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Calculation of Revenue Requirement

Ex.6/Tab 1/Sch.1 - Determination of Net Utility Income

The current rates are based on Board approved rates effective January 1, 2016 through an IRM proceeding (EB-2015 -0081). Existing revenues based on existing Board approved rates, which are used in calculating utility income, are comprised of distribution revenue and exclude pass-thru charges such as LV Charges and Transmission Charges.

Details on existing and projected distribution revenue at existing rates are presented in Exhibit 3, Tab 1 and replicated below. Other revenues, presented in Ex.3/Tab 4, show distribution revenues at Bridge and Test Year volumes. Tables 6.1, to 6.5, below reflects distribution revenues at proposed Test Year (2017 – 2021) volumes.

Forecast Revenues 2017 - 2021

Table 6.1 Forecast Revenue for 2017 Based on 2016 Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Monthly Fixed Charge Previous Year	Volumetric Charge Previous Year	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	149,932,101		191,160		24.85	0.0139	4,750,326	2,084,056	6,834,382		6,834,382	80.68%
GS < 50 kW	32,368,433		12,624		34.33	0.0083	433,382	268,658	702,040		702,040	8.29%
GS >50 to 4999 kW	55,988,819	157,261	858		151.60	3.1132	130,073	489,584	619,657	22,556	597,101	7.05%
Sentinel Lights	98,320	273		1,932	11.20	51.0173	21,638	13,937	35,576		35,576	0.42%
Street Lighting	669,627	1,889		36,360	5.72	39.5544	207,979	74,700	282,679		282,679	3.34%
Unmetered and Scattered	530,367			888	10.57	0.0177	9,386	9,387	18,774		18,774	0.22%
	239,587,667	**159,423**	**204,642**	**39,180**			**5,552,784**	**2,940,324**	**8,493,108**	**22,556**	**8,470,552**	**100%**

Table 6.2 Forecast Revenue for 2018 Based on 2017 Proposed Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Monthly Fixed Charge Previous Year	Volumetric Charge Previous Year	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	152,052,309		200,112		40.37	0.0131	8,077,964	1,996,841	10,074,806		10,074,806	81.61%
GS < 50 kW	31,245,332		12,948		48.31	0.0117	625,538	364,956	990,493		990,493	8.02%
GS >50 to 4999 kW	58,150,841	163,334	858		231.42	4.6768	198,556	763,873	962,429	23,427	939,002	7.61%
Sentinel Lights	96,006	267		1,908	15.76	71.7950	30,073	19,152	49,225		49,225	0.40%
Street Lighting	681,779	1,923		37,176	5.24	36.2173	194,706	69,639	264,345		264,345	2.14%
Unmetered and Scattered	566,301			876	14.87	0.0249	13,030	14,106	27,136		27,136	0.22%
	242,792,568	**165,523**	**213,918**	**39,960**			**9,139,867**	**3,228,567**	**12,368,434**	**23,427**	**12,345,007**	**100%**

Table 6.3 Forecast Revenue for 2019 Based on 2018 Proposed Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Monthly Fixed Charge Previous Year	Volumetric Charge Previous Year	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	156,772,519		213,888		47.26	0.0068	10,108,737	1,072,658	11,181,394		11,181,394	82.35%
GS < 50 kW	29,593,582		13,284		48.37	0.0117	642,568	346,092	988,661		988,661	7.28%
GS >50 to 4999 kW	60,182,952	169,041	858		251.17	5.0637	215,501	855,969	1,071,470	24,246	1,047,225	7.71%
Sentinel Lights	93,733	260		1,884	16.43	74.8228	30,947	19,487	50,434		50,434	0.37%
Street Lighting	694,234	1,958		38,016	5.46	37.7446	207,502	73,902	281,404		281,404	2.07%
Unmetered and Scattered	604,596			864	15.50	0.0260	13,394	15,695	29,089		29,089	0.21%
	247,941,616	**171,260**	**228,030**	**40,764**			**11,218,649**	**2,383,803**	**13,602,452**	**24,246**	**13,578,206**	**100%**

Table 6.4 Forecast Revenue for 2020 Based on 2019 Proposed Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Monthly Fixed Charge Previous Year	Volumetric Charge Previous Year	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	160,929,748		226,524		51.42	0.0000	11,647,552	0	11,647,552		11,647,552	82.13%
GS < 50 kW	27,991,553		13,620		50.07	0.0121	681,915	338,832	1,020,747		1,020,747	7.20%
GS >50 to 4999 kW	62,540,635	175,664	858		272.04	5.4725	233,407	961,316	1,194,723	25,195	1,169,527	8.25%
Sentinel Lights	91,498	254		1,860	16.30	74.2470	30,317	18,876	49,193		49,193	0.35%
Street Lighting	706,615	1,993		38,868	4.94	34.1867	192,155	68,129	260,284		260,284	1.84%
Unmetered and Scattered	645,392			852	17.61	0.0295	15,008	19,037	34,045		34,045	0.24%
	252,905,442	**177,911**	**241,002**	**41,580**			**12,800,354**	**1,406,190**	**14,206,544**	**25,195**	**14,181,349**	**100%**

Table 6.5 Forecast Revenue for 2021 Based on 2020 Proposed Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Monthly Fixed Charge Previous Year	Volumetric Charge Previous Year	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	163,557,480		238,236		50.72	0.0000	12,083,047	0	12,083,047		12,083,047	82.64%
GS < 50 kW	26,587,055		13,968		48.79	0.0118	681,437	313,593	995,030		995,030	6.81%
GS >50 to 4999 kW	64,881,031	182,237	858		272.59	5.4834	233,883	999,272	1,233,155	26,138	1,207,017	8.26%
Sentinel Lights	89,302	248		1,836	15.93	72.5705	29,251	18,007	47,257		47,257	0.32%
Street Lighting	719,275	2,029		39,744	4.74	32.7668	188,325	66,470	254,794		254,794	1.74%
Unmetered and Scattered	688,837			840	17.18	0.0288	14,429	19,814	34,243		34,243	0.23%
	256,522,979	**184,514**	**253,062**	**42,420**			**13,230,371**	**1,417,155**	**14,647,527**	**26,138**	**14,621,388**	**100%**

Ex. 6/Tab 1/Sch. 2 (next Section) provides details and derivation of InnPower Corporation's revenue requirement and its particulars.

Ex.6/Tab 1/Sch.2 - Proposed Revenue Requirement

InnPower Corporation's revenue requirement represents the amount of money that a utility must receive from its customers to cover its costs, operating expenses, taxes, interest paid on debts owed to investors and, if applicable, a deemed return (profit).

The proposed Base Revenue Requirement, representing the revenue to be recovered from base distribution rates, is equal to the total Service Revenue Requirement, less Revenue Offsets derived from other revenue sources. The following table provides a summary of InnPower Corporation's Revenue Requirement (Service and Base) for the test years of 2017 – 2021, plus a comparator to InnPower Corporation's last approved RRWF (EB-2013-0139).

Table 6.6: Summary of Test Year (2017 – 2021) Revenue Requirement

	EB-2012-0139					
	2013	**2017**	**2018**	**2019**	**2020**	**2021**
OM&A Expenses	$ 4,900,000	$ 6,864,522	$ 7,361,400	$ 7,633,900	$ 7,833,300	$ 8,038,200
Amortization Expense	$ 1,280,461	$ 2,850,367	$ 3,254,557	$ 3,675,101	$ 4,073,356	$ 4,476,550
Property Tax	$ 12,500	$ 122,500	$ 125,700	$ 129,000	$ 132,400	$ 135,900
Income Taxes (Grossed Up)	$ -	$ 146,434	$ 178,363	$ 209,226	$ 244,203	$ 274,756
Return						
Deemed Interest	$ 815,671	$ 1,172,798	$ 1,264,398	$ 1,350,921	$ 1,422,457	$ 1,488,693
Return on Equity	$ 1,159,481	$ 2,116,573	$ 2,281,885	$ 2,438,035	$ 2,567,137	$ 2,686,676
Service Revenue Requirement	**$ 8,168,113**	**$ 13,273,194**	**$ 14,466,303**	**$ 15,436,183**	**$ 16,272,853**	**$ 17,100,775**
Revenue Offsets	$ 556,948	$ 1,216,205	$ 1,602,344	$ 1,942,827	$ 2,286,537	$ 2,645,975
Base Revenue Requirement	**$ 7,611,165**	**$ 12,056,989**	**$ 12,863,959**	**$ 13,493,356**	**$ 13,986,316**	**$ 14,454,800**

Ex.6/Tab 1/Sch.3 - Statement of Rate Base

InnPower Corporation's Rate Base represents the average balance of opening and closing balances for net capital assets in service plus 7.5% of the cost of power and controllable operating expenses for each of the 2017 – 2021 Test Years.

Rate Base calculations for the 2017 – 2021 Test Years are located in the individual filed RRWF forms in Tab 4 Rate Base.

Ex.6/Tab 1/Sch.4 - Requested and Indicated Rate of Return

InnPower Corporation has utilized the Cost of Capital Parameters as per the OEB prescribed Cost of Capital Parameters for 2016 Applications. The Indicated Rate of Return and Requested Rate of Return have been calculated for each Test Year (2017 – 2021) and are reflected in the following table.

Table 6.7 Summary of Rate of Return for 2017 - 2021

	EB-2012-0139 2013	2017 at Current Rates	2018 at 2017 Rates	2019 at 2018 Rates	2020 at 2019 Rates	2021 at 2020 Rates
Indicated Rate of Return	7.80	1.31	5.10	5.88	5.92	5.88
Requested Rate of Return	6.12	5.71	5.71	5.71	5.71	5.71
Def/Suf in Rate of Return	1.68	-4.4	-0.61	0.17	0.21	0.17

Ex.6/Tab 1/Sch.7 - Revenue Requirement Trend

The following table reflects InnPower Corporation's Revenue Requirement trend from our last rebasing application EB-2012-0139 through the 5 year timeframe of 2017 - 2021.

Table 6.8 Summary of Revenue Requirement Trends

	Revenue Requirement			
Test Year	Service Revenue Requirement	Other Revenues	Base Revenue Requirement	Grossed up Revenue Deficiency /Sufficiency
2013	**$ 9,419,635**	**$ 536,948**	**$ 8,862,587**	**-$ 543,104**
2017	$ 13,273,194	$ 1,352,854	$ 12,056,989	$ 3,449,787
2018	$ 14,466,303	$ 1,602,344	$ 12,863,960	$ 518,953
2019	$ 15,436,183	$ 1,942,827	$ 13,493,357	-$ 84,850
2020	$ 16,272,853	$ 2,286,537	$ 13,986,316	-$ 195,033
2021	$ 17,100,775	$ 2,645,975	$ 14,454,800	-$ 166,588

As can be seen from the table above, the proposed revenue requirement for 2017 is higher than the 2013 Cost of Service approved Revenue Requirement. The higher revenue requirement between 2017 and 2021 is due to increased capital requirements due to growth, which is outlined in detail in the Distribution System Plan. Year over year variances and the increase in OM& A expense are detailed in Exhibit 4.

Revenue Deficiency or Surplus

Ex.6/Tab 2/Sch.1 - Calculation of Revenue Deficiency or Surplus

InnPower Corporation's net revenue deficiency for the Test Years 2017 – 2021 under proposed rates is reflected in the previous table, Table 6.8 Summary of Revenue Requirement Trends. With this Custom IR Application InnPower Corporation has a revenue deficiency for the 2017 Test Year of $3,449,787, and 2018 of $518,953. Commencing in 2019 InnPower Corporation starts to reflect a sufficiency, 2018 –($84,500), 2020 - -($195,033) and in 2021 - -($166,588).

Ex.6/Tab 2/Sch.2 - Causes of Revenue Deficiency or Surplus

InnPower Corporation's existing rates are based on the Board-approved rates in 2013 following a Cost of Service rate application (EB-2013-0139), and 3 adjustments to its base distribution rates in 2014, 2016 and 2016 (Bridge Year) under the Board's Generation Incentive Regulation Mechanism.

Throughout the 5 year custom IR timeframe (20107 2021) InnPower Corporation has a revenue deficiency in the 2017 and 2018 Test. Test Years 2019 – 2021 reflect a revenue sufficiency. The deficiency is due to the increase in InnPower Corporation's rate base and OM&A expense.

The proposed rate base for 2017 is $57,578,157 compared to the 2013 Board-approved amount of $32,279,524, an increase of 56%. The increase in the rate base drives an increase to the revenue requirement. The factors contributing to the change in the rate base are discussed in detail in Exhibit 2 but, for the most part, are due to investments in the distribution system to follow the Distribution System Plan to future support growth and the inclusion of InnPower Corporation's new Corporate Headquarters and Administration Centre and the increased expense for Operations, Maintenance and Administration (OM&A). Projected OM&A for the 2017 Test Year is $6,864,552 compared to the 2013 Board-approved amount of $4,900,000, which represents an increase of 40%. The cost drivers underlying this increase are explained in Exhibit 4.

Ex.6/Tab 2/Sch.3 - Impact of implementation of MIFRS on Revenue Deficiency or Surplus

The adoption of newly prescribed accounting policies has had a marginal impact on the allocation of the revenue requirement and determination of the rate base. The extension of the typical useful lives of InnPower Corporation's assets has caused the depreciation expense to decrease, resulting in an increase in the value of the net fixed assets of the utility and ultimately an increase to the utility's rate base. The change of useful lives was affected in InnPower Corporation's EB-2012-0139 COS Application effective January 2012.

InnPower Corporation's OM&A has not been impacted by the policy which states that burdens which are no longer eligible for capitalization have been removed from rate base and included as an operating expense, since the utility has never capitalized administrative burdens on capital projects.

Revenue Requirement Work Form

InnPower Corporation has filed, in PDF and Microsoft Excel versions of the Revenue Requirement Work Form ("RRWF"), for each of the Custom IR years of 2017 – 2021. The PDF versions are also included as Appendices A – E in this Exhibit.

List of Appendices

A	InnPower_EB-2016-0086_RRWF_2017 Test Year_20160520.pdf
B	InnPower_EB-2016-0086_RRWF_2018 Test Year_20160520.pdf
C	InnPower_EB-2016-0086_RRWF_2019 Test Year_20160520.pdf
D	InnPower_EB-2016-0086_RRWF_2020 Test Year_20160520.pdf
E	InnPower_EB-2016-0086_RRWF_2021 Test Year_20160520.pdf

Appendix A – 2017 Test Year

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Version 6.00

Utility Name	Innisfil Hydro Distribution Systems Limited
Service Territory	
Assigned EB Number	EB-2016-0086 2017 TEST YEAR
Name and Title	Brenda Pinke, Manager Regulatory and CDM
Phone Number	705-431-4321
Email Address	bpinke@innpower.com

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

1. Info
2. Table of Contents
3. Data_Input_Sheet
4. Rate_Base
5. Utility Income
6. Taxes_PILs
7. Cost_of_Capital
8. Rev_Def_Suff
9. Rev_Reqt
10. Tracking Sheet

Notes:

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Data Input [1]

		Initial Application	(2)		(6)		Per Board Decision	
1	**Rate Base**							
	Gross Fixed Assets (average)	$61,297,628			$ 61,297,628		$61,297,628	
	Accumulated Depreciation (average)	($6,660,595)	(5)		($6,660,595)		($6,660,595)	
	Allowance for Working Capital:							
	Controllable Expenses	$6,987,022			$ 6,987,022		$6,987,022	
	Cost of Power	$32,227,960			$ 32,227,960		$32,227,960	
	Working Capital Rate (%)	7.50%	(9)		7.50%	(9)	7.50%	(9)
2	**Utility Income**							
	Operating Revenues:							
	Distribution Revenue at Current Rates	$8,470,552						
	Distribution Revenue at Proposed Rates	$11,920,340						
	Other Revenue:							
	Specific Service Charges	$170,000						
	Late Payment Charges	$78,000						
	Other Distribution Revenue	$1,074,854						
	Other Income and Deductions	$30,000						
	Total Revenue Offsets	$1,216,205	(7)					
	Operating Expenses:							
	OM+A Expenses	$6,864,522			$ 6,864,522		$6,864,522	
	Depreciation/Amortization	$2,850,366			$ 2,850,366		$2,850,366	
	Property taxes	$122,500			$ 122,500		$122,500	
	Other expenses							
3	**Taxes/PILs**							
	Taxable Income:							
	Adjustments required to arrive at taxable income	($1,710,425)	(3)					
	Utility Income Taxes and Rates:							
	Income taxes (not grossed up)	$107,629						
	Income taxes (grossed up)	$146,434						
	Federal tax (%)	15.00%						
	Provincial tax (%)	11.50%						
	Income Tax Credits							
4	**Capitalization/Cost of Capital**							
	Capital Structure:							
	Long-term debt Capitalization Ratio (%)	56.0%						
	Short-term debt Capitalization Ratio (%)	4.0%	(8)			(8)		(8)
	Common Equity Capitalization Ratio (%)	40.0%						
	Prefered Shares Capitalization Ratio (%)							
		100.0%						
	Cost of Capital							
	Long-term debt Cost Rate (%)	3.52%						
	Short-term debt Cost Rate (%)	1.65%						
	Common Equity Cost Rate (%)	9.19%						
	Prefered Shares Cost Rate (%)							

Notes:

General Data inputs are required on Sheets 3. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.

(1) All inputs are in dollars ($) except where inputs are individually identified as percentages (%)

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

(3) Net of addbacks and deductions to arrive at taxable income.

(4) Average of Gross Fixed Assets at beginning and end of the Test Year

(5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.

(6) Select option from drop-down list by clicking on cell M10. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.

(7) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement

(8) 4.0% unless an Applicant has proposed or been approved for another amount.

(9) The default Working Capital Allowance factor is 7.5% (of Cost of Power plus controllable expenses), per the letter issued by the Board on June 3, 2015. Alternatively, WCA factor based on lead-lag study or approved WCA factor for another distributor, with supporting rationale.

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Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Rate Base and Working Capital

Rate Base

Line No.	Particulars		Initial Application				Per Board Decision
1	Gross Fixed Assets (average)	(3)	$61,297,628	$ -	$61,297,628	$ -	$61,297,628
2	Accumulated Depreciation (average)	(3)	($6,660,595)	$ -	($6,660,595)	$ -	($6,660,595)
3	Net Fixed Assets (average)	(3)	$54,637,033	$ -	$54,637,033	$ -	$54,637,033
4	Allowance for Working Capital	(1)	$2,941,124	$ -	$2,941,124	$ -	$2,941,124
5	**Total Rate Base**		$57,578,157	$ -	$57,578,157	$ -	$57,578,157

(1) Allowance for Working Capital - Derivation

6	Controllable Expenses		$6,987,022	$ -	$6,987,022	$ -	$6,987,022
7	Cost of Power		$32,227,960	$ -	$32,227,960	$ -	$32,227,960
8	Working Capital Base		$39,214,982	$ -	$39,214,982	$ -	$39,214,982
9	Working Capital Rate %	(2)	7.50%	0.00%	7.50%	0.00%	7.50%
10	Working Capital Allowance		$2,941,124	$ -	$2,941,124	$ -	$2,941,124

Notes

(2) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 2016 cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015. Alternatively, a utility could conduct and file its own lead-lag study.

(3) Average of opening and closing balances for the year.

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Utility Income

Line No.	Particulars		Initial Application				Per Board Decision
	Operating Revenues:						
1	Distribution Revenue (at Proposed Rates)		$11,920,340	($11,920,340)	$ -	$ -	$ -
2	Other Revenue	(1)	$1,352,854	($1,352,854)	$ -	$ -	$ -
3	Total Operating Revenues		$13,273,194	($13,273,194)	$ -	$ -	$ -
	Operating Expenses:						
4	OM+A Expenses		$6,864,522	$ -	$6,864,522	$ -	$6,864,522
5	Depreciation/Amortization		$2,850,366	$ -	$2,850,366	$ -	$2,850,366
6	Property taxes		$122,500	$ -	$122,500	$ -	$122,500
7	Capital taxes		$ -	$ -	$ -	$ -	$ -
8	Other expense		$ -	$ -		$ -	
9	Subtotal (lines 4 to 8)		$9,837,388	$ -	$9,837,388	$ -	$9,837,388
10	Deemed Interest Expense		$1,172,798	($1,172,798)	$ -	$ -	$ -
11	Total Expenses (lines 9 to 10)		$11,010,187	($1,172,798)	$9,837,388	$ -	$9,837,388
12	**Utility income before income taxes**		$2,263,007	($12,100,396)	($9,837,388)	$ -	($9,837,388)
13	Income taxes (grossed-up)		$146,434	$ -	$146,434	$ -	$146,434
14	**Utility net income**		$2,116,573	($12,100,396)	($9,983,823)	$ -	($9,983,823)

Notes	Other Revenues / Revenue Offsets					
(1)	Specific Service Charges	$170,000		$ -		$ -
	Late Payment Charges	$78,000		$ -		$ -
	Other Distribution Revenue	$1,074,854		$ -		$ -
	Other Income and Deductions	$30,000		$ -		$ -
	Total Revenue Offsets	$1,352,854	$ -	$ -	$ -	$ -

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Taxes/PILs

Line No.	Particulars	Application		Per Board Decision
	Determination of Taxable Income			
1	Utility net income before taxes	$2,116,573	$ -	$ -
2	Adjustments required to arrive at taxable utility income	($1,710,425)	$ -	($1,710,425)
3	Taxable income	$406,148	$ -	($1,710,425)
	Calculation of Utility income Taxes			
4	Income taxes	$107,629	$107,629	$107,629
6	Total taxes	$107,629	$107,629	$107,629
7	Gross-up of Income Taxes	$38,805	$38,805	$38,805
8	Grossed-up Income Taxes	$146,434	$146,434	$146,434
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	$146,434	$146,434	$146,434
10	Other tax Credits	$ -	$ -	$ -
	Tax Rates			
11	Federal tax (%)	15.00%	15.00%	15.00%
12	Provincial tax (%)	11.50%	11.50%	11.50%
13	Total tax rate (%)	26.50%	26.50%	26.50%

Notes

1

2

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Initial Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	56.00%	$32,243,768	3.52%	$1,134,797
2	Short-term Debt	4.00%	$2,303,126	1.65%	$38,002
3	**Total Debt**	60.00%	$34,546,894	3.39%	$1,172,798
	Equity				
4	Common Equity	40.00%	$23,031,263	9.19%	$2,116,573
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$23,031,263	9.19%	$2,116,573
7	**Total**	100.00%	$57,578,157	5.71%	$3,289,371
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	0.00%	$ -	0.00%	$ -
2	Short-term Debt	0.00%	$ -	0.00%	$ -
3	**Total Debt**	0.00%	$ -	0.00%	$ -
	Equity				
4	Common Equity	0.00%	$ -	0.00%	$ -
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	0.00%	$ -	0.00%	$ -
7	**Total**	0.00%	$57,578,157	0.00%	$ -
		Per Board Decision			
		(%)	($)	(%)	($)
	Debt				
8	Long-term Debt	0.00%	$ -	3.52%	$ -
9	Short-term Debt	0.00%	$ -	1.65%	$ -
10	**Total Debt**	0.00%	$ -	0.00%	$ -
	Equity				
11	Common Equity	0.00%	$ -	9.19%	$ -
12	Preferred Shares	0.00%	$ -	0.00%	$ -
13	**Total Equity**	0.00%	$ -	0.00%	$ -
14	**Total**	0.00%	$57,578,157	0.00%	$ -

Notes

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

1

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Revenue Deficiency/Sufficiency

		Initial Application				Per Board Decision	
Line No.	Particulars	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		$3,449,787		$750,152		$9,837,388
2	Distribution Revenue	$8,470,552	$8,470,552	$8,470,552	$11,170,188	$ -	($9,837,388)
3	Other Operating Revenue Offsets - net	$1,352,854	$1,352,854	$ -	$ -	$ -	$ -
4	**Total Revenue**	$9,823,406	$13,273,194	$8,470,552	$11,920,340	$ -	$ -
5	Operating Expenses	$9,837,388	$9,837,388	$9,837,388	$9,837,388	$9,837,388	$9,837,388
6	Deemed Interest Expense	$1,172,798	$1,172,798	$ -	$ -	$ -	$ -
8	**Total Cost and Expenses**	$11,010,187	$11,010,187	$9,837,388	$9,837,388	$9,837,388	$9,837,388
9	**Utility Income Before Income Taxes**	($1,186,780)	$2,263,007	($1,366,836)	$2,082,951	($9,837,388)	($9,837,388)
10	Tax Adjustments to Accounting Income per 2013 PILs model	($1,710,425)	($1,710,425)	($1,710,425)	($1,710,425)	$ -	$ -
11	**Taxable Income**	($2,897,205)	$552,582	($3,077,261)	$372,526	($9,837,388)	($9,837,388)
12	Income Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
13	**Income Tax on Taxable Income**	($767,759)	$146,434	($815,474)	$98,719	($2,606,908)	($2,606,908)
14	**Income Tax Credits**	$ -	$ -	$ -	$ -	$ -	$ -
15	**Utility Net Income**	($419,021)	$2,116,573	($551,362)	($9,983,823)	($7,230,480)	($9,983,823)
16	**Utility Rate Base**	$57,578,157	$57,578,157	$57,578,157	$57,578,157	$57,578,157	$57,578,157
17	Deemed Equity Portion of Rate Base	$23,031,263	$23,031,263	$ -	$ -	$ -	$ -
18	Income/(Equity Portion of Rate Base)	-1.82%	9.19%	0.00%	0.00%	0.00%	0.00%
19	Target Return - Equity on Rate Base	9.19%	9.19%	0.00%	0.00%	0.00%	0.00%
20	Deficiency/Sufficiency in Return on Equity	-11.01%	0.00%	0.00%	0.00%	0.00%	0.00%
21	Indicated Rate of Return	1.31%	5.71%	-0.96%	0.00%	-12.56%	0.00%
22	Requested Rate of Return on Rate Base	5.71%	5.71%	0.00%	0.00%	0.00%	0.00%
23	Deficiency/Sufficiency in Rate of Return	-4.40%	0.00%	-0.96%	0.00%	-12.56%	0.00%
24	Target Return on Equity	$2,116,573	$2,116,573	$ -	$ -	$ -	$ -
25	Revenue Deficiency/(Sufficiency)	$2,535,594	$ -	$551,362	$ -	$7,230,480	$ -
26	**Gross Revenue Deficiency/(Sufficiency)**	$3,449,787 **(1)**		$750,152 **(1)**		$9,837,388 **(1)**	

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Revenue Requirement

Line No.	Particulars	Application				Per Board Decision	
1	OM&A Expenses	$6,864,522		$6,864,522		$6,864,522	
2	Amortization/Depreciation	$2,850,366		$2,850,366		$2,850,366	
3	Property Taxes	$122,500		$122,500		$122,500	
5	Income Taxes (Grossed up)	$146,434		$146,434		$146,434	
6	Other Expenses	$ -					
7	Return						
	Deemed Interest Expense	$1,172,798		$ -		$ -	
	Return on Deemed Equity	$2,116,573		$ -		$ -	
8	**Service Revenue Requirement (before Revenues)**	$13,273,194		$9,983,823		$9,983,823	
9	Revenue Offsets	$1,216,205		$ -		$ -	
10	**Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)**	$12,056,989		$9,983,823		$9,983,823	
11	Distribution revenue	$11,920,340		$ -		$ -	
12	Other revenue	$1,352,854		$ -		$ -	
13	**Total revenue**	$13,273,194		$ -		$ -	
14	**Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)**	$ -	(1)	($9,983,823)	(1)	($9,983,823)	(1)

Notes
(1) Line 11 - Line 8

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Tracking Form

The last row shown is the most current estimate of the cost of service data reflecting the original application and any updates provided by the applicant distributor (for updated evidence, responses to interrogatories, undertakings, etc.)
Please ensure a Reference (Column B) and/or Item Description (Column C) is entered. Please note that unused rows will automatically be hidden and the PRINT AREA set when the PRINT BUTTON on Sheet 1 is activated.
(1) Short reference to evidence material (interrogatory response, undertaking, exhibit number, Board Decision, Code, Guideline, Report of the Board, etc.)
(2) Short description of change, issue, etc.

60 Tracking Rows have been provided below. If you require more, please contact Industry Relations @ IndustryRelations@ontarioenergyboard.ca.

Summary of Proposed Changes

			Cost of Capital		Rate Base and Capital Expenditures			Operating Expenses			Revenue Requirement			
	Reference (1)	Item / Description (2)	Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital Allowance ($)	Amortization / Depreciation	Taxes/PILs	OM&A	Service Revenue Requirement	Other Revenues	Base Revenue Requirement	Grossed up Revenue Deficiency / Sufficiency
		Original Application	$ 3,289,371	5.71%	$ 57,578,157	$ 39,214,982	$ 2,941,124	$ 2,850,366	$ 146,434	$ 6,864,522	$ 13,273,194	$ 1,352,854	$ 12,056,989	$ 3,449,787
1														
		Change												
2														

Appendix B – 2018 Test Year

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Version 6.00

Utility Name	Innisfil Hydro Distribution Systems Limited
Service Territory	
Assigned EB Number	EB-2016-0086
Name and Title	Brenda Pinke, Manager Regulatory and CDM
Phone Number	705-431-4321
Email Address	bpinke@innpower.com

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

1. Info
2. Table of Contents
3. Data_Input_Sheet
4. Rate_Base
5. Utility Income
6. Taxes_PILs
7. Cost_of_Capital
8. Rev_Def_Suff
9. Rev_Reqt
10. Tracking Sheet

Notes:

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Data Input [1]

		Initial Application	(2)		(6)		Per Board Decision	
1	**Rate Base**							
	Gross Fixed Assets (average)	$68,200,889		$	68,200,889		$68,200,889	
	Accumulated Depreciation (average)	($9,200,495)	(5)		($9,200,495)		($9,200,495)	
	Allowance for Working Capital:							
	Controllable Expenses	$7,487,100		$	7,487,100		$7,487,100	
	Cost of Power	$33,510,688		$	33,510,688		$33,510,688	
	Working Capital Rate (%)	7.50%	(9)		7.50%	(9)	7.50%	(9)
2	**Utility Income**							
	Operating Revenues:							
	Distribution Revenue at Current Rates	$12,345,007						
	Distribution Revenue at Proposed Rates	$12,863,960						
	Other Revenue:							
	Specific Service Charges	$173,300						
	Late Payment Charges	$80,300						
	Other Distribution Revenue	$1,348,744						
	Other Income and Deductions	$ -						
	Total Revenue Offsets	$1,602,344	(7)					
	Operating Expenses:							
	OM+A Expenses	$7,361,400		$	7,361,400		$7,361,400	
	Depreciation/Amortization	$3,254,557		$	3,254,557		$3,254,557	
	Property taxes	$125,700		$	125,700		$125,700	
	Other expenses							
3	**Taxes/PILs**							
	Taxable Income:							
	Adjustments required to arrive at taxable income	($1,787,181)	(3)					
	Utility Income Taxes and Rates:							
	Income taxes (not grossed up)	$131,097						
	Income taxes (grossed up)	$178,363						
	Federal tax (%)	15.00%						
	Provincial tax (%)	11.50%						
	Income Tax Credits							
4	**Capitalization/Cost of Capital**							
	Capital Structure:							
	Long-term debt Capitalization Ratio (%)	56.0%						
	Short-term debt Capitalization Ratio (%)	4.0%	(8)			(8)		(8)
	Common Equity Capitalization Ratio (%)	40.0%						
	Prefered Shares Capitalization Ratio (%)							
		100.0%						
	Cost of Capital							
	Long-term debt Cost Rate (%)	3.52%						
	Short-term debt Cost Rate (%)	1.65%						
	Common Equity Cost Rate (%)	9.19%						
	Prefered Shares Cost Rate (%)							

Notes:

General Data inputs are required on Sheets 3. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.

(1) All inputs are in dollars ($) except where inputs are individually identified as percentages (%)

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

(3) Net of addbacks and deductions to arrive at taxable income.

(4) Average of Gross Fixed Assets at beginning and end of the Test Year

(5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.

(6) Select option from drop-down list by clicking on cell M10. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.

(7) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement

(8) 4.0% unless an Applicant has proposed or been approved for another amount.

(9) The default Working Capital Allowance factor is 7.5% (of Cost of Power plus controllable expenses), per the letter issued by the Board on June 3, 2015. Alternatively, WCA factor based on lead-lag study or approved WCA factor for another distributor, with supporting rationale.

1

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Rate Base and Working Capital

Rate Base

Line No.	Particulars		Initial Application				Per Board Decision
1	Gross Fixed Assets (average)	(3)	$68,200,889	$ -	$68,200,889	$ -	$68,200,889
2	Accumulated Depreciation (average)	(3)	($9,200,495)	$ -	($9,200,495)	$ -	($9,200,495)
3	Net Fixed Assets (average)	(3)	$59,000,393	$ -	$59,000,393	$ -	$59,000,393
4	Allowance for Working Capital	(1)	$3,074,834	$ -	$3,074,834	$ -	$3,074,834
5	**Total Rate Base**		$62,075,227	$ -	$62,075,227	$ -	$62,075,227

(1) Allowance for Working Capital - Derivation

6	Controllable Expenses		$7,487,100	$ -	$7,487,100	$ -	$7,487,100
7	Cost of Power		$33,510,688	$ -	$33,510,688	$ -	$33,510,688
8	Working Capital Base		$40,997,788	$ -	$40,997,788	$ -	$40,997,788
9	Working Capital Rate %	(2)	7.50%	0.00%	7.50%	0.00%	7.50%
10	Working Capital Allowance		$3,074,834	$ -	$3,074,834	$ -	$3,074,834

Notes

(2) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 2016 cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015. Alternatively, a utility could conduct and file its own lead-lag study.

(3) Average of opening and closing balances for the year.

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Utility Income

Line No.	Particulars		Initial Application				Per Board Decision
	Operating Revenues:						
1	Distribution Revenue (at Proposed Rates)		$12,863,960	($12,863,960)	$ -	$ -	$ -
2	Other Revenue	(1)	$1,602,344	($1,602,344)	$ -	$ -	$ -
3	Total Operating Revenues		$14,466,303	($14,466,303)	$ -	$ -	$ -
	Operating Expenses:						
4	OM+A Expenses		$7,361,400	$ -	$7,361,400	$ -	$7,361,400
5	Depreciation/Amortization		$3,254,557	$ -	$3,254,557	$ -	$3,254,557
6	Property taxes		$125,700	$ -	$125,700	$ -	$125,700
7	Capital taxes		$ -	$ -	$ -	$ -	$ -
8	Other expense		$ -	$ -		$ -	
9	Subtotal (lines 4 to 8)		$10,741,657	$ -	$10,741,657	$ -	$10,741,657
10	Deemed Interest Expense		$1,264,398	($1,264,398)	$ -	$ -	$ -
11	Total Expenses (lines 9 to 10)		$12,006,055	($1,264,398)	$10,741,657	$ -	$10,741,657
12	**Utility income before income taxes**		$2,460,248	($13,201,905)	($10,741,657)	$ -	($10,741,657)
13	Income taxes (grossed-up)		$178,363	$ -	$178,363	$ -	$178,363
14	**Utility net income**		$2,281,885	($13,201,905)	($10,920,020)	$ -	($10,920,020)

Notes	Other Revenues / Revenue Offsets					
(1)	Specific Service Charges	$173,300		$ -		$ -
	Late Payment Charges	$80,300		$ -		$ -
	Other Distribution Revenue	$1,348,744		$ -		$ -
	Other Income and Deductions	$ -		$ -		$ -
	Total Revenue Offsets	$1,602,344	$ -	$ -	$ -	$ -

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Taxes/PILs

Line No.	Particulars	Application		Per Board Decision
	Determination of Taxable Income			
1	Utility net income before taxes	$2,281,885	$ -	$ -
2	Adjustments required to arrive at taxable utility income	($1,787,181)	$ -	($1,787,181)
3	Taxable income	$494,704	$ -	($1,787,181)
	Calculation of Utility income Taxes			
4	Income taxes	$131,097	$131,097	$131,097
6	Total taxes	$131,097	$131,097	$131,097
7	Gross-up of Income Taxes	$47,266	$47,266	$47,266
8	Grossed-up Income Taxes	$178,363	$178,363	$178,363
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	$178,363	$178,363	$178,363
10	Other tax Credits	$ -	$ -	$ -
	Tax Rates			
11	Federal tax (%)	15.00%	15.00%	15.00%
12	Provincial tax (%)	11.50%	11.50%	11.50%
13	Total tax rate (%)	26.50%	26.50%	26.50%

Notes

1

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Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Initial Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	56.00%	$34,762,127	3.52%	$1,223,429
2	Short-term Debt	4.00%	$2,483,009	1.65%	$40,970
3	**Total Debt**	60.00%	$37,245,136	3.39%	$1,264,398
	Equity				
4	Common Equity	40.00%	$24,830,091	9.19%	$2,281,885
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$24,830,091	9.19%	$2,281,885
7	**Total**	100.00%	$62,075,227	5.71%	$3,546,284
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	0.00%	$ -	0.00%	$ -
2	Short-term Debt	0.00%	$ -	0.00%	$ -
3	**Total Debt**	0.00%	$ -	0.00%	$ -
	Equity				
4	Common Equity	0.00%	$ -	0.00%	$ -
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	0.00%	$ -	0.00%	$ -
7	**Total**	0.00%	$62,075,227	0.00%	$ -
		Per Board Decision			
		(%)	($)	(%)	($)
	Debt				
8	Long-term Debt	0.00%	$ -	3.52%	$ -
9	Short-term Debt	0.00%	$ -	1.65%	$ -
10	**Total Debt**	0.00%	$ -	0.00%	$ -
	Equity				
11	Common Equity	0.00%	$ -	9.19%	$ -
12	Preferred Shares	0.00%	$ -	0.00%	$ -
13	**Total Equity**	0.00%	$ -	0.00%	$ -
14	**Total**	0.00%	$62,075,227	0.00%	$ -

Notes

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

1

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Revenue Deficiency/Sufficiency

		Initial Application				Per Board Decision	
Line No.	Particulars	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		$518,953		($2,247,708)		$10,741,657
2	Distribution Revenue	$12,345,007	$12,345,007	$12,345,007	$15,111,667	$ -	($10,741,657)
3	Other Operating Revenue Offsets - net	$1,602,344	$1,602,344	$ -	$ -	$ -	$ -
4	**Total Revenue**	$13,947,350	$14,466,303	$12,345,007	$12,863,960	$ -	$ -
5	Operating Expenses	$10,741,657	$10,741,657	$10,741,657	$10,741,657	$10,741,657	$10,741,657
6	Deemed Interest Expense	$1,264,398	$1,264,398	$ -	$ -	$ -	$ -
8	**Total Cost and Expenses**	$12,006,055	$12,006,055	$10,741,657	$10,741,657	$10,741,657	$10,741,657
9	**Utility Income Before Income Taxes**	$1,941,295	$2,460,248	$1,603,350	$2,122,303	($10,741,657)	($10,741,657)
10	Tax Adjustments to Accounting Income per 2013 PILs model	($1,787,181)	($1,787,181)	($1,787,181)	($1,787,181)	$ -	$ -
11	**Taxable Income**	$154,114	$673,067	($183,831)	$335,122	($10,741,657)	($10,741,657)
12	Income Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
13	**Income Tax on Taxable Income**	$40,840	$178,363	($48,715)	$88,807	($2,846,539)	($2,846,539)
14	**Income Tax Credits**	$ -	$ -	$ -	$ -	$ -	$ -
15	**Utility Net Income**	$1,900,455	$2,281,885	$1,652,065	($10,920,020)	($7,895,118)	($10,920,020)
16	**Utility Rate Base**	$62,075,227	$62,075,227	$62,075,227	$62,075,227	$62,075,227	$62,075,227
17	Deemed Equity Portion of Rate Base	$24,830,091	$24,830,091	$ -	$ -	$ -	$ -
18	Income/(Equity Portion of Rate Base)	7.65%	9.19%	0.00%	0.00%	0.00%	0.00%
19	Target Return - Equity on Rate Base	9.19%	9.19%	0.00%	0.00%	0.00%	0.00%
20	Deficiency/Sufficiency in Return on Equity	-1.54%	0.00%	0.00%	0.00%	0.00%	0.00%
21	Indicated Rate of Return	5.10%	5.71%	2.66%	0.00%	-12.72%	0.00%
22	Requested Rate of Return on Rate Base	5.71%	5.71%	0.00%	0.00%	0.00%	0.00%
23	Deficiency/Sufficiency in Rate of Return	-0.61%	0.00%	2.66%	0.00%	-12.72%	0.00%
24	Target Return on Equity	$2,281,885	$2,281,885	$ -	$ -	$ -	$ -
25	Revenue Deficiency/(Sufficiency)	$381,430	$ -	($1,652,065)	$ -	$7,895,118	$ -
26	**Gross Revenue Deficiency/(Sufficiency)**	$518,953 **(1)**		($2,247,708) **(1)**		$10,741,657 **(1)**	

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Revenue Requirement

Line No.	Particulars	Application				Per Board Decision	
1	OM&A Expenses	$7,361,400		$7,361,400		$7,361,400	
2	Amortization/Depreciation	$3,254,557		$3,254,557		$3,254,557	
3	Property Taxes	$125,700		$125,700		$125,700	
5	Income Taxes (Grossed up)	$178,363		$178,363		$178,363	
6	Other Expenses	$ -					
7	Return						
	Deemed Interest Expense	$1,264,398		$ -		$ -	
	Return on Deemed Equity	$2,281,885		$ -		$ -	
8	**Service Revenue Requirement (before Revenues)**	$14,466,303		$10,920,020		$10,920,020	
9	Revenue Offsets	$1,602,344		$ -		$ -	
10	**Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)**	$12,863,960		$10,920,020		$10,920,020	
11	Distribution revenue	$12,863,960		$ -		$ -	
12	Other revenue	$1,602,344		$ -		$ -	
13	**Total revenue**	$14,466,303		$ -		$ -	
14	**Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)**	$ -	(1)	($10,920,020)	(1)	($10,920,020)	(1)

Notes

(1) Line 11 - Line 8

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Tracking Form

The last row shown is the most current estimate of the cost of service data reflecting the original application and any updates provided by the applicant distributor (for updated evidence, responses to interrogatories, undertakings, etc.)
Please ensure a Reference (Column B) and/or Item Description (Column C) is entered. Please note that unused rows will automatically be hidden and the PRINT AREA set when the PRINT BUTTON on Sheet 1 is activated.
(1) Short reference to evidence material (interrogatory response, undertaking, exhibit number, Board Decision, Code, Guideline, Report of the Board, etc.)
(2) Short description of change, issue, etc.

60 Tracking Rows have been provided below. If you require more, please contact Industry Relations @ IndustryRelations@ontarioenergyboard.ca.

Summary of Proposed Changes

			Cost of Capital		Rate Base and Capital Expenditures			Operating Expenses			Revenue Requirement			
	Reference (1)	Item / Description (2)	Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital Allowance ($)	Amortization / Depreciation	Taxes/PILs	OM&A	Service Revenue Requirement	Other Revenues	Base Revenue Requirement	Grossed up Revenue Deficiency / Sufficiency
		Original Application	$ 3,546,284	5.71%	$ 62,075,227	$ 40,997,788	$ 3,074,834	$ 3,254,557	$ 178,363	$ 7,361,400	$ 14,466,303	$ 1,602,344	$ 12,863,960	$ 518,953
1														
		Change												

Appendix C – 2019 Test Year

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Version 6.00

Utility Name	Innisfil Hydro Distribution Systems Limited
Service Territory	
Assigned EB Number	EB-2016-XXXX
Name and Title	Brenda Pinke, Manager Regulatory and CDM
Phone Number	705-431-4321
Email Address	bpinke@innpower.com

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

1. Info
2. Table of Contents
3. Data_Input_Sheet
4. Rate_Base
5. Utility Income
6. Taxes_PILs
7. Cost_of_Capital
8. Rev_Def_Suff
9. Rev_Reqt
10. Tracking Sheet

Notes:

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Data Input [1]

		Initial Application	(2)		(6)		Per Board Decision	
1	**Rate Base**							
	Gross Fixed Assets (average)	$75,034,236		$ 75,034,236			$75,034,236	
	Accumulated Depreciation (average)	($11,957,217)	(5)	($11,957,217)			($11,957,217)	
	Allowance for Working Capital:							
	Controllable Expenses	$7,762,900		$ 7,762,900			$7,762,900	
	Cost of Power	$35,517,366		$ 35,517,366			$35,517,366	
	Working Capital Rate (%)	7.50%	(9)	7.50%	(9)		7.50%	(9)
2	**Utility Income**							
	Operating Revenues:							
	Distribution Revenue at Current Rates	$13,578,206						
	Distribution Revenue at Proposed Rates	$13,493,357						
	Other Revenue:							
	Specific Service Charges	$176,700						
	Late Payment Charges	$82,700						
	Other Distribution Revenue	$1,683,427						
	Other Income and Deductions	$ -						
	Total Revenue Offsets	$1,942,827	(7)					
	Operating Expenses:							
	OM+A Expenses	$7,633,900		$ 7,633,900			$7,633,900	
	Depreciation/Amortization	$3,675,101		$ 3,675,101			$3,675,101	
	Property taxes	$129,000		$ 129,000			$129,000	
	Other expenses							
3	**Taxes/PILs**							
	Taxable Income:							
	Adjustments required to arrive at taxable income	($1,857,728)	(3)					
	Utility Income Taxes and Rates:							
	Income taxes (not grossed up)	$153,781						
	Income taxes (grossed up)	$209,226						
	Federal tax (%)	15.00%						
	Provincial tax (%)	11.50%						
	Income Tax Credits							
4	**Capitalization/Cost of Capital**							
	Capital Structure:							
	Long-term debt Capitalization Ratio (%)	56.0%						
	Short-term debt Capitalization Ratio (%)	4.0%	(8)		(8)			(8)
	Common Equity Capitalization Ratio (%)	40.0%						
	Prefered Shares Capitalization Ratio (%)							
		100.0%						
	Cost of Capital							
	Long-term debt Cost Rate (%)	3.52%						
	Short-term debt Cost Rate (%)	1.65%						
	Common Equity Cost Rate (%)	9.19%						
	Prefered Shares Cost Rate (%)							

Notes:

General Data inputs are required on Sheets 3. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.

(1) All inputs are in dollars ($) except where inputs are individually identified as percentages (%)

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

(3) Net of addbacks and deductions to arrive at taxable income.

(4) Average of Gross Fixed Assets at beginning and end of the Test Year

(5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.

(6) Select option from drop-down list by clicking on cell M10. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.

(7) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement

(8) 4.0% unless an Applicant has proposed or been approved for another amount.

(9) The default Working Capital Allowance factor is 7.5% (of Cost of Power plus controllable expenses), per the letter issued by the Board on June 3, 2015. Alternatively, WCA factor based on lead-lag study or approved WCA factor for another distributor, with supporting rationale.

1

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Rate Base and Working Capital

Rate Base

Line No.	Particulars		Initial Application				Per Board Decision
1	Gross Fixed Assets (average)	(3)	$75,034,236	$ -	$75,034,236	$ -	$75,034,236
2	Accumulated Depreciation (average)	(3)	($11,957,217)	$ -	($11,957,217)	$ -	($11,957,217)
3	Net Fixed Assets (average)	(3)	$63,077,019	$ -	$63,077,019	$ -	$63,077,019
4	Allowance for Working Capital	(1)	$3,246,020	$ -	$3,246,020	$ -	$3,246,020
5	**Total Rate Base**		$66,323,039	$ -	$66,323,039	$ -	$66,323,039

(1) Allowance for Working Capital - Derivation

6	Controllable Expenses		$7,762,900	$ -	$7,762,900	$ -	$7,762,900
7	Cost of Power		$35,517,366	$ -	$35,517,366	$ -	$35,517,366
8	Working Capital Base		$43,280,266	$ -	$43,280,266	$ -	$43,280,266
9	Working Capital Rate %	(2)	7.50%	0.00%	7.50%	0.00%	7.50%
10	Working Capital Allowance		$3,246,020	$ -	$3,246,020	$ -	$3,246,020

Notes

(2) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 2016 cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015. Alternatively, a utility could conduct and file its own lead-lag study.

(3) Average of opening and closing balances for the year.

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Utility Income

Line No.	Particulars		Initial Application				Per Board Decision
	Operating Revenues:						
1	Distribution Revenue (at Proposed Rates)		$13,493,357	($13,493,357)	$ -	$ -	$ -
2	Other Revenue	(1)	$1,942,827	($1,942,827)	$ -	$ -	$ -
3	Total Operating Revenues		$15,436,183	($15,436,183)	$ -	$ -	$ -
	Operating Expenses:						
4	OM+A Expenses		$7,633,900	$ -	$7,633,900	$ -	$7,633,900
5	Depreciation/Amortization		$3,675,101	$ -	$3,675,101	$ -	$3,675,101
6	Property taxes		$129,000	$ -	$129,000	$ -	$129,000
7	Capital taxes		$ -	$ -	$ -	$ -	$ -
8	Other expense		$ -	$ -		$ -	
9	Subtotal (lines 4 to 8)		$11,438,001	$ -	$11,438,001	$ -	$11,438,001
10	Deemed Interest Expense		$1,350,921	($1,350,921)	$ -	$ -	$ -
11	Total Expenses (lines 9 to 10)		$12,788,922	($1,350,921)	$11,438,001	$ -	$11,438,001
12	**Utility income before income taxes**		$2,647,261	($14,085,262)	($11,438,001)	$ -	($11,438,001)
13	Income taxes (grossed-up)		$209,226	$ -	$209,226	$ -	$209,226
14	**Utility net income**		$2,438,035	($14,085,262)	($11,647,227)	$ -	($11,647,227)

Notes	Other Revenues / Revenue Offsets					
(1)	Specific Service Charges	$176,700		$ -		$ -
	Late Payment Charges	$82,700		$ -		$ -
	Other Distribution Revenue	$1,683,427		$ -		$ -
	Other Income and Deductions	$ -		$ -		$ -
	Total Revenue Offsets	$1,942,827	$ -	$ -	$ -	$ -

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Taxes/PILs

Line No.	Particulars	Application		Per Board Decision
	Determination of Taxable Income			
1	Utility net income before taxes	$2,438,035	$ -	$ -
2	Adjustments required to arrive at taxable utility income	($1,857,728)	$ -	($1,857,728)
3	Taxable income	$580,307	$ -	($1,857,728)
	Calculation of Utility income Taxes			
4	Income taxes	$153,781	$153,781	$153,781
6	Total taxes	$153,781	$153,781	$153,781
7	Gross-up of Income Taxes	$55,445	$55,445	$55,445
8	Grossed-up Income Taxes	$209,226	$209,226	$209,226
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	$209,226	$209,226	$209,226
10	Other tax Credits	$ -	$ -	$ -
	Tax Rates			
11	Federal tax (%)	15.00%	15.00%	15.00%
12	Provincial tax (%)	11.50%	11.50%	11.50%
13	Total tax rate (%)	26.50%	26.50%	26.50%

Notes

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Initial Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	56.00%	$37,140,902	3.52%	$1,307,148
2	Short-term Debt	4.00%	$2,652,922	1.65%	$43,773
3	**Total Debt**	60.00%	$39,793,823	3.39%	$1,350,921
	Equity				
4	Common Equity	40.00%	$26,529,215	9.19%	$2,438,035
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$26,529,215	9.19%	$2,438,035
7	**Total**	100.00%	$66,323,039	5.71%	$3,788,956
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	0.00%	$ -	0.00%	$ -
2	Short-term Debt	0.00%	$ -	0.00%	$ -
3	**Total Debt**	0.00%	$ -	0.00%	$ -
	Equity				
4	Common Equity	0.00%	$ -	0.00%	$ -
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	0.00%	$ -	0.00%	$ -
7	**Total**	0.00%	$66,323,039	0.00%	$ -
		Per Board Decision			
		(%)	($)	(%)	($)
	Debt				
8	Long-term Debt	0.00%	$ -	3.52%	$ -
9	Short-term Debt	0.00%	$ -	1.65%	$ -
10	**Total Debt**	0.00%	$ -	0.00%	$ -
	Equity				
11	Common Equity	0.00%	$ -	9.19%	$ -
12	Preferred Shares	0.00%	$ -	0.00%	$ -
13	**Total Equity**	0.00%	$ -	0.00%	$ -
14	**Total**	0.00%	$66,323,039	0.00%	$ -

Notes

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

1

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Revenue Deficiency/Sufficiency

		Initial Application				Per Board Decision	
Line No.	Particulars	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		($84,850)		($2,809,999)		$11,438,001
2	Distribution Revenue	$13,578,206	$13,578,206	$13,578,206	$16,303,355	$ -	($11,438,001)
3	Other Operating Revenue Offsets - net	$1,942,827	$1,942,827	$ -	$ -	$ -	$ -
4	**Total Revenue**	$15,521,033	$15,436,183	$13,578,206	$13,493,357	$ -	$ -
5	Operating Expenses	$11,438,001	$11,438,001	$11,438,001	$11,438,001	$11,438,001	$11,438,001
6	Deemed Interest Expense	$1,350,921	$1,350,921	$ -	$ -	$ -	$ -
8	**Total Cost and Expenses**	$12,788,922	$12,788,922	$11,438,001	$11,438,001	$11,438,001	$11,438,001
9	**Utility Income Before Income Taxes**	$2,732,111	$2,647,261	$2,140,205	$2,055,356	($11,438,001)	($11,438,001)
10	Tax Adjustments to Accounting Income per 2013 PILs model	($1,857,728)	($1,857,728)	($1,857,728)	($1,857,728)	$ -	$ -
11	**Taxable Income**	$874,383	$789,533	$282,477	$197,627	($11,438,001)	($11,438,001)
12	Income Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
13	**Income Tax on Taxable Income**	$231,711	$209,226	$74,856	$52,371	($3,031,070)	($3,031,070)
14	**Income Tax Credits**	$ -	$ -	$ -	$ -	$ -	$ -
15	**Utility Net Income**	$2,500,400	$2,438,035	$2,065,349	($11,647,227)	($8,406,931)	($11,647,227)
16	**Utility Rate Base**	$66,323,039	$66,323,039	$66,323,039	$66,323,039	$66,323,039	$66,323,039
17	Deemed Equity Portion of Rate Base	$26,529,215	$26,529,215	$ -	$ -	$ -	$ -
18	Income/(Equity Portion of Rate Base)	9.43%	9.19%	0.00%	0.00%	0.00%	0.00%
19	Target Return - Equity on Rate Base	9.19%	9.19%	0.00%	0.00%	0.00%	0.00%
20	Deficiency/Sufficiency in Return on Equity	0.24%	0.00%	0.00%	0.00%	0.00%	0.00%
21	Indicated Rate of Return	5.81%	5.71%	3.11%	0.00%	-12.68%	0.00%
22	Requested Rate of Return on Rate Base	5.71%	5.71%	0.00%	0.00%	0.00%	0.00%
23	Deficiency/Sufficiency in Rate of Return	0.09%	0.00%	3.11%	0.00%	-12.68%	0.00%
24	Target Return on Equity	$2,438,035	$2,438,035	$ -	$ -	$ -	$ -
25	Revenue Deficiency/(Sufficiency)	($62,365)	$ -	($2,065,349)	$ -	$8,406,931	$ -
26	**Gross Revenue Deficiency/(Sufficiency)**	($84,850) **(1)**		($2,809,999) **(1)**		$11,438,001 **(1)**	

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Revenue Requirement

Line No.	Particulars	Application				Per Board Decision	
1	OM&A Expenses	$7,633,900		$7,633,900		$7,633,900	
2	Amortization/Depreciation	$3,675,101		$3,675,101		$3,675,101	
3	Property Taxes	$129,000		$129,000		$129,000	
5	Income Taxes (Grossed up)	$209,226		$209,226		$209,226	
6	Other Expenses	$ -					
7	Return						
	Deemed Interest Expense	$1,350,921		$ -		$ -	
	Return on Deemed Equity	$2,438,035		$ -		$ -	
8	**Service Revenue Requirement (before Revenues)**	$15,436,183		$11,647,227		$11,647,227	
9	Revenue Offsets	$1,942,827		$ -		$ -	
10	**Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)**	$13,493,357		$11,647,227		$11,647,227	
11	Distribution revenue	$13,493,357		$ -		$ -	
12	Other revenue	$1,942,827		$ -		$ -	
13	**Total revenue**	$15,436,183		$ -		$ -	
14	**Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)**	$ -	(1)	($11,647,227)	(1)	($11,647,227)	(1)

Notes

(1) Line 11 - Line 8

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Tracking Form

The last row shown is the most current estimate of the cost of service data reflecting the original application and any updates provided by the applicant distributor (for updated evidence, responses to interrogatories, undertakings, etc.)
Please ensure a Reference (Column B) and/or Item Description (Column C) is entered. Please note that unused rows will automatically be hidden and the PRINT AREA set when the PRINT BUTTON on Sheet 1 is activated.
(1) Short reference to evidence material (interrogatory response, undertaking, exhibit number, Board Decision, Code, Guideline, Report of the Board, etc.)
(2) Short description of change, issue, etc.

60 Tracking Rows have been provided below. If you require more, please contact Industry Relations @ IndustryRelations@ontarioenergyboard.ca.

Summary of Proposed Changes

		Cost of Capital		Rate Base and Capital Expenditures			Operating Expenses			Revenue Requirement			
Reference (1)	Item / Description (2)	Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital Allowance ($)	Amortization / Depreciation	Taxes/PILs	OM&A	Service Revenue Requirement	Other Revenues	Base Revenue Requirement	Grossed up Revenue Deficiency / Sufficiency
	Original Application	$ 3,788,956	5.71%	$ 66,323,039	$ 43,280,266	$ 3,246,020	$ 3,675,101	$ 209,226	$ 7,633,900	$ 15,436,183	$ 1,942,827	$ 13,493,357	-$ 84,850

Appendix D – 2020 Test Year

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Version 6.00

Utility Name	Innisfil Hydro Distribution Systems Limited
Service Territory	
Assigned EB Number	EB-2016-0086 2020 Test Year
Name and Title	Brenda Pinke, Manager Regulatory and CDM
Phone Number	705-431-4321
Email Address	bpinke@innpower.com

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Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

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Notes:

(1)	Pale green cells represent inputs
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(3)	Pale yellow cells represent drop-down lists
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(5)	***Completed versions of the Revenue Requirement Work Form are required to be filed in working Microsoft Excel***

ntario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

ut [1]

	Initial Application	(2)			(6)			Per Board Decision	
Rate Base									
Gross Fixed Assets (average)	$81,287,013				$ 81,287,013			$81,287,013	
Accumulated Depreciation (average)	($14,833,184)	(5)			($14,833,184)			($14,833,184)	
Allowance for Working Capital:									
Controllable Expenses	$7,965,700				$ 7,965,700			$7,965,700	
Cost of Power	$37,117,414				$ 37,117,414			$37,117,414	
Working Capital Rate (%)	7.50%	(9)			7.50%	(9)		7.50%	(9)
Utility Income									
Operating Revenues:									
Distribution Revenue at Current Rates	$14,181,349								
Distribution Revenue at Proposed Rates	$13,986,316								
Other Revenue:									
Specific Service Charges	$180,200								
Late Payment Charges	$85,200								
Other Distribution Revenue	$2,021,137								
Other Income and Deductions	$ -								
Total Revenue Offsets	$2,286,537	(7)							
Operating Expenses:									
OM+A Expenses	$7,833,300				$ 7,833,300			$7,833,300	
Depreciation/Amortization	$4,073,356				$ 4,073,356			$4,073,356	
Property taxes	$132,400				$ 132,400			$132,400	
Other expenses									
Taxes/PILs									
Taxable Income:									
Adjustments required to arrive at taxable income	($1,889,819)	(3)							
Utility Income Taxes and Rates:									
Income taxes (not grossed up)	$179,489								
Income taxes (grossed up)	$244,203								
Federal tax (%)	15.00%								
Provincial tax (%)	11.50%								
Income Tax Credits									
Capitalization/Cost of Capital									
Capital Structure:									
Long-term debt Capitalization Ratio (%)	56.0%								
Short-term debt Capitalization Ratio (%)	4.0%	(8)				(8)			(8)
Common Equity Capitalization Ratio (%)	40.0%								
Prefered Shares Capitalization Ratio (%)									
	100.0%								
Cost of Capital									
Long-term debt Cost Rate (%)	3.52%								
Short-term debt Cost Rate (%)	1.65%								
Common Equity Cost Rate (%)	9.19%								
Prefered Shares Cost Rate (%)									

Data inputs are required on Sheets 3. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.
All inputs are in dollars ($) except where inputs are individually identified as percentages (%)
Data in column E is for Application as originally filed. For updated revenue requirement as a result of interrogatory responses, technical or settlement conferences, etc., use colimn M and Adjustments in column I
Net of addbacks and deductions to arrive at taxable income.
Average of Gross Fixed Assets at beginning and end of the Test Year
Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.
Select option from drop-down list by clicking on cell M10. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.
Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement
4.0% unless an Applicant has proposed or been approved for another amount.
The default Working Capital Allowance factor is 7.5% (of Cost of Power plus controllable expenses), per the letter issued by the Board on June 3, 2015. Alternatively, WCA factor based on lead-lag study or approved WCA factor for another distributor, with supporting rationale.

1

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Rate Base and Working Capital

Rate Base

Line No.	Particulars		Initial Application				Per Board Decision
1	Gross Fixed Assets (average)	(3)	$81,287,013	$ -	$81,287,013	$ -	$81,287,013
2	Accumulated Depreciation (average)	(3)	($14,833,184)	$ -	($14,833,184)	$ -	($14,833,184)
3	Net Fixed Assets (average)	(3)	$66,453,829	$ -	$66,453,829	$ -	$66,453,829
4	Allowance for Working Capital	(1)	$3,381,234	$ -	$3,381,234	$ -	$3,381,234
5	**Total Rate Base**		$69,835,062	$ -	$69,835,062	$ -	$69,835,062

(1) Allowance for Working Capital - Derivation

6	Controllable Expenses		$7,965,700	$ -	$7,965,700	$ -	$7,965,700
7	Cost of Power		$37,117,414	$ -	$37,117,414	$ -	$37,117,414
8	Working Capital Base		$45,083,114	$ -	$45,083,114	$ -	$45,083,114
9	Working Capital Rate %	(2)	7.50%	0.00%	7.50%	0.00%	7.50%
10	Working Capital Allowance		$3,381,234	$ -	$3,381,234	$ -	$3,381,234

Notes

(2) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 2016 cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015. Alternatively, a utility could conduct and file its own lead-lag study.

(3) Average of opening and closing balances for the year.

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Utility Income

Line No.	Particulars		Initial Application				Per Board Decision
	Operating Revenues:						
1	Distribution Revenue (at Proposed Rates)		$13,986,316	($13,986,316)	$ -	$ -	$ -
2	Other Revenue	(1)	$2,286,537	($2,286,537)	$ -	$ -	$ -
3	Total Operating Revenues		$16,272,853	($16,272,853)	$ -	$ -	$ -
	Operating Expenses:						
4	OM+A Expenses		$7,833,300	$ -	$7,833,300	$ -	$7,833,300
5	Depreciation/Amortization		$4,073,356	$ -	$4,073,356	$ -	$4,073,356
6	Property taxes		$132,400	$ -	$132,400	$ -	$132,400
7	Capital taxes		$ -	$ -	$ -	$ -	$ -
8	Other expense		$ -	$ -		$ -	
9	Subtotal (lines 4 to 8)		$12,039,056	$ -	$12,039,056	$ -	$12,039,056
10	Deemed Interest Expense		$1,422,457	($1,422,457)	$ -	$ -	$ -
11	Total Expenses (lines 9 to 10)		$13,461,513	($1,422,457)	$12,039,056	$ -	$12,039,056
12	**Utility income before income taxes**		$2,811,340	($14,850,396)	($12,039,056)	$ -	($12,039,056)
13	Income taxes (grossed-up)		$244,203	$ -	$244,203	$ -	$244,203
14	**Utility net income**		$2,567,137	($14,850,396)	($12,283,259)	$ -	($12,283,259)

Notes

Other Revenues / Revenue Offsets

Notes						
(1)	Specific Service Charges	$180,200		$ -		$ -
	Late Payment Charges	$85,200		$ -		$ -
	Other Distribution Revenue	$2,021,137		$ -		$ -
	Other Income and Deductions	$ -		$ -		$ -
	Total Revenue Offsets	$2,286,537	$ -	$ -	$ -	$ -

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Taxes/PILs

Line No.	Particulars	Application		Per Board Decision
	Determination of Taxable Income			
1	Utility net income before taxes	$2,567,137	$ -	$ -
2	Adjustments required to arrive at taxable utility income	($1,889,819)	$ -	($1,889,819)
3	Taxable income	$677,318	$ -	($1,889,819)
	Calculation of Utility income Taxes			
4	Income taxes	$179,489	$179,489	$179,489
6	Total taxes	$179,489	$179,489	$179,489
7	Gross-up of Income Taxes	$64,714	$64,714	$64,714
8	Grossed-up Income Taxes	$244,203	$244,203	$244,203
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	$244,203	$244,203	$244,203
10	Other tax Credits	$ -	$ -	$ -
	Tax Rates			
11	Federal tax (%)	15.00%	15.00%	15.00%
12	Provincial tax (%)	11.50%	11.50%	11.50%
13	Total tax rate (%)	26.50%	26.50%	26.50%

Notes

1

2

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Initial Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	56.00%	$39,107,635	3.52%	$1,376,366
2	Short-term Debt	4.00%	$2,793,402	1.65%	$46,091
3	**Total Debt**	60.00%	$41,901,037	3.39%	$1,422,457
	Equity				
4	Common Equity	40.00%	$27,934,025	9.19%	$2,567,137
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$27,934,025	9.19%	$2,567,137
7	**Total**	100.00%	$69,835,062	5.71%	$3,989,594
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	0.00%	$ -	0.00%	$ -
2	Short-term Debt	0.00%	$ -	0.00%	$ -
3	**Total Debt**	0.00%	$ -	0.00%	$ -
	Equity				
4	Common Equity	0.00%	$ -	0.00%	$ -
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	0.00%	$ -	0.00%	$ -
7	**Total**	0.00%	$69,835,062	0.00%	$ -
		Per Board Decision			
		(%)	($)	(%)	($)
	Debt				
8	Long-term Debt	0.00%	$ -	3.52%	$ -
9	Short-term Debt	0.00%	$ -	1.65%	$ -
10	**Total Debt**	0.00%	$ -	0.00%	$ -
	Equity				
11	Common Equity	0.00%	$ -	9.19%	$ -
12	Preferred Shares	0.00%	$ -	0.00%	$ -
13	**Total Equity**	0.00%	$ -	0.00%	$ -
14	**Total**	0.00%	$69,835,062	0.00%	$ -

Notes

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

1

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Revenue Deficiency/Sufficiency

		Initial Application				Per Board Decision	
Line No.	Particulars	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		($195,033)		($2,823,656)		$12,039,056
2	Distribution Revenue	$14,181,349	$14,181,349	$14,181,349	$16,809,972	$ -	($12,039,056)
3	Other Operating Revenue Offsets - net	$2,286,537	$2,286,537	$ -	$ -	$ -	$ -
4	**Total Revenue**	$16,467,886	$16,272,853	$14,181,349	$13,986,316	$ -	$ -
5	Operating Expenses	$12,039,056	$12,039,056	$12,039,056	$12,039,056	$12,039,056	$12,039,056
6	Deemed Interest Expense	$1,422,457	$1,422,457	$ -	$ -	$ -	$ -
8	**Total Cost and Expenses**	$13,461,513	$13,461,513	$12,039,056	$12,039,056	$12,039,056	$12,039,056
9	**Utility Income Before Income Taxes**	$3,006,373	$2,811,340	$2,142,293	$1,947,260	($12,039,056)	($12,039,056)
10	Tax Adjustments to Accounting Income per 2013 PILs model	($1,889,819)	($1,889,819)	($1,889,819)	($1,889,819)	$ -	$ -
11	**Taxable Income**	$1,116,554	$921,521	$252,474	$57,441	($12,039,056)	($12,039,056)
12	Income Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
13	**Income Tax on Taxable Income**	$295,887	$244,203	$66,906	$15,222	($3,190,350)	($3,190,350)
14	**Income Tax Credits**	$ -	$ -	$ -	$ -	$ -	$ -
15	**Utility Net Income**	$2,710,486	$2,567,137	$2,075,387	($12,283,259)	($8,848,706)	($12,283,259)
16	**Utility Rate Base**	$69,835,062	$69,835,062	$69,835,062	$69,835,062	$69,835,062	$69,835,062
17	Deemed Equity Portion of Rate Base	$27,934,025	$27,934,025	$ -	$ -	$ -	$ -
18	Income/(Equity Portion of Rate Base)	9.70%	9.19%	0.00%	0.00%	0.00%	0.00%
19	Target Return - Equity on Rate Base	9.19%	9.19%	0.00%	0.00%	0.00%	0.00%
20	Deficiency/Sufficiency in Return on Equity	0.51%	0.00%	0.00%	0.00%	0.00%	0.00%
21	Indicated Rate of Return	5.92%	5.71%	2.97%	0.00%	-12.67%	0.00%
22	Requested Rate of Return on Rate Base	5.71%	5.71%	0.00%	0.00%	0.00%	0.00%
23	Deficiency/Sufficiency in Rate of Return	0.21%	0.00%	2.97%	0.00%	-12.67%	0.00%
24	Target Return on Equity	$2,567,137	$2,567,137	$ -	$ -	$ -	$ -
25	Revenue Deficiency/(Sufficiency)	($143,349)	$ -	($2,075,387)	$ -	$8,848,706	$ -
26	**Gross Revenue Deficiency/(Sufficiency)**	($195,033) **(1)**		($2,823,656) **(1)**		$12,039,056 **(1)**	

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Revenue Requirement

Line No.	Particulars	Application				Per Board Decision	
1	OM&A Expenses	$7,833,300		$7,833,300		$7,833,300	
2	Amortization/Depreciation	$4,073,356		$4,073,356		$4,073,356	
3	Property Taxes	$132,400		$132,400		$132,400	
5	Income Taxes (Grossed up)	$244,203		$244,203		$244,203	
6	Other Expenses	$ -					
7	Return						
	Deemed Interest Expense	$1,422,457		$ -		$ -	
	Return on Deemed Equity	$2,567,137		$ -		$ -	
8	**Service Revenue Requirement (before Revenues)**	$16,272,853		$12,283,259		$12,283,259	
9	Revenue Offsets	$2,286,537		$ -		$ -	
10	**Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)**	$13,986,316		$12,283,259		$12,283,259	
11	Distribution revenue	$13,986,316		$ -		$ -	
12	Other revenue	$2,286,537		$ -		$ -	
13	**Total revenue**	$16,272,853		$ -		$ -	
14	**Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)**	$ -	(1)	($12,283,259)	(1)	($12,283,259)	(1)

Notes
(1) Line 11 - Line 8

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Tracking Form

The last row shown is the most current estimate of the cost of service data reflecting the original application and any updates provided by the applicant distributor (for updated evidence, responses to interrogatories, undertakings, etc.)
Please ensure a Reference (Column B) and/or Item Description (Column C) is entered. Please note that unused rows will automatically be hidden and the PRINT AREA set when the PRINT BUTTON on Sheet 1 is activated.
(1) Short reference to evidence material (interrogatory response, undertaking, exhibit number, Board Decision, Code, Guideline, Report of the Board, etc.)
(2) Short description of change, issue, etc.

60 Tracking Rows have been provided below. If you require more, please contact Industry Relations @ IndustryRelations@ontarioenergyboard.ca.

Summary of Proposed Changes

			Cost of Capital		Rate Base and Capital Expenditures			Operating Expenses			Revenue Requirement			
	Reference (1)	Item / Description (2)	Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital Allowance ($)	Amortization / Depreciation	Taxes/PILs	OM&A	Service Revenue Requirement	Other Revenues	Base Revenue Requirement	Grossed up Revenue Deficiency / Sufficiency
		Original Application	$ 3,989,594	5.71%	$ 69,835,062	$ 45,083,114	$ 3,381,234	$ 4,073,356	$ 244,203	$ 7,833,300	$ 16,272,853	$ 2,286,537	$ 13,986,316	-$ 195,033
1														
		Change												
1														

Appendix E – 2021 Test Year

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Version 6.00

Utility Name	Innisfil Hydro Distribution Systems Limited
Service Territory	
Assigned EB Number	EB-2016-0086 2021 Test Year
Name and Title	Brenda Pinke, Manager Regulatory and CDM
Phone Number	705-431-4321
Email Address	bpinke@innpower.com

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

Revenue Requirement Workform (RRWF) for 2016 Filers

1. Info
2. Table of Contents
3. Data_Input_Sheet
4. Rate_Base
5. Utility Income
6. Taxes_PILs
7. Cost_of_Capital
8. Rev_Def_Suff
9. Rev_Reqt
10. Tracking Sheet

Notes:

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Data Input [1]

		Initial Application	(2)		(6)		Per Board Decision	
1	**Rate Base**							
	Gross Fixed Assets (average)	$87,301,711		$ 87,301,711			$87,301,711	
	Accumulated Depreciation (average)	($17,782,507)	(5)	($17,782,507)			($17,782,507)	
	Allowance for Working Capital:							
	Controllable Expenses	$8,174,100		$ 8,174,100			$8,174,100	
	Cost of Power	$39,395,629		$ 39,395,629			$39,395,629	
	Working Capital Rate (%)	7.50%	(9)	7.50%	(9)		7.50%	(9)
2	**Utility Income**							
	Operating Revenues:							
	Distribution Revenue at Current Rates	$14,621,388						
	Distribution Revenue at Proposed Rates	$14,454,800						
	Other Revenue:							
	Specific Service Charges	$183,800						
	Late Payment Charges	$87,800						
	Other Distribution Revenue	$2,374,375						
	Other Income and Deductions	$ -						
	Total Revenue Offsets	$2,645,975	(7)					
	Operating Expenses:							
	OM+A Expenses	$8,038,200		$ 8,038,200			$8,038,200	
	Depreciation/Amortization	$4,476,550		$ 4,476,550			$4,476,550	
	Property taxes	$135,900		$ 135,900			$135,900	
	Other expenses							
3	**Taxes/PILs**							
	Taxable Income:							
	Adjustments required to arrive at taxable income	($1,924,616)	(3)					
	Utility Income Taxes and Rates:							
	Income taxes (not grossed up)	$201,946						
	Income taxes (grossed up)	$274,756						
	Federal tax (%)	15.00%						
	Provincial tax (%)	11.50%						
	Income Tax Credits							
4	**Capitalization/Cost of Capital**							
	Capital Structure:							
	Long-term debt Capitalization Ratio (%)	56.0%						
	Short-term debt Capitalization Ratio (%)	4.0%	(8)		(8)			(8)
	Common Equity Capitalization Ratio (%)	40.0%						
	Prefered Shares Capitalization Ratio (%)							
		100.0%						
	Cost of Capital							
	Long-term debt Cost Rate (%)	3.52%						
	Short-term debt Cost Rate (%)	1.65%						
	Common Equity Cost Rate (%)	9.19%						
	Prefered Shares Cost Rate (%)							

Notes:

General Data inputs are required on Sheets 3. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.

(1) All inputs are in dollars ($) except where inputs are individually identified as percentages (%)

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

(3) Net of addbacks and deductions to arrive at taxable income.

(4) Average of Gross Fixed Assets at beginning and end of the Test Year

(5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.

(6) Select option from drop-down list by clicking on cell M10. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.

(7) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement

(8) 4.0% unless an Applicant has proposed or been approved for another amount.

(9) The default Working Capital Allowance factor is 7.5% (of Cost of Power plus controllable expenses), per the letter issued by the Board on June 3, 2015. Alternatively, WCA factor based on lead-lag study or approved WCA factor for another distributor, with supporting rationale.

1

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Rate Base and Working Capital

Rate Base

Line No.	Particulars		Initial Application				Per Board Decision
1	Gross Fixed Assets (average)	(3)	$87,301,711	$ -	$87,301,711	$ -	$87,301,711
2	Accumulated Depreciation (average)	(3)	($17,782,507)	$ -	($17,782,507)	$ -	($17,782,507)
3	Net Fixed Assets (average)	(3)	$69,519,204	$ -	$69,519,204	$ -	$69,519,204
4	Allowance for Working Capital	(1)	$3,567,730	$ -	$3,567,730	$ -	$3,567,730
5	**Total Rate Base**		$73,086,933	$ -	$73,086,933	$ -	$73,086,933

(1) Allowance for Working Capital - Derivation

6	Controllable Expenses		$8,174,100	$ -	$8,174,100	$ -	$8,174,100
7	Cost of Power		$39,395,629	$ -	$39,395,629	$ -	$39,395,629
8	Working Capital Base		$47,569,729	$ -	$47,569,729	$ -	$47,569,729
9	Working Capital Rate %	(2)	7.50%	0.00%	7.50%	0.00%	7.50%
10	Working Capital Allowance		$3,567,730	$ -	$3,567,730	$ -	$3,567,730

Notes

(2) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for 2016 cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015. Alternatively, a utility could conduct and file its own lead-lag study.

(3) Average of opening and closing balances for the year.

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Utility Income

Line No.	Particulars		Initial Application				Per Board Decision
	Operating Revenues:						
1	Distribution Revenue (at Proposed Rates)		$14,454,800	($14,454,800)	$ -	$ -	$ -
2	Other Revenue	(1)	$2,645,975	($2,645,975)	$ -	$ -	$ -
3	Total Operating Revenues		$17,100,775	($17,100,775)	$ -	$ -	$ -
	Operating Expenses:						
4	OM+A Expenses		$8,038,200	$ -	$8,038,200	$ -	$8,038,200
5	Depreciation/Amortization		$4,476,550	$ -	$4,476,550	$ -	$4,476,550
6	Property taxes		$135,900	$ -	$135,900	$ -	$135,900
7	Capital taxes		$ -	$ -	$ -	$ -	$ -
8	Other expense		$ -	$ -		$ -	
9	Subtotal (lines 4 to 8)		$12,650,650	$ -	$12,650,650	$ -	$12,650,650
10	Deemed Interest Expense		$1,488,693	($1,488,693)	$ -	$ -	$ -
11	Total Expenses (lines 9 to 10)		$14,139,343	($1,488,693)	$12,650,650	$ -	$12,650,650
12	**Utility income before income taxes**		$2,961,432	($15,612,082)	($12,650,650)	$ -	($12,650,650)
13	Income taxes (grossed-up)		$274,756	$ -	$274,756	$ -	$274,756
14	**Utility net income**		$2,686,676	($15,612,082)	($12,925,406)	$ -	($12,925,406)

Notes	Other Revenues / Revenue Offsets					
(1)	Specific Service Charges	$183,800		$ -		$ -
	Late Payment Charges	$87,800		$ -		$ -
	Other Distribution Revenue	$2,374,375		$ -		$ -
	Other Income and Deductions	$ -		$ -		$ -
	Total Revenue Offsets	$2,645,975	$ -	$ -	$ -	$ -

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Taxes/PILs

Line No.	Particulars	Application		Per Board Decision
	Determination of Taxable Income			
1	Utility net income before taxes	$2,686,676	$ -	$ -
2	Adjustments required to arrive at taxable utility income	($1,924,616)	$ -	($1,924,616)
3	Taxable income	$762,060	$ -	($1,924,616)
	Calculation of Utility income Taxes			
4	Income taxes	$201,946	$201,946	$201,946
6	Total taxes	$201,946	$201,946	$201,946
7	Gross-up of Income Taxes	$72,810	$72,810	$72,810
8	Grossed-up Income Taxes	$274,756	$274,756	$274,756
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	$274,756	$274,756	$274,756
10	Other tax Credits	$ -	$ -	$ -
	Tax Rates			
11	Federal tax (%)	15.00%	15.00%	15.00%
12	Provincial tax (%)	11.50%	11.50%	11.50%
13	Total tax rate (%)	26.50%	26.50%	26.50%

Notes

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Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		Initial Application			
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	56.00%	$40,928,683	3.52%	$1,440,456
2	Short-term Debt	4.00%	$2,923,477	1.65%	$48,237
3	**Total Debt**	60.00%	$43,852,160	3.39%	$1,488,693
	Equity				
4	Common Equity	40.00%	$29,234,773	9.19%	$2,686,676
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	40.00%	$29,234,773	9.19%	$2,686,676
7	**Total**	100.00%	$73,086,933	5.71%	$4,175,369
		(%)	($)	(%)	($)
	Debt				
1	Long-term Debt	0.00%	$ -	0.00%	$ -
2	Short-term Debt	0.00%	$ -	0.00%	$ -
3	**Total Debt**	0.00%	$ -	0.00%	$ -
	Equity				
4	Common Equity	0.00%	$ -	0.00%	$ -
5	Preferred Shares	0.00%	$ -	0.00%	$ -
6	**Total Equity**	0.00%	$ -	0.00%	$ -
7	**Total**	0.00%	$73,086,933	0.00%	$ -
		Per Board Decision			
		(%)	($)	(%)	($)
	Debt				
8	Long-term Debt	0.00%	$ -	3.52%	$ -
9	Short-term Debt	0.00%	$ -	1.65%	$ -
10	**Total Debt**	0.00%	$ -	0.00%	$ -
	Equity				
11	Common Equity	0.00%	$ -	9.19%	$ -
12	Preferred Shares	0.00%	$ -	0.00%	$ -
13	**Total Equity**	0.00%	$ -	0.00%	$ -
14	**Total**	0.00%	$73,086,933	0.00%	$ -

Notes

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

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Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Revenue Deficiency/Sufficiency

		Initial Application				Per Board Decision	
Line No.	Particulars	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		($166,588)		($2,664,647)		$12,650,650
2	Distribution Revenue	$14,621,388	$14,621,388	$14,621,388	$17,119,447	$ -	($12,650,650)
3	Other Operating Revenue Offsets - net	$2,645,975	$2,645,975	$ -	$ -	$ -	$ -
4	**Total Revenue**	$17,267,364	$17,100,775	$14,621,388	$14,454,800	$ -	$ -
5	Operating Expenses	$12,650,650	$12,650,650	$12,650,650	$12,650,650	$12,650,650	$12,650,650
6	Deemed Interest Expense	$1,488,693	$1,488,693	$ -	$ -	$ -	$ -
8	**Total Cost and Expenses**	$14,139,343	$14,139,343	$12,650,650	$12,650,650	$12,650,650	$12,650,650
9	**Utility Income Before Income Taxes**	$3,128,020	$2,961,432	$1,970,738	$1,804,150	($12,650,650)	($12,650,650)
10	Tax Adjustments to Accounting Income per 2013 PILs model	($1,924,616)	($1,924,616)	($1,924,616)	($1,924,616)	$ -	$ -
11	**Taxable Income**	$1,203,404	$1,036,816	$46,122	($120,466)	($12,650,650)	($12,650,650)
12	Income Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
13	**Income Tax on Taxable Income**	$318,902	$274,756	$12,222	($31,923)	($3,352,422)	($3,352,422)
14	**Income Tax Credits**	$ -	$ -	$ -	$ -	$ -	$ -
15	**Utility Net Income**	$2,809,118	$2,686,676	$1,958,516	($12,925,406)	($9,298,228)	($12,925,406)
16	**Utility Rate Base**	$73,086,933	$73,086,933	$73,086,933	$73,086,933	$73,086,933	$73,086,933
17	Deemed Equity Portion of Rate Base	$29,234,773	$29,234,773	$ -	$ -	$ -	$ -
18	Income/(Equity Portion of Rate Base)	9.61%	9.19%	0.00%	0.00%	0.00%	0.00%
19	Target Return - Equity on Rate Base	9.19%	9.19%	0.00%	0.00%	0.00%	0.00%
20	Deficiency/Sufficiency in Return on Equity	0.42%	0.00%	0.00%	0.00%	0.00%	0.00%
21	Indicated Rate of Return	5.88%	5.71%	2.68%	0.00%	-12.72%	0.00%
22	Requested Rate of Return on Rate Base	5.71%	5.71%	0.00%	0.00%	0.00%	0.00%
23	Deficiency/Sufficiency in Rate of Return	0.17%	0.00%	2.68%	0.00%	-12.72%	0.00%
24	Target Return on Equity	$2,686,676	$2,686,676	$ -	$ -	$ -	$ -
25	Revenue Deficiency/(Sufficiency)	($122,442)	$ -	($1,958,516)	$ -	$9,298,228	$ -
26	**Gross Revenue Deficiency/(Sufficiency)**	($166,588) **(1)**		($2,664,647) **(1)**		$12,650,650 **(1)**	

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

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Revenue Requirement

Line No.	Particulars	Application				Per Board Decision	
1	OM&A Expenses	$8,038,200		$8,038,200		$8,038,200	
2	Amortization/Depreciation	$4,476,550		$4,476,550		$4,476,550	
3	Property Taxes	$135,900		$135,900		$135,900	
5	Income Taxes (Grossed up)	$274,756		$274,756		$274,756	
6	Other Expenses	$ -					
7	Return						
	Deemed Interest Expense	$1,488,693		$ -		$ -	
	Return on Deemed Equity	$2,686,676		$ -		$ -	
8	**Service Revenue Requirement (before Revenues)**	$17,100,775		$12,925,406		$12,925,406	
9	Revenue Offsets	$2,645,975		$ -		$ -	
10	**Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)**	$14,454,800		$12,925,406		$12,925,406	
11	Distribution revenue	$14,454,800		$ -		$ -	
12	Other revenue	$2,645,975		$ -		$ -	
13	**Total revenue**	$17,100,775		$ -		$ -	
14	**Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)**	$ -	(1)	($12,925,406)	(1)	($12,925,406)	(1)

Notes

(1) Line 11 - Line 8

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Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2016 Filers

Tracking Form

The last row shown is the most current estimate of the cost of service data reflecting the original application and any updates provided by the applicant distributor (for updated evidence, responses to interrogatories, undertakings, etc.)
Please ensure a Reference (Column B) and/or Item Description (Column C) is entered. Please note that unused rows will automatically be hidden and the PRINT AREA set when the PRINT BUTTON on Sheet 1 is activated.
(1) Short reference to evidence material (interrogatory response, undertaking, exhibit number, Board Decision, Code, Guideline, Report of the Board, etc.)
(2) Short description of change, issue, etc.

60 Tracking Rows have been provided below. If you require more, please contact Industry Relations @ IndustryRelations@ontarioenergyboard.ca.

Summary of Proposed Changes

			Cost of Capital		Rate Base and Capital Expenditures			Operating Expenses			Revenue Requirement			
	Reference (1)	Item / Description (2)	Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital Allowance ($)	Amortization / Depreciation	Taxes/PILs	OM&A	Service Revenue Requirement	Other Revenues	Base Revenue Requirement	Grossed up Revenue Deficiency / Sufficiency
		Original Application	$ 4,175,369	5.71%	$ 73,086,933	$ 47,569,729	$ 3,567,730	$ 4,476,550	$ 274,756	$ 8,038,200	$ 17,100,775	$ 2,645,975	$ 14,454,800	-$ 166,588
1														
		Change												