenses

5/20/2014	1,890.00	Aird & Berlis LLP	2015 Cost of Service Rate App	5/23/14	6/1/2015	4/30/2020	1796	898	-2169	(1,271.00)	1.35%	(17.21)	12.16	(29.37)
6/30/2014	15,000.00	Kinectrics Inc.	Rate App	7/25/14	6/1/2015	4/30/2020	1796	898	-2106	(1,208.00)	10.75%	(129.82)	96.51	(226.33)
6/30/2014	54.00	Aird & Berlis LLP	Jun serv- 2015 Rate ap	7/25/14	6/1/2015	4/30/2020	1796	898	-2106	(1,208.00)	0.04%	(0.47)	0.35	(0.81)
6/18/2014	1,728.00	Aird & Berlis LLP	Legal Fees for 2015 Rate App	6/20/14	6/1/2015	4/30/2020	1796	898	-2141	(1,243.00)	1.24%	(15.39)	11.12	(26.51)
8/21/2014	1,613.50	Aird & Berlis LLP	Prof.serv.-2015 COS rate appl	8/22/14	6/1/2015	4/30/2020	1796	898	-2078	(1,180.00)	1.16%	(13.64)	10.38	(24.02)
9/30/2014	10,000.00	Kinectrics Inc.	Rate App	8/29/14	6/1/2015	4/30/2020	1796	898	-2071	(1,173.00)	7.16%	(84.04)	64.34	(148.38)
9/30/2014	8,036.93	Aird & Berlis LLP	Aird&Berlis: 2015 COS Appl.	10/3/14	6/1/2015	4/30/2020	1796	898	-2036	(1,138.00)	5.76%	(65.53)	51.71	(117.23)
9/30/2014	25,000.00	Kinectrics Inc.	Rate App	11/28/14	6/1/2015	4/30/2020	1796	898	-1980	(1,082.00)	17.91%	(193.80)	160.84	(354.64)
10/31/2014	5,687.09	Aird & Berlis LLP	Sep- 2015 Cost of Service Ap	11/14/14	6/1/2015	4/30/2020	1796	898	-1994	(1,096.00)	4.07%	(44.66)	36.59	(81.25)
11/19/2014	503.00	Aird & Berlis LLP	Oct services	11/21/14	6/1/2015	4/30/2020	1796	898	-1987	(1,089.00)	0.36%	(3.92)	3.24	(7.16)
11/28/2014	25,000.00	Kinectrics Inc.	Rate App	11/28/14	6/1/2015	4/30/2020	1796	898	-1980	(1,082.00)	17.91%	(193.80)	160.84	(354.64)
12/31/2014	5,628.89	Aird & Berlis LLP	2015 Cost of Serv Rate Ap	1/23/15	6/1/2015	4/30/2020	1796	898	-1924	(1,026.00)	4.03%	(41.38)	36.21	(77.59)
2/28/2015	12,534.43	Aird & Berlis LLP	Aird&Berlis-2015 COS rate app	3/12/15	6/1/2015	4/30/2020	1796	898	-1876	(978.00)	8.98%	(87.83)	80.64	(168.47)
3/30/2015	15,435.65	Aird & Berlis LLP	2015 Cost of Service Rate	4/1/15	6/1/2015	4/30/2020	1796	898	-1856	(958.00)	11.06%	(105.94)	99.31	(205.25)
3/31/2015	11,464.79	Aird & Berlis LLP	2015 Cost of Service rate app	4/22/15	6/1/2015	4/30/2020	1796	898	-1835	(937.00)	8.21%	(76.97)	73.76	(150.73)
	139,576.28										100.00%	(1,074.39)	898.00	(1,972.39)