



EXHIBIT 4 – OPERATING EXPENSES

2019 Cost of Service

Lakeland Power Distribution Ltd.
EB-2018-0050

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4.1 OVERVIEW

4.1.1 BACKGROUND¹

Operations, Maintenance and Administrative ("OM&A") costs in this application represent Lakeland Power Distribution Ltd.'s ("LPDL") integrated set of asset maintenance and customer activity needs to meet public and employee safety objectives, to comply with the Distribution System Code ("DSC"), environmental requirements, Government direction, and to maintain distribution business service quality and reliability at targeted performance levels. These costs represent the reasonably incurred cost to provide services to customers connected to LPDL's distribution system, and to meet the service levels stipulated in the Standard Supply Service Code and Retailer Settlement Codes. LPDL's strategic direction focuses on 4 pillars:

- Environment, Health & Safety
- Team
- Customer
- Financial

LPDL believes that this focus allows the utility to achieve the performance outcomes of: (i) Customer Focus; (ii) Operational Effectiveness; (iii) Public and Regulatory Responsiveness; and (iv) Financial Performance, as outlined in the *'Report of the Board, Renewed Regulatory Framework for Electricity Distributors: A Performance Based Approach' ("RRFE")*, dated October 18, 2012.

OM&A expenses included in the calculation of a utility's revenue requirement are those determined to be reasonable in amount and necessary for and related to the provision of the utility service and benefits to the customers. OM&A expenses consist of the required

¹ MFR - Brief explanation of test year OM&A levels, cost drivers, significant changes, trends, inflation rate assumed, business environment changes

1 expenditures necessary to maintain and operate LPDL's distribution system assets; the costs
2 associated with metering, billing and collecting from its customers; the costs associated with
3 ensuring all stakeholders safety (public, employees, etc.); and costs to maintain the distribution
4 business service quality and reliability standards with the regulating bodies.

5 Administration costs and Regulatory issues for LPDL form a large portion of the OM&A costs
6 and are supported by corporate staff from Lakeland Holding Ltd. as well as Shared Services in
7 order to minimize the impact to the utility.

8 As required in the Affiliate Relationship Code ("ARC"), LPDL has one third of its Board of
9 Directors as independent directors.

10 With respect to inflation rate assumptions, the 2019 Test Year expenditures were budgeted
11 based on the actual expected costs, and not specifically based on an overall specified inflation
12 rate. Assumptions with respect to labour rates are provided in Section 4.4 Compensation.
13 Impacts on costs are items such as union contracts, material cost changes, filling of vacant
14 positions, enhancement of staff skill set and new programs for training, cybersecurity, asset
15 assessment and new technologies, offset by cost avoidance in staff position increases and
16 reduction of administration costs.

17 LPDL's proposed 2019 Test Year OM&A costs, excluding property taxes and Low Energy
18 Assistance Program ("LEAP"), are \$5,016,718. Details are summarized in Table 1: Summary of
19 Total OM&A-2013 Board Approved Proxy to 2019 Test Year below.

Table 1: Summary of Total OM&A-2013 Board Approved Proxy to 2019 Test Year

	2013 Board Approved Proxy	2013	2014	2015	2016	2017	2018	2019
Operations	\$275,081	\$357,710	\$359,120	\$320,991	\$340,160	\$322,743	\$338,084	\$365,081
Maintenance	\$1,244,017	\$1,174,647	\$1,329,762	\$1,334,895	\$1,292,351	\$1,348,677	\$1,445,494	\$1,473,726
SubTotal	\$1,519,098	\$1,532,357	\$1,688,882	\$1,655,887	\$1,632,510	\$1,671,420	\$1,783,578	\$1,838,807
%Change (year over year)		0.9%	10.2%	-2.0%	-1.4%	2.4%	6.7%	3.1%
%Change (Test Year vs Last Rebasng Year - Actual)								21.0%
Billing and Collecting	\$1,121,803	\$1,277,154	\$1,350,644	\$1,200,405	\$1,031,347	\$884,800	\$955,489	\$976,160
Community Relations	\$34,647	\$42,577	\$44,176	\$28,900	\$67,785	\$61,722	\$80,977	\$80,000
Administrative and General	\$2,060,355	\$2,315,011	\$2,039,371	\$2,196,058	\$2,100,820	\$1,962,788	\$2,104,224	\$2,166,750
LEAP Funding	\$9,104	\$6,127	\$9,293	\$12,097	\$9,175	\$9,175	\$10,000	\$10,000
SubTotal	\$3,225,909	\$3,640,869	\$3,443,483	\$3,437,459	\$3,209,127	\$2,918,484	\$3,150,690	\$3,232,910
%Change (year over year)		12.9%	-5.4%	-0.2%	-6.6%	-9.1%	8.0%	2.6%
%Change (Test Year vs Last Rebasng Year - Actual)								0.2%
Total	\$4,745,006	\$5,173,226	\$5,132,366	\$5,093,346	\$4,841,637	\$4,589,904	\$4,934,268	\$5,071,718
%Change (year over year)		9.0%	-0.8%	-0.8%	-4.9%	-5.2%	7.5%	2.8%
%Change (Test Year vs Last Rebasng Year - Actual)								6.9%

4.1.2 2013 BOARD APPROVED PROXY

On July 1, 2014, the former Parry Sound Power Corp. ("PSP") amalgamated with Lakeland Power Distribution Ltd. to form a new Lakeland Power Distribution Ltd. ("LPDL").

The last Board Approved OM&A amounts were established for each of these entities in the following Applications:

- LDPL – 2013 Cost of Service ("CoS"), EB-2012-0145
- PSP – 2011 Cost of Service ("CoS"), EB-2010-0140

As a result of the amalgamation, and in light of the fact that each of the former utilities had different rate basing years, LDPL has developed a 2013 Board Approved Proxy OM&A for comparative purposes. For purposes of this Exhibit, the 2013 Board Approved Proxy was calculated as the aggregate of:

- Former LPDL Board Approved OM&A for 2013, as approved in EB-2012-0145; and

- Former PSP Board Approved OM&A for 2011, as approved in EB-2010-0140, adjusted in 2012 and 2013 utilizing the Board Incentive Rate-making Mechanism ("IRM") inflation factors for each of those years for the former PSP (0.58% for 2012 and 1.08% for 2013)

Table 2: Computation of 2013 Board Approved Proxy below shows the calculation of the 2013 Board Approved Proxy.

Table 2: Computation of 2013 Board Approved Proxy

	Lakeland 2013 Board Approved	Parry Sound 2013 Board Approved Proxy	LPDL 2013 Board Approved Proxy	Former Parry Sound 2013 Board Approved Proxy		
				2011 Board Approved	2012 Proxy - IRM Factor 0.58%	2013 Proxy - IRM Factor 1.08%
Operations	\$ 197,000	\$ 78,081	\$ 275,081	\$ 76,801	\$ 77,246	\$ 78,081
Maintenance	\$ 876,046	\$ 367,971	\$1,244,017	\$ 361,940	\$ 364,039	\$ 367,971
Billing and Collecting	\$ 720,198	\$ 401,605	\$1,121,803	\$ 395,023	\$ 397,314	\$ 401,605
Community Relations	\$ 21,000	\$ 13,647	\$ 34,647	\$ 13,423	\$ 13,501	\$ 13,647
Administrative and General	\$1,373,626	\$ 686,729	\$2,060,355	\$ 675,474	\$ 679,392	\$ 686,729
LEAP Funding	\$ 6,127	\$ 2,977	\$ 9,104	\$ 2,928	\$ 2,945	\$ 2,977
Total OM&A Expenses	\$3,193,997	\$ 1,551,009	\$4,745,006	\$1,525,589	\$ 1,534,437	\$ 1,551,009

The actual costs in this exhibit represent the combined actual results for the two former entities in 2013 and for the new entity from 2014 through to 2019.

4.1.3 ACCOUNTING POLICY CHANGES AND MODIFIED INTERNATIONAL FINANCIAL REPORTING STANDARDS

Each of the former entities adopted capitalization and depreciation policies that were compliant with International Financial Reporting Standards.

The required accounting changes for depreciation and capitalization were adopted on January 1, 2012 for former LPDL and January 1, 2013 for former PSP. Upon amalgamation on July 1, 2014, the accounting policies for depreciation and capitalization were harmonized to be consistent with the policies of the former LPDL.

Both of the former entities followed Canadian Generally Accepted Accounting Principles ("CGAAP") in 2013 and 2014. Each of the entities adopted International Financial Reporting Standards effective January 1, 2015 with restatement to January 1, 2014. LPDL adopted Modified International Financial Reporting Standards ("MIFRS") for rate making purposes effective January 1, 2015 and follows the OEB's Accounting Procedures Handbook.

Where applicable, 2014 through 2019 Test Year are presented under MIFRS. There were no impacts with the adoption of MIFRS and details are in Exhibit 9, Deferral and Variance Accounts.

4.1.4 2019 TEST YEAR OM&A EXPENSE SUMMARY AND COST TRENDS

LPDL's 2019 Test Year OM&A expenses are \$5,071,718 including LEAP but excluding property taxes. A summary of OM&A expenses by type is presented in Table 3: 2019 Test Year OM&A Summary below.

Table 3: 2019 Test Year OM&A Summary

	2013 Board Approved Proxy	2013	2014	2015	2016	2017	2018	2019
Operations	\$275,081	\$357,710	\$359,120	\$320,991	\$340,160	\$322,743	\$338,084	\$365,081
Maintenance	\$1,244,017	\$1,174,647	\$1,329,762	\$1,334,895	\$1,292,351	\$1,348,677	\$1,445,494	\$1,473,726
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%Change (year over year)		0.9%	10.2%	-2.0%	-1.4%	2.4%	6.7%	3.1%
%Change (Test Year vs Last Rebasing Year - Actual)								21.0%
Billing and Collecting	\$1,121,803	\$1,277,154	\$1,350,644	\$1,200,405	\$1,031,347	\$884,800	\$955,489	\$976,160
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%Change (year over year)		12.9%	-5.4%	-0.2%	-6.6%	-9.1%	8.0%	2.6%
%Change (Test Year vs Last Rebasing Year - Actual)								0.2%
Total	\$4,745,006	\$5,173,226	\$5,132,366	\$5,093,346	\$4,841,637	\$4,589,904	\$4,934,268	\$5,071,718
%Change (year over year)		9.0%	-0.8%	-0.8%	-4.9%	-5.2%	7.5%	2.8%
%Change (Test Year vs Last Rebasing Year - Actual)								6.9%

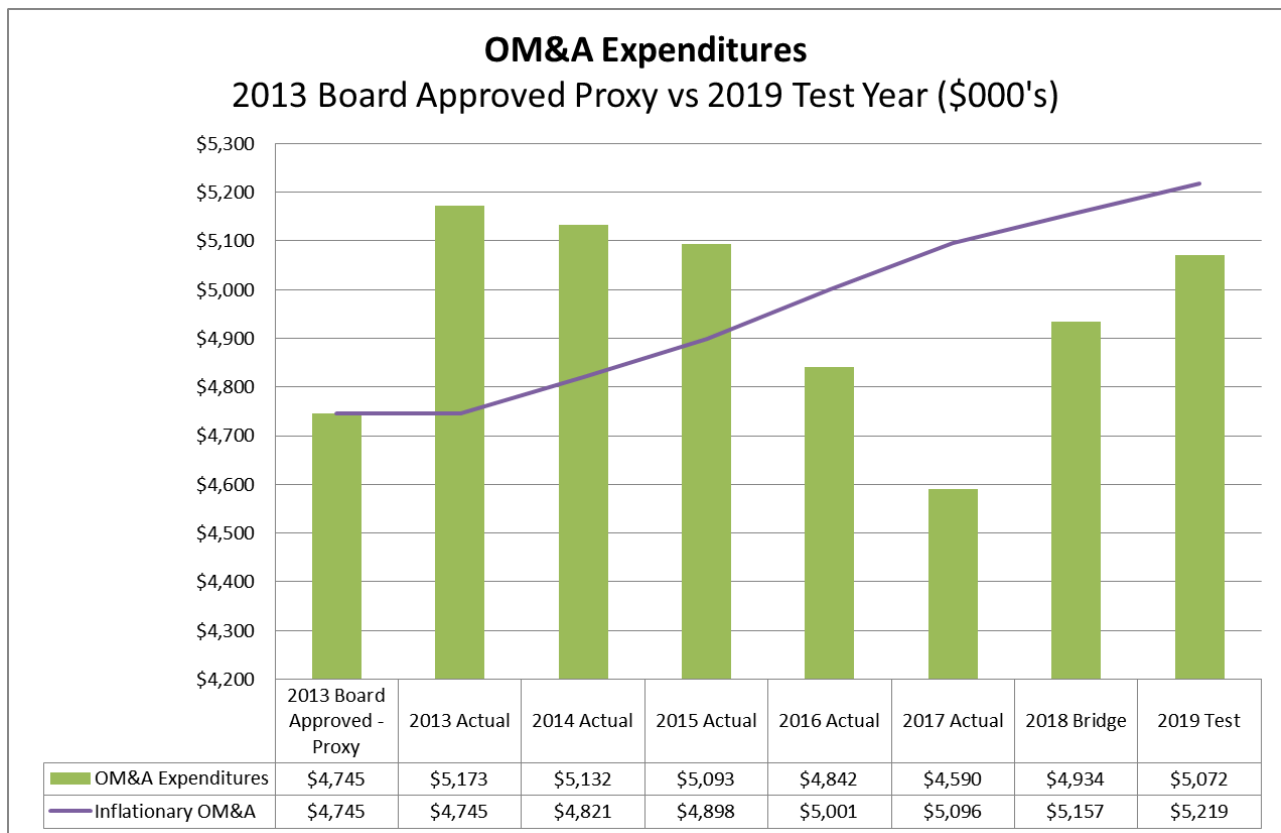
The proposed OM&A for 2019 Test Year is \$326,711 or 6.9% higher than the 2013 Board Approved Proxy with a compounded growth rate of 1.34% over the six years. The proposed OM&A for 2019 Test Year is lower than 2013 Actuals by \$(101,508) or a 2.0% reduction.

Actuals for 2013 were significantly higher than 2013 Board Approved Proxy as the former PSP had incurred incremental costs through the 2011-2013 period for outside service cost increases in finance/administration and large bad debt expense while LPDL experienced increased costs for IFRS conversion and costs spent on 2013 CoS process. The 2014-2016 period incurred costs

surrounding the amalgamation such as legal, regulatory and severance costs offset by synergy savings from headcount reductions and streamlining processes. 2017-2019 period costs reflect the persistent synergy savings, union and wage increases, increase in technology costs, and improved skill set through new hires as well as training.

Figure 1, presented below, illustrates the trend in OM&A expenditures using the OEB's inflation factors for each year from 2013 to 2019 on the 2013 Board Approved Proxy.

Figure 1: OM&A Expenditures – 2013 Board Approved Proxy Inflation Trend vs 2019 Test Year

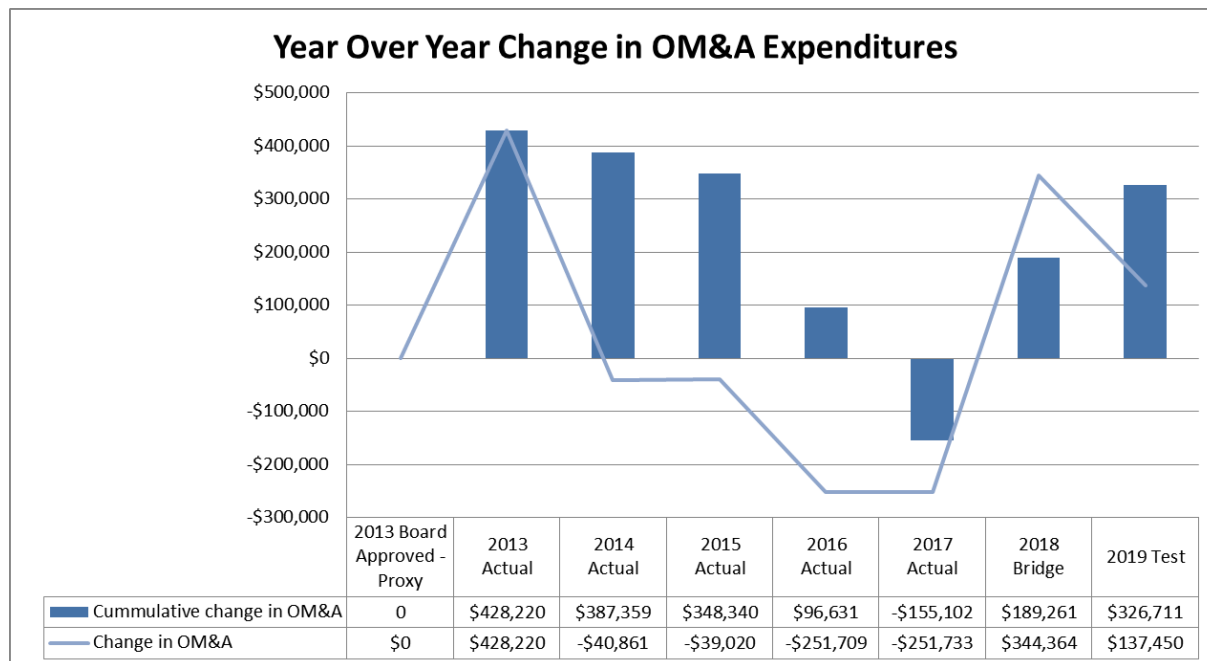


As shown above, LPDL's actual OM&A expenditures are approximately \$147 K less than a simplistic inflationary benchmark used by LPDL to assess its own cost control efforts, which indicates the operating efficiencies that LPDL has achieved through the amalgamation. The

initial OM&A synergy savings indicated in the MADD application, EB-2013-0427 & EB-2013-0428, were estimated at \$275 K (\$354 K net of interest expense changes of \$79 K). LPDL was able to achieve these savings and continue those through 2016 and 2017. Residual effects of the initial synergy savings remain within the OM&A expenses with the increase in 2018 onwards being the cumulative impact of inflationary pressures as well as changes to regulatory requirements surrounding items such as cybersecurity and headcount increases due to the complexity of the industry and innovation.

The year over year changes in OM&A expenditures is illustrated in Figure 2 below.

Figure 2: OM&A Expenditures – Year over Year Change and Cumulative Change



2013 Actual is the combination of the two former entities prior to amalgamation. Actuals for 2013 were significantly higher than 2013 Board Approved Proxy as the former PSP had incurred incremental costs through the 2011-2013 period for outside service cost increases in finance/administration and large bad debt expense while LPDL experienced increased costs for IFRS conversion and costs spent on 2013 CoS process. The amalgamation took place half way

1 through 2014 where the synergies began. 2015 through 2017, LPDL experienced the highest
2 level of synergy savings through consolidation of programs, workforce reduction and efficiency
3 improvements. The increase in 2018 is primarily due to the increased costs associated with the
4 preparation of the 2019 CoS, the introduction of cybersecurity training program, increasing
5 staffing skill set through improved hiring practices and training. The 2018 values are based on 6
6 months of actual data plus 6 months of forecasted data.

7 The increase in 2019 is primarily due to the new rate for pole line attachments from Hydro One,
8 as well as staffing and wage increases which are outlined in Section 4.4 Compensation.

9 In September 2017, the Board issued the 2016 Benchmarking Update for Determination of 2017
10 Stretch Factor Rankings. LPDL was assigned Cohort 3. Prior to the amalgamation, both of the
11 former entities were in Cohort 3. Based on the Report to the Energy Board *"Empirical Research
12 in Support of Incentive Rate Settings: 2016 Benchmarking Update"*, dated July 2017, LPDL's
13 OM&A cost percentage change between 2016 and 2015 was a decrease of -5.4% (industry
14 average was +3.23%). LPDL's cost performance was -11.6% in 2016 and for the period 2014-
15 2016, -7.0%, through the first stages of amalgamation. The average for the two respective
16 periods was -2.82% and -2.64%.

17 In August 2018, the Board issued the 2017 Benchmarking Update for Determination of 2018
18 Stretch Factor Rankings. LPDL was assigned Cohort 2, an improvement over prior years. Based
19 on the Report to the Energy Board *"Empirical Research in Support of Incentive Rate Settings: 2017
20 Benchmarking Update"*, dated August 2018, LPDL's OM&A cost percentage change between
21 2017 and 2016 was a decrease of -4.5% (industry average was -1.5%). This is on top of the
22 decline from 2015 to 2016. LPDL's cost performance was -16.1% in 2017 and for the period
23 2015-2017, -11.8%, through the final stages of amalgamation. This was a difference from the
24 2014-2016 period of -4.8%. Since 2013, LPDL has shown a steady improvement in cost
25 performance results.

1 Based on the Benchmarking_Spreadsheet_Forecast_Model ("PEG Model") completed and filed
2 (Exhibit 1), LPDL would move to Cohort 2 due to the embedded synergy savings residing in the
3 forecasted OM&A costs. The change is summarized below.

4

1

Table 4: Summary of Cost Benchmarking Results

		2017 (History)	2018 (Bridge)	2019 (Test Year)
Cost Benchmarking Summary				
	Actual Total Cost	9,405,604	9,892,048	10,210,132
	Predicted Total Cost	11,052,830	11,448,336	11,902,520
	Difference	(1,647,226)	(1,556,288)	(1,692,388)
	Percentage Difference (Cost Performance)	-16.1%	-14.6%	-15.3%
	Three-Year Average Performance			-15.4%
	Stretch Factor Cohort			
	Annual Result	2	2	2
	Three Year Average			2

2

3 The table (Table 5) below gives a summary of the changes to OM&A from LPDL's 2013
4 Board Approved Proxy to the 2019 Test Year.

5

1

Table 5: Overall OM&A Cost Trends

OM&A	2013
2013 Board Approved Proxy	\$4,745,006
Amalgamation savings	-\$267,630
Headcount changes and vacant positions	-\$366,190
Wage & merit increase	\$206,136
Vacant positions Offset - outside services - Corp Allocation	\$72,801
Bad debt	\$4,713
OH/UG Maintenance and Trouble Calls - PSP in disrepair	\$147,488
Information Systems Technology (Support/Licenses/IT security/GIS)	\$284,072
Increased utility bills for buildings	\$19,595
Tree trimming better contract pricing - larger area in 2015 (PS behind)	-\$23,901
SCADA system - maintenance contract/licenses	\$53,282
Joint Use Pole rental charge	\$36,685
Regulatory charges - intervenor charges/rate applications/OEB assessm	\$16,243
Transformer testing in Parry Sound & transformer disposal	\$23,492
Property insurance increase with full identification of assets	\$40,180
Innovation - Smart Grid/ EV research/MaRS	\$20,000
Collection of account charges removed - EB-2017-0183	\$55,000
Other	\$4,745
Closing Balance - 2019 Test Year	\$5,071,718

2

3 A detailed breakdown of the items above can be found in Section 4.2.

4

4.2 SUMMARY AND COST DRIVER TABLES

4.2.1 OVERVIEW OF BUDGETING PROCESS

LPDL prepares an annual budget that is reviewed by Senior Management, then presented to the Board of Directors for final approval. A 3-year business plan is also prepared at a higher overview to develop longer term goals and objectives including cashflow analysis to anticipate the future financial position.

In early August, each manager is asked to prepare an overview strategic objective for their specific areas focusing on the 4 pillars of:

- Environmental, Health & Safety
- Team
- Customers/Investment
- Financial

The strategies developed to obtain the overall objective of the company form the basis of the annual budget as well as the annual internal scorecard. Below is an example from the 2018 process:



Mission: Distribute electricity safely and reliably

Objective: Respecting the Natural Environment, Be one of Ontario's top performing distribution companies in customer service and reliability

Balance

Strategies to Obtain Objective

Environmental Health & Safety

- 1) Decommission Stations
- 4) Close PCB Storage Site
- 5) Conduct Customer Health & Safety Survey

Team

- 1) Technical Training
- 2) Innovation Advancement Training

Customers/Investments

- 1) Improve Customer Service: Communications
- 2) Smart Meter Change Outs
- 2) Conduct Annual Customer Satisfaction Surveys
- 3) Decrease Annual Number of Outages per Customer
- 4) Decrease Annual Number of Outage Hours per Customer
- 5) Meet/Exceed Approved Conservation Reduction Targets
- 6) OEB Cost of Service Application

Financial

- 1) Manage to Lowest Controllable Costs per Customer
- 2) EPower – Increase number of Customers on Paperless billing
- 3) Decrease System Lines Losses



2017 F = Forecast

<u>Balancing</u>	<u>Strategies to Obtain Objective & Goals</u>		<u>Key Performance Indicators</u>
<i>Environmental Health & Safety</i>	Environmental	2018 - 2021	Decommission older MS 1 & 2 stations in PSound - end of life & potential environmental hazard near water
	PCB Storage Site	2019	Close
	Customer H&S	2018 & 2020	Conduct mandated Customer H&S Survey
<i>Team</i>	Training & Succession	2018 & 2021 2018 - 2021	Technician Training Training on Innovation Advancements
<i>Customers</i>	Improve Customer Service	2018 2018 - 2021 2018-2021	Upgrade Online Portal Website, Twitter, etc. Improvements Customer Engagement Committee
	Smart Meter Change Outs	2018 2019	Meter Change Sampling Meter Test
	Customer Satisfaction	2017 & 2019	Conduct Survey Mandated by OEB
	Decrease annual number of outages per customer Top Quartile Baseline = 1 or <	2017F 2018 - 2021	0.27 (16 minutes) 1 or <
	Decrease annual number of outage hours per customer Top Quartile Baseline = 1 or <	2017F 2018 - 2021	0.34 1 or <

<u>Balancing</u>	<u>Objective & Goals</u>	<u>Key Performance Indicators</u>	
Customers	Approved Conservation Reduction Targets	2017F	7%
		2018	13%
		2019	13%
		2020	13%
	Ontario Energy Board's Cost of Service Application	2018	Application
		2019	New Rate Implementation
Financial	Manage to Lowest Controllable Costs per Customer	2017F	\$289
		2017	\$300
		2018	\$305
		2019	\$309
	<u>EPower</u> - Increase number of customers on paperless billing	2017F	18%
		2018	20%
		2019	22%
		2020	25%
	Decrease system line losses	2017F	5.0%
		2018	4.8%
		2019	4.6%
		2020	4.4%

1

2

3 LPDL's capital budget process is an essential planning tool to ensure proper resources are
4 available to maintain and grow its capital infrastructure. Each department has a key role and
5 responsibility for the preparation of the operating and capital budget, as shown below:

6 • Engineers and Operations Manager discuss current projects planned for the upcoming
7 year and long-range forecast. Project prioritization is then performed, and values
8 associated to the upcoming projects are estimated.

9 • Operations Manager presents a Preliminary Capital Budget and long-range forecast to
10 Senior Finance Management for feedback or revisions.

- 1 • Senior Management Team (CEO, CFO and COO) presents and recommends the
2 Preliminary Capital Budget and long-range forecast to the Board of Directors for
3 approval, feedback, or possible revisions if necessary.
 - 4 • It is the responsibility of the Board of Directors, on behalf of the stakeholders, to approve
5 the final Capital Budget and ensure LPDL abides to it.
 - 6 • Once final approval is achieved, the Board of Directors and Senior Management present
7 the final financial package to all shareholders.
- 8 Once the Board of Directors approve the annual budget, the budget amounts typically do not
9 change but provides a plan against which actual results may be evaluated.
- 10 LPDL performs a monthly Actual-to-Budget Review Process. This monthly review process
11 involves the following activities:
- 12 • Senior Finance presents the variances to the Operations Manager for validation.
 - 13 • Significant variances in capital and operating expenditures based on YTD results are
14 reviewed along with work plans to identify any changes that may have an impact on
15 actual expenditures.
 - 16 • A revised forecast is produced each month to account for major changes in operational
17 assumptions or new customer demand projects.
 - 18 • All significant variances are reported to the Board of Directors on a monthly basis by the
19 CFO.
 - 20 • If LPDL anticipates exceeding the Capital Budget by \$50,000 during the fiscal year, a
21 Capital Expenditure Report must be prepared and presented to the Board of Directors
22 for approval.

1 In addition to the needs of the capital infrastructure, LPDL also plans for the required operations
2 and maintenance of its assets considering both performance and safety.

3 LPDL compiles budget information for the three major components of the budgeting process:

- 4 • Revenue forecast
- 5 • Operating, Maintenance, and Administration ("OM&A") expense forecast
- 6 • Capital Budget forecast

7 OM&A

8 The OM&A budget is based on in-depth review of operating priorities and requirements and is
9 strongly influenced by prior year experience, year to date results and expected changes for the
10 forecast period. Each item is reviewed by account for each of the forecast years.

11 Capital Budget

12 LPDL's DSP identifies the capital projects that are planned to be completed over a five year
13 period, based on the best information available at this time. Using GIS and Operational
14 software, LPDL has completed a high level review of current assets and their age and has
15 reviewed strategies in dealing with maintenance and capital improvements. From this review
16 and system inspection results, LPDL has identified various aged assets that require replacement
17 to ensure safe and reliable delivery of electricity. The capital budget forecast is significantly
18 influenced by growth, customer requests, reliability, support systems, and the conversion of a
19 significantly aging infrastructure. LPDL acknowledges that, where priority of projects change, or
20 outside factors influence change, LPDL may be required to re-evaluate its capital forecast.

1 4.2.2 SUMMARY OF RECOVERABLE OM&A EXPENDITURES

- 2 LPDL follows the OEB's Accounting Procedures Handbook ("APH") and a summary of LPDL's
3 OM&A expenditures in Board Appendix 2-JA format is below:

1

Table 6: Appendix 2-JA – Summary of Recoverable OM&A Expenses²

	2013 Board Approved Proxy	2013	2014	2015	2016	2017	2018	2019
Operations	\$275,081	\$357,710	\$359,120	\$320,991	\$340,160	\$322,743	\$338,084	\$365,081
Maintenance	\$1,244,017	\$1,174,647	\$1,329,762	\$1,334,895	\$1,292,351	\$1,348,677	\$1,445,494	\$1,473,726
SubTotal	\$1,519,098	\$1,532,357	\$1,688,882	\$1,655,887	\$1,632,510	\$1,671,420	\$1,783,578	\$1,838,807
%Change (year over year)		0.9%	10.2%	-2.0%	-1.4%	2.4%	6.7%	3.1%
%Change (Test Year vs Last Rebasng Year - Actual)								21.0%
Billing and Collecting	\$1,121,803	\$1,277,154	\$1,350,644	\$1,200,405	\$1,031,347	\$884,800	\$955,489	\$976,160
Community Relations	\$34,647	\$42,577	\$44,176	\$28,900	\$67,785	\$61,722	\$80,977	\$80,000
Administrative and General	\$2,060,355	\$2,315,011	\$2,039,371	\$2,196,058	\$2,100,820	\$1,962,788	\$2,104,224	\$2,166,750
LEAP Funding	\$9,104	\$6,127	\$9,293	\$12,097	\$9,175	\$9,175	\$10,000	\$10,000
SubTotal	\$3,225,909	\$3,640,869	\$3,443,483	\$3,437,459	\$3,209,127	\$2,918,484	\$3,150,690	\$3,232,910
%Change (year over year)		12.9%	-5.4%	-0.2%	-6.6%	-9.1%	8.0%	2.6%
%Change (Test Year vs Last Rebasng Year - Actual)								0.2%
Total	\$4,745,006	\$5,173,226	\$5,132,366	\$5,093,346	\$4,841,637	\$4,589,904	\$4,934,268	\$5,071,718
%Change (year over year)		9.0%	-0.8%	-0.8%	-4.9%	-5.2%	7.5%	2.8%
%Change (Test Year vs Last Rebasng Year - Actual)								6.9%

	2013 Board Approved Proxy	2013	2014	2015	2016	2017	2018	2019
Operations	\$275,081	\$357,710	\$359,120	\$320,991	\$340,160	\$322,743	\$338,084	\$365,081
Maintenance	\$1,244,017	\$1,174,647	\$1,329,762	\$1,334,895	\$1,292,351	\$1,348,677	\$1,445,494	\$1,473,726
Billing and Collecting	\$1,121,803	\$1,277,154	\$1,350,644	\$1,200,405	\$1,031,347	\$884,800	\$955,489	\$976,160
Community Relations	\$34,647	\$42,577	\$44,176	\$28,900	\$67,785	\$61,722	\$80,977	\$80,000
Administrative and General	\$2,060,355	\$2,315,011	\$2,039,371	\$2,196,058	\$2,100,820	\$1,962,788	\$2,104,224	\$2,166,750
LEAP Funding	\$9,104	\$6,127	\$9,293	\$12,097	\$9,175	\$9,175	\$10,000	\$10,000
Total	\$4,745,006	\$5,173,226	\$5,132,366	\$5,093,346	\$4,841,637	\$4,589,904	\$4,934,268	\$5,071,718
%Change (year over year)		9.0%	-0.8%	-0.8%	-4.9%	-5.2%	7.5%	2.8%

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² MFR - Summary of recoverable OM&A expenses; Appendix 2-JA

Table 6: Appendix 2-JA – Summary of Recoverable OM&A Expenses(cont'd)

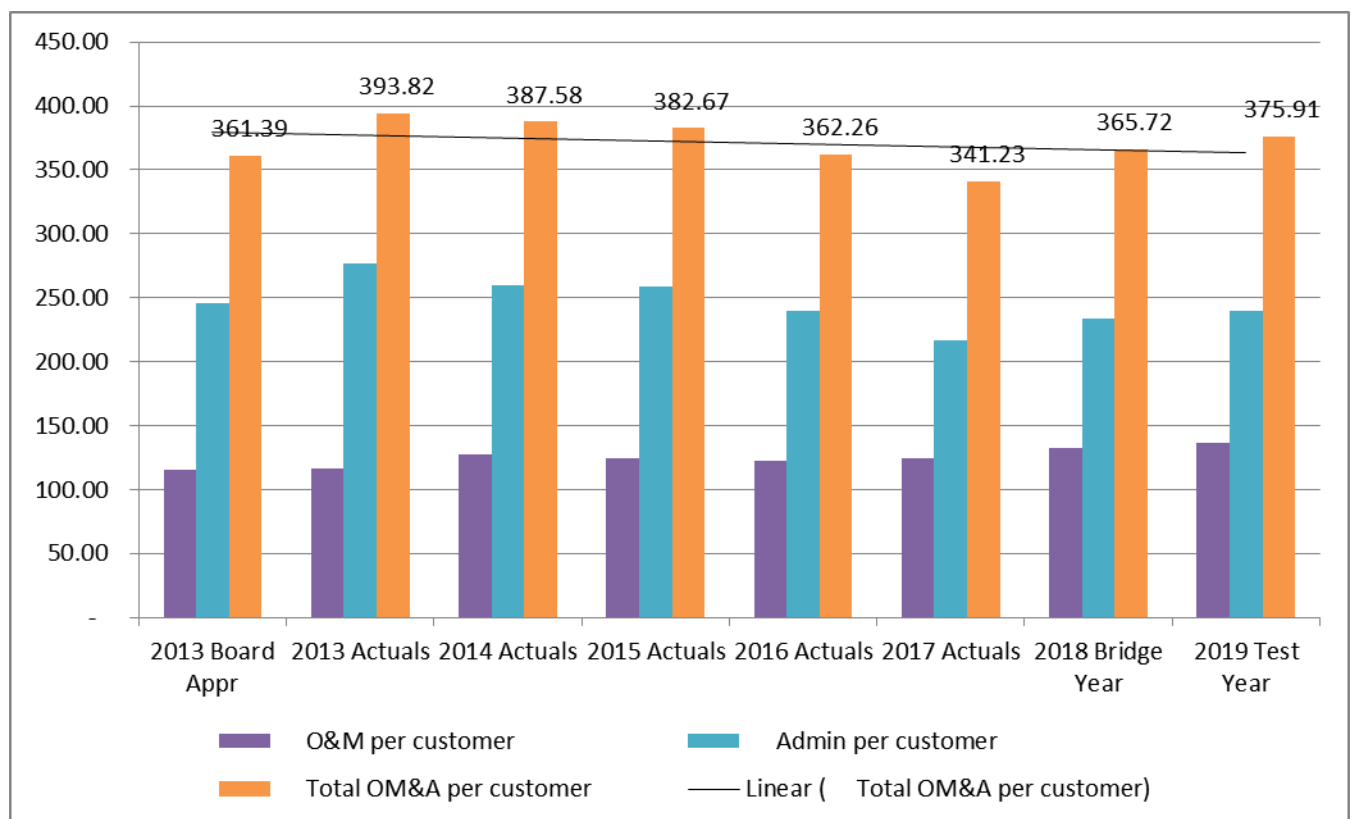
	2013 Board- Approved Proxy	2013 Actuals	Variance 2013 Board- approved – 2013 Actuals	2014 Actuals	Variance 2014 Actuals vs. 2013 Actuals	2015 Actuals	Variance 2015 Actuals vs. 2014 Actuals	2016 Actuals	Variance 2016 Actuals vs. 2015 Actuals	2017 Actuals	Variance 2017 Actuals vs. 2016 Actuals	2018 Bridge Year	Variance 2018 Bridge vs. 2017 Actuals	2019 Test Year	Variance 2019 Test vs. 2018 Bridge
Operations	\$ 275,081	\$ 357,710	\$ 82,630	\$ 359,120	\$ 1,410	\$ 320,991	\$ 38,129	\$ 340,160	\$ 19,168	\$ 322,743	\$ 17,417	\$ 338,084	\$ 15,341	\$ 365,081	\$ 26,997
Maintenance	\$ 1,244,017	\$ 1,174,647	\$ 69,370	\$ 1,329,762	\$ 155,115	\$ 1,334,895	\$ 5,134	\$ 1,292,351	\$ 42,545	\$ 1,348,677	\$ 56,326	\$ 1,445,494	\$ 96,817	\$ 1,473,726	\$ 28,232
Billing and Collecting	\$ 1,121,803	\$ 1,277,154	\$ 155,351	\$ 1,350,644	\$ 73,490	\$ 1,200,405	\$ 150,239	\$ 1,031,347	\$ 169,057	\$ 884,800	\$ 146,547	\$ 955,489	\$ 70,689	\$ 976,160	\$ 20,671
Community Relations	\$ 34,647	\$ 42,577	\$ 7,931	\$ 44,176	\$ 1,599	\$ 28,900	\$ 15,276	\$ 67,785	\$ 38,884	\$ 61,722	\$ 6,063	\$ 80,977	\$ 19,255	\$ 80,000	\$ 977
Administrative and General	\$ 2,060,355	\$ 2,315,011	\$ 254,655	\$ 2,039,371	\$ 275,640	\$ 2,196,058	\$ 156,687	\$ 2,100,820	\$ 95,238	\$ 1,962,788	\$ 138,032	\$ 2,104,224	\$ 141,436	\$ 2,166,750	\$ 62,526
LEAP Funding	\$ 9,104	\$ 6,127	\$ 2,977	\$ 9,293	\$ 3,166	\$ 12,097	\$ 2,804	\$ 9,175	\$ 2,922	\$ 9,175	\$ -	\$ 10,000	\$ 825	\$ 10,000	\$ -
Total OM&A Expenses	\$ 4,745,006	\$ 5,173,226	\$ 428,220	\$ 5,132,366	\$ 40,861	\$ 5,093,346	\$ 39,020	\$ 4,841,637	\$ 251,709	\$ 4,589,904	\$ 251,733	\$ 4,934,268	\$ 344,364	\$ 5,071,718	\$ 137,450
Adjustments for Total non-recoverable items (from Appendices 2-JA and 2-JB)															
Total Recoverable OM&A Expenses	\$ 4,745,006	\$ 5,173,226	\$ 428,220	\$ 5,132,366	\$ 40,861	\$ 5,093,346	\$ 39,020	\$ 4,841,637	\$ 251,709	\$ 4,589,904	\$ 251,733	\$ 4,934,268	\$ 344,364	\$ 5,071,718	\$ 137,450
Variance from previous year				\$ 40,861		\$ 39,020		\$ 251,709		\$ 251,733		\$ 344,364		\$ 137,450	
Percent change (year over year)				-1%		-1%		-5%		-5%		8%		3%	
Percent Change: Test year vs. Most Current Actual										10.50%					
Simple average of % variance for all years										-1.96%					-0.23%
Compound Annual Growth Rate for all years															-0.28%
Compound Growth Rate (2013 vs. 2017 Actuals)										-2.36%					

While the volatility year over year can be high especially in G&A costs, the general trend from 2013 Board Approved Proxy to 2019 Test Year has been a slight increase. Much of the volatility in G&A was due to severance packages paid in 2015 and 2016, in Maintenance it was the failures/repairs in the PSP area after storms and during routine inspections and in Billing and Collecting, the decline was due to the loss in headcount.

4.2.3 OM&A COST PER CUSTOMER AND FULL-TIME EQUIVALENT

OM&A per Customer for the 2013 Board Approved Proxy was \$361.39. For the 2018 Bridge Year, the OM&A per customer is \$365.72, a 1.2% increase over the 2013 Board Approved Proxy, while the OM&A per customer for 2019 Test Year is \$375.91, a 4.0% increase. When a comparison is made of the actual 2013 OM&A per customer before the amalgamation (\$393.82 per customer), the 2019 Test Year value is an improvement of 4.5% or \$17.91 per customer.

Figure 3: OM&A Cost per Customer



1 Table 7: Appendix 2-L – Recoverable OM&A Per Customer and Per FTE is a summary of the
2 OM&A Cost per Customer as well as the OM&A Cost per Full Time Equivalent ("FTE"). The
3 values used for the Number of Customers is the average for each metered rate class (Residential,
4 GS<50 kW & GS>50 kW) and matches the load forecast values as well as the values used in
5 Appendix 2-IB. The values used for Number of FTE's is consistent with the values used in
6 Section 4.4 – Compensation and in Appendix 2-K as is the average for the year.

7 The improvement in Customers/FTE for 2019 Test Year over 2013 Board Approved Proxy is 34%
8 (449.66 versus 602.32). This was achieved partially through customer growth (2.8%), the balance
9 through the amalgamation process and the streamlining of positions, particularly in the Billing
10 area (31.2%). More focus has been on Operations and Maintenance which resulted in an
11 increase in O&M per customer of 18% while Administration expenses per customer were
12 reduced by 2%. On a per FTE basis, Total OM&A per FTE has increased due to the significant
13 reduction in FTE complement, down 23%.

14

Table 7: Appendix 2-L – Recoverable OM&A Per Customer and Per FTE

	2013 Board Appr	2013 Actuals	2014 Actuals	2015 Actuals	2016 Actuals	2017 Actuals	2018 Bridge Year	2019 Test Year
Reporting Basis	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
OM&A Costs								
O&M	\$ 1,519,098	\$ 1,532,357	\$ 1,688,882	\$ 1,655,887	\$ 1,632,510	\$ 1,671,420	\$ 1,783,578	\$ 1,838,807
Admin Expenses	\$ 3,225,909	\$ 3,640,869	\$ 3,443,483	\$ 3,437,459	\$ 3,209,127	\$ 2,918,484	\$ 3,150,690	\$ 3,232,910
Total Recoverable OM&A from	\$ 4,745,006	\$ 5,173,226	\$ 5,132,366	\$ 5,093,346	\$ 4,841,637	\$ 4,589,904	\$ 4,934,268	\$ 5,071,718
Number of Customers ^{2,4}	13,130	13,136	13,242	13,310	13,365	13,451	13,492	13,492
Number of FTEs ^{3,4}	29.2	26	25	22.8	20.8	20.3	20.5	22.4
Customers/FTEs	449.66	505.23	529.68	583.77	642.55	662.61	658.15	602.32
OM&A cost per customer								
O&M per customer	115.70	116.65	127.54	124.41	122.15	124.26	132.20	136.29
Admin per customer	245.69	277.17	260.04	258.26	240.11	216.97	233.52	239.62
Total OM&A per customer	361.39	393.82	387.58	382.67	362.26	341.23	365.72	375.91
OM&A cost per FTE								
O&M per FTE	52,023.89	58,936.82	67,555.29	72,626.61	78,486.07	82,335.94	87,003.79	82,089.61
Admin per FTE	110,476.33	140,033.41	137,739.34	150,765.76	154,284.95	143,767.71	153,692.20	144,326.36
Total OM&A per FTE	162,500.22	198,970.24	205,294.62	223,392.37	232,771.02	226,103.65	240,695.98	226,415.97

4.2.4 COST DRIVERS

Board Appendix 2-JB represented in Table 8: Appendix 2-JB – Cost Driver Table below, lists the cost drivers that affected the movement in OM&A costs from the 2013 Board Approved Proxy to the 2019 Test Year. The overall change in OM&A within the 6 year period is \$326,711 or 6.9% when compared to 2013 Board Approved Proxy. The larger drivers are related to the amalgamation as well as the increased reliance and support required from Information Technology including cybersecurity.

Table 8: Appendix 2-JB – Cost Driver Table

<i>Reporting Basis</i>	CGAAP	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
OM&A	2013	2014	2015	2016	2017	2018	2019
Opening Balance - 2013 Board Approved Proxy	\$4,745,006	\$5,173,226	\$5,132,366	\$5,093,346	\$4,841,637	\$4,589,904	\$4,934,268
Merger/Integration costs	\$145,000	-\$50,428	\$10,436	-\$105,008			
Amalgamation savings			-\$129,952	-\$9,460	-\$128,218		
Headcount changes and vacant positions	-\$87,890	-\$88,819	-\$97,817	-\$90,915	-\$214,370	\$82,738	\$132,663
Wage & merit increase		\$35,325	\$36,420	\$34,441	\$34,245	\$31,482	\$34,223
Vacant positions Offset - outside services - Corp Allocation	\$73,737	-\$22,083	\$70,516	-\$129,373	\$114,269	\$51,944	-\$86,209
Bad debt	\$116,174	-\$17,709	-\$73,892	-\$1,848	-\$18,776	\$2,472	-\$1,708
OH/UG Maintenance and Trouble Calls - PSP in disrepair	\$97,844	\$47,743	-\$52,329	-\$32,162	\$65,352	\$4,193	\$16,846
Information Systems Technology (Support/Licenses/IT security/GIS)	\$27,393	\$135,874	\$54,736	-\$5,143	\$3,530	\$67,682	\$0
Increased utility bills for buildings	\$15,281	\$6,456	\$4,850	\$8,196	-\$7,188	-\$8,000	
Tree trimming better contract pricing - larger area in 2015 (PS behind)	-\$59,274	\$9,514	\$20,010	-\$59,019	\$11,014	\$53,854	
SCADA system - maintenance contract/licenses		\$37,052				\$16,230	
Joint Use Pole rental charge		\$13,456	-\$7,986	\$10,328			\$20,887
Regulatory charges - intervenor charges/rate applications/OEB assessment	\$60,646	-\$76,643	-\$50,957	\$15,110	\$19,809	\$27,529	\$20,749
Transformer testing in Parry Sound & transformer disposal				\$93,975	-\$70,483		
Union negotiations	\$20,809	-\$20,809					
IFRS audit increase & dual audit - 5630	\$18,500	-\$18,500	\$15,000	-\$15,000			
Property insurance increase with full identification of assets				\$40,180			
Innovation - Smart Grid/ EV research/MaRS					\$20,000		
PS Office damage - clean up					\$36,645	-\$36,645	
OPEB - Valuation		-\$31,290	\$156,742	-\$105,297	-\$15,409		
OPEB Valuation			\$5,203	\$99,285	-\$102,153	-\$2,335	
Collection of account charges removed - EB-2017-0183						\$53,220	
Closing Balance	\$5,173,226	\$5,132,366	\$5,093,346	\$4,841,637	\$4,589,904	\$4,934,268	\$5,071,719

On a summarized level taking into account a materiality threshold of \$50,000, Table 9: Overall OM&A Cost Drivers lists the major cost drivers with a discussion following of each.

Table 9: Overall OM&A Cost Drivers

OM&A Cost Drivers	
2013 Board Approved Proxy	\$4,745,006
Amalgamation savings	-\$425,630
General wage increases & Headcount changes	\$72,527
OH/UG Maintenance and Trouble Calls - PSP in disrepair	\$170,980
Information Systems Technology (Support/Licenses/IT security/GIS)	\$284,072
Joint Use Pole rental charge	\$36,685
SCADA system - maintenance contract/licences	\$53,282
Other under \$50,000	\$134,795
Closing Balance - 2019 Test Year	\$5,071,718

Amalgamation Savings:

Through the amalgamation of LPDL with PSP, the resulting annual savings are \$425,630. The largest part of this represents the synergy savings from merging billing systems and outside crew efficiencies. In total, 6.8 positions were eliminated due to the realigning of job tasks, elimination of duplicate positions, and retirements. The reduction in headcount also takes into account the increase in Shared Services and Corporate Allocation to compensate for vacant positions. These positions were identified in LPDL's last CoS however they were not filled pending the amalgamation in the anticipation that incoming staff would possess the required skill set. As this was not the case, corporate support has provided the additional support for functions such as Regulatory (rate applications and RRR filings), operation administration support, engineering and human resources. The details outlining Corporate Allocation and Shared Services can be found in Section 4.5. Operational efficiencies included the reduction in tree trimming costs due to better contracting, merging of billing system reducing service

contract costs, and reduction in audit fees. In LPDL's MADD Application, EB-2013-0427 & EB-2013-0428, \$354,000 of annual synergy savings were identified including interest rate reduction, leading to OM&A identified synergy savings of \$275,250. LPDL has met this target.

• Reduction in Headcount	\$(366,190)
• Offset utilizing Corporate resources	\$ 72,801
• Wage increase due to realignment	\$ 158,000
• Operational efficiencies	\$(290,241)

Wage & Merit increase:

LPDL incurs an annual wage increase for all employees. For unionized employees, it is through the collective agreement covering the period January 1, 2016 to December 31, 2019. The specifics are outlined in Section 4.4.4 Compensation – Union. Non-Union employees compensation levels are reviewed annually and are based on individual performance, cost of living, comparative ratios and market rates. Details of the process are outlined in Section 4.4.4 Compensation – Non-Union. The year over year total increase due to wage increases in the period 2013-2019 is \$206,136. These increases were offset by the reduction in headcount as indicated under amalgamation savings and would have been incremental to OM&A expenditures had the amalgamation not occurred.

Overhead and Underground Maintenance & Trouble Calls:

The growth in costs surrounding maintenance and specifically trouble calls, is \$170,980 between 2013 Board Approved Proxy and 2019 Test Year. Operations and maintenance expenses include all costs relating to the operation and maintenance of LPDL's distribution system which are necessary in order to keep the distribution system in a state of good repair. The work typically involves inspection, testing, cleaning, and verification activities.

LPDL strives to provide safe, reliable service while minimizing the life cycle costs of assets by doing predictive and preventative work. Maintenance work helps to identify those areas that require capital investments. LPDL is then able to adjust capital spending priorities to address these matters. This process is described in more detail in LPDL's Distributions System Plan ("DSP"), found in Exhibit 2.

LPDL places a high priority on the upkeep and replacement of its aging infrastructure. Asset management leads to increases in operational costs. Distribution equipment that was placed in service over 40 years ago, in many cases, has reached its normal useful life. Customer expectations for reliability have increased over time and as new technology is added to the system, it can only perform on a solid base of well-maintained distribution infrastructure. Thus, investment in replacement equipment along with its associated operational costs has become a continuous reality for LPDL as it commits to satisfying the essential community needs. The bulk of the increase in costs is the poor condition of the assets in the Parry Sound area. In prior years, the ongoing inspection and maintenance of the existing distribution plant had been neglected. This is being addressed through measured capital spending as well as ongoing inspection and preventative maintenance. As the failures are widespread, the full recovery will take place over many years resulting in an incremental cost in 2019 Test Year onwards. In addition, transformers in the Parry Sound area had not been tested nor properly identified and disposed of. A program for testing and disposal is now in place to address all transformers over a period of time.

Underground maintenance	\$ 47,513
Overhead maintenance/Storm/Trouble	\$ 82,975
Transformer inspection/testing	\$ 23,492
Meters	\$ 17,000

Information Systems Technology:

1 With the increase in technology comes an increase in support costs as well as licensing and
2 software maintenance contracts. LPDL has implemented a number of new software programs to
3 enhance timely and more accurate information. GIS systems have been implemented to
4 inventory and track all assets and map the entire system. SCADA has been implemented in
5 order to manage and identify outages both to assign crews effectively and efficiently as well as
6 to notify customers. A fully functional IVR system is in place to track customer calls for reporting
7 as well as providing the capability to broadcast notifications to customers of system outages.
8 LPDL has also implemented a robust work management system. To support health & safety as
9 well as items such as WSIB compliance and regulatory codes, LPDL has implemented
10 Springboard/Compliance Science to ensure all employees are aware and trained on items such
11 as WHIMIS, Codes, and all company policies. Cybersecurity has become a large focus in the past
12 few years. Support staff are working to implement the OEB Cybersecurity framework and
13 programs with expected averaged annual costs of \$50,000. LPDL will be required to be
14 compliant with the new OEB Cyber Security Framework as part of their license to sell electricity
15 in Ontario.

16 In 2018 to early 2019, we will complete our WISP (Written Information Security Program) which
17 contains our formal policies in regards to cyber security and privacy. The WISP is designed to
18 meet the OEB Cyber Security Framework requirements and is structured on the NIST
19 Cybersecurity Framework.

20 The policies in our WISP will require a number of new hardware and software solutions to be
21 implemented, including the following:

- 22 • A new or upgraded change management systems.
- 23 • Security Incident and Event Management (SIEM) system.
- 24 • Cyber IDS & IPS (Intrusion Detection and Prevention System)
- 25 • An upgraded building alarm system for our offices.
- 26 • Server Room security and environmental monitoring systems.

- A computer and server hard disk crusher
- CCTV Camera upgrades.
- Cabinet door and motion sensor kits for electrical substations.

Every three years, LPDL will engage a third party to complete Privacy and Cyber Security Penetration Testing. All staff will be required to participate in ongoing Cyber Security training. We have chosen KnowBe4 for this training for 2018 through 2020. We will use their training compliance tools to ensure that all staff are periodically completing the training we deem necessary for their position and also launching periodic email phishing campaigns using the KnowBe4 tools.

• GIS support	\$ 41,600
• Software licenses	\$ 40,000
• Compliance Science	\$ 10,000
• IT & Telecom	\$142,472
• Cybersecurity	\$ 50,000

Joint Use Pole Rental Charge:

The change to the pole attachment charge from \$22.35 per pole to \$43.63 per pole has increased operating costs by \$36,685 in 2019.

SCADA System:

The implementation of a SCADA system in 2014 along with an enlargement of the system to include the former PSP service area has resulted in an increase in licenses as well as software maintenance contract. This also includes the increased labour required to update and verify input data in order to make this a useful tool for outage management.

Other Drivers under \$50,000:

Additional cost drivers under \$50,000 total \$134,795. The larger items include;

- increased utility costs for operation buildings, \$19 K,
- property insurance, \$40 K,
- Removal of Collection account charges (EB-2017-0183), \$18 K
- Regulatory charges, OEB assessment/Applications, \$16 K, and
- Innovation programs with MaRS, \$20 K

Overall, 2013 Actual is the combination of the two former entities prior to amalgamation.

Actuals for 2013 were significantly higher than 2013 Board Approved Proxy as the former PSP had incurred incremental costs through the 2011-2013 period for outside service cost increases in finance/administration and large bad debt expense while LPDL experienced increased costs for IFRS conversion and costs spent on 2013 CoS process. The amalgamation took place half way through 2014 where the synergies began. 2015 through 2017, LPDL experienced the highest level of synergy savings through consolidation of programs, workforce reduction and efficiency improvements. The increase in 2018 is primarily due to the increased costs associated with the preparation of the 2019 CoS, the introduction of cybersecurity training program, increasing staffing skill set through improved hiring practices and training. The 2018 values are based on 6 months of actual data plus 6 months of forecasted data. The increase in 2019 is primarily the new rate for pole line attachment from Hydro One as well as staffing and wage increases outlined in Section 4.4 Compensation.

4.3 PROGRAM DELIVERY COSTS WITH VARIANCE ANALYSIS

4.3.1 MATERIALITY THRESHOLD

The materiality threshold used by LPDL to determine the OM&A accounts requiring analysis was \$50,000 as LPDL's distribution revenue requirement is less than \$10 million.

4.3.2 OVERVIEW

LPDL manages its financial health through regular and consistent analysis and reporting. Finance staff prepares monthly financial statements with variances to budget as well as line item variances and report these to both the department heads as well as Senior Management. A condensed analysis including key indicators with variances to budget and strategic plan are presented to the Board of Directors monthly. Department heads report back with forecasting information and explanations to management on options to realign results for the balance of the year. Table 10: Appendix 2-JC - OM&A Programs Table below, Board Appendix 2-JC, is a summary of the OM&A costs by program for each year from 2013 Board Approved Proxy through to 2019 Test Year. Any variances between the 2019 Test Year and 2017 Actual or between 2019 Test Year and 2013 Board Approved Proxy, in excess of \$50,000 are explained following.

1

Table 10: Appendix 2-JC - OM&A Programs Table

Programs	2013 Board Approved Proxy	2013	2014	2015	2016	2017	2018	2019
Customer Focus								
Community and Civic Co-ordination	\$34,647	\$42,577	\$44,176	\$28,900	\$67,785	\$61,722	\$80,977	\$80,000
Customer Service, Mailing Costs, Billing and Collections	\$963,595	\$1,047,398	\$1,145,552	\$1,071,996	\$912,597	\$835,878	\$840,761	\$861,780
Bad Debts	\$40,287	\$156,460	\$138,752	\$64,860	\$63,012	\$44,236	\$46,708	\$45,000
Meter reading	\$135,921	\$98,706	\$77,320	\$72,414	\$59,173	\$57,906	\$68,020	\$69,380
Sub-Total	\$1,174,450	\$1,345,141	\$1,405,800	\$1,238,170	\$1,102,567	\$999,742	\$1,036,466	\$1,056,160
Operational Effectiveness								
Distribution Station -operating and maintenance costs	\$77,966	\$95,358	\$73,699	\$44,763	\$51,932	\$91,412	\$79,167	\$80,830
Meters operation & maintenance	\$77,084	\$103,256	\$118,136	\$91,009	\$94,674	\$104,758	\$107,359	\$109,613
Overhead lines, conductors, devices & services - O&M	\$329,544	\$394,204	\$369,588	\$326,133	\$316,565	\$359,800	\$353,972	\$360,921
Underground lines, conductors, devices & services - O&M	\$128,202	\$152,179	\$177,519	\$164,352	\$136,551	\$159,686	\$172,102	\$175,716
Distribution transformers - O&M	\$66,518	\$65,167	\$64,952	\$53,700	\$147,675	\$77,192	\$83,320	\$85,070
Vegetation management - tree trimming	\$224,470	\$165,196	\$174,710	\$194,720	\$135,701	\$146,715	\$200,569	\$200,569
Storm & Trouble calls	\$175,000	\$176,062	\$210,266	\$233,490	\$198,644	\$213,120	\$215,000	\$220,000
Operations & engineering ,supervision	\$249,256	\$199,641	\$260,566	\$311,015	\$307,669	\$316,970	\$348,150	\$357,550
GIS - SCADA	\$155,500	\$157,302	\$196,476	\$201,720	\$197,786	\$155,984	\$176,826	\$180,539
Joint Use - Pole rental	\$35,557	\$23,993	\$42,970	\$34,984	\$45,312	\$45,782	\$47,113	\$68,000
Training	\$130,000	\$137,082	\$156,683	\$146,252	\$166,852	\$101,165	\$120,000	\$141,000
Executive, Financial , Legal, Professional and Insurance Services	\$453,817	\$609,068	\$365,487	\$275,354	\$259,903	\$274,915	\$342,311	\$214,213
Corporate allocation	\$675,221	\$685,882	\$642,929	\$754,946	\$759,124	\$713,100	\$745,081	\$674,469
Post employment costs	\$1,352	\$1,626	\$-29,664	\$132,281	\$126,269	\$38,707	\$8,608	\$8,750
Office building & security costs	\$173,315	\$191,931	\$211,141	\$223,077	\$139,359	\$176,204	\$142,294	\$147,965
IT, software, telecommunications , cybersecurity, office supplies	\$399,129	\$431,231	\$474,783	\$469,628	\$432,507	\$424,447	\$483,979	\$487,053
Collection charges recovered from customers	\$-18,000	\$-25,410	\$-10,980	\$-8,865	\$-3,435	\$-53,220	\$0	\$0
Sub-Total	\$3,333,932	\$3,563,768	\$3,499,261	\$3,648,559	\$3,513,089	\$3,346,737	\$3,625,851	\$3,512,257
Public and Regulatory Responsiveness								
Regulatory & Compliance	\$214,021	\$244,667	\$204,333	\$178,606	\$196,813	\$216,622	\$244,151	\$475,300
Electrical Safety Authority	\$13,500	\$13,523	\$13,679	\$15,915	\$19,993	\$17,628	\$17,800	\$18,000
LEAP Funding	\$9,104	\$6,127	\$9,293	\$12,097	\$9,175	\$9,175	\$10,000	\$10,000
Sub-Total	\$236,625	\$264,317	\$227,304	\$206,617	\$225,981	\$243,426	\$271,951	\$503,300
TOTAL OM&A	4,745,006	5,173,226	5,132,366	5,093,346	4,841,637	4,589,904	4,934,268	5,071,718

2

4.3.3 PROGRAM IDENTIFICATION

The following section describes programs which LPDL has adopted. The categorization of USoA account/functions has been based on the RRFE categories, Customer Focus, Operational Effectiveness, Public Responsiveness and Miscellaneous.

Program Overview

LPDL aims to meet or exceed the system maintenance and inspection requirements of the OEB's Distribution System Code ("DSC") in order to minimize subsequent repair and/or replacement costs. Section 4.4.1, of the DSC states:

"A distributor shall maintain its distribution system in accordance with good utility practice and performance standards to ensure reliability and quality of electricity service, on both a short-term and long-term basis."

The following OM&A maintenance programs are consistent with good utility practices.³

Customer Focus

- Community and Civic Co-ordination
- Customer Service, Mailing Costs, Billing and Collections
- Bad Debts Collection
- Meter Reading

Operational Effectiveness

- Distribution & Transformer Stations-operating and maintenance

³ MFR - For each significant change within the applicant's control describe business decision that was made to manage the cost increase/decrease and the alternatives

- 1 • Metering –operations and maintenance
- 2 • Overhead Lines, Conductors, Devices & Services-operations and maintenance
- 3 • Underground Lines, Conductors, Devices & Services –operations and maintenance
- 4 • Distribution Transformers
- 5 • Vegetation Management-Tree trimming
- 6 • Storm & Trouble calls
- 7 • Operations & engineering supervision
- 8 • GIS- SCADA
- 9 • Joint Use – Wireline Pole Attachment
- 10 • Training
- 11 • Executive, Financial, Legal, Professional and Insurance Services
- 12 • Corporate Allocation
- 13 • Post-employment costs
- 14 • Building Costs
- 15 • IT Support-Telecommunications-Cybersecurity
- 16 • Collection charges recovered from customers

17 **Public and Regulatory Responsiveness**

- 18 • Regulatory & Compliance
- 19 • Electrical Safety Authority Fees
- 20 • LEAP donations

21

4.3.4 PROGRAM VARIANCE ANALYSIS

Table 11: Appendix 2-JC - OM&A Programs Table with variances highlighted below shows the variances of OM&A programs for 2013 Board Approved Proxy to 2019 Test Year as well as the variances for 2019 Test Year to 2017 Actuals (last full year actuals). A variance analysis of expenses exceeding the materiality threshold follows the table. All highlighted items in yellow in Table 11 exceed the materiality threshold of \$50,000 or are of a significant difference to warrant explanation. A variance analysis of these items follows the table. On an overview level, total OM&A costs for 2019 Test Year are \$326,711 higher than 2013 Board Approved Proxy, a 6.9% increase over 6 years.

Table 11: Appendix 2-JC - OM&A Programs Table with variances highlighted

Programs	2013 Board Approved Proxy	2013	2014	2015	2016	2017	2018	2019	Variance (\$)	Variance (\$)
Customer Focus										
Community and Civic Co-ordination	\$34,647	\$42,577	\$44,176	\$28,900	\$67,785	\$61,722	\$80,977	\$80,000	\$45,353	\$18,278
Customer Service, Mailing Costs, Billing and Collections	\$963,595	\$1,047,398	\$1,145,552	\$1,071,996	\$912,597	\$835,878	\$840,761	\$961,780	-\$101,815	\$25,902
Bad Debts	\$40,287	\$156,460	\$138,752	\$64,860	\$63,012	\$44,236	\$46,708	\$45,000	\$4,713	\$764
Meter reading	\$135,921	\$98,706	\$77,320	\$72,414	\$59,173	\$57,906	\$68,020	\$69,380	-\$66,541	\$11,475
Sub-Total	\$1,174,450	\$1,345,141	\$1,405,800	\$1,238,170	\$1,102,567	\$999,742	\$1,036,466	\$1,056,160	-\$118,289	\$56,419
Operational Effectiveness										
Distribution Station -operating and maintenance costs	\$77,966	\$95,358	\$73,699	\$44,763	\$51,932	\$91,412	\$79,167	\$80,830	\$2,964	-\$10,582
Meters operation & maintenance	\$77,084	\$103,256	\$118,136	\$91,009	\$94,674	\$104,758	\$107,359	\$109,613	\$32,530	\$4,855
Overhead lines, conductors, devices & services - O&M	\$329,544	\$394,204	\$369,588	\$326,133	\$316,565	\$359,800	\$353,972	\$360,921	\$31,377	\$1,120
Underground lines, conductors, devices & services - O&M	\$128,202	\$152,179	\$177,519	\$164,352	\$136,551	\$159,686	\$172,102	\$175,716	\$47,513	\$16,029
Distribution transformers - O&M	\$66,518	\$65,167	\$64,952	\$53,700	\$147,675	\$77,192	\$83,320	\$85,070	\$18,552	\$7,878
Vegetation management - tree trimming	\$224,470	\$165,196	\$174,710	\$194,720	\$135,701	\$146,715	\$200,569	\$200,569	-\$23,901	\$53,854
Storm & Trouble calls	\$175,000	\$176,062	\$210,266	\$233,490	\$198,644	\$213,120	\$215,000	\$220,000	\$45,000	\$6,880
Operations & engineering supervision	\$249,256	\$199,641	\$260,566	\$311,015	\$307,669	\$316,970	\$348,150	\$357,550	\$108,294	\$40,580
GIS - SCADA	\$155,500	\$157,302	\$196,476	\$201,720	\$197,786	\$155,984	\$176,826	\$180,539	\$25,039	\$24,555
Joint Use - Pole rental	\$35,557	\$23,993	\$42,970	\$34,984	\$45,312	\$45,782	\$47,113	\$68,000	\$32,443	\$22,218
Training	\$130,000	\$137,082	\$156,683	\$146,252	\$166,852	\$101,165	\$120,000	\$141,000	\$11,000	\$39,835
Executive, Financial, Legal, Professional and Insurance Services	\$453,817	\$609,068	\$365,487	\$275,354	\$259,903	\$274,915	\$342,311	\$214,213	-\$239,605	-\$60,702
Corporate allocation	\$675,221	\$685,882	\$642,929	\$754,946	\$759,124	\$713,100	\$745,081	\$674,469	-\$752	-\$38,630
Post employment costs	\$1,352	\$1,626	-\$29,664	\$132,281	\$126,269	\$38,707	\$8,608	\$8,750	\$7,398	-\$29,957
Office building & security costs	\$173,315	\$191,931	\$211,141	\$223,077	\$139,359	\$176,204	\$142,294	\$147,965	-\$25,351	-\$28,239
IT, software, telecommunications, cybersecurity, office supplies	\$399,129	\$431,231	\$474,783	\$469,628	\$432,507	\$424,447	\$483,979	\$487,053	\$87,925	\$62,607
Collection charges recovered from customers	-\$18,000	-\$25,410	-\$10,980	-\$8,865	-\$3,435	-\$53,220	\$0	\$0	\$18,000	\$53,220
Sub-Total	\$3,333,932	\$3,563,768	\$3,499,261	\$3,648,559	\$3,513,089	\$3,346,737	\$3,625,851	\$3,512,257	\$178,325	\$165,521
Public and Regulatory Responsiveness										
Regulatory & Compliance	\$214,021	\$244,667	\$204,333	\$178,606	\$196,813	\$216,622	\$244,151	\$475,300	\$261,279	\$258,678
Electrical Safety Authority	\$13,500	\$13,523	\$13,679	\$15,915	\$19,993	\$17,628	\$17,800	\$18,000	\$4,500	\$372
LEAP Funding	\$9,104	\$6,127	\$9,293	\$12,097	\$9,175	\$9,175	\$10,000	\$10,000	\$896	\$825
Sub-Total	\$236,625	\$264,317	\$227,304	\$206,617	\$225,981	\$243,426	\$271,951	\$503,300	\$266,675	\$259,874
TOTAL OM&A	4,745,006	5,173,226	5,132,366	5,093,346	4,841,637	4,589,904	4,934,268	5,071,718	326,711	481,814

4.3.4.1 2019 TEST YEAR VS. 2013 BOARD APPROVED PROXY

Table 12: OM&A Programs Table of Variances Analyzed

	2019 Test Year Versus 2013 Board Approved proxy	2019 Test Year Versus 2017 Actuals
Reporting Basis		
Programs	Variance (\$)	Variance (\$)
Community and Civic Co-ordination	\$45,353.34	
Customer Service, Mailing Costs, Billing and Collections	-\$101,815.42	
Meter reading	-\$66,540.64	
Underground lines, conductors, devices & services - O&M	\$47,513.27	
Vegetation management - tree trimming		\$53,853.71
Storm & Trouble calls	\$45,000.00	
Operations & engineering ,supervision	\$108,294.05	
Executive, Financial , Legal, Professional and Insurance Services		\$149,697.63
IT, software, telecommunications , cybersecurity, office supp	\$87,924.52	\$62,606.55
Collection charges recovered from customers		\$53,220.00
Regulatory & Compliance	\$50,879.16	\$48,277.75
Total Variances Analyzed	\$216,608.28	\$367,655.64
Total Variance	\$326,711.34	\$481,813.68

Community and Civic Co-ordination – increase of \$45,353

The primary reason for the increase in costs for Community and Civic Co-ordination is the time spent on customer engagement including all surveys. As the focus turns to enhancing the ability of our customers to engage and be involved in the utility, there is a cost associated with making avenues for that engagement. LPDL's diverse communities require that customer engagement meetings are held in multiple communities. In order to keep these costs under control, LPDL has utilized social media, having the first Facebook Live session for our customers. Customer satisfaction surveys and safety surveys to the level they are now were not anticipated in the 2013 CoS and as such, have become an incremental cost.

Customer Service, Mailing Costs, Billing and Collections – decrease of \$101,815

The primary reason for the decrease in the Customer Service area was the amalgamation of resources and processes during the amalgamation process between LPDL and PSP. LPDL's current billing system had sufficient capacity to process the additional customer volume. With the streamlining of processes and automation of tasks, there was an opportunity to reduce headcount. During the period of 2014-2016, the headcount in Customer Service was reduced by 2.5 staff positions and the office in Parry Sound was reduced to being open one day a week. An analysis was done of the volume of walk-in traffic at the Parry Sound office and it was deemed that one day was still required as a core group of the Parry Sound community does not use electronic forms of payment. LPDL continues to promote e-billing and pre-authorized payments in order to counterbalance any increase in costs from wage changes. The growth in cost in the 2017-2019 period is due to the increase in workload surrounding collections. With the moratorium period from November – April, collection processes have rapidly increased with payment arrangements, arrears management, collection calls and disconnects. In an area of high seasonal work and low income, the moratorium puts the customer further behind increasing the collection workload in May. It is expected that the staff resources required in collections will increase by .5 to 1 FTE over the next year through corporate allocation.

Meter Reading – decrease of \$66,541

Meter reading expenses over the past 5 years have declined significantly (almost 50%) with the amalgamation of LPDL with PSP. Duplicate contracts were merged to one support contract with Elster, \$17 K savings, with Util-Assist, \$25 K, and Olameter, \$14 K. The implementation of Smart-Sync meters for non-residential customers has reduced the number of on-site visits, making up the balance of the improved costs. After the amalgamation with PSP, LPDL was required to amend the Elster Hosted Services Agreement (EHSA) with Elster for 2015 due to the new meter count. During this process, LPDL came to understand that we could contract directly with Olameter, as they host our EnergyAxis Management System (EA_MS, our AMI head end). We only needed the service agreement with Elster for licensing, support and maintenance, which are not provided by Olameter. This was a significant cost savings. In addition, a support contract

that PSP had with Util-Assist was cancelled as the support they provided was an inside resource at LPDL.

Underground plant O&M – increase of \$47,513

As discussed in Section 4.2.4 Cost Drivers, the O&M required for the plant in the Parry Sound area is high due to the lack of ongoing maintenance in prior years. LPDL is investing in both additional capital and preventative maintenance over time in order to address the concerns in the Parry Sound area.

Storm & Trouble Calls – increase of \$45,000

Trouble calls as well as extreme weather events have led to an increase in costs to repair LPDL's plant. In the past four years, LPDL has experienced major thunderstorms, rainfall in excess of 100 year levels, windstorms and freezing rain that have torn down poles and pole lines. LPDL is investing in both additional capital and preventative maintenance over time in order to address some of these concerns however the nature of our environment and the significant amount of overhead lines as well as being heavily treed, makes this an ongoing area of cost.

Operations & Engineering, Supervision – increase \$108,294

The Operations & Engineering Supervision costs are \$108 K higher than the 2013 Board Approved Proxy. The largest item was moving the Lines Supervisor in 2013/2014 to the position of Operations/Engineering Manager with an increase in responsibility and wage, a position that did not previously exist. The rationale was to provide clearer direction to the operations/maintenance/engineering group in light of the upcoming amalgamation. The scope of work for this position increased dramatically with the increase in merged staffing as well as the increase in service territory. As the sophistication of the processes/programs such as the implementation of SCADA and robust GIS, the need for more highly skilled staff in engineering was also required. The Engineering Technologist position was filled part way through 2018 with a full year in for 2019 Test Year.

IT Support, software, telecommunications, cybersecurity – increase \$87,925

The expenses in this program include IT support, internet supply, fibre optic connection, telephone system supply and support as well as the implementation of solutions to protect LPDL from cybersecurity vulnerabilities. The largest portion of the \$88 K increase is \$50 K for the start of cybersecurity solutions LPDL will complete our WISP (Written Information Security Program) which contains our formal policies in regards to customer security and privacy. The WISP is designed to meet the OEB Cyber Security Framework requirements and is structured on the NIST Cybersecurity Framework. LPDL will assess the level of risk within our systems and implement solutions that are deemed appropriate for the level of risk. Initially, training for all staff utilizing security training software will start in 2018 with more in depth security features around Security Incident & Event Management, Intrusion Detection Systems, and Intrusion Prevention Systems being implemented in 2019 and beyond, in line with recommendations from OEB framework. The balance of the support items are supplied by a LPDL affiliate and are discussed in Section 4.5 Shared Services/Corporate Cost Allocation.

Regulatory & Compliance – increase \$50,879

The Regulatory expenses have increased over the past 6 years by \$50,879. The variance is composed of the change in OEB Assessment fees, \$14,849 and the balance is for the increase in costs to prepare the CoS Rate Application. Only 1/5 of the total cost has been included in the 2019 Test Year for items surrounding external consultants, legal, intervenors and hearing costs. A more fulsome discussion of these costs can be found in Section 4.7 One Time Costs and Regulatory Expenses.

4.3.4.2 2019 TEST YEAR VS. 2017 ACTUAL

Vegetation Management – Tree Trimming – increase \$53,854

LPDL is located in one of the most densely forested areas of the province and as such, the Vegetation Management program is one of the single highest costs. In 2013, LPDL went out for

tender in order to procure an external tree trimming contractor that would provide a five year commitment. LPDL was successful and was able to lower costs through the 2013-2017 period. LPDL is now in the next commitment period and is including Parry Sound territory in the mix. PSP did not have a robust tree trimming plan prior to merging with LPDL. The contractor that provided the initial contract has gone out of business resulting in a new contract to the next lowest bid which is \$50,000 higher than 2017.

Executive, Financial, Legal, Professional and Insurance Services – increase \$149,698

This program covers a significant number of smaller costs, the culmination of which is an overall increase over 2017 of \$149,698. The breakdown of the increase is \$90 K for a Regulatory Accountant. The balance of \$60 K is made up of increased audit fees, insurance premiums and general wage increases.

IT Support, software, telecommunications,cybersecurity – increase \$62,607

As mentioned in Section 4.3.4.1 above, the expenses in this program include IT support, internet supply, fibre optic connection, telephone system supply and support as well as the implementation of solutions to protect LPDL from cybersecurity vulnerabilities. The largest portion of the \$63 K increase is \$50 K for the start of cybersecurity solutions. LPDL will complete our WISP (Written Information Security Program) which contains our formal policies in regards to customer security and privacy. The WISP is designed to meet the OEB Cyber Security Framework requirements and is structured on the NIST Cybersecurity Framework. LPDL will assess the level of risk within our systems and implement solutions that are deemed appropriate for the level of risk. Initially, training for all staff utilizing security training software will start in 2018 with more in depth security features around Security Incident & Event Management, Intrusion Detection Systems, and Intrusion Prevention Systems being implemented in 2019 and beyond, in line with recommendations from OEB framework.

1 The balance of the support items are supplied by a LPDL affiliate and are discussed in Section
2 4.5 Shared Services/Corporate Cost Allocation.

3 **Collection of Account Charges – increase \$53,220**

4 Collection of Account charges from the current tariff sheet generated \$53,220 in incremental
5 revenue to cover collection efforts in 2017. As indicated in *"EB-2017-0183, Report of the Ontario*
6 *Energy Board, Review of Customer Service Rules for Utilities"*, the OEB proposal is to remove the
7 Collection of Account charge from electricity distributors' approved Tariff of Rates and Charges.
8 LPDL has removed this charge item from the 2019 Test Year OM&A as this amount was posted
9 to Account 5330.

10 **Regulatory & Compliance – increase \$48,278**

11 The Regulatory expenses have increased over the last actual year by \$48,278. The variance is
12 composed of the change in OEB Assessment fees, \$14,849 (credit previously booked to Account
13 1508) and the balance for the increase in costs to prepare the CoS Rate application. Only 1/5 of
14 the total cost has been included in the 2019 Test Year for items surrounding external
15 consultants, legal, intervenors and hearing costs. A more fulsome discussion of these costs can
16 be found in Section 4.7 One Time Costs and Regulatory Expenses

4.4 WORKFORCE PLANNING AND EMPLOYEE COMPENSATION^{4 5}

4.4.1 OVERVIEW

LPDL's core business is providing; a safe and reliable supply of electricity to its customers, efficient customer service and reasonable continued investment in its aging infrastructure. LPDL's total compensation philosophy is based on its desire to attract, retain and motivate an outstanding workforce. To achieve these outcomes LPDL needs the right complement of skilled trades, technical and supervisory staff who are proficient and able to meet the work demands now and into the future.

LPDL's workforce planning supports its investment in its distribution business, for both its capital and maintenance programs.

Workforce planning also allows LPDL to anticipate change rather than being surprised by events, such as those stated above. As well, it provides an opportunity to develop strategic approaches for addressing present and anticipated workforce issues.

4.4.2 WORKFORCE PLAN & STRATEGY

LPDL's workforce analytics continues to improve and develop as it distinguishes those elements that do or may have an impact on its day-to-day core operations, and achieving its strategic goals, relative to its human capital.

The single most critical element of workforce planning is the assumptions used in developing the analytics.

The goal of workforce planning is to reduce the risk to LPDL's strategy execution associated with

⁴ MFR - Details of employee benefit programs including pensions for last OEB approved, historical, bridge and test; must agree with tax section

⁵ MFR - Discussion of the outcomes of previous plans and how those outcomes have impacted their proposed plans including an explanation of the reasons for all material changes to headcount and compensation. Explanation for all years includes:

- year over year variances
- basis for performance pay, eligible employee groups, goals, measures, and review process for pay-for-performance plans,
- relevant studies (e.g. compensation benchmarking)

workforce capacity, capability and flexibility. The foundation for workforce planning is the business strategy; therefore, it needs to be owned by the business units. Business unit owners know their business needs, and understand what work needs to get done and how to do it. They understand their challenges related to productive versus non-productive employee time and the fluidity of their own workforces. Human Resources ("HR") play's a critical role of stewardship in the process. HR supports and challenges the business unit leaders to think about what drives their workforce demands. In 2016 LHL's CEO, in conjunction with its Board of Directors, made the decision to hire an HR Professional to assist in LHL's workforce planning, succession planning, recruitment of qualified employees, building on its labour relations, health and safety program and developing business unit and individual training plans that would meet LHL's needs, both present and future.

LPDL has consulted and collaborated with senior and mid-level leaders to develop, affirm and determine the elements and assumptions appropriate for its workforce plan. As can be expected, these assumptions can and likely will evolve year-over-year due to LPDL's business needs and regulated environment.

Following are the elements and associated assumptions used in LPDL's five-year workforce plan:

Retirements

From 2013 to 2018 LPDL has had 5 retirements. Over the next five-years, there are 3 employees that are eligible to retire. To determine such and define a level of reasonableness LPDL relies on it past historical trends and determines retirement eligibility as the age by which an employee can receive an un-discounted and or full pension from the Ontario Municipal Employees Retirement System ("OMERS") pension fund.

Attrition

From 2013 to 2018 there have been a total of 5 resignations. In a few cases the employee left to return to their former employer at substantially higher wages and the

1 other few left to pursue other career opportunities. Staff turnover can have a substantive
2 impact on workforce analytics when trying to realistically plan for its workforce needs
3 over the next five to ten years.

4 LPDL's historical trend for turnover of its trades/technical FTE's is relatively low. On an
5 annual average over the past five years, excluding retirements, only 1 or 4.5% of
6 employees left LPDL or including retirements, only 2 or 9% of employees left LPDL.

7 **Promotions/Transfers**

8 LPDL's workforce plan anticipates temporary or permanent promotions or transfers
9 within the workforce. Such can leave a gap where once a proficient and highly skilled
10 worker is taken out of the workgroup, thereby causing an impact on the ratio of safely
11 allocating the number of skilled Linesmen to work with less skilled Linesmen. LPDL's
12 succession planning process has identified areas of potential concern well in advance of
13 retirements allowing LPDL to proactively hire more skilled individuals in advance of
14 pending retirements reducing issues or concerns with replacement of individuals.

15 **Collective Agreement**

16 LPDL reviews its Collective Agreement against its ability to perform core distribution work.
17 For this planning cycle, LPDL affirms there is no substantive element of its negotiated
18 collective agreement that would impact its workforce plan.

19 **Productivity/Efficiencies**

20 In its normal course of business LPDL continues to strive to be as efficient as possible
21 while maintaining a safe and reliable distribution system, considering both public and
22 employee safety. Annual setting of specific goals, through the Performance Evaluation
23 program, target increasing effectiveness and efficiency within all departments and the
24 overall performance of LPDL.

Ratio Mix of Apprentices to Qualified Trades

LPDL has tracked and monitored its employee demographics over the last five years, cognizant of the potential retirements, specifically of its highly skilled trades and technical positions.

LPDL budgeted for and hired new co-op students in each operating year. Due to changes in the mix of Linesmen and Engineering Technologists over the past few years, LPDL found itself in the position where it did hire a fully qualified and experienced Linesman and an Engineering Technologist in 2016 and 2017. LPDL lost some Linesmen and an Engineering Technologist to other utilities which resulted in an unsafe ratio of qualified versus non-qualified apprentices. For the next three years, LPDL considers it is currently at an appropriate level of proficient versus apprentice workers to maintain a safe work environment for the employees and the public. One Junior Linesman is budgeted for 2019 to plan for one Journeymen Linesman retiring in the next three to five years.

Contracting versus In-House Manpower

LPDL relies on third party contracting primarily for portions of its capital program. This is common in a utility environment, where it would not be prudent or fiscally responsible to maintain a level of workforce that 'is on hand to do work as it comes along', but where it complements its own workforce when needed as the workload demands. LPDL uses third party contractors for seasonal construction and emergency repairs due to storms. LPDL also relies on contracting of some of its trades and technical work as it relates to the level of competency required to perform the work in a safe and efficient manner. This work is generally related to substation design and maintenance.

Technological Changes

LPDL is anticipating technological changes to its business that will require additional skill sets, including the continued development and implementation of Smart Grid

1 technologies, and the way in which certain work is performed in its trades and technical
2 workforce. LPDL is exploring the opportunity to work with the CHEC group or another
3 utility to share the cost and operations of a centralized control room. In consideration of
4 the current state of the business and its regulated operating environment this may
5 change as the industry and legislation evolves year-over-year.

6 Looking forward, in terms of day to day activities, LPDL's primary focus will be maintaining
7 existing safety and technology training for front line staff. New technologies (i.e. Smart Grid, EV
8 Charging and battery storage) will require increased skill sets such as engineering expertise to
9 improve our ability to meet the needs of our customers and the safety of our employees. LPDL
10 will see a change in its workforce through technology change as well as retirements. LPDL's
11 philosophy is to recruit for retirement able positions at least a year in advance to ensure a
12 sharing of knowledge and processes. In the case of Linesmen, LPDL will replace the potential
13 retiree with a fully qualified individual and then recruit for a junior/apprentice linesman to
14 prepare for future retirees outside of the five year window. In terms of two potential CSR
15 retirees of over the next five years, LPDL will be recruiting for technically competent individuals
16 who will embrace new methods of engaging and servicing LPDL's customers.

18 4.4.3 CURRENT STAFF COMPLEMENT

19 LPDL's current workforce is comprised of both unionized and non-unionized employees As
20 explained in the description of the Corporate Organization at Ex.1/- LPDL began 2018 with 20
21 full-time employees. There are 9 non-union positions: Operations Manager, Lines Supervisor,
22 Customer Service Manager, Customer Service Representatives (4), and CDM Coordinators (2).
23 There are 11 union employees: Linesperson (6), Meter Technicians/Engineering Technologists
24 (4), and a Materials and Facilities Co-ordinator. LPDL's compensation strategy is designed to be
25 competitive and equitable while recognizing the challenges of recruitment to our community.
26 These challenges include a lack of affordable and available housing and opportunities for
27 double career families. The industry is facing the challenges of an aging workforce and
28 competition for well trained and skilled resources.

1 **Employee Staff Levels**

2

1 Table 13: Monthly Staffing Levels represents headcount, which is the actual number of
2 employees at specific points in time compared to the FTE count of employees presented in
3 Appendix 2-K, which is a pro-rated calculation of actual months worked throughout the year.

4

1

Table 13: Monthly Staffing Levels

Year		Opening Balance	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Ending Balances	Avg
2013																
	Exec	1	0	0	0	0	0	0	0	0	0	0	0	0	1	0.00
	Mgmt	4	0	0	0	0	0	0	0	0	0	0	0	0	4	0.00
	Union	16	0	0	0	0	0	0	0	0	1	1	-2	0	16	0.00
	Non Union	6	0	0	0	1	0	1	0	-2	0	0	0	-1	5	-0.08
	Total	27	0	0	0	1	0	1	0	-2	1	1	-2	-1	26	-0.08
2014																
	Exec	1	0	0	0	0	0	-1	0	0	0	0	0	0	0	-0.08
	Mgmt	4	0	0	0	0	0	0	0	0	0	0	0	0	4	0.00
	Union	16	0	0	0	0	0	-1	0	0	0	0	0	0	15	-0.08
	Non Union	5	0	0	0	1	0	0	0	0	0	0	0	-1	5	0.00
	Total	26	0	0	0	1	0	-2	0	0	0	0	0	-1	24	-0.17
2015																
	Exec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Mgmt	4	0	0	0	0	0	0	0	0	0	0	0	-1	3	-0.08
	Union	15	-1	0	0	0	-1	0	0	0	0	0	-1	-1	11	-0.33
	Non Union	5	-1	1	0	1	0	2	0	-2	0	0	0	-1	5	0.00
	Total	24	-2	1	0	1	-1	2	0	-2	0	0	-1	-3	19	-0.42
2016																
	Exec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Mgmt	3	0	0	0	0	0	0	0	0	0	0	0	0	3	0.00
	Union	11	1	0	0	0	1	-2	0	1	0	0	0	0	12	0.08
	Non Union	5	1	0	0	0	0	0	0	0	-1	0	0	0	5	0.00
	Total	19	2	0	0	0	1	-2	0	1	-1	0	0	0	20	0.08
2017																
	Exec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Mgmt	3	0	0	0	0	0	0	0	0	0	0	0	0	3	0.00
	Union	12	0	-1	0	0	0	-1	0	1	0	0	0	0	11	-0.08
	Non Union	5	1	-2	1	0	0	1	0	0	-1	0	1	0	6	0.08
	Total	20	1	-3	1	0	0	0	0	1	-1	0	1	0	20	0.00
2018																
	Exec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Mgmt	3	0	0	1	0	-1	0	0	0	0	0	0	0	3	0.00
	Union	11	0	0	-1	0	0	0	1	0	1	0	0	0	12	0.08
	Non Union	6	-1	0	0	0	1	0	1	-1	1	0	0	-1	6	0.00
	Total	20	-1	0	0	0	0	0	2	-1	2	0	0	-1	21	0.08
2019																
	Exec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Mgmt	3	0	0	0	0	0	0	0	0	0	0	0	0	3	0.00
	Union	12	0	0	0	0	1	0	0	0	0	0	0	0	13	0.08
	Non Union	6	0	0	0	0	1	0	0	-1	1	0	0	-1	6	0.00
	Total	21	0	0	0	0	2	0	0	-1	1	0	0	-1	22	0.08

2

4.4.4 COMPENSATION

Compensation - Union

Compensation for unionized employees is negotiated through the collective bargaining process. When negotiating wage levels, consideration is given to the skill sets required to work within our distribution system and geographic challenges faced when recruiting new employees.

LPDL is bound by a Collective Labour Agreement with Canadian Union of Public Employees ("CUPE") Local 1813 representing Trades workers. On July 1, 2014 Parry Sound Power Corporation and Lakeland Power Distribution Ltd merged. Subsequent to the amalgamation, CUPE Local 1704, representing the employees of Parry Sound Power, filed a petition with the Ontario Labour Relations Board requesting the dissolution of the 2 affected locals, the merging of the existing contracts and requested the automatic certification of LPDL non-union office staff. A hearing was held at the OLRB in November of 2014. The OLRB released their ruling in January 2015. The ruling stated that the two current Collective Labour Agreements would end early on December 31, 2015 and that the non-union staff would not be automatically certified but that a vote would be held. The outcome of the vote allowed LPDL's office staff to maintain their existing non-union status. Throughout 2015, negotiations with CUPE took place which resulted in LPDL negotiating a 4-year Collective Labour Agreement with the merged bargaining unit which became effective January 1, 2016. Wage increases were negotiated at 1.4% January 2016, 1.4% July 2016, 1.4% January 2017, 1.25% July 2017, 1.25% January 2018, 1.25% July 2018, 1.25% January 2019, and 1.25% July 2019. A copy of LPDL's Collective Labour Agreement (2016-2019) is attached in Appendix A.

In September of 2019 LPDL will start negotiating the next Collective Labour Agreement which will come into effect January 1, 2020. LPDL will strive to negotiate another four year Collective Labour Agreement. In preparation for these negotiations, LPDL will review the Collective Labour Agreements of other LDC's in its geographic service area. This will allow LPDL to ensure that the amount being requested is reasonable and just for the industry, does not exceed the going rate

of other Agreements but allows LPDL to remain competitive, assists with employee retention and strives to ensure that succession planning is not jeopardized.

Compensation – Non-Union

LPDL's total compensation philosophy is based on its desire to attract, retain and motivate an outstanding workforce. LPDL provides a total compensation program that establishes and maintains competitive salary levels within relevant markets and available resources, which is consistent with job content, responsibilities and expectations. LPDL emphasizes and encourages excellence by rewarding employee contributions, including performance that supports LPDL's core values. All non-union employees' compensation levels are reviewed annually by the Chief Executive Officer, Human Resources and Safety Officer, and the Board of Directors. LPDL utilizes the Mearie Management Salary Survey for the annual review and benchmarking of non-union positions. LPDL generally pays at or below the average base salary when compared to equivalent positions at similar sized LDCs in the industry.

Base salary increases for management employees is based on individual performance, corporate performance, the individual's compa-ratio, and the job market. Management employees do not receive an automatic yearly "economic" increase. Their increases are based on recognition for individual performance against pre-determined KPI's that are formally reviewed annually with informal quarterly updates. The incentive plan is based on mutually agreed upon goals and objectives that recognize performance that exceeds normal job requirements.

The compensation for the non-union, front line employees is generally based on the CUPE contract settlement. The same increases are a combination of cost of living increase and pay for performance. Performance measures and goals are jointly set between the supervisor and the employee in November for the upcoming year. Quarterly meetings are set with each employee to assess how the employee is progressing towards their goals and objectives. Performance reviews are held in November of each year for all employees. Increases are effective on January 1st of each year.

Compensation - Pension

1 All full-time employees of LPDL are required to participate in the OMERS pension plan.
2 Therefore, the pension benefits provided to the employees of LPDL are consistent with the
3 pension benefits provided to employees of other LDC's. The plan is a contributory defined
4 pension plan which is financed by equal contributions from the employer and employee based
5 on the employee's contributory earnings. With the merge in 2014, all PSP employees were
6 transferred from PSP's OMERS group to LPDL's OMERS group with no costs or penalties
7 incurred.

8 **Compensation - Benefits**

9 A comprehensive and competitive benefits package exists which includes health and dental
10 insurance, life insurance, Employee Assistance Program (EAP), Short Term Disability (STD), Long
11 Term Disability (LTD), vacation and leave policies. The plans are designed to address the health
12 and wellness needs of the employee's and their families.

13 All benefit plans for each employee group are essentially the same. The unionized benefit plans,
14 negotiated through collective bargaining, drives the plan design for the non-unionized
15 employees. The plans are common across all employee groups except for LTD maximums which
16 differ between employee and management groups.

17 **Staffing and Compensation**

18 OEB Appendix 2-K as Table 14: Appendix 2-K – Employee Compensation below details LPDL's
19 employee compensation and benefits. All compensation amounts have been included whether
20 expensed or capitalized.

1

Table 14: Appendix 2-K – Employee Compensation

	Board Approved PROXY	CGAAP	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
	2013	2013	2014	2015	2016	2017	2018	2019
	Merged	Merged	Merged	Merged	Merged	Merged	Merged	Merged
Number of Employees (FTEs including Part-Time)¹								
Management (including executive)	6.0	5.0	4.5	4.0	3.0	3.0	3.0	3.0
Non-Management (union and non-union)	23.2	21.0	20.5	18.8	17.8	17.3	17.5	19.4
Total	29.2	26.0	25.0	22.8	20.8	20.3	20.5	22.4
Total Salary and Wages including overtime and incentive pay								
Management (including executive)	\$498,528	\$438,610	\$419,826	\$412,713	\$411,657	\$344,296	\$376,016	\$358,394
Non-Management (union and non-union)	\$1,540,506	\$1,259,453	\$1,353,719	\$1,253,407	\$1,244,040	\$1,201,864	\$1,296,866	\$1,502,549
Total	\$2,039,034	\$1,698,064	\$1,773,545	\$1,666,120	\$1,655,697	\$1,546,160	\$1,672,882	\$1,860,943
Total Benefits (Current + Accrued)								
Management (including executive)	\$143,406	\$119,625	\$109,477	\$104,507	\$83,655	\$84,852	\$94,004	\$89,599
Non-Management (union and non-union)	\$438,158	\$371,341	\$370,058	\$318,537	\$424,154	\$318,451	\$337,374	\$387,055
Total	\$581,564	\$490,966	\$479,535	\$423,044	\$507,809	\$403,303	\$431,378	\$476,653
Total Compensation (Salary, Wages, & Benefits)								
Management (including executive)	\$641,934	\$558,235	\$529,304	\$517,221	\$495,312	\$429,148	\$470,020	\$447,993
Non-Management (union and non-union)	\$1,978,664	\$1,630,795	\$1,723,776	\$1,571,944	\$1,668,194	\$1,520,315	\$1,634,240	\$1,889,603
Total	\$2,620,598	\$2,189,030	\$2,253,080	\$2,089,164	\$2,163,506	\$1,949,463	\$2,104,260	\$2,337,596

2

The last Board Approved compensation amounts were established for each of these entities in the following Applications:

- Parry Sound Power Corporation – 2011 Rate Rebasing EB-2010-0140
- Lakeland Power Distribution Ltd – 2013 Rate Rebasing EB-2012-0145

As a result of the amalgamation and in light of the fact that each of the former utilities had different rate rebasing years, LPDL has developed the 2013 Board Approved Proxy figures for comparative purposes. The 2013 Board Approved Proxy was calculated as the sum of:

- Former Lakeland Power 2013 Board Approved and
- Former Parry Sound Power 2011 Final Board Approved inflated for 2012 and 2013 using the Board IRM inflation factors for each of those years.

Table 15: 2013 Board Approved Proxy for Headcount and Compensation below shows the calculation of the 2013 Board Approved Proxy figures.

Table 15: 2013 Board Approved Proxy for Headcount and Compensation

	2013 Board Approved - Former Lakeland	2013 Board Approved Proxy - Former Parry Sound	2013 Board Approved Proxy - Lakeland Power	2011 Board Approved - Former Parry Sound	IRM 2012	IRM 2013
					0.58%	1.08%
Number of Employees (FTEs including Part-Time)¹						
Management (including executive)	3.0	3.0	6.0			
Non-Management (union and non-union)	14.9	8.3	23.2	11.3		
Total	17.9	11.3	29.2	11.3		
Total Salary and Wages including overtime and incentive pay						
Management (including executive)	\$254,489	\$244,039	\$498,528	\$0	\$0	\$0
Non-Management (union and non-union)	\$1,026,403	\$514,103	\$1,540,506	\$958,406	\$963,965	\$974,376
Total	\$1,280,892	\$758,142	\$2,039,034	\$958,406	\$963,965	\$974,376
Total Benefits (Current + Accrued)						
Management (including executive)	\$73,802	\$69,604	\$143,406	\$0	\$0	\$0
Non-Management (union and non-union)	\$291,528	\$146,630	\$438,158	\$0	\$0	\$0
Total	\$365,330	\$216,234	\$581,564	\$0	\$0	\$0
Total Compensation (Salary, Wages, & Benefits)						
Management (including executive)	\$328,291	\$313,643	\$641,934	\$0	\$0	\$0
Non-Management (union and non-union)	\$1,317,931	\$660,733	\$1,978,664	\$958,406	\$963,965	\$974,376
Total	\$1,646,222	\$974,376	\$2,620,598	\$958,406	\$963,965	\$974,376

4.4.5 EMPLOYEE COUNT VARIANCE

In 2013 LPDL's employee count started at 27. During the following five years LPDL reduced overall staffing to 20 employees. Though during these five years workloads increased with the amalgamation of LPDL and PSP there were synergistic savings, reduction of duplications and standardization of technology across the organization.

The 2013 Board Approved Proxy headcount was 29.2. When compared to the 2013 Actual headcount of 26, there was a decrease of 3.2 FTE. This decrease was due to:

- 1 Lines Supervisor position that remained vacant from November 2011 to July 2014 when filled by the Lines Supervisor from PSP
- 1 vacant Regulatory Analyst position that LPDL had received approval for but had not filled
- 1 vacant Meter Technician position that LPDL had received approval for that was filled late November 2013
- 1 Linesman position that PSP had received approval for that was vacant from May 2012 until October 2013.

1 The headcount at the start of 2013 was 27 employees. During the year the overall net reduction
2 in headcount was by 1 to 26. These changes included:

- 3 • 2 Apprentice Linesmen hired in September and October
- 4 • 2 employees were terminated in November: 1 – Linesman and 1 – Admin Assistant both
5 of which were provided with severance packages
- 6 • 1 Linesman resigned in August
- 7 • 1 Co-op Engineering Technologist student hired in August then transferred to full-time
8 in November
- 9 • 2 students employed for 3 to 4 months ending in August
- 10 • 1 Financial/Regulatory Analyst resigned at the end of December.

11 The headcount at the start of 2014 was 26 employees. During the year the overall net reduction
12 in headcount was by 2 to 24. These changes included:

- 13 • Vice President transferred out of LPDL due to the merge in July
- 14 • 1 Customer Service Representative transferred out of LPDL due to the merge in July
- 15 • 2 students employed for 3 to 4 months (April to August) (August to December).

16
17 The headcount at the start of 2015 was 24 employees. During the year the overall net reduction
18 in headcount was by 5 to 19. These changes included:

- 19 • Billing Supervisor terminated in December due to restructuring and provided with a
20 severance package
- 21 • 1 Linesman resigned in January
- 22 • 1 Linesman went on Long Term Disability in May and did not return to work
- 23 • 1 Customer Service Representative terminated in November due to restructuring and
24 provided with a severance package
- 25 • 1 Customer Service Representative terminated in December due to restructuring and
26 provided with a severance package
- 27 • 1 CDM Coordinator resigned in January

- 1 CDM Coordinator hired in February
- 4 Students employed for 3 to 4 months (1-April to August), (2-June to August), (1-August to December).

The headcount at the start of 2016 was 19 employees. During the year the overall net increase in headcount was by 1 to 20. These changes included:

- 1 Apprentice Linesman hired in January
- 1 Engineering Technnolgist hired in May
- 2 employees retired in June: 1 – Linesman and 1 - Meter Technician
- 1 Linesman hired in August
- 2 students employed for 5 months (January to May) (May to September).

The headcount at the start of 2017 was 20 employees. During the year, there was no overall change in net headcount ending the year with 20 employees. These changes included:

- 1 Apprentice Linesman was laid off in February
- 1 Meter Technician retired in June
- 1 Substation Technician hired in August
- 1 CDM Administrator(contract) hired to cover Parental Leave in January
- 1 CDM Coordinator left on Parental Leave in February
- 1 Customer Service Representative retired in February
- 1 Customer Service Representative hired in March
- 1 student employed for 4 months (June to September)
- 1 CDM Coordinator returned from Parental Leave in November.

The headcount at the start of 2018 was 20 employees. During the year, LPDL has forecasted to increase headcount by 1 to 21 employees by year end. These changes include:

- 1 Linesman promoted to Lines Supervisor in March due to the pending retirement of current Lines Supervisor in May
- 1 Linesman hired in January

- 1 • 1 Substation Engineering Technologist resigned in January – recruitment ongoing with
- 2 estimated replacement hire in September
- 3 • 1 Linesman position – hired July
- 4 • 1 CDM Coordinator transferred out of LPDL in January
- 5 • 1 CDM Administrator hired full time in January
- 6 • 1 Regulatory Analyst position – hired August
- 7 • 2 Engineering Co-op students to be employed for 4 months (May to August) (September
- 8 to December).

9 The headcount at the start of 2019 is projected to be 21 employees. During the year, LPDL has
10 forecasted to increase its headcount by 1 to 22 employees. These changes include:

- 11 • 1 Junior Linesman with estimated hire in May
- 12 • 2 Engineering Co-op students to be employed for 4 months (May to August) (September
- 13 to December).

14 From 2013 to 2019 employee staffing levels have decreased from 27 to 22. This reduction in
15 headcount is due to the amalgamation of duties in both the customer service and operations
16 departments following the merge with PSP. LPDL experienced several terminations and
17 retirements over the past few years. Junior employees have filled some of these positions which
18 has reduced the average age and years of service of our current staff. With these changes LPDL
19 has incurred severance payouts, retiring allowances, and payout of banked vacation time. As of
20 August 2018 LPDL is recruiting to fill two positions. These positions are Substation/Engineering
21 Technologist, and Junior Linesman which have been forecasted to be filled throughout the
22 remainder of 2018 and 2019. All of the positions LPDL is currently recruiting for would enhance
23 the operational excellence and the quality of customer service and customer relationships.

4.4.6 EMPLOYEE COMPENSATION COST VARIANCE

2013 – 2019 Employee Compensation Cost Variances, as presented in Table 16: Employee Cost Variance Analysis, are discussed below.

Table 16: Employee Cost Variance Analysis

	2013 Actual over 2013 Board Approved PROXY	2014 vs 2013	2015 vs 2014	2016 vs 2015	2017 vs 2016	2018 vs 2017	2019 vs 2018
	Merged	Merged	Merged	Merged	Merged	Merged	Merged
Number of Employees (FTEs including Part-Time)¹							
Management (including executive)	- 1.0	- 0.5	- 0.5	- 1.0	-	-	-
Non-Management (union and non-union)	- 2.2	- 0.5	- 1.7	- 1.0	- 0.5	- 0.2	- 1.9
Total	- 3.2	- 1.0	- 2.2	- 2.0	- 0.5	- 0.2	- 1.9
Total Salary and Wages including overtime and incentive pay							
Management (including executive)	-\$59,918	-\$18,784	-\$7,113	-\$1,057	-\$67,361	\$31,720	-\$17,622
Non-Management (union and non-union)	-\$281,053	\$94,265	-\$100,312	-\$9,367	-\$42,176	\$95,002	\$205,683
Total	-\$340,970	\$75,481	-\$107,425	-\$10,424	-\$109,537	\$126,722	\$188,061
Total Benefits (Current + Accrued)							
Management (including executive)	-\$23,781	-\$10,147	-\$4,970	-\$20,853	\$1,197	\$9,152	-\$4,406
Non-Management (union and non-union)	-\$66,817	-\$1,284	-\$51,521	\$105,618	-\$105,703	\$18,923	\$49,681
Total	-\$90,598	-\$11,431	-\$56,491	\$84,765	-\$104,506	\$28,075	\$45,275
Total Compensation (Salary, Wages, & Benefits)							
Management (including executive)	-\$83,699	-\$28,931	-\$12,083	-\$21,909	-\$66,164	\$40,872	-\$22,028
Non-Management (union and non-union)	-\$347,869	\$92,982	-\$151,833	\$96,251	-\$147,879	\$113,925	\$255,363
Total	-\$431,568	\$64,050	-\$163,916	\$74,341	-\$214,043	\$154,797	\$233,336
% Change		2.93%	-7.3%	3.6%	-9.9%	7.9%	11.1%

The 2013 Actual vs 2013 Board Approved Proxy variance shows total compensation decreased by 16.5% or \$432K.

Management Compensation decreased by \$84K due to:

- Lines Supervisor position remained vacant from November 2011 until July 2014 offset by a change in responsibilities for Operations Supervisor with corresponding wage increase.

Non-Management Compensation decreased by \$348K due to:

- Regulatory Analyst position approved for full year that was never filled
- Engineering Technologist hired late in 2013 but approved for full year
- Linesman position that was approved for full year that was vacant from mid-2012 until late 2013
- actual union wage increases lower than approved due to new collective agreement effective July 2013
- reduction in part time administrative work
- Finance employee was laid off late 2013.

1 In 2014, total compensation increased by 2.9% or \$64K.

2 Management Compensation decreased by \$29K due to:

- 3 • mid-year transfer of the Vice President of PSP out of LPDL
- 4 • wage increases given to Managers in recognition of increased scope of
- 5 responsibility due to the amalgamation, mid 2014. The scope and number of
- 6 direct reports increased with the amalgamation as well as the number of
- 7 customers and size of distribution plant.

8 Non-Management Compensation increased by \$93K due to:

- 9 • certification of 2 Apprentices to Journeymen Linesmen
- 10 • Engineering Technologist hired late in 2013 and had salary for full year in 2014
- 11 • equity adjustment of the Collections/Customer Service Representative wage
- 12 • increased overtime and on-call costs
- 13 • termination settlement costs
- 14 • reduction in part time administrative work
- 15 • mid-year transfer of Administration Services and Collections employee of PSP out
- 16 of LPDL
- 17 • Finance employee was laid off
- 18 • Regulatory employee resigned at the end of 2013 and the position remained
- 19 vacant in 2014 due to recruitment challenges.

20
21 In 2015, total compensation decreased by 7.3% or \$164K.

22 Management Compensation decreased by \$12K due to:

- 23 • Vice President salary eliminated from LPDL in mid 2014
- 24 • wage increases given to Management for those who took on additional scope
- 25 and responsibility effective for a full year (2014 was a half year)
- 26 • termination settlements due to reorganization.
- 27

28 Non-Management Compensation decreased by \$152K due to:

- Linesman position vacant for a full year (resigned beginning of 2015)
- Linesman on LTD beginning mid 2015 (and did not return to work)
- termination packages for 2 employees
- reduced overtime and on-call costs.

In 2016, total compensation increased by 3.6% or \$74K.

Management Compensation decreased by \$22K due to:

- elimination of the Billing Supervisor position at the end of 2015 offset by the final installment of the termination settlement
- payout of in-lieu retiree life insurance benefits which were renegotiated as part of the new Collective Labour Agreement.

Non-Management Compensation increased by \$96K due to:

- post-retiree valuation adjustment
- Linesman retired mid-year and not replaced until the Fall
- hired an Apprentice Linesman.

In 2017, total compensation decreased by 9.9% or \$214K.

Management compensation decreased by \$66K due to:

- termination settlements paid out in 2016 and not incurred in 2017.

Non-Management compensation decreased by \$148K due to:

- minimal post retiree valuation adjustment in 2017 versus 2016
- Customer Service Representative hired replacing long service retiree at the start of the wage scale
- laid off Apprentice Linesman at the start of 2017

- hired new Substation/Engineering Technologist at the start of the wage scale replacing a long service employee
- hired less students
- payment of a retiree allowance
- final payout of in-lieu retiree life insurance benefits which were renegotiated as part of new Collective Labour Agreement.

In 2018, total compensation is forecasted to increase by 7.9% or \$155K.

Management compensation forecasted to increase by \$41K due to:

- early promotion of Linesman to Supervisor for cross training purposes
- performance based increases and incentive plan.

Non-Management compensation forecasted to increase by \$114K due to:

- filled vacant Linesman position at the start of the year
- fill vacant Linesman position at mid-year
- hire new Substation/Engineering Technologist at the start of the wage scale
- continue recruitment for Regulatory Analyst
- increase Student/Co-op placement opportunities to 2 student/2 terms.

In 2019, total compensation is projected to increase by 11% or \$233K.

Management costs projected to decrease by \$22K due to:

- reduction of Lines Supervisor overlap experienced in 2018 (cross training for 3 months in 2018)

Non-Management compensation projected to increase by \$255K due to:

- 6 Linesmen for entire year vs 5 Linesmen for entire prior year

- 1 • Hire new Junior Linesman mid-year for succession planning
- 2 • Meter/Engineering Technologist promotion to Lead Hand rate
- 3 • Substation/Engineering Technologist position filled for the full year
- 4 • Regulatory Analyst position filled for the full year.
- 5

4.4.7 ANNUAL WAGE CHANGES

The summary of annual wage increases is presented in Table 17: Wage Increase Percentages by Year.

Table 17: Wage Increase Percentages by Year

Year	Union/Non-Union			Year	Management	
	% Increase	Avg % Increase	Cumulative		Avg % Increase	Cumulative
2013 January (PS)	2.50%			2013 January	3.00%	3.00%
2013 July (LP)	1.40%	1.950%	1.950%			
2014 January (PS)	3.00%			2014 January	5.00%	8.00%
2014 January (LP)	1.40%					
2014 July (LP)	1.40%	2.55%	4.500%			
2015 January (PS)	3.00%			2015 January	5.00%	13.00%
2015 January (LP)	1.40%					
2015 July (LP)	1.40%	2.55%	7.050%			
2016 January (new merged CLA)	1.40%			2016 January	2.70%	15.70%
2016 July	1.40%	2.10%	9.150%			
2017 January	1.40%			2017 January	2.50%	18.20%
2017 July	1.25%	2.03%	11.175%			
2018 January	1.25%			2018 January	2.50%	20.70%
2018 July	1.25%	1.88%	13.050%			
2019 January	1.25%			2019 January	3.00%	23.70%
2019 July	1.25%	1.88%	14.925%			

Increases shown in the table above represent the percentage increases that were negotiated with the union employees. These percentages are also applied to non-union employees, however, there is recognition for individual compa-ratios based on their progression through the range as well as a small percentage for performance against pre-determined goals and objectives. LPDL has budgeted increases for non-union wages at 3% for 2019.

In 2014 and 2015 management wage increases are higher than preceding years due to the amalgamation with PSP. These higher than normal adjustments were in recognition of the increased size of the customer base, scope and responsibilities for the affected Managers.

4.4.8 BENEFIT PROGRAM COSTS

A detailed summary of the benefit program costs is presented in Table 18: Breakdown of Benefit Cost by Type.

Table 18: Breakdown of Benefit Cost by Type

Benefit Expense	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Bridge	2019 Test
Statutory							
CPP	\$ 64,437	\$ 58,398	\$ 56,021	\$ 55,746	\$ 51,264	\$ 54,020	\$ 59,961
EI	\$ 32,861	\$ 29,295	\$ 27,890	\$ 27,288	\$ 21,665	\$ 22,830	\$ 25,340
EHT	\$ 37,932	\$ 35,493	\$ 34,893	\$ 33,087	\$ 33,355	\$ 35,148	\$ 39,013
WSIB	\$ 22,170	\$ 21,103	\$ 18,600	\$ 17,340	\$ 20,040	\$ 21,117	\$ 23,440
Total Statutory	\$ 157,400	\$ 144,289	\$ 137,404	\$ 133,461	\$ 126,324	\$ 133,115	\$ 147,754
Company							
OMERS	\$ 189,225	\$ 183,625	\$ 171,122	\$ 168,625	\$ 163,311	\$ 172,092	\$ 191,016
Health/Dental/Life Ins/LTD	\$ 139,736	\$ 143,800	\$ 107,126	\$ 85,295	\$ 102,382	\$ 116,715	\$ 128,387
Clothing Allowance	\$ 4,605	\$ 7,821	\$ 7,392	\$ 15,940	\$ 8,951	\$ 9,220	\$ 9,496
Total Company	\$ 333,566	\$ 335,246	\$ 285,640	\$ 269,860	\$ 274,644	\$ 298,027	\$ 328,899
Total Benefit before Post Retiree Valuation	\$ 490,966	\$ 479,535	\$ 423,044	\$ 403,321	\$ 400,968	\$ 431,142	\$ 476,653

Statutory deductions have decreased between 2013 and 2019 by \$10 K or 6.1%. These decreased costs are due to decreased staffing levels combined with an increase in the number of new employees at lower base wages.

OMERS premiums are consistent with the wage and headcount levels. The OMERS contribution rates have remained the same throughout 2013 to 2018, at 9% on earnings up to CPP earning limits and 14.6% on earnings over CPP earnings limits. These rates were held the same for 2019 as well.

LPDL enhanced its company benefit package as it aligned both the PSP and LPDL benefit programs with the new Collective Labour Agreement following the amalgamation. In an attempt to reduce long-term costs LPDL successfully negotiated its benefit program with a new carrier mid-2015. The carrier initially provided significant savings that were realized in the last half of 2015 and a full year of savings in 2016. In 2017, due to the increased number of employees and LPDL's claim experience rating, the new carrier increased premium rates by 29% with an additional 15% in 2018. In 2019, LPDL has projected a 10% increase in rates. Even with these steep increases in benefit plan premiums in the past years, the total cost of LPDL's Extended Health Plan (\$128K – 2019 Forecast) is still lower than the original premiums in 2013 (\$140K).

1 Clothing allowance, which is provided to union employees only, is consistent across the years
2 except in 2016 when the new Collective Labour Agreement was renegotiated. The costs
3 increased in that year to ensure that both the PSP and LPDL clothing allowance was
4 standardized and met the requirements for safe FR clothing.

5 In 2016 there was a significant Post Retiree Valuation Adjustment of \$104K which will be
6 discussed in the following OPEB section.

7 4.4.9 OTHER POST EMPLOYMENT BENEFITS (OPEB)

8 LPDL pays certain health and dental benefits on behalf of eligible retired employees. Eligibility
9 and benefit coverage varies depending on union versus non-union status as an employee and
10 years of service with LPDL. In addition to the above health and dental benefits, the Former PSP
11 also provided a retiree life insurance benefit however this benefit was removed following the
12 merge and the new Collective Labour Agreement effective January 1, 2016 and is no longer
13 available. The cost of these post-retiree health and dental benefits is expensed once the
14 employee retires and is eligible for the benefit. As this was a new benefit in 2016 for all LPDL
15 employees depending on service, the cost is not included in current rates. The initial set up for
16 the value of the benefit from the valuation report was done in 2016, \$104,488 with minor
17 adjustments in 2017 and 2018, for a combined total of \$76,926. Since 2016, the valuation
18 changes have been recorded in Account 5646. The premiums for the post retiree benefits have
19 been recorded in Account 5645 up to 2017 and are now being posted to Account 5646. The
20 estimated accrual for OPEB premiums is based on 5 people retired at any one time at the 2018
21 current rate plus 2019 premium increase, \$8,750 annually. There is no proposal to recover any
22 actuarial valuations, past or present as this was predominately a one-time adjustment (\$104,488)
23 due to the change in the plan as well as the addition of the former LPDL employees into the
24 plan.

25 LPDL does not have a significant OPEB cost (less than \$10 K per year) and believes that this
26 methodology minimizes any impact on rates. The benefit is a simple Health & Dental coverage

with no life insurance thus reducing the volatility in both the premium as well as the future valuations.

Table 19: Appendix 2-K

OPEBs (Other Post-Employment Benefits) Costs

Please indicate if OPEBs were recovered on a cash or accrual accounting basis for each year since the distributor started to recover OPEBs in distribution rates from customers:

Cash (Pay-as-you-go)

Notes:

(Please add any information to explain the accounting basis used for OPEBs cost recovery in rate setting. If basis is other than Cash or Accrual, an explanation is required.)

In account 5646-Employee Pension & OPEB Lakeland records the annual premiums paid for health premiums paid for non-union employees who retire with 25 years or more of service prior to age 65 and health and dental premiums paid (50%) for union employees who retire with 30 years or more of service prior to age 65. Also included in this account are: Actuarial Valuation

Please complete the following table:

OPEBS	First Year of recovery to 2013	2013	2014	2015	2016	2017	2018	2019	Total
Amounts included in Rates									
OM&A									\$ -
Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Paid benefit amounts		\$ 803.41	\$ 468.55		\$ 693.96	\$ 4,956.13	\$ 8,608.16	\$ 8,750.00	\$ 24,280.21
Net excess amount included in rates relative to amounts actually paid.	\$ -	\$ 803.41	\$ 468.55	\$ -	\$ 693.96	\$ 4,956.13	\$ 8,608.16	\$ 8,750.00	\$ 24,280.21

Please describe what the distributor has done with the recoveries in excess of cash payments:

LPDL has not experienced any recoveries in excess of cash payments.

The estimate for 2019 assumes 5 retirees at any point in time - average premium is \$1750 per employee

The latest Actuarial Valuation for LPDL was performed by Collins Barrow for year ending 2016 (report issued March 13, 2017) which was in line with the newly merged Collective Labour Agreement effective January 1, 2016. This latest report has been provided as Appendix B.

4.5 SHARED SERVICES & CORPORATE COST ALLOCATION

4.5.1 OVERVIEW

LPDL has three affiliated companies: (i) Bracebridge Generation ("BGL"), (ii) Lakeland Energy ("LEL"), and (iii) Lakeland Holding ("LHL"). The following services are provided between the affiliates.

Lakeland Power provides:

- Building space provided for a monthly fee to BGL & LEL
- On-call monitoring and trouble call response to BGL & LEL
- Water tank billing to LEL

Lakeland Energy provides:

- GIS services & support
- Internet provider (ISP), fibre optic, telephony, IT support and cybersecurity solutions

Lakeland Holding provides:

- Executive & Management services
- Board of Directors (partial)
- Financial/Regulatory functions/payroll/human resources services

Table 20: Appendix 2-N - Shared Services and Corporate Cost Allocation by Year below illustrates the movement in Shared Service and Corporate Cost Allocation over the past six (6) years.

1 **Table 20: Appendix 2-N - Shared Services and Corporate Cost Allocation by Year**

Year:
Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Lakeland Power	Lakeland Energy	Rent	sq. ft. market	\$ 31,500	
Lakeland Power	Bracebridge Generation	Rent	sq. ft. market	\$ 16,500	
Lakeland Power	Bracebridge Generation/Lakeland Energy	On call-trouble assistance-project assistance	market	\$ 53,966	\$ 49,891
Lakeland Energy	Lakeland Power	GIS	market based service agreement	\$ 73,734	
Lakeland Power	Lakeland Energy	Water tank billing	cost	\$ 3,600	\$ 3,600
Lakeland Energy	Lakeland Power	ISP/Telephone	market based service agreement	\$ 13,860	
Lakeland Energy	Lakeland Power	IT Support	market based service agreement	\$ 174,199	
Lakeland Energy	Lakeland Power	Building mtce	cost	\$ 874	
Lakeland Energy	Lakeland Power	Hot water tank rental	market	\$ 768	

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	% of Corporate	Amount Allocated
From	To			%	\$
Lakeland Holding	Lakeland Power	Executive & Mgmt services	Cost - timesheets	57%	\$ 456,526
Lakeland Holding	Lakeland Power	Board of Directors	Cost	40%	\$ 16,000
Lakeland Holding	Lakeland Power	Financial/HR/Payroll	Cost - timesheets	57%	\$ 122,835
Lakeland Holding	Lakeland Power	Telephone/Internet/IT support/Office	Cost - number of employees	60%	\$ 44,714
Lakeland Holding	Lakeland Power	Audit fees/IFRS conversion	Cost - revenue percentage	59%	\$ 1,027
Lakeland Holding	Lakeland Power	Legal services	Cost - direct disbursement	100%	\$ 49,000
Lakeland Holding	Lakeland Power	Training services	Cost - number of employees		
Lakeland Holding	Lakeland Power	Building rent	Cost - sq. footage	41%	\$ 58,856

2

Lakeland Power Distribution Ltd.
EB-2018-0050
2019 Cost Of Service
Exhibit 4 - Operating Expenses
Filed: August 31, 2018

Year:

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Lakeland Power	Lakeland Energy	Rent	sq. ft. market	31500	
Lakeland Power	Bracebridge Generation	Rent	sq. ft. market	16500	
Lakeland Power	Bracebridge Generation/Lakeland Energy	On call-trouble assistance-project assistance	market	73334	57310
Lakeland Energy	Lakeland Power	GIS	market based service agreement	102000	
Lakeland Power	Lakeland Energy	Water tank billing	cost	3600	3600
Lakeland Energy	Lakeland Power	ISP/Telephone system	market based service agreement	66979	
Lakeland Energy	Lakeland Power	IT Support	market based service agreement	228688	
Lakeland Energy	Lakeland Power	Building mtce	cost	4643	
Lakeland Energy	Lakeland Power	Hot water tank rental	market	768	
Lakeland Holding	Lakeland Power	Rent	market	30000	

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	% of Corporate	Amount Allocated
From	To			%	\$
Lakeland Holding	Lakeland Power	Executive & Mgmt services	Cost - timesheets	51%	\$ 496,333
Lakeland Holding	Lakeland Power	Board of Directors	Cost	40%	\$ 16,000
Lakeland Holding	Lakeland Power	Financial/HR/Payroll	Cost - timesheets	57%	\$ 124,542
Lakeland Holding	Lakeland Power	Telephone/Internet/IT support/Office	Cost - number of employees	62%	\$ 41,336
Lakeland Holding	Lakeland Power	Audit fees/IFRS conversion	Cost - revenue percentage	41%	\$ 8,387
Lakeland Holding	Lakeland Power	Legal services	Cost - direct disbursement	100%	\$ -
Lakeland Holding	Lakeland Power	Training services	Cost - number of employees	62%	
Lakeland Holding	Lakeland Power	Building rent	Cost - sq. footage	41%	\$ 55,717

1

Year: 2015

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Lakeland Power	Lakeland Energy	Rent	sq. ft. market	31500	
Lakeland Power	Bracebridge Generation	Rent	sq. ft. market	16500	
Lakeland Power	Bracebridge Generation/Lakeland Energy	On call-trouble assistance-project assistance	market	60227	46187
Lakeland Energy	Lakeland Power	GIS	market based service agreement	102000	
Lakeland Power	Lakeland Energy	Water tank billing	cost	3600	3600
Lakeland Energy	Lakeland Power	ISP/Telephone system	market based service agreement	82231	
Lakeland Energy	Lakeland Power	IT Support	market based service agreement	268172	
Lakeland Energy	Lakeland Power	Building mtce	cost	13330	
Lakeland Energy	Lakeland Power	Hot water tank rental	market	768	
Lakeland Holding	Lakeland Power	Rent	market	15000	

369674

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	% of Corporate	Amount Allocated
From	To			%	\$
Lakeland Holding	Lakeland Power	Executive & Mgmt services	Cost - timesheets	47%	\$ 553,824
Lakeland Holding	Lakeland Power	Board of Directors	Cost	40%	\$ 16,000
Lakeland Holding	Lakeland Power	Financial/HR/Payroll	Cost - timesheets	56%	\$ 137,567
Lakeland Holding	Lakeland Power	Telephone/Internet/IT support/Office	Cost - number of employees	62%	\$ 78,786
Lakeland Holding	Lakeland Power	Audit fees/IFRS conversion	Cost - asset percentage	42%	\$ 43,651
Lakeland Holding	Lakeland Power	Legal services	Cost - direct disbursement	100%	\$ -
Lakeland Holding	Lakeland Power	Training services	Cost - number of employees	62%	
Lakeland Holding	Lakeland Power	Building rent	Cost - sq. footage	41%	\$ 49,733

Year: 2016

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Lakeland Power	Lakeland Energy	Rent	sq. ft. market	31500	
Lakeland Power	Bracebridge Generation	Rent	sq. ft. market	16500	
Lakeland Power	Bracebridge Generation/Lakeland Energy	On call-trouble assistance-project assistance	market	68337	38910
Lakeland Energy	Lakeland Power	GIS	market based service agreement	102000	
Lakeland Power	Lakeland Energy	Water tank billing	cost	3600	3600
Lakeland Energy	Lakeland Power	ISP/Telephone system	market based service agreement	77388	
Lakeland Energy	Lakeland Power	IT Support	market based service agreement	267872	
Lakeland Energy	Lakeland Power	Building mtce	cost	4110	
Lakeland Energy	Lakeland Power	Hot water tank rental	market	768	

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	% of Corporate	Amount Allocated
From	To			%	\$
Lakeland Holding	Lakeland Power	Executive & Mgmt services	Cost - timesheets	38%	\$ 430,098
Lakeland Holding	Lakeland Power	Board of Directors	Cost	40%	\$ 16,000
Lakeland Holding	Lakeland Power	Financial/HR/Payroll	Cost - timesheets	53%	\$ 131,920
Lakeland Holding	Lakeland Power	Telephone/Internet/IT support/Office	Cost - number of employees	45%	\$ 57,230
Lakeland Holding	Lakeland Power	Audit fees/IFRS conversion	Cost - asset percentage	48%	\$ 59,115
Lakeland Holding	Lakeland Power	Legal services	Cost - direct disbursement	100%	\$ 130,675
Lakeland Holding	Lakeland Power	Training services	Cost - number of employees	45%	
Lakeland Holding	Lakeland Power	Building rent	Cost - sq. footage	41%	\$ 61,798

Year: 2017

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Lakeland Power	Lakeland Energy	Rent	sq. ft. market	31500	
Lakeland Power	Bracebridge Generation	Rent	sq. ft. market	16500	
Lakeland Power	Bracebridge Generation/Lakeland Energy	On call-trouble assistance-project assistance	market	47394	40430
Lakeland Energy	Lakeland Power	GIS	market based service agreement	102000	
Lakeland Power	Lakeland Energy	Water tank billing	cost	3600	3600
Lakeland Energy	Lakeland Power	ISP/Telephone system	market based service agreement	76688	
Lakeland Energy	Lakeland Power	IT Support & Cybersecurity	market based service agreement	272102	
Lakeland Energy	Lakeland Power	Building mtce	cost	1936	
Lakeland Energy	Lakeland Power	Hot water tank rental	market	768	

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	Corporate Costs	Amount Allocated
From	To			%	\$
Lakeland Holding	Lakeland Power	Executive & Mgmt services	Cost - timesheets	46%	\$ 559,773
Lakeland Holding	Lakeland Power	Board of Directors	Cost	40%	\$ 16,000
Lakeland Holding	Lakeland Power	Financial/HR/Payroll	Cost - timesheets	50%	\$ 131,905
Lakeland Holding	Lakeland Power	Telephone/Internet/IT support/Office	Cost - number of employees	42%	\$ 54,638
Lakeland Holding	Lakeland Power	Audit fees/IFRS conversion	Cost - asset percentage	34%	\$ 49,604
Lakeland Holding	Lakeland Power	Legal services	Cost - direct disbursement	100%	
Lakeland Holding	Lakeland Power	Training services	Cost - number of employees	42%	
Lakeland Holding	Lakeland Power	Building rent	Cost - sq. footage	41%	\$ 44,283

1
2

Year: 2018

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Lakeland Power	Lakeland Energy	Rent	sq. ft. market	31500	
Lakeland Power	Bracebridge Generation	Rent	sq. ft. market	16500	
Lakeland Power	Bracebridge Generation/Lakeland Energy	On call-trouble assistance-project assistance	market	32800	31400
Lakeland Energy	Lakeland Power	GIS	market based service agreement	112000	
Lakeland Power	Lakeland Energy	Water tank billing	cost	3600	3600
Lakeland Energy	Lakeland Power	ISP/Telephone system	market based service agreement	76200	
Lakeland Energy	Lakeland Power	IT Support & Cybersecurity	market based service agreement	330272	
Lakeland Energy	Lakeland Power	Building mtce	cost	2289	
Lakeland Energy	Lakeland Power	Hot water tank rental	market	768	

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	% of Corporate	Amount Allocated
From	To			%	\$
Lakeland Holding	Lakeland Power	Executive & Mgmt services	Cost - timesheets	46%	\$ 592,081
Lakeland Holding	Lakeland Power	Board of Directors	Cost	40%	\$ 16,000
Lakeland Holding	Lakeland Power	Financial/HR/Payroll	Cost - timesheets	50%	\$ 131,000
Lakeland Holding	Lakeland Power	Telephone/Internet/IT support/Office	Cost - number of employees	42%	\$ 58,000
Lakeland Holding	Lakeland Power	Audit fees/IFRS conversion	Cost - asset percentage	34%	\$ 50,000
Lakeland Holding	Lakeland Power	Legal services	Cost - direct disbursement	100%	
Lakeland Holding	Lakeland Power	Training services	Cost - number of employees	42%	
Lakeland Holding	Lakeland Power	Building rent	Cost - sq. footage	41%	\$ 45,000

1
2

Year: 2019

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Lakeland Power	Lakeland Energy	Rent	sq. ft. market	31500	
Lakeland Power	Bracebridge Generation	Rent	sq. ft. market	16500	
Lakeland Power	Bracebridge Generation/Lakeland Energy	On call-trouble assistance-project assistance	market	32800	31400
Lakeland Energy	Lakeland Power	GIS	market based service agreement	112000	
Lakeland Power	Lakeland Energy	Water tank billing	cost	3600	3600
Lakeland Energy	Lakeland Power	ISP/Telephone system	market based service agreement	76200	
Lakeland Energy	Lakeland Power	IT Support & Cybersecurity	market based service agreement	330272	
Lakeland Energy	Lakeland Power	Building mtce	cost		
Lakeland Energy	Lakeland Power	Hot water tank rental	market	768	

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	% of Corporate	Amount Allocated
From	To			%	\$
Lakeland Holding	Lakeland Power	Executive & Mgmt services	Cost - timesheets	46%	\$ 554,843
Lakeland Holding	Lakeland Power	Board of Directors	Cost	40%	\$ 16,000
Lakeland Holding	Lakeland Power	Financial/HR/Payroll	Cost - timesheets	50%	\$ 99,930
Lakeland Holding	Lakeland Power	Telephone/Internet/IT support/Office	Cost - number of employees	42%	\$ 58,696
Lakeland Holding	Lakeland Power	Audit fees/IFRS conversion	Cost - asset percentage	34%	\$ 50,000
Lakeland Holding	Lakeland Power	Legal services	Cost - direct disbursement	100%	
Lakeland Holding	Lakeland Power	Training services	Cost - number of employees	42%	\$ -
Lakeland Holding	Lakeland Power	Building rent	Cost - sq. footage	41%	\$ 45,000

1

2

Table 21: Shared Services/Corporate Cost Allocation – 2013 Board Approved Proxy, 2017 Actual, 2019 Test Year below is an overview of the respective services provided and the level of cost for 2013 Board Approved Proxy, 2017 Actual, and 2019 Test Year.

Table 21: Shared Services/Corporate Cost Allocation – 2013 Board Approved Proxy, 2017 Actual, 2019 Test Year

Shared Services

Name of Company		Service Offered	Pricing Methodology	Approved Proxy	2017 Actual	2019 Test Year
From	To			\$	\$	\$
Lakeland Power	Lakeland Energy	Rent	sq. ft. market		\$ 31,500	\$ 31,500
Lakeland Power	Bracebridge Generation	Rent	sq. ft. market		\$ 16,500	\$ 16,500
Lakeland Power	Bracebridge Generation/Lakeland Energy	On call-trouble assistance-project assistance	market		\$ 47,394	\$ 32,800
Lakeland Energy	Lakeland Power	GIS	market based service agreement	\$ 70,400	\$ 102,000	\$ 112,000
Lakeland Power	Lakeland Energy	Water tank billing	cost		\$ 3,600	\$ 3,600
Lakeland Energy	Lakeland Power	ISP/Telephone system	market based service agreement	\$ 16,000	\$ 76,688	\$ 76,200
Lakeland Energy	Lakeland Power	IT Support & Cybersecurity	market based service agreement	\$ 148,000	\$ 272,102	\$ 330,272
Lakeland Energy	Lakeland Power	Building mtce	cost		\$ 1,936	\$ -
Lakeland Energy	Lakeland Power	Hot water tank rental	market		\$ 768	\$ 768

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	Approved Proxy	2017 Actual	2019 Test Year
From	To			\$	\$	\$
Lakeland Holding	Lakeland Power	Executive & Mgmt services	Cost - timesheets	\$ 407,250	\$ 559,773	\$ 554,843
Lakeland Holding	Lakeland Power	Board of Directors	Cost	\$ 12,450	\$ 16,000	\$ 16,000
Lakeland Holding	Lakeland Power	Financial/HR/Payroll	Cost - timesheets	\$ 109,541	\$ 131,905	\$ 99,930
Lakeland Holding	Lakeland Power	Telephone/Internet/IT support/Office	Cost - number of employees	\$ 35,780	\$ 54,638	\$ 58,696
Lakeland Holding	Lakeland Power	Audit fees/IFRS conversion	Cost - asset percentage	\$ 57,700	\$ 49,604	\$ 50,000
Lakeland Holding	Lakeland Power	Legal services	Cost - direct disbursement		\$ -	\$ -
Lakeland Holding	Lakeland Power	Training services	Cost - number of employees	\$ 8,000	\$ -	\$ -
Lakeland Holding	Lakeland Power	Building rent	Cost - sq. footage	\$ 44,500	\$ 44,283	\$ 45,000
Total				\$ 675,221	\$ 856,204	\$ 824,469

4.5.2 SHARED SERVICES & PRICING METHODOLOGY

For Shared Services, the primary pricing methodology is market based, for transactions in either direction, LPDL to Affiliates and Affiliates to LPDL.

Lakeland Power provides:

- Building space provided for a monthly fee to BGL & LEL – market based on sq.ft. 5 year lease

- 1 • On-call monitoring and trouble call response to BGL & LEL – market based labour rates
- 2 • Water tank billing to LEL – cost for printing 600 bills

3 Lakeland Energy provides:

- 4 • GIS services & support
- 5 • Internet provider, telephony and IT support

6 LEL is an internet service provider as well as a provider of telephony services, GIS services and IT
7 support to businesses and residences in the area. LPDL contracts LEL to provide these services
8 at market rates which is the pricing methodology used for all years. As the complexity of
9 systems, upgrades, increase in staff and cyber threats increase, the relative time spent on these
10 services has increased as well as the specialized skill set. All of LPDL's substations are connected
11 via fibre optic network for improved/stable communication between sites and to SCADA. This
12 was supplied, installed and managed through the affiliate. The LPDL communication network is
13 fully on a fibre optic base between locations for all systems including phone and internet, the
14 affiliate being the ISP provider and support. This eliminated the costs that were previously
15 purchased from an outside internet provider, a telephone company, and a long distance
16 provider. When LPDL merged with PSP, the network was expanded to include the PSP office
17 and area as well as additional staff phones/computers. As each new system came online, such
18 as CIS, Accounting, SCADA, Work Management and Asset Management, there was a growth in
19 reliance on sustainable/dependable IT support, both for local support and server support. LEL
20 has converted servers to virtual modes, streamlined licensing updates and moved LPDL to more
21 cloud/web based applications in order to enhance outside staff accessibility to operational
22 systems. Customer interaction is more efficient, scheduled more effectively, and recorded
23 quickly due to the improvements in technology, supported and maintained by the affiliate.
24 Local IT support was not available so the affiliate grew that portion in order to support all the
25 related companies through the hiring of highly skilled tech staff. The benefit of the shared
26 services allows for any synergies or efficiencies to be shared among all entities based on each
27 proportional usage share as the market rates utilized were the lowest of the comparable services

in the area as well as being a longer term fixed rate contract. The services agreement for IT support and telephony can be found in Appendix C.

Name of Company		Service Offered	Pricing Methodology	Approved Proxy	2017 Actual	2019 Test Year
From	To			\$	\$	\$
Lakeland Energy	Lakeland Power	GIS	market based service agreement	\$ 70,400	\$ 102,000	\$ 112,000
Lakeland Energy	Lakeland Power	ISP/Telephone system	market based service agreement	\$ 16,000	\$ 76,688	\$ 76,200
Lakeland Energy	Lakeland Power	IT Support & Cybersecurity	market based service agreement	\$ 148,000	\$ 272,102	\$ 330,272
Total				\$ 234,400	\$ 450,790	\$ 518,472

4.5.2.1 SHARED SERVICES – 2019 TEST YEAR VS 2013 BOARD APPROVED PROXY

The growth in cost from 2013 Board Approved Proxy to 2019 Test Year is due to the growth of the company assets, increased number of locations as well as the complexity of the systems. Over the past 6 years, LEL has installed fibre optic internet connection to all of LPDL's sites including substations, connected the PSP acquired assets into the group, enhanced the GIS mapping of the full service territory including Parry Sound, installed an upgraded IP phone system to enhance call tracking and IVR, implemented and supported various new software and has started to implement solutions for cybersecurity. LEL provides the continuing support for all hardware and software needs including servers/email/CIS/work management systems/accounting software/GIS/SCADA/billing software, provides the resources for GIS updates including SCADA, provides internet/telephone connectivity as an ISP, and provides resources and solution for cybersecurity.

4.5.2.2 SHARED SERVICES – 2019 TEST YEAR VS 2017 ACTUAL YEAR

Services provided within this classification are the same as those outlined in Section 4.5.2.1. Compared to LPDL's last full actual year 2017, Shares Services from LEL have increased by \$67,682 of which \$50,000 is specifically attributable to the cybersecurity measures discussed previously. The costs for the implementation of the OEB designed programs is shared with all entities allowing for LPDL to reduce the potential cost of doing the project in isolation.

LPDL confirms that Shared Services revenue and cost agree with the amounts included in Other Revenue as shown in Appendix 2-N in Exhibit 3, Section 3.4.4.

4.5.3 CORPORATE COST ALLOCATION & PRICING METHODOLOGY

The method of allocation of the costs between all the affiliates has been consistent since LDPL's last Board Approved method. The 5 different methods are dependent on the type of cost;

- Timesheet hours – used to allocate labour costs
- Number of employees – used to allocate office related expenses and training course costs
- Asset value – used to allocate Audit/IFRS/Consulting fees
- Direct disbursement – for specifically identifiable costs such as legal
- Administration building costs – allocated based on sq. ft utilized by the respective companies

All LHL staff (including executives) prepare weekly timesheets identifying time spent in each company and the resulting hours split by company forms the allocation percentage for wage items. For office related items and training, the allocator is the number of employees. Audit/IFRS/Consulting fees are based on relative asset percentage of the whole company asset base. This is an efficiency/cost saving for LPDL in that it does not have to employ a full accounting or payroll department and instead shares resources between all entities based on the actual time spent on utility related items. It is estimated that the annual cost saving is \$112,000.

Table 22: Corporate Cost Allocation Variance Analysis:⁶

Name of Company		Service Offered	Pricing Methodology	Approved Proxy	2017 Actual	2019 Test Year
From	To			\$	\$	\$
Lakeland Holding	Lakeland Power	Executive & Mgmt services	Cost - timesheets	\$ 407,250	\$ 559,773	\$ 554,843
Lakeland Holding	Lakeland Power	Board of Directors	Cost	\$ 12,450	\$ 16,000	\$ 16,000
Lakeland Holding	Lakeland Power	Financial/HR/Payroll	Cost - timesheets	\$ 109,541	\$ 131,905	\$ 99,930
Lakeland Holding	Lakeland Power	Telephone/Internet/IT support/Office	Cost - number of employees	\$ 35,780	\$ 54,638	\$ 58,696
Lakeland Holding	Lakeland Power	Audit fees/IFRS conversion	Cost - asset percentage	\$ 57,700	\$ 49,604	\$ 50,000
Lakeland Holding	Lakeland Power	Legal services	Cost - direct disbursement		\$ -	\$ -
Lakeland Holding	Lakeland Power	Training services	Cost - number of employees	\$ 8,000	\$ -	\$ -
Lakeland Holding	Lakeland Power	Building rent	Cost - sq. footage	\$ 44,500	\$ 44,283	\$ 45,000
Total				\$ 675,221	\$ 856,204	\$ 824,469

4.5.3.1 CORPORATE COST ALLOCATION – 2019 TEST YEAR VS 2013 BOARD APPROVED PROXY

2019 Test Year compared to 2013 Board Approved Proxy shows a variance in Corporate Cost Allocation of \$149,248. Over the past 6 years, the staff complement in LHL has increased to accommodate the growth in regulatory requirements, increased human resources needs with union contracts/WSIB/Bill 168 legislation, increased administration support for tracking resources for capital/maintenance projects, and increased audit fees due to IFRS. All Regulatory financial services are performed by staff within the LHL finance group including rate applications, RRR filings, 1598 filings, StatsCan, and any OEB or Ministry of Energy correspondence. LPDL had identified a specific Regulatory body to be hired during the 2013 CoS process however, this has proven to be very difficult to hire in Muskoka despite multiple advertisements/incentives/job description changes. LPDL continues to advertise for this position and/or a reduced responsibility position, and assumes that during 2018 this position will be filled, moving costs out of Corporate Allocation and instead being directly attributable to LPDL as outlined in Section 4.5.

- Human resources services/training \$49,858
- Regulatory activities \$62,617
- Increased systems support \$22,906
- Other-wage incr/BoD \$13,867

⁶ MFR - Shared Service and Corporate Cost Variance analysis - test year vs last OEB approved and most recent actual

4.5.3.2 CORPORATE COST ALLOCATION – 2019 TEST YEAR VS 2017 ACTUAL

2019 Test Year compared to 2017 Actuals shows a decrease in costs of \$31,735. The change is predominately due to removing some of the reliance on corporate staff to perform regulatory accounting and move it to a position within LPDL through a new hire in 2018. A partial offset to this was that LHL added a senior Human Resources person in order to improve HR and H&S related items more professionally as well as compliance to various forms of legislation and union negotiations. Health & Safety systems were improved and new tracking/training software installed to enhance the wellbeing of staff. The industry has seen a number of severe incidents over the past few years and LPDL wanted to institute systems and processes to prevent becoming one of the statistics as well as protecting our customers from safety hazards.

4.6 PURCHASES OF NON- AFFILIATE SERVICES

LPDL purchases equipment, materials, and services in a cost-effective manner with full consideration given to price as well as product quality, the ability to deliver on time, reliability, compliance with engineering specifications and quality of service. Vendors are screened to ensure knowledge, reputation, and the capability to meet LPDL's needs. The procurement of goods and/or services for LPDL is carried out with the highest of ethical standards and consideration to the public nature of the expenditures.

LPDL confirms that all material transactions were in compliance with the procurement policy.⁷

Purchase Authorization: The Manager of Operations, with the approval of Chief Operating Officer (over \$5,000) and President/CEO (over \$10,000 and within approved budget), approves all purchases of goods and/or services related to the capital, operations and maintenance of the distribution infrastructure.

Purchase Authorization

The Board of Directors approves the budget annually and are presented with monthly financials with any variances to budget identified. Management works within the budgeted levels using approval levels built into the purchasing software. If a purchase is outside of budget, the President/CEO can approve up to \$25,000, anything over this is sent to the Board of Directors for approval. Quotes are obtained if the items have not been identified in the budget or if the cost at the time of purchase is going to be 10% greater than the amount in the budget.

Tendering

When goods or services are tendered, a tender/request for proposal/request for quote will be issued to a minimum of three vendors, if availability permits. The Manager of Operations along

⁷ MFR - For material transactions that are not in compliance with procurement policy, or that were undertaken pursuant to exceptions contemplated within the policy, an explanation as to why as well as a summary of the nature and cost of the product, and a description of the specific methodology used for selecting the vendor

with the input of the board members, COO, and President/CEO, shall authorize the acceptance of the proposals depending on level of spending.

LPDL's 2017 Vendor list over the materiality threshold of \$50,000 is presented in Table 23: Products and Services from Non-Affiliates below.

Table 23: Products and Services from Non-Affiliates

Vendor Name	Total Inv Paid	Product or Service	Procurement Method
HYDRO ONE NETWORKS INC.	\$ 25,616,575.07	Electricity Purchases	Market Rate
INDEPENDENT ELECTRICITY SYSTEM OPERATOR	\$ 8,880,668.59	Electricity Purchases	Market Rate
ONTARIO ELECTRIC FIN CORP - DRC	\$ 1,208,432.23	Debt Retirement Remittances	Statutory
RECEIVER GENERAL-HST	\$ 1,073,706.83	GST Remittances	Statutory
ONTARIO ELECTRIC FIN CORP - CORP TAX BRANCH-HYDRO PIL	\$ 554,708.34	PILs Remittances	Statutory
RECEIVER GENERAL CANADA - OTTAWA TAX CENTRE	\$ 487,254.01	Source Deductions	Statutory
HY-LINE UTILITY SOLUTIONS	\$ 410,083.30	Pole Line Construction Contractor	Quote
ANIXTER POWER SOLUTIONS CANADA, INC.	\$ 388,802.86	Pole Line Materials/Wire/Stock Supplies	Quote
O.M.E.R.S.	\$ 333,245.60	Pension	Market Rate
HYDRO ONE	\$ 240,968.50	Load Transfer and Joint Use Settlement	Market Rate
BURMAN ENERGY	\$ 175,645.26	CDM Program Management	RFP
BOWMAN FUELS LTD	\$ 173,829.79	Fuel Purchases	Market Rate
ELSTER SOLUTIONS CANADA INC.	\$ 170,319.88	Meter Purchases	Market Rate
CC UNDERGROUND CONTINENTAL CONNECTIONS	\$ 153,915.11	Underground Construction Contractor	Quote
UTILISMART CORPORATION	\$ 146,610.72	Retail Settlement Provider Services	RFP
G-TEL ENGINEERING INC.	\$ 139,375.29	Locates	Quote
HARRIS COMPUTER SYSTEMS	\$ 136,359.37	CIS Software Maintenance & Upgrade	Contract
ASPLUNDH CANADA ULC	\$ 125,084.17	Tree Trimming Contractor	RFP
CANADA POST CORPORATION	\$ 124,197.57	Postage	Market Rate
SHIER'S INS BROKERS LTD	\$ 107,008.56	Insurance	Quote
P. MEDLEY & SONS LTD	\$ 104,008.21	Excavation/Trenching Contractor	Quote
TILTRAN POWER SERVICES CORP.	\$ 96,490.70	Substation installation & maintenance	Quote
CAM TRAN CO LTD	\$ 77,902.20	Transformers	Quote
LAPRAIRIE INC.	\$ 66,569.43	Transformers	Quote
ONTARIO ENERGY BOARD	\$ 64,960.44	Assessment fees	Regulatory
CHEC C/O CORNERSTONE HYDRO	\$ 61,589.71	Collabrative services	Contract
MCMAMARA POWERLINE CONST	\$ 57,494.40	Pole Line Construction Contractor	Quote
JASON ARMSTRONG HONDA	\$ 54,927.37	Vehicle purchase	Quote
FIDELUS SOLUTIONS INC.	\$ 54,141.50	Building & Roof repair	Quote

LPDL's purchasing policy is presented in Appendix D.⁸

⁸ MFR – Purchased Non-Affiliated Services – file a copy of procurement policy (signing authority, tendering process, non-affiliate service purchase compliance)

4.7 ONE TIME COSTS AND REGULATORY EXPENSES

4.7.1 ONE TIME COSTS

The only noteworthy one-time costs, relate to the costs associated with the 2019 CoS application which are amortized over a period of 5 years.⁹

The total incremental costs associated with the application are estimated to be \$263,000, not including DSP, of which 1/5 or \$52,600 have been included in the 2019 Test Year. The preparation of DSP throughout the 2019 CoS process was started by an outside consultant then finalized by internal resources and then rewritten to meet the Chapter 5 Filing Requirements dated July, 2018. It is assumed that LPDL will take on the updating and enhancing of the DSP as an ongoing part of its planning process, prepared by internal resources. LHL and LPDL Staff working on the 2019 CoS application have incurred additional overtime to date which has not been included in the 2019 Test Year, a \$204,000 cost savings so far. In reality, the true cost of producing the full 2019 Test Year Rate Application and first time DSP would be in excess of \$542,000.

⁹ MFR – Identification of one-time costs in historical, bridge, test; explanation of cost recovery in test (or future years)

4.7.2 REGULATORY COSTS

Staffing:

LHL's Finance department is primarily responsible for preparing regulatory filings, rate applications, completing audits and ensuring regulatory and legislative compliance. Over the past 5 years, the demand for reporting, ensuring compliance, and the completion of rate applications has dramatically increased, resulting in more staff time being allocated to regulatory matters. The lack of a specific Regulatory position has resulted in all levels of the Finance department participating in meeting regulatory requirements over and above their current responsibilities. It is anticipated that with the hiring of a specific Regulatory person, the additional overtime hours being worked by all Finance staff will be eliminated. Currently that overtime is not included in actual costs as the positions are salaried and are not paid overtime nor in lieu time. Burnout and stress have become a significant HR issue. Overtime hours to date for the 2019 CoS application alone are in excess of 1600 hours for the first 6 months of 2018, the cost of which is not in the 2018 Forecast, at a value of \$132,000 for 6 months. LPDL has included staff resources in the 2019 Test Year of \$150,000, being a Regulatory Accountant assigned exclusively to prepare regulatory filings, rate applications, and any other regulatory compliance items. It has been very difficult to hire this position as the skill set is particularly specific. It was assumed that with the amalgamation with Parry Sound that a suitable candidate within the group would be able to fill the vacancy however, the skill set was lacking. LHL has an upcoming retirement of the person currently driving the Regulatory portion from the finance side so there is an urgency to finding an option for this area.

OEB Assessments:

Included in Regulatory costs is the annual assessment fee paid to the OEB, as well as cost awards for hearings, proceedings, and other regulatory matters.

These costs have increased from \$47,251 in 2013 Board Approved Proxy to \$61,500 in 2019 Test Year based on the invoices received in the first six months of 2018. When comparing to the last

year actuals, 2017, the difference between 2013 Board Approved Proxy and the actual OEB assessment was being recorded in a deferral account, approximately \$15,000 per year.

Regulatory Applications:

The 2019 CoS application process is significantly more extensive than the CoS applications previously completed. LPDL forecasts that the total cost for this application will be \$263,000 not including staff resources as shown in Table 25. The costs included are consulting and legal fees, community meetings (4) and intervenor cost awards as identified in Table 24 below.

Table 24: Appendix 2-M - Regulatory Cost Schedule ¹⁰

Regulatory Cost Category	USoA Account	USoA Account Balance	Ongoing or One-time Cost?	Last Rebasings Year Board Approved	2013	2014	2015	2016	2017	2018	2019
1 OEB Annual Assessment	5655		On-Going	\$ 45,151	\$ 40,400	\$ 47,085	\$ 48,463	\$ 61,387	\$ 61,005	\$ 59,171	\$ 60,000
2 OEB Section 30 Costs (Applicant-originated)	5655		One-Time		\$ 10,796			\$ 3,436			
3 OEB Section 30 Costs (OEB-initiated)	5655		On-Going	\$ 2,100	\$ 2,259	\$ 1,008	\$ 4,710	\$ 281	\$ 1,540	\$ 1,200	\$ 1,500
4 Expert Witness costs for regulatory matters											
5 Legal costs for regulatory matters	5655		One-Time	\$ 50,000	\$ 21,591			\$ 7,517			\$ 4,000
6 Consultants' costs for regulatory matters	5655		One-Time	\$ 15,000	\$ 1,650			\$ 9,756	\$ 25,509	\$ 15,266	\$ 26,000
7 Operating expenses associated with staff resources allocated to regulatory matters	5665		On-Going	\$ 87,383	\$ 63,076	\$ 99,385	\$ 124,615	\$ 127,712	\$ 143,104	\$ 147,000	\$ 150,000
8 Operating expenses associated with other resources allocated to regulatory matters ¹	5655		One-Time	\$ 68,670	\$ 65,110	\$ 55,255	\$ 18		\$ 519	\$ 34,734	\$ 7,600
9 Other regulatory agency fees or assessments			On-Going	\$ 1,600	\$ 1,600	\$ 1,600	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800
10 Difference in OEB Assessment from Board Approved	5655		One-Time					-\$ 15,408	-\$ 15,854	-\$ 14,020	
11 Intervenor costs	5655		One-Time	\$ 1,500	\$ 38,185			\$ 1,331			\$ 15,000
12 Sub-total - Ongoing Costs ³		\$ -		\$ 136,234	\$ 107,335	\$ 149,077	\$ 178,588	\$ 190,180	\$ 206,449	\$ 208,171	\$ 212,300
13 Sub-total - One-time Costs ⁴		\$ -		\$ 135,170	\$ 137,332	\$ 55,255	\$ 18	\$ 6,633	\$ 10,173	\$ 35,980	\$ 52,600
14 Total		\$ -		\$ 271,404	\$ 244,667	\$ 204,333	\$ 178,606	\$ 196,813	\$ 216,622	\$ 244,151	\$ 264,900

¹⁰ MFR – Regulatory costs – breakdown of actual and forecast, supporting information related to CoS application, proposed recovery (i.e. amortized?) Completed Appendix 2-M

Table 25: Cost of Service Application Costs

Regulatory Cost Category	2017	2018	2019
Legal costs for regulatory matters			\$ 20,000
Consultants' costs for regulatory matters	\$ 25,509	\$ 15,266	\$ 89,226
Operating expenses associated with other resources allocated to regulatory matters ¹	\$ 519	\$ 34,734	\$ 2,747
Intervenor costs			\$ 75,000
Total	\$ 26,027	\$ 50,000	\$ 186,973
Cummulative Total			\$ 263,000

Table 26: Regulatory Expenses - 2013 Board Approved Proxy

Regulatory Cost Category	Former LPDL - 2013	Former PSP - 2011	Board Approved Proxy
Legal costs for regulatory matters	\$ 50,000	\$ -	\$ 50,000
Consultants' costs for regulatory matters	\$ 15,000	\$ -	\$ 15,000
Operating expenses associated with other resources allocated to regulatory matters ¹		\$ 68,670	\$ 68,670
Intervenor costs	\$ 1,500	\$ -	\$ 1,500
Total	\$ 66,500	\$ 68,670	\$ 135,170

LPDL requests approval of these costs to be recovered over a 5 year period.

4.8 LEAP, CHARITABLE & POLITICAL DONATIONS

4.8.1 LOW- INCOME ENERGY ASSISTANCE PROGRAMS (LEAP)

LPDL has included \$10,000 for the Low-Income Energy Assistance Program (LEAP) under Deductions Donation Expense-LEAP (USoA #6205). This amount is based on the Board's determination that the greater amount of 0.12% of a distributor's Board-Approved distribution revenue requirement or \$2,000 should be included in the utility's costs and therefore recovered from all rate classes.¹¹

LPDL has partnered with District of Muskoka ("DoM") as the Intake Agency, to assist in the program intended to provide emergency relief to eligible low-income customers who may be experiencing difficulty paying current arrears to LPDL.

In compliance with OEB policy, LPDL:

- Collects money from ratepayers for LEAP in the amount approved by the OEB as part of the recoverable OM&A expenses;
 - Transfers program funds to DoM (Intake Agency);
 - Allows DoM to determine funding allocations within their service territory by geography;
 - Receives a monthly report from the DoM agency showing the disbursements and balance of the LEAP funds remaining;
 - Leaves the assessment of eligibility of LPDL customers and records to DoM;
 - Confirms customer and account information used in determining program eligibility, including information on payment history and arrears owing; and
 - Reports to the OEB in accordance with OEB reporting requirements through filings
- 2.1.16.

¹¹ MFR – LEAP – the greater of 0.12% of forecasted service revenue requirement of \$2,000 should be included in OM&A and recovered from all rate classes

4.8.2 CHARITABLE AND POLITICAL DONATIONS

LPDL has a policy in place where donations are made primarily to charities or local groups that service residents in our six service areas. LPDL confirms that no charitable donations have been included in OM&A expenses for 2019 other than LEAP program summarized above.¹²

LPDL does not make any political donations.¹³

¹² MFR – Detailed information for all contributions that are claimed for recovery

¹³ MFR – Charitable Donations – the applicant must confirm that no political contributions have been included for recovery

4.9 DEPRECIATION, AMORTIZATION AND DEPLETION

4.9.1 OVERVIEW

LPDL amortizes its capital assets available for use on a straight-line basis over their estimated useful lives of each significant component guided by the Kinectrics report. Amortization is recorded at one-half of the annual rate for assets placed into service or acquired in the current year, in accordance with Section 2.4.4 of Chapter 2 of the Filing Requirements for Electricity Distribution Rate Applications. LPDL follows the recognition criteria for depreciation of an asset when it is available for use.

Construction in progress assets are not amortized until the project is complete and the asset is available for use.

Currently LPDL does not have any Asset Retirement Obligations, therefore no associated depreciation.

LPDL's accounting policy has been not to expense borrowing costs unless they have met the IFRS criteria to capitalize the associated interest. To date, LPDL has not capitalized any borrowing costs and does not have any capitalized borrowing costs in its 2018 Bridge or 2019 Test Year.

LPDL's Capitalization Policy is fully described in Exhibit 2, Section 2.4.6. Details of LPDL's depreciation expense are provided in Section 4.9, Depreciation Expense. Fixed Asset Continuity Schedules are provided in Exhibit 2, Section 2.1.5. Unlike OM&A costs, LPDL did not create a 2013 Board Approved Proxy for depreciation due to its impact on capital and accumulated amortization. The 2013 Board Approved Proxy used for this application regarding depreciation is the 2013 Board Approved amounts for LPDL plus the 2011 Board Approved amounts for PSP, as shown in Table 27 below.

1 **Table 27: Summary of Depreciation Expense – 2013 Board Approved Proxy**

			Accounting Standard	CGAAP				
	Board Approved Proxy		Year	2013				
OEB Account ³	Description ³	2013 Board Approved LPDL	2013 Board Approved Proxy PSP	2013 Board Approved Proxy	2011 Board Approved PSP	2012 Board Appr - Proxy - 0.00%	2013 Board Appr - Proxy - 0.00%	
1609	Capital Contributions Paid							
1611	Computer Software (Formally known as Account 1925)	\$ 104,681	\$ 18,761	\$ 123,442	\$ 18,761	\$ 18,761	\$ 18,761	
1612	Land Rights (Formally known as Account 1906)		\$ 20	\$ 20	\$ 20	\$ 20	\$ 20	
1808	Buildings	\$ 77,383	\$ -	\$ 77,383		\$ -	\$ -	
1820	Distribution Station Equipment <50 kV	\$ 73,413	\$ 47,745	\$ 121,158	\$ 47,745	\$ 47,745	\$ 47,745	
1830	Poles, Towers & Fixtures	\$ 220,380	\$ 64,015	\$ 284,395	\$ 64,015	\$ 64,015	\$ 64,015	
1835	Overhead Conductors & Devices	\$ 169,206	\$ 76,549	\$ 245,755	\$ 76,549	\$ 76,549	\$ 76,549	
1840	Underground Conduit	\$ 51,051	\$ 24,185	\$ 75,236	\$ 24,185	\$ 24,185	\$ 24,185	
1845	Underground Conductors & Devices	\$ 90,752	\$ 30,154	\$ 120,906	\$ 30,154	\$ 30,154	\$ 30,154	
1850	Line Transformers	\$ 229,399	\$ 67,443	\$ 296,842	\$ 67,443	\$ 67,443	\$ 67,443	
1855	Services (Overhead & Underground)	\$ 17,417	\$ 43,690	\$ 61,107	\$ 43,690	\$ 43,690	\$ 43,690	
1860	Meters	\$ 25,441	\$ 14,295	\$ 39,736	\$ 14,295	\$ 14,295	\$ 14,295	
1860	Meters (Smart Meters)	\$ 111,307	\$ -	\$ 111,307		\$ -	\$ -	
1908	Buildings & Fixtures	\$ 5,874	\$ -	\$ 5,874		\$ -	\$ -	
1910	Leasehold Improvements		\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	
1915	Office Furniture & Equipment (10 years)	\$ 22,864	\$ 5,862	\$ 28,726	\$ 5,862	\$ 5,862	\$ 5,862	
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 12,541	\$ 7,467	\$ 20,008	\$ 7,467	\$ 7,467	\$ 7,467	
1930	Transportation Equipment	\$ 104,012	\$ 63,355	\$ 167,367	\$ 63,355	\$ 63,355	\$ 63,355	
1935	Stores Equipment	\$ 646	\$ -	\$ 646		\$ -	\$ -	
1940	Tools, Shop & Garage Equipment	\$ 29,598	\$ 391	\$ 29,989	\$ 391	\$ 391	\$ 391	
1955	Communications Equipment	\$ 14,095	\$ -	\$ 14,095		\$ -	\$ -	
1955	Communication Equipment (Smart Meters)	\$ 27,372	\$ -	\$ 27,372		\$ -	\$ -	
1980	System Supervisor Equipment	\$ 5,000	\$ -	\$ 5,000		\$ -	\$ -	
1995	Contributions & Grants	-\$ 250,264	-\$ 30,895	-\$ 281,159	-\$ 30,895	-\$ 30,895	-\$ 30,895	
	Sub-Total	\$ 1,142,168	\$ 453,037	\$ 1,595,205	\$ 453,037	\$ 453,037	\$ 453,037	
	Less: Fully Allocated Depreciation							
	Transportation	\$ 104,012	\$ 63,355	\$ 167,367				
	Stores Equipment		\$ 391					
	Net Depreciation	\$ 1,038,156	\$ 389,291	\$ 1,427,838				

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4.9.2 ACCOUNTING CHANGES

4.9.2.1 CHANGES IN CAPITALIZATION POLICIES AND DEPRECIATION

As described in Exhibit 2, in accordance with the Board's letter dated July 12, 2012, each of the former LPDL and PSP adopted capitalization and depreciation policies under CGAAP that were compliant with International Financial Reporting Standards. The former LPDL adopted the required accounting changes for depreciation and capitalization policies on January 1, 2012 and were included in the 2013 CoS. The former PSP adopted the required accounting changes for depreciation and capitalization on January 1, 2013. The impact of the capitalization and depreciation changes, related to the former PSP, are detailed in Exhibit 9, Deferral and Variance Accounts (Account 1576).

Upon amalgamation in 2014, there were no further changes as both former entities utilized the same depreciation and capitalization policies.

4.9.2.2 TRANSITION TO MODIFIED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("MIFRS")

Both the former LPDL and PSP followed CGAAP in 2013 and 2014. Each of the entities adopted IFRS effective January 1, 2015 with restatement to January 1, 2014 ("transition date"). LPDL adopted MIFRS for rate making purposes effective January 1, 2015 and follows the OEB's Accounting Procedures Handbook.

4.9.3 DEPRECIATION RATES AND METHODOLOGY

On July 12, 2012, the Board issued a statement that changes to depreciation rates and capitalization policies that would have been implemented under IFRS could be made in 2012 under CGAAP (effective January 1, 2012), and must be made no later than 2013 (effective January 1, 2013) regardless of where the Accounting Standards Board (AcSB) permitted further deferrals beyond 2013 for the changeover to IFRS.

In 2012, LPDL implemented this change to its depreciation rates and componentization of Property, Plant and Equipment (PP&E). LPDL amortizes its capital assets available for use on a straight line basis over their estimated useful lives that were guided by the Kinectrics report. Amortization is recorded at one-half of the annual rate for assets placed into service or acquired in the current year, in accordance with Section 2.4.4 of Chapter 2 of the Filing Requirements for Electricity Distribution Rate Applications. LPDL follows the recognition criteria for depreciation of an asset when it is available for use.

4.9.3.1 USEFUL LIVES

LPDL presented its changes to useful lives, depreciation rates and components in the last CoS application (EB-2012-00145) and continues to use the same useful lives on a go-forward basis.¹⁴¹⁵ Prior to legal amalgamation with PSP in 2014, on January 1, 2013, PSP also changed to the same useful lives and depreciation rates across all components as LPDL. Therefore, no reconciliation is needed and LPDL continues to use all categories as previously filed.

LPDL does not have any differences in depreciation during the transition to MIFRS from Revised CGAAP, as evidenced in its 2013 CoS application (EB-2012-0145) therefore a 2013 MIFRS or 2014 MIFRS Appendix 2-C was not required.

¹⁴ MFR - Explanations for any useful lives of an asset that are proposed that are not within the ranges contained in the Kinectrics Report

¹⁵ MFR - Explanation of any deviations from the practice of depreciating significant parts or components of PP&E separately

1 In selecting the useful life, LPDL uses the range within the Kinetrics study, as well as local
2 conditions and experiences. LPDL uses the pooling of assets for all fixed assets with the
3 exception of Computer Equipment/Software, Automotive Equipment and Furniture &
4 Equipment. Amortization is calculated on a straight line basis over the estimated remaining
5 useful life of the assets at the end of the previous year plus 50% of the current year capital
6 additions.

7 The only exceptions to the useful lives presented in the Kinetrics report and the useful life used
8 by LPDL are for:

- 9 • SCADA – 10 years versus 20 years as the components that LPDL utilizes are more aligned
10 with equipment and as technology changes, this is one area that will likely change
11 rapidly. This will allow a better alignment between depreciation rate and actual useful
12 life.

13 LPDL has provided a copy of Appendix 2-BB (Service Life Comparison)

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Table 28: Appendix 2-BB – Service Life Comparison

Parent*	#	Asset Details			Useful Life			USoA Account Number	USoA Account Description	Current		Proposed		Outside Range of Min, Max TUL?	
		Category Component Type			MIN UL	TUL	MAX UL			Years	Rate	Years	Rate	Below Min TUL	Above Max TUL
OH	1	Fully Dressed Wood Poles	Overall	Wood	35	45	75	1830	Poles, Towers & Fixtures	45	2%	45	2%	No	No
			Cross Arm	Steel	20	40	55								
					30	70	95								
	2	Fully Dressed Concrete Poles	Overall	Wood	50	60	80								
			Cross Arm	Steel	20	40	55								
					30	70	95								
	3	Fully Dressed Steel Poles	Overall	Wood	60	60	80								
			Cross Arm	Steel	20	40	55								
					30	70	95								
	4	OH Line Switch			30	45	55								
	5	OH Line Switch Motor			15	25	25								
TS & MS	6	OH Line Switch RTU			15	20	20								
	7	OH Integral Switches			35	45	60								
	8	OH Conductors			50	60	75	1835	O/H Conductor and Devices	60	2%	60	2%	No	No
	9	OH Transformers & Voltage Regulators			30	40	60	1850	Line Transformers	40	3%	40	3%	No	No
	10	OH Shunt Capacitor Banks			25	30	40								
	11	Reclosers			25	40	55								
	12	Power Transformers	Overall		30	45	60	1820	Distribution Station Equipment	40	3%	40	3%	No	No
			Bushing		10	20	30								
			Tap Changer		20	30	60								
	13	Station Service Transformer			30	45	55								
	14	Station Grounding Transformer			30	40	40								
UG	15	Station DC System	Overall		10	20	30								
			Battery Bank		10	15	15								
			Charger		20	20	30								
	16	Station Metal Clad Switchgear	Overall		30	40	60								
			Removable Breaker		25	40	60								
	17	Station Independent Breakers			35	45	65								
	18	Station Switch			30	50	60								
	19	Electromechanical Relays			25	35	50								
	20	Solid State Relays			10	30	45								
	21	Digital & Numeric Relays			15	20	20								
	22	Rigid Busbars			30	55	60								
S	23	Steel Structure			35	50	90								
	24	Primary Paper Insulated Lead Covered (PILC) Cables			60	65	75								
	25	Primary Ethylene-Propylene Rubber (EPR) Cables			20	25	25								
	26	Primary Non-Tree Retardant (TR) Cross Linked Polyethylene (XLPE) Cables Direct Buried			20	25	30								
	27	Primary Non-TR XLPE Cables in Duct			20	25	30								
	29	Primary TR XLPE Cables in Duct			35	40	55	1845	UG Conductors and Devices	45	2%	45	2%	No	No
	30	Secondary PILC Cables			70	75	80								
	31	Secondary Cables Direct Buried			25	35	40								
	32	Secondary Cables in Duct			35	40	60	1855	UG Secondary Services	45	2%	45	2%	No	No
	33	Network Transformers	Overall		20	35	50								
			Protector		20	35	40								
S	34	Pad-Mounted Transformers			25	40	45								
	35	Submersible/Vault Transformers			25	35	45								
	36	UG Foundation			35	55	70								
	37	UG Vaults	Overall		40	60	80								
			Roof		20	30	45								
	38	UG Vault Switches			20	35	50								
	39	Pad-Mounted Switchgear			20	30	45								
	40	Ducts			30	50	85	1840	UG Conduit	40	3%	40	3%	No	No
	41	Concrete Encased Duct Banks			35	55	80								
	42	Cable Chambers			50	60	80								
	43	Remote SCADA			15	20	30	1980	System Supervisory Equipment	10	10%	10	10%	Yes	No

Table F-2 from Kinetics Report¹

	Asset Details			Useful Life Range	USoA Account Number	USoA Account Description	Current		Proposed		Outside Range of Min, Max TUL?	
#	Category Component Type						Years	Rate	Years	Rate	Below Min Range	Above Max Range
1	Office Equipment			5, 15	1915	Office Furniture and Equipment	10	10%	10	10%	No	No
2	Vehicles	Trucks & Buckets	5, 15	1930	Transportation Equipment - Trucks/Buckets	5-8	0%	5-8	0%	No	Yes	
		Trailers	5, 20	1930	Transportation Equipment - Trailers	10	10%	10	10%	No	No	
		Vans	5, 10									
3	Administrative Buildings			50, 75	1908	Buildings - Office	50	2%	50	2%	No	No
4	Leasehold Improvements			Lease dependent	1810	Leasehold Improvements	25	4%	25	4%		
5	Station Buildings	Station Buildings	50, 75									
		Parking	25, 30									
		Fence	25, 60									
		Roof	20, 30									
6	Computer Equipment	Hardware	3, 5	1920	Computer Hardware	5	20%	5	20%	No	No	
		Software	2, 5	1611	Computer Software	5	20%	5	20%	No	No	
7	Equipment	Power Operated	5, 10									
		Stores	5, 10	1935	Stores Equipment	10	10%	10	10%	No	No	
		Tools, Shop, Garage Equipment	5, 10	1940	Tools, Shop, Garage Equipment	10	10%	10	10%	No	No	
		Measurement & Testing Equipment	5, 10									
8	Communication	Towers	60, 70									
		Wireless	2, 10	1955	Communication	5-10	0%	5-10	0%	No	Yes	
9	Residential Energy Meters			25, 35	1860	Stranded Meters	25	4%	25	4%	No	No
10	Industrial/Commercial Energy Meters			25, 35								
11	Wholesale Energy Meters			15, 30								
12	Current & Potential Transformer (CT & PT)			35, 50								
13	Smart Meters			5, 15	1860	Smart Meters	15	7%	15	7%	No	No
14	Repeaters - Smart Metering			10, 15								
15	Data Collectors - Smart Metering			15, 20								

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4.9.3.2 DEPRECIATION EXPENSE

In accordance with the filing requirements, LPDL has completed depreciation and amortization expense tables for the following:¹⁶

- 2014 New CGAAP - Appendix 2-C Depreciation & Amortization Expense
- 2015 MIFRS - Appendix 2-C Depreciation & Amortization Expense
- 2016 MIFRS - Appendix 2-C Depreciation & Amortization Expense
- 2017 MIFRS –Appendix 2-C Depreciation & Amortization Expense
- 2018 MIFRS - Appendix 2-C Depreciation & Amortization Expense

As previously stated, LPDL adopted the changes in capitalization and useful lives policies for their assets with the 2013 CoS application EB-2012-0145. LPDL does not have any material differences on the transition to MIFRS from Revised CGAAP, and therefore a 2014 MIFRS Appendix 2-C was not required.

LPDL confirms that the accumulated depreciation schedules agree with Fixed Asset Continuity Schedules as shown in Appendix 2-BA and Exhibit 2. Any difference between the calculation of depreciation expense versus the actual depreciation expense, are not of a material nature.

¹⁶ MFR - Depreciation, Amortization and Depletion details by asset group for historical, bridge and test years. Include asset amount and rate of depreciation/amortization. Must agree to accumulated depreciation in Appendix 2-BA under rate base

Table 29: Appendix 2-C Depreciation & Amortization Expense - 2014 CGAAP

		Book Values							Service Lives				Depreciation Expense							
Account	Description	Opening Net Book Value of Existing Assets as at Date of Policy Change (Jan. 1) ¹	Less Fully Depreciated ⁷	Net Amount of Existing Assets Before Policy Change to be Depreciated	Opening Gross Book Value of Assets Acquired After Policy Change ²	Less Fully Depreciated ⁸	Net Amount of Assets Acquired After Policy Change to be Depreciated	Current Year Additions	Average Remaining Life of Assets Existing Before Policy Change ³	Depreciation Rate Assets Acquired After Policy Change	Life of Assets Acquired After Policy Change ⁴	Depreciation Rate on New Additions	Depreciation Expense on Assets Existing Before Policy Change	Depreciation Expense on Assets Acquired After Policy Change	Depreciation Expense on Current Year Additions ⁵	Total Current Year Depreciation Expense	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance ⁶		
		b	c = a-b	d	e	f = d-e	g	h	i = 1/h	j	k = 1/j	l = c/h	m = f/j	n = g*0.5/j	o = l+m+n	p	q = p-o			
1611	Computer Software (Formally known as Account 1925)	\$ 202,058	\$ 2,898	\$ 199,160	\$ 424,835	\$ -	\$ 424,835	\$ 12,733	4.04	24.75%	5.00	20.00%	\$ 49,297	\$ 84,967	\$ 1,273	\$ 132,991	\$ 119,174	\$ 13,817		
1612	Land Rights (Formally known as Account 1906)	\$ 501,177		\$ 501,177	\$ 4,031	\$ -	\$ 4,031	\$ 2,227	17.00	5.88%	-	0.00%	\$ 29,481	\$ -	\$ -	\$ 29,481	\$ 20	\$ 29,461		
1805	Land	\$ 74,305	\$ -	\$ 74,305	\$ -	\$ -	\$ -	\$ -		0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1808	Buildings	\$ 1,664,950	\$ -	\$ 1,664,950	\$ 822	\$ -	\$ 822	\$ 4,534	24.87	4.02%	50.00	2.00%	\$ 66,952	\$ 16	\$ 45	\$ 67,014	\$ 67,014	\$ -		
1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1820	Distribution Station Equipment <50 kV	\$ 3,027,100	\$ -	\$ 3,027,100	\$ 164,540	\$ -	\$ 164,540	\$ 459,436	33.54	2.98%	40.00	2.50%	\$ 90,259	\$ 4,114	\$ 5,743	\$ 100,115	\$ 100,115	\$ 0		
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1830	Poles, Towers & Fixtures	\$ 3,811,042	\$ -	\$ 3,811,042	\$ 667,773	\$ -	\$ 667,773	\$ 420,607	23.10	4.33%	45.00	2.22%	\$ 164,958	\$ 14,839	\$ 4,673	\$ 184,471	\$ 184,471	\$ -		
1835	Overhead Conductors & Devices	\$ 3,139,923		\$ 3,139,923	\$ 536,842	\$ -	\$ 536,842	\$ 341,517	28.57	3.50%	60.00	1.67%	\$ 109,893	\$ 8,947	\$ 2,846	\$ 121,687	\$ 121,687	\$ -		
1840	Underground Conduit	\$ 1,819,437	\$ -	\$ 1,819,437	\$ 343,418	\$ -	\$ 343,418	\$ 310,614	26.18	3.82%	40.00	2.50%	\$ 69,492	\$ 8,585	\$ 3,883	\$ 81,960	\$ 81,960	\$ -		
1845	Underground Conductors & Devices	\$ 1,638,246	\$ -	\$ 1,638,246	\$ 688,183	\$ -	\$ 688,183	\$ 116,022	23.64	4.23%	45.00	2.22%	\$ 69,306	\$ 15,293	\$ 1,289	\$ 85,888	\$ 85,888	\$ -		
1850	Line Transformers	\$ 4,450,852	\$ -	\$ 4,450,852	\$ 1,137,825	\$ -	\$ 1,137,825	\$ 405,415	25.25	3.96%	40.00	2.50%	\$ 176,303	\$ 28,446	\$ 5,068	\$ 209,816	\$ 209,816	\$ -		
1855	Services (Overhead & Underground)	\$ 817,073	\$ -	\$ 817,073	\$ 254,949	\$ -	\$ 254,949	\$ 34,294	40.10	2.49%	45.00	2.22%	\$ 20,378	\$ 5,666	\$ 381	\$ 26,425	\$ 26,425	\$ 0		
1860	Meters	\$ 399,178	\$ 30,209	\$ 368,969	\$ 2,572,544	\$ -	\$ 2,572,544	\$ 199,788	13.71	7.29%	15.00	6.67%	\$ 26,904	\$ 171,503	\$ 6,660	\$ 205,067	\$ 205,067	\$ -		
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1905	Land	\$ 278,455	\$ -	\$ 278,455	\$ -	\$ -	\$ -	\$ -		0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1908	Buildings & Fixtures	\$ 123,184	\$ -	\$ 123,184	\$ 5,220	\$ -	\$ 5,220	\$ 21,045	12.88	7.76%	50.00	2.00%	\$ 9,561	\$ 104	\$ 210	\$ 9,876	\$ 9,876	\$ -		
1910	Leasehold Improvements	\$ 47,252	\$ -	\$ 47,252	\$ 69,346	\$ -	\$ 69,346	\$ 24,942	50.00	2.00%	25.00	4.00%	\$ 945	\$ 2,774	\$ 499	\$ 4,218	\$ 14,154	\$ 9,936		
1915	Office Furniture & Equipment (10 years)	\$ 115,599	\$ 62	\$ 115,537	\$ -	\$ -	\$ -	\$ 3,558	7.04	14.20%	10.00	10.00%	\$ 16,406	\$ -	\$ 178	\$ 16,584	\$ 16,584	\$ 0		
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1920	Computer Equipment - Hardware	\$ 44,786	\$ 10,557	\$ 34,229	\$ 161,644	\$ -	\$ 161,644	\$ 7,060	3.89	25.68%	5.00	20.00%	\$ 8,792	\$ 32,329	\$ 706	\$ 40,414	\$ 32,026	\$ 8,389		
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1930	Transportation Equipment	\$ 594,966	\$ 14,693	\$ 580,273	\$ 406,993	\$ -	\$ 406,993	\$ 149,924	5.69	17.58%	8.00	12.50%	\$ 101,991	\$ 50,874	\$ 9,370	\$ 162,235	\$ 162,235	\$ -		
1935	Stores Equipment	\$ 2,384		\$ 2,384	\$ -	\$ -	\$ -	\$ -	4.13	24.21%	10.00	10.00%	\$ 577	\$ -	\$ -	\$ 577	\$ 577	\$ 0		
1940	Tools, Shop & Garage Equipment	\$ 79,297	\$ 2,528	\$ 76,768	\$ 9,879	\$ -	\$ 9,879	\$ 20,060	6.60	15.16%	10.00	10.00%	\$ 11,639	\$ 988	\$ 1,003	\$ 13,630	\$ 13,630	\$ 0		
1945	Measurement & Testing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1950	Power Operated Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1955	Communications Equipment	\$ 59,959	\$ 2,435	\$ 57,524	\$ 645	\$ -	\$ 645	\$ 296	5.78	17.30%	10.00	10.00%	\$ 9,952	\$ 64	\$ 15	\$ 10,031	\$ 10,031	\$ 0		
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ 410,583	\$ -	\$ 410,583	\$ -	-	0.00%	5.00	20.00%	\$ -	\$ 82,117	\$ -	\$ 82,117	\$ 82,117	\$ 0		
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1980	System Supervisor Equipment	\$ -	\$ -	\$ -	\$ 176,033	\$ -	\$ 176,033	\$ 52,982	-	0.00%	10.00	10.00%	\$ -	\$ 17,603	\$ 2,649	\$ 20,252	\$ 20,252	\$ 0		
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
1995	Contributions & Grants	\$ 4,624,478	\$ -	\$ 4,624,478	\$ 1,330,181	\$ -	\$ 1,330,181	\$ 281,052	36.91	2.71%	42.50	2.35%	\$ 125,292	\$ 31,298	\$ 3,306	\$ 159,896	\$ 159,896	\$ -		
2055	Deferred Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
2055	Construction in Process	\$ 117,470	\$ -	\$ 117,470	\$ 30,184	\$ -	\$ 30,184	\$ 54,454		0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
	Total	\$ 18,384,214	\$ 63,382	\$ 18,320,832	\$ 6,736,110	\$ -	\$ 6,736,110	\$ 2,211,960					\$ 907,795	\$ 497,931	\$ 39,226	\$ 1,444,953	\$ 1,403,223	\$ 41,730		

Table 30: Appendix 2-C Depreciation & Amortization Expense - 2015 MIFRS

		Book Values							Service Lives				Depreciation Expense						
Account	Description	Opening Net Book Value of Existing Assets as at Date of Policy Change (Jan. 1) ¹	Less Fully Depreciated ⁷	Net Amount of Existing Assets Before Policy Change to be Depreciated	Opening Gross Book Value of Assets Acquired After Policy Change ²	Less Fully Depreciated ⁸	Net Amount of Assets Acquired After Policy Change to be Depreciated	Current Year Additions	Average Remaining Life of Assets Existing Before Policy Change ³	Depreciation Rate Assets Acquired After Policy Change	Life of Assets Acquired After Policy Change ⁴	Depreciation Rate on New Additions	Depreciation Expense on Assets Existing Before Policy Change	Depreciation Expense on Assets Acquired After Policy Change	Depreciation Expense on Current Year Additions ⁵	Total Current Year Depreciation Expense	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance ⁶	
		b		c = a-b	d	e	f = d-e	g	h	i = 1/h	j	k = 1/j	l = c/h	m = f/j	n = g*0.5/j	o = l+m+n	p	q = p-o	
1611	Computer Software (Formally known as Account 1925)	\$ 202,058	\$ 99,261	\$ 102,797	\$ 412,102	\$ -	\$ 412,102	\$ 22,771	4.04	24.75%	5.00	20.00%	\$ 25,445	\$ 82,420	\$ 2,277	\$ 110,142	\$ 85,847	\$ 24,295	
1612	Land Rights (Formally known as Account 1906)	\$ 501,177	\$ -	\$ 501,177	\$ 6,258	\$ -	\$ 6,258	\$ 18,121	17.00	5.88%	-	0.00%	\$ 29,481	\$ -	\$ -	\$ 29,481	\$ 20	\$ 29,461	
1805	Land	\$ 74,305	\$ -	\$ 74,305	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1808	Buildings	\$ 1,664,950	\$ -	\$ 1,664,950	\$ 5,356	\$ -	\$ 5,356	\$ 341,650	24.87	4.02%	50.00	2.00%	\$ 66,952	\$ 107	\$ 3,416	\$ 70,476	\$ 92,810	\$ 22,334	
1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1820	Distribution Station Equipment <50 kV	\$ 3,027,100	\$ -	\$ 3,027,100	\$ 623,976	\$ -	\$ 623,976	\$ 642,739	33.54	2.98%	40.00	2.50%	\$ 90,259	\$ 15,599	\$ 8,034	\$ 113,892	\$ 113,892	\$ 0	
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1830	Poles, Towers & Fixtures	\$ 3,811,042	\$ -	\$ 3,811,042	\$ 1,088,379	\$ -	\$ 1,088,379	\$ 712,111	23.10	4.33%	45.00	2.22%	\$ 164,958	\$ 24,186	\$ 7,912	\$ 197,057	\$ 191,511	\$ 5,546	
1835	Overhead Conductors & Devices	\$ 3,139,923	\$ -	\$ 3,139,923	\$ 878,359	\$ -	\$ 878,359	\$ 290,371	28.57	3.50%	60.00	1.67%	\$ 109,893	\$ 14,639	\$ 2,420	\$ 126,952	\$ 124,342	\$ 2,610	
1840	Underground Conduit	\$ 1,819,437	\$ -	\$ 1,819,437	\$ 654,031	\$ -	\$ 654,031	\$ 230,253	26.18	3.82%	40.00	2.50%	\$ 69,492	\$ 16,351	\$ 2,878	\$ 88,721	\$ 87,335	\$ 1,386	
1845	Underground Conductors & Devices	\$ 1,638,246	\$ -	\$ 1,638,246	\$ 804,205	\$ -	\$ 804,205	\$ 192,567	23.64	4.23%	45.00	2.22%	\$ 69,306	\$ 17,871	\$ 2,140	\$ 89,317	\$ 90,102	\$ 785	
1850	Line Transformers	\$ 4,450,852	\$ -	\$ 4,450,852	\$ 1,543,241	\$ -	\$ 1,543,241	\$ 279,896	25.25	3.96%	40.00	2.50%	\$ 176,303	\$ 38,581	\$ 3,499	\$ 218,382	\$ 212,464	\$ 5,918	
1855	Services (Overhead & Underground)	\$ 817,073	\$ -	\$ 817,073	\$ 289,243	\$ -	\$ 289,243	\$ 17,568	40.10	2.49%	45.00	2.22%	\$ 20,378	\$ 6,428	\$ 195	\$ 27,001	\$ 27,797	\$ 796	
1860	Meters	\$ 399,178	\$ 31,726	\$ 367,452	\$ 2,772,332	\$ -	\$ 2,772,332	\$ 100,066	13.71	7.29%	15.00	6.67%	\$ 26,794	\$ 184,822	\$ 3,336	\$ 214,951	\$ 206,685	\$ 8,266	
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1905	Land	\$ 278,455	\$ -	\$ 278,455	\$ -	\$ -	\$ -	\$ 25,346	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1908	Buildings & Fixtures	\$ 123,184	\$ -	\$ 123,184	\$ 26,265	\$ -	\$ 26,265	\$ 22,119	12.88	7.76%	50.00	2.00%	\$ 9,561	\$ 525	\$ 221	\$ 10,308	\$ 10,308	\$ 0	
1910	Leasehold Improvements	\$ 47,252	\$ 47,252	\$ 0	\$ 94,288	\$ 94,288	\$ 0	\$ -	50.00	2.00%	25.00	4.00%	\$ 0	\$ 0	\$ 0	\$ 0	\$ 14,154	\$ 14,154	
1915	Office Furniture & Equipment (10 years)	\$ 115,599	\$ 1,783	\$ 113,817	\$ 3,558	\$ -	\$ 3,558	\$ 21,524	7.04	14.20%	10.00	10.00%	\$ 16,162	\$ 356	\$ 1,076	\$ 17,594	\$ 16,323	\$ 1,271	
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equipment - Hardware	\$ 44,786	\$ 24,800	\$ 19,986	\$ 154,584	\$ -	\$ 154,584	\$ 4,409	3.89	25.68%	5.00	20.00%	\$ 5,133	\$ 30,917	\$ 441	\$ 36,491	\$ 31,510	\$ 4,981	
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1930	Transportation Equipment	\$ 594,966	\$ 14,693	\$ 580,273	\$ 556,917	\$ -	\$ 556,917	\$ 360,946	5.69	17.58%	8.00	12.50%	\$ 101,991	\$ 69,615	\$ 22,559	\$ 194,165	\$ 192,561	\$ 1,603	
1935	Stores Equipment	\$ 2,384	\$ 1,213	\$ 1,171	\$ -	\$ -	\$ -	\$ -	4.13	24.21%	10.00	10.00%	\$ 283	\$ -	\$ -	\$ 283	\$ 167	\$ 116	
1940	Tools, Shop & Garage Equipment	\$ 79,297	\$ 4,699	\$ 74,598	\$ 29,939	\$ -	\$ 29,939	\$ 15,770	6.60	15.16%	10.00	10.00%	\$ 11,310	\$ 2,994	\$ 789	\$ 15,092	\$ 14,489	\$ 603	
1945	Measurement & Testing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1950	Power Operated Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1955	Communications Equipment	\$ 59,959	\$ 7,736	\$ 52,223	\$ 940	\$ -	\$ 940	\$ -	5.78	17.30%	10.00	10.00%	\$ 9,035	\$ 94	\$ -	\$ 9,129	\$ 8,986	\$ 143	
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ 410,583	\$ -	\$ 410,583	\$ -	-	0.00%	5.00	20.00%	\$ -	\$ 82,117	\$ -	\$ 82,117	\$ 41,058	\$ 41,058	
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1980	System Supervisor Equipment	\$ -	\$ -	\$ -	\$ 229,015	\$ -	\$ 229,015	\$ 25,434	-	0.00%	10.00	10.00%	\$ -	\$ 22,902	\$ 1,272	\$ 24,173	\$ 24,173	\$ 0	
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1995	Contributions & Grants	\$ 4,624,478	\$ -	\$ 4,624,478	\$ 1,611,232	\$ -	\$ 1,611,232	\$ 194,049	36.91	2.71%	42.50	2.35%	\$ 125,292	\$ 37,911	\$ 2,283	\$ 165,486	\$ 165,486	\$ 0	
2055	Deferred Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2055	Construction in Process	\$ 117,470	\$ -	\$ 117,470	\$ 24,270	\$ -	\$ 24,270	\$ 93,200	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Total	\$ 18,384,214	\$ 233,164	\$ 18,151,050	\$ 8,948,070	\$ 94,288	\$ 8,853,782	\$ 3,036,411					\$ 877,445	\$ 572,613	\$ 60,182	\$ 1,510,239	\$ 1,392,742	\$ 117,498	

Table 31: Appendix 2-C Depreciation & Amortization Expense - 2016 MIFRS

		Book Values							Service Lives				Depreciation Expense						
Account	Description	Opening Net Book Value of Existing Assets as at Date of Policy Change (Jan. 1) ¹	Less Fully Depreciated ⁷	Net Amount of Existing Assets Before Policy Change to be Depreciated	Opening Gross Book Value of Assets Acquired After Policy Change ²	Less Fully Depreciated ⁸	Net Amount of Assets Acquired After Policy Change to be Depreciated	Current Year Additions	Average Remaining Life of Assets Existing Before Policy Change ³	Depreciation Rate Assets Acquired After Policy Change	Life of Assets Acquired After Policy Change ⁴	Depreciation Rate on New Additions	Depreciation Expense on Assets Existing Before Policy Change	Depreciation Expense on Assets Acquired After Policy Change	Depreciation Expense on Current Year Additions ⁵	Total Current Year Depreciation Expense	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance ⁶	
			b	c = a-b	d	e	f = d-e	g	h	i = 1/h	j	k = 1/j	l = c/h	m = f/j	n = g*0.5/j	o = l+m+n	p	q = p-o	
1611	Computer Software (Formally known as Account 1925)	\$ 202,058	\$ 136,647	\$ 65,411	\$ 434,874	\$ 202,361	\$ 232,512	\$ 4,625	4.04	24.75%	5.00	20.00%	\$ 16,191	\$ 46,502	\$ 463	\$ 63,156	\$ 54,939	\$ 8,217	
1612	Land Rights (Formally known as Account 1906)	\$ 501,177	\$ -	\$ 501,177	\$ 24,379	\$ -	\$ 24,379	\$ 7,500	17.00	5.88%	-	0.00%	\$ 29,481	\$ -	\$ -	\$ 29,481	\$ 20	\$ 29,461	
1805	Land	\$ 74,305	\$ -	\$ 74,305	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1808	Buildings	\$ 1,664,950	\$ -	\$ 1,664,950	\$ 347,006	\$ -	\$ 347,006	\$ -	24.87	4.02%	50.00	2.00%	\$ 66,952	\$ 6,940	\$ -	\$ 73,892	\$ 81,626	\$ 7,734	
1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1820	Distribution Station Equipment <50 kV	\$ 3,027,100	\$ -	\$ 3,027,100	\$ 1,266,715	\$ -	\$ 1,266,715	\$ 85,799	33.54	2.98%	40.00	2.50%	\$ 90,259	\$ 31,668	\$ 1,072	\$ 122,999	\$ 122,999	\$ 0	
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1830	Poles, Towers & Fixtures	\$ 3,811,042	\$ -	\$ 3,811,042	\$ 1,800,491	\$ -	\$ 1,800,491	\$ 627,551	23.10	4.33%	45.00	2.22%	\$ 164,958	\$ 40,011	\$ 6,973	\$ 211,942	\$ 206,388	\$ 5,554	
1835	Overhead Conductors & Devices	\$ 3,139,923	\$ -	\$ 3,139,923	\$ 1,168,730	\$ -	\$ 1,168,730	\$ 510,544	28.57	3.50%	60.00	1.67%	\$ 109,893	\$ 19,479	\$ 4,255	\$ 133,627	\$ 126,762	\$ 6,865	
1840	Underground Conduit	\$ 1,819,437	\$ -	\$ 1,819,437	\$ 884,285	\$ -	\$ 884,285	\$ 114,260	26.18	3.82%	40.00	2.50%	\$ 69,492	\$ 22,107	\$ 1,428	\$ 93,028	\$ 91,642	\$ 1,386	
1845	Underground Conductors & Devices	\$ 1,638,246	\$ -	\$ 1,638,246	\$ 996,772	\$ -	\$ 996,772	\$ 299,404	23.64	4.23%	45.00	2.22%	\$ 69,306	\$ 22,150	\$ 3,327	\$ 94,783	\$ 92,242	\$ 2,542	
1850	Line Transformers	\$ 4,450,852	\$ -	\$ 4,450,852	\$ 1,823,137	\$ -	\$ 1,823,137	\$ 404,171	25.25	3.96%	40.00	2.50%	\$ 176,303	\$ 45,578	\$ 5,052	\$ 226,933	\$ 221,015	\$ 5,918	
1855	Services (Overhead & Underground)	\$ 817,073	\$ -	\$ 817,073	\$ 306,811	\$ -	\$ 306,811	\$ 48,053	40.10	2.49%	45.00	2.22%	\$ 20,378	\$ 6,818	\$ 534	\$ 27,730	\$ 28,526	\$ 796	
1860	Meters	\$ 399,178	\$ 37,457	\$ 361,721	\$ 2,872,398	\$ -	\$ 2,872,398	\$ 304,330	13.71	7.29%	15.00	6.67%	\$ 26,376	\$ 191,493	\$ 10,144	\$ 228,013	\$ 218,732	\$ 9,281	
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1905	Land	\$ 278,455	\$ -	\$ 278,455	\$ 25,346	\$ -	\$ 25,346	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1908	Buildings & Fixtures	\$ 123,184	\$ -	\$ 123,184	\$ 48,383	\$ -	\$ 48,383	\$ -	12.88	7.76%	50.00	2.00%	\$ 9,561	\$ 968	\$ -	\$ 10,529	\$ 10,529	\$ 0	
1910	Leasehold Improvements	\$ 47,252	\$ 47,252	\$ 0	\$ 94,288	\$ 94,288	\$ 0	\$ -	50.00	2.00%	25.00	4.00%	\$ 0	\$ 0	\$ -	\$ 0	\$ -	\$ 0	
1915	Office Furniture & Equipment (10 years)	\$ 115,599	\$ 7,967	\$ 107,632	\$ 25,082	\$ -	\$ 25,082	\$ -	7.04	14.20%	10.00	10.00%	\$ 15,284	\$ 2,508	\$ -	\$ 17,792	\$ 16,024	\$ 1,768	
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equipment - Hardware	\$ 44,786	\$ 27,916	\$ 16,869	\$ 158,993	\$ 46,164	\$ 112,829	\$ 6,105	3.89	25.68%	5.00	20.00%	\$ 4,333	\$ 22,566	\$ 610	\$ 27,509	\$ 25,828	\$ 1,681	
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1930	Transportation Equipment	\$ 594,966	\$ 119,800	\$ 475,166	\$ 917,863	\$ -	\$ 917,863	\$ 26,238	5.69	17.58%	8.00	12.50%	\$ 83,517	\$ 114,733	\$ 1,640	\$ 199,890	\$ 183,649	\$ 16,240	
1935	Stores Equipment	\$ 2,384	\$ 2,384	\$ -	\$ -	\$ -	\$ -	\$ -	4.13	24.21%	10.00	10.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1940	Tools, Shop & Garage Equipment	\$ 79,297	\$ 7,796	\$ 71,501	\$ 45,709	\$ -	\$ 45,709	\$ -	6.60	15.16%	10.00	10.00%	\$ 10,840	\$ 4,571	\$ -	\$ 15,411	\$ 14,363	\$ 1,048	
1945	Measurement & Testing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1950	Power Operated Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1955	Communications Equipment	\$ 59,959	\$ 7,736	\$ 52,223	\$ 940	\$ -	\$ 940	\$ -	5.78	17.30%	10.00	10.00%	\$ 9,035	\$ 94	\$ -	\$ 9,129	\$ 8,986	\$ 143	
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ 410,583	\$ 410,583	\$ -	\$ -	-	0.00%	5.00	20.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1980	System Supervisor Equipment	\$ -	\$ -	\$ -	\$ 254,449	\$ -	\$ 254,449	\$ 78,666	-	0.00%	10.00	10.00%	\$ -	\$ 25,445	\$ 3,933	\$ 29,378	\$ 29,378	\$ 0	
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
1995	Contributions & Grants	\$ 4,624,478	\$ -	\$ 4,624,478	\$ 1,805,281	\$ -	\$ 1,805,281	\$ 551,703	36.91	2.71%	42.50	2.35%	\$ 125,292	\$ 42,477	\$ 6,491	\$ 174,259	\$ 174,305	\$ 45	
2055	Deferred Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2055	Construction in Process	\$ 117,470	\$ -	\$ 117,470	\$ 117,470	\$ -	\$ 117,470	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Total	\$ 18,384,214	\$ 394,957	\$ 17,989,258	\$ 11,984,481	\$ 753,396	\$ 11,231,085	\$ 1,950,543					\$ 846,867	\$ 561,154	\$ 32,941	\$ 1,440,962	\$ 1,359,342	\$ 81,620	

Table 32: Appendix 2-C Depreciation & Amortization Expense - 2017 MIFRS

		Book Values							Service Lives				Depreciation Expense					
Account	Description	Opening Net Book Value of Existing Assets as at Date of Policy Change (Jan. 1) ¹	Less Fully Depreciated ⁷	Net Amount of Existing Assets Before Policy Change to be Depreciated	Opening Gross Book Value of Assets Acquired After Policy Change ²	Less Fully Depreciated ⁸	Net Amount of Assets Acquired After Policy Change to be Depreciated	Current Year Additions	Average Remaining Life of Assets Existing Before Policy Change ³	Depreciation Rate Assets Acquired After Policy Change	Life of Assets Acquired After Policy Change ⁴	Depreciation Rate on New Additions	Depreciation Expense on Assets Existing Before Policy Change	Depreciation Expense on Assets Acquired After Policy Change	Depreciation Expense on Current Year Additions ⁵	Total Current Year Depreciation Expense	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance ⁶
		b	c = a-b	d	e	f = d - e	g	h	i = 1/h	j	k = 1/j	l = c/h	m = f/j	n = g*0.5/j	o = l+m+n	p	q = p-o	
1611	Computer Software (Formally known as Account 1925)	\$ 202,058	\$ 200,657	\$ 1,401	\$ 439,499	\$ 202,361	\$ 237,137	\$ 45,266	4.04	24.75%	5.00	20.00%	\$ 347	\$ 47,427	\$ 4,527	\$ 52,301	\$ 49,068	\$ 3,233
1612	Land Rights (Formally known as Account 1906)	\$ 501,177	\$ -	\$ 501,177	\$ 16,879	\$ -	\$ 16,879	\$ -	17.00	5.88%	-	0.00%	\$ 29,481	\$ -	\$ -	\$ 29,481	\$ 20	\$ 29,461
1805	Land	\$ 74,305	\$ -	\$ 74,305	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1808	Buildings	\$ 1,664,950	\$ -	\$ 1,664,950	\$ 347,006	\$ -	\$ 347,006	\$ 10,000	24.87	4.02%	50.00	2.00%	\$ 66,952	\$ 6,940	\$ 100	\$ 73,792	\$ 81,626	\$ 7,834
1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 3,027,100	\$ -	\$ 3,027,100	\$ 1,352,514	\$ -	\$ 1,352,514	\$ 83,672	33.54	2.98%	40.00	2.50%	\$ 90,259	\$ 33,813	\$ 1,046	\$ 125,117	\$ 125,117	\$ 0
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 3,811,042	\$ -	\$ 3,811,042	\$ 2,428,042	\$ -	\$ 2,428,042	\$ 720,880	23.10	4.33%	45.00	2.22%	\$ 164,958	\$ 53,956	\$ 8,010	\$ 226,924	\$ 219,865	\$ 7,060
1835	Overhead Conductors & Devices	\$ 3,139,923	\$ -	\$ 3,139,923	\$ 1,679,274	\$ -	\$ 1,679,274	\$ 273,484	28.57	3.50%	60.00	1.67%	\$ 109,893	\$ 27,988	\$ 2,279	\$ 140,160	\$ 141,419	\$ 1,259
1840	Underground Conduit	\$ 1,819,437	\$ -	\$ 1,819,437	\$ 998,545	\$ -	\$ 998,545	\$ 146,187	26.18	3.82%	40.00	2.50%	\$ 69,492	\$ 24,964	\$ 1,827	\$ 96,283	\$ 94,897	\$ 1,386
1845	Underground Conductors & Devices	\$ 1,638,246	\$ -	\$ 1,638,246	\$ 1,296,176	\$ -	\$ 1,296,176	\$ 91,274	23.64	4.23%	45.00	2.22%	\$ 69,306	\$ 28,804	\$ 1,014	\$ 99,124	\$ 103,236	\$ 4,112
1850	Line Transformers	\$ 4,450,852	\$ -	\$ 4,450,852	\$ 2,227,308	\$ -	\$ 2,227,308	\$ 652,480	25.25	3.96%	40.00	2.50%	\$ 176,303	\$ 55,683	\$ 8,156	\$ 240,141	\$ 232,770	\$ 7,371
1855	Services (Overhead & Underground)	\$ 817,073	\$ -	\$ 817,073	\$ 354,864	\$ -	\$ 354,864	\$ 17,323	40.10	2.49%	45.00	2.22%	\$ 20,378	\$ 7,886	\$ 192	\$ 28,457	\$ 29,252	\$ 796
1860	Meters	\$ 399,178	\$ 38,882	\$ 360,296	\$ 3,176,728	\$ -	\$ 3,176,728	\$ 169,403	13.71	7.29%	15.00	6.67%	\$ 26,272	\$ 211,782	\$ 5,647	\$ 243,701	\$ 234,238	\$ 9,462
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1905	Land	\$ 278,455	\$ -	\$ 278,455	\$ 25,346	\$ -	\$ 25,346	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 123,184	\$ -	\$ 123,184	\$ 48,383	\$ -	\$ 48,383	\$ 81,697	12.88	7.76%	50.00	2.00%	\$ 9,561	\$ 968	\$ 817	\$ 11,346	\$ 11,346	\$ 0
1910	Leasehold Improvements	\$ 47,252	\$ 47,252	\$ 0	\$ 94,288	\$ 94,288	\$ 0	\$ -	25.00	4.00%	45.00	2.22%	\$ 0	\$ 0	\$ -	\$ 0	\$ -	\$ 0
1915	Office Furniture & Equipment (10 years)	\$ 115,599	\$ 9,808	\$ 105,791	\$ 25,082	\$ -	\$ 25,082	\$ -	7.04	14.20%	10.00	10.00%	\$ 15,022	\$ 2,508	\$ -	\$ 17,531	\$ 14,806	\$ 2,724
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 44,786	\$ 40,356	\$ 4,430	\$ 165,097	\$ 46,164	\$ 118,933	\$ 3,421	3.89	25.68%	5.00	20.00%	\$ 1,138	\$ 23,787	\$ 342	\$ 25,267	\$ 23,737	\$ 1,529
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1930	Transportation Equipment	\$ 594,966	\$ 167,067	\$ 427,899	\$ 944,101	\$ -	\$ 944,101	\$ 127,913	5.69	17.58%	8.00	12.50%	\$ 75,209	\$ 118,013	\$ 7,995	\$ 201,216	\$ 180,374	\$ 20,842
1935	Stores Equipment	\$ 2,384	\$ 2,384	\$ -	\$ -	\$ -	\$ -	\$ -	4.13	24.21%	10.00	10.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1940	Tools, Shop & Garage Equipment	\$ 79,297	\$ 11,542	\$ 67,754	\$ 45,709	\$ -	\$ 45,709	\$ -	6.60	15.16%	10.00	10.00%	\$ 10,272	\$ 4,571	\$ -	\$ 14,843	\$ 13,285	\$ 1,558
1945	Measurement & Testing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1950	Power Operated Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1955	Communications Equipment	\$ 59,959	\$ 7,736	\$ 52,223	\$ 940	\$ -	\$ 940	\$ -	5.78	17.30%	10.00	10.00%	\$ 9,035	\$ 94	\$ -	\$ 9,129	\$ 6,048	\$ 3,081
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ 410,583	\$ 410,583	\$ -	\$ -	-	0.00%	5.00	20.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1980	System Supervisor Equipment	\$ -	\$ -	\$ -	\$ 333,115	\$ -	\$ 333,115	\$ 6,000	-	0.00%	10.00	10.00%	\$ -	\$ 33,312	\$ 300	\$ 33,612	\$ 33,612	\$ 0
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ 4,624,478	\$ -	\$ 4,624,478	\$ 2,356,984	\$ -	\$ 2,356,984	\$ 365,698	36.91	2.71%	42.50	2.35%	\$ 125,292	\$ 55,458	\$ 4,302	\$ 185,052	\$ 185,052	\$ 0
2055	Deferred Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	Construction in Process	\$ 117,470	\$ -	\$ 117,470	\$ 117,470	\$ -	\$ 117,470	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total	\$ 18,384,214	\$ 525,686	\$ 17,858,529	\$ 13,935,024	\$ 753,396	\$ 13,181,628	\$ 2,043,302					\$ 818,587	\$ 627,036	\$ 37,749	\$ 1,483,372	\$ 1,409,665	\$ 73,707

Table 33: Appendix 2-C Depreciation & Amortization Expense - 2018 MIFRS

		Book Values							Service Lives				Depreciation Expense					
Account	Description	Opening Net Book Value of Existing Assets as at Date of Policy Change (Jan. 1) ¹	Less Fully Depreciated ⁷	Net Amount of Existing Assets Before Policy Change to be Depreciated	Opening Gross Book Value of Assets Acquired After Policy Change ²	Less Fully Depreciated ⁸	Net Amount of Assets Acquired After Policy Change to be Depreciated	Current Year Additions	Average Remaining Life of Assets Existing Before Policy Change ³	Depreciation Rate Assets Acquired After Policy Change	Life of Assets Acquired After Policy Change ⁴	Depreciation Rate on New Additions	Depreciation Expense on Assets Existing Before Policy Change	Depreciation Expense on Assets Acquired After Policy Change	Depreciation Expense on Current Year Additions ⁵	Total Current Year Depreciation Expense	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance ⁶
			b	c = a-b	d	e	f = d-e	g	h	i = 1/h	j	k = 1/j	l = c/h	m = f/j	n = g*0.5/f	o = l+m+n	p	q = p-o
1611	Computer Software (Formally known as Account 1925)	\$ 202,058	\$ 202,058	\$ - 0	\$ 484,765	\$ 235,221	\$ 249,544	\$ 75,000	4.04	24.75%	5.00	20.00%	\$ - 0	\$ 49,909	\$ 7,500	\$ 57,409	\$ 53,886	\$ 3,523
1612	Land Rights (Formally known as Account 1906)	\$ 501,177	\$ -	\$ 501,177	\$ 16,879	\$ -	\$ 16,879	\$ -	17.00	5.88%	-	0.00%	\$ 29,481	\$ -	\$ -	\$ 29,481	\$ 20	\$ 29,461
1805	Land	\$ 74,305	\$ -	\$ 74,305	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1808	Buildings	\$ 1,664,950	\$ -	\$ 1,664,950	\$ 337,006	\$ -	\$ 337,006	\$ -	24.87	4.02%	50.00	2.00%	\$ 66,952	\$ 6,740	\$ -	\$ 73,692	\$ 81,308	\$ 7,616
1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 3,027,100	\$ -	\$ 3,027,100	\$ 1,436,186	\$ -	\$ 1,436,186	\$ -	33.54	2.98%	40.00	2.50%	\$ 90,259	\$ 35,905	\$ -	\$ 126,163	\$ 126,163	\$ 0
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 3,811,042	\$ -	\$ 3,811,042	\$ 3,148,922	\$ -	\$ 3,148,922	\$ 611,406	23.10	4.33%	45.00	2.22%	\$ 164,958	\$ 69,976	\$ 6,793	\$ 241,728	\$ 235,715	\$ 6,013
1835	Overhead Conductors & Devices	\$ 3,139,923	\$ -	\$ 3,139,923	\$ 1,952,758	\$ -	\$ 1,952,758	\$ 468,266	28.57	3.50%	60.00	1.67%	\$ 109,893	\$ 32,546	\$ 3,902	\$ 146,341	\$ 143,529	\$ 2,812
1840	Underground Conduit	\$ 1,819,437	\$ -	\$ 1,819,437	\$ 1,144,731	\$ -	\$ 1,144,731	\$ 141,010	26.18	3.82%	40.00	2.50%	\$ 69,492	\$ 28,618	\$ 1,763	\$ 99,873	\$ 98,487	\$ 1,386
1845	Underground Conductors & Devices	\$ 1,638,246	\$ -	\$ 1,638,246	\$ 1,387,451	\$ -	\$ 1,387,451	\$ 171,475	23.64	4.23%	45.00	2.22%	\$ 69,306	\$ 30,832	\$ 1,905	\$ 102,044	\$ 102,829	\$ 785
1850	Line Transformers	\$ 4,450,852	\$ -	\$ 4,450,852	\$ 2,879,788	\$ -	\$ 2,879,788	\$ 494,227	25.25	3.96%	40.00	2.50%	\$ 176,303	\$ 71,995	\$ 6,178	\$ 254,475	\$ 247,800	\$ 6,675
1855	Services (Overhead & Underground)	\$ 817,073	\$ -	\$ 817,073	\$ 372,187	\$ -	\$ 372,187	\$ 162,454	40.10	2.49%	45.00	2.22%	\$ 20,378	\$ 8,271	\$ 1,805	\$ 30,454	\$ 31,250	\$ 796
1860	Meters	\$ 399,178	\$ 39,502	\$ 359,676	\$ 3,346,131	\$ -	\$ 3,346,131	\$ 185,083	13.71	7.29%	15.00	6.67%	\$ 26,227	\$ 223,075	\$ 6,169	\$ 255,472	\$ 245,951	\$ 9,520
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1905	Land	\$ 278,455	\$ -	\$ 278,455	\$ 25,346	\$ -	\$ 25,346	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 123,184	\$ -	\$ 123,184	\$ 130,080	\$ -	\$ 130,080	\$ 75,000	12.88	7.76%	50.00	2.00%	\$ 9,561	\$ 2,602	\$ 750	\$ 12,913	\$ 12,913	\$ 0
1910	Leasehold Improvements	\$ 47,252	\$ 47,252	\$ 0	\$ 94,288	\$ 94,288	\$ 0	\$ -	50.00	2.00%	25.00	4.00%	\$ 0	\$ 0	\$ -	\$ 0	\$ -	\$ 0
1915	Office Furniture & Equipment (10 years)	\$ 115,599	\$ 20,952	\$ 94,647	\$ 25,082	\$ -	\$ 25,082	\$ -	7.04	14.20%	10.00	10.00%	\$ 13,440	\$ 2,508	\$ -	\$ 15,948	\$ 11,929	\$ 4,019
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 44,786	\$ 44,786	\$ 0	\$ 168,519	\$ 52,719	\$ 115,800	\$ 26,000	3.89	25.68%	5.00	20.00%	\$ 0	\$ 23,160	\$ 2,600	\$ 25,760	\$ 17,868	\$ 7,892
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1930	Transportation Equipment	\$ 594,966	\$ 188,641	\$ 406,326	\$ 1,072,013	\$ 88,049	\$ 983,965	\$ 100,000	5.69	17.58%	8.00	12.50%	\$ 71,417	\$ 122,996	\$ 6,250	\$ 200,663	\$ 132,381	\$ 68,282
1935	Stores Equipment	\$ 2,384	\$ 2,384	\$ -	\$ -	\$ -	\$ -	\$ -	4.13	24.21%	10.00	10.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1940	Tools, Shop & Garage Equipment	\$ 79,297	\$ 18,819	\$ 60,478	\$ 45,709	\$ -	\$ 45,709	\$ 25,000	6.60	15.16%	10.00	10.00%	\$ 9,169	\$ 4,571	\$ 1,250	\$ 14,990	\$ 12,412	\$ 2,578
1945	Measurement & Testing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1950	Power Operated Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1955	Communications Equipment	\$ 59,959	\$ 40,056	\$ 19,904	\$ 940	\$ -	\$ 940	\$ -	5.78	17.30%	10.00	10.00%	\$ 3,443	\$ 94	\$ -	\$ 3,537	\$ 1,753	\$ 1,784
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ 410,583	\$ 410,583	\$ -	\$ -	-	0.00%	5.00	20.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1980	System Supervisor Equipment	\$ -	\$ -	\$ -	\$ 339,115	\$ -	\$ 339,115	\$ 125,000	-	0.00%	10.00	10.00%	\$ -	\$ 33,912	\$ 6,250	\$ 40,162	\$ 37,412	\$ 2,750
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ 4,624,478	\$ -	\$ 4,624,478	\$ 2,722,682	\$ -	\$ 2,722,682	\$ 250,000	36.91	2.71%	42.50	2.35%	\$ 125,292	\$ 64,063	\$ 2,941	\$ 192,296	\$ 192,295	\$ 1
2055	Deferred Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2055	Construction in Process	\$ 117,470	\$ -	\$ 117,470	\$ 117,470	\$ -	\$ 117,470	\$ -	-	0.00%	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total	\$ 18,384,214	\$ 604,450	\$ 17,779,764	\$ 15,978,326	\$ 880,860	\$ 15,097,467	\$ 2,409,921					\$ 804,988	\$ 683,646	\$ 50,175	\$ 1,538,809	\$ 1,401,312	\$ 137,497

4.9.4 DEPRECIATION EXPENSE ASSOCIATED WITH RETIREMENT OBLIGATION

At this time, LPDL does not have any asset retirement obligations ("AROs") or any associated depreciation or accretion expenses related to an asset retirement obligation as part of this Application.¹⁷

¹⁷ MFR - Identification of any Asset Retirement Obligations and associated depreciation, accretion expense

4.9.5 ADOPTION OF THE HALF YEAR RULE

LPDL confirms that it has applied the half-year rule for the purposes of computing the net book value of Property, Plant and Equipment and General Plant to include in rate base and will continue to use the half-year rule.¹⁸ Under the half-year rule acquisitions and investments made during the year are amortized assuming they entered service at the mid-point of the year.

¹⁸ MFR – Identification of historical depreciation practice and proposal for test year. Variances from half-year rule must be documented and supporting rationale provided

4.9.6 DEPRECIATION AND CAPITALIZATION POLICY

LPDL's Capitalization Policy and Depreciation is in Exhibit 2 section 2.4.6.¹⁹

¹⁹ MFR – Copy of depreciation/amortization policy, or equivalent written description; summary of changes to depreciation/amortization policy since last CoS

4.10 TAXES OR PAYMENTS IN LIEU OF TAXES (PILS) AND PROPERTY TAXES

4.10.1 OVERVIEW OF PILS

LPDL is exempt from corporate income tax federally and provincially, but is required to make payments in lieu ("PILs") of federal and provincial corporate tax to the Ontario Ministry of Finance ("Ministry"). PILs are calculated in accordance with the rules for computing taxable income contained in the Income Tax Act (Canada) and the Corporations Tax Act (Ontario), as modified by the Electricity Act, 1998. Annually, LPDL files an exempt return with the Canada Revenue Agency and a hydro payment in lieu return ("PIL" return) with the Ministry. A copy of the 2017 Federal T2 and Ontario C23 tax returns has been provided in Appendix E. Income tax amounts included in the 2017 Audited Financial Statements are based on estimates and differ from the actual tax return.

LPDL is projecting a profit for tax purposes in the 2019 Test Year of \$669,486, and as such has included \$177,414 for the recovery of PILs in this application (see Table 34: Computation of Taxable Income 2019 Test Year below). This estimate is based on the rates prescribed by the Board in the Board's Income Tax/PILs Workform for 2019 Filers and as provided in Appendix F. The 2019 Test Year PILs have been determined by applying substantively enacted 2017 rates against taxable income. Tax adjustments are made for both temporary and permanent differences. The most significant temporary difference is the difference between depreciation for accounting purposes versus capital cost allowance for tax purposes.

1

Table 34: Computation of Taxable Income 2019 Test Year

<i>Detailed Income Tax Calculation</i>		2019 Test Year
Income before PILs/Taxes	A	1,082,187
Additions:		
Amortization of tangible assets	104	1,652,955
Loss on disposal of assets		0
Charitable donations		0
Non-deductible meals and entertainment expense	121	2,000
Capital Contributions Received (ITA 12(1)(x))		0
Inducement under 12(1)(x) ITA		0
Post retirement benefits expensed in P&L		0
Total Additions		1,654,955
Deductions:		
Gain on disposal of assets per financial statements		0
Capital cost allowance from Schedule 8	403	2,067,656
ITA 13(7.4) Election - Capital Contributions Received		0
Total Deductions		2,067,656
Net Income for Tax Purposes		669,486
Charitable donations from Schedule 2		0
TAXABLE INCOME		669,486
Tax Rate		26.5%
Income Taxes		177,414

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4.10.1.1 LOSS CARRY FORWARDS

LPDL does not have any loss carry forwards for regulatory purposes.

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4.10.1.2 OTHER ADDITIONS AND DEDUCTIONS

LPDL has included Capital contributions in 2018 Bridge Year and 2019 Test Year within Schedule 8 Capital Additions. LPDL does not anticipate any gains or losses on disposal for 2019 Test Year. The 2018 Bridge Year contains gains/losses on disposal for items incurred in the first 6 months

1 of 2018. LPDL has not included any amounts for Post Retirement benefits in the 2018 Bridge
2 Year nor the 2019 Test Year. LPDL does not have any other additions or deductions .

4 4.10.1.3 TAX CREDITS

5 LPDL takes advantage of any tax credits available to them, specifically apprenticeship tax credits.
6 LPDL has not forecasted tax credits for the 2018 Bridge Year nor the 2019 Test Year as it does
7 not anticipate the hiring of apprentices in those periods.

9 4.10.1.4 NON-RECOVERABLE AND DISALLOWED EXPENSES

10 LPDL confirms that expenses that are deemed non-recoverable in the revenue requirement (e.g.
11 certain charitable donations) or disallowed for regulatory purposes have been excluded from the
12 regulatory tax calculation.

13 Only LEAP funding has been included in the calculation of revenue requirements.

14 4.10.1.5 DETAILED TAX CALCULATIONS

15 Table 35: Detailed Income Tax Calculation below summarizes the detailed tax calculation for the
16 2017 Actuals, 2018 Bridge and 2019 Test Year. These estimates are based on the rates
17 prescribed by the Board in the Board's Income Tax/PILs Workform for 2019 Filers and as
18 provided in Appendix F. The 2019 Test Year PILs have been determined by applying
19 substantively enacted 2017 rates against taxable income.

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Table 35: Detailed Income Tax Calculation

<i>Detailed Income Tax Calculation</i>		2017 Actual	2018 Bridge Year	2019 Test Year
Income before PILs/Taxes	A	2,375,245	1,585,068	1,082,187
Additions:				
Amortization of tangible assets	104	1,339,984	1,401,312	1,652,955
Loss on disposal of assets		7,454	23,630	0
Charitable donations		1,725	0	0
Non-deductible meals and entertainment expense	121	1,855	2,000	2,000
Capital Contributions Received (ITA 12(1)(x))		365,698	0	0
Inducement under 12(1)(x) ITA		3,000	0	0
Post retirement benefits expensed in P&L		2,334	0	0
Total Additions		1,722,050	1,426,942	1,654,955
Deductions:				
Gain on disposal of assets per financial statements		0	6,060	0
Capital cost allowance from Schedule 8	403	1,928,607	1,927,324	2,067,656
ITA 13(7.4) Election - Capital Contributions Received		365,698	0	0
Total Deductions		2,294,305	1,933,384	2,067,656
Net Income for Tax Purposes		1,802,990	1,078,626	669,486
Charitable donations from Schedule 2		1,725		0
TAXABLE INCOME		1,801,265	1,078,626	669,486
Tax Rate		26.5%	26.5%	26.5%
Income Taxes		477,335	285,836	177,414

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4.10.1.6 PILS INTEGRITY CHECK

LPDL attest that the following integrity checks have been completed in its application.

- the depreciation and amortization added back in the application's PILs model agree with the numbers disclosed in the rate base section of the application;
- the capital additions and deductions in the UCC/ CCA Schedule 8 agree with the rate base section for historic, bridge and test years;
- Schedule 8 of the most recent federal T2 tax return filed with the application has a closing December 31st historic year UCC that agrees with the opening bridge year UCC at January 1st;
- The CCA deductions in the application's PILs tax model for historic, bridge and test years agree with the numbers in the UCC schedules for the same years filed in the application;
- LPDL does not have any loss carry-forwards;
- CCA is maximized since LPDL does not have any tax loss carry-forwards; and
- The income tax rate used to calculate the tax expense is consistent with LPDL's actual tax facts and the evidence filed in the application.

4.10.2 PROPERTY TAXES

LPDL pays property tax to Town of Bracebridge, Town of Huntsville, and Town of Parry Sound for Operation centres and substations. Table 36: Property Taxes below shows the trend in property taxes from 2013 Board Approved Proxy to 2019 Test Year. In the 2013 Board Approved Proxy, there are no property taxes listed for Parry Sound as it is believed to be included in other OM&A accounts. This holds true for Town of Parry Sound taxes for 2013 Actuals and the first 6 months of 2014. The Town of Bracebridge taxes increased dramatically in 2013 Actuals from 2013 Board Approved due to the reassessment on the Operations Centre at 196 Taylor Road, Bracebridge, ON. Rate increases for property taxes have averaged 5% annually in the past 5 years. It is expected that 2019 Test Year will be similar.

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Table 36: Property Taxes

Property Taxes	2013 Board Approved Proxy	2013	2014	2015	2016	2017	2018	2019
Town of Bracebridge - 196 Taylor Road	\$4,567	\$30,090	\$27,708	\$25,716	\$26,921	\$27,655	\$28,655	\$30,375
Town of Huntsville	\$6,135	\$6,597	\$6,321	\$7,146	\$8,104	\$8,592	\$8,592	\$8,935
Town of Parry Sound - 125 William St			\$6,515	\$13,383	\$14,756	\$18,395	\$16,753	\$17,518
Total	\$10,702	\$36,687	\$40,544	\$46,245	\$49,780	\$54,642	\$54,000	\$56,828

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4.11 CONSERVATION AND DEMAND MANAGEMENT

LPDL confirms that no CDM costs are included in the revenue requirement.

4.11.1 LOST REVENUE ADJUSTMENT MECHANISM ("LRAM")

On March 31, 2010, the Minister of Energy and Infrastructure issued a directive (the "Directive") to the OEB ("Board") regarding electricity CDM targets to be met by licensed electricity distributors. The Directive required that the Board amend the licenses of distributors to add, as a condition of license, the requirement for distributors to achieve reductions in electricity demand through the delivery of CDM programs over a four-year period beginning January 1, 2011.

Section 12 of the Directive required that the Board have regard to the objective that lost revenues that result from CDM Programs should not act as a disincentive to a distributor.

On April 26, 2012, the Board issued *"Guidelines for Electricity Distributor Conservation and Demand Management"* ("CDM Guidelines"). In keeping with the Directive, the Board adopted a mechanism to capture the difference between the results of actual, verified impacts of authorized CDM activities undertaken by distributors between 2011 and 2014 and the level of activities embedded into rates through the distributors load forecast in an LRAM variance account.

On May 19, 2016, the Board issued the *"Report of the OEB: Updated Policy For The Lost Revenue Adjustment Mechanism Calculation: Lost Revenues and Peak Demand Savings from Conservation and Demand Management Programs"* to update its policy on how peak demand savings from energy efficiency and demand response programs should be treated for LRAM Variance Account ("LRAMVA") purposes.

4.11.2 LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT DISPOSITION ("LRAMVA")²⁰

In accordance with the Filing Guidelines, a distributor must apply for the clearance of its LRAMVA balances attributable to energy efficiency programs in a CoS Application. The Board established Account 1568 as the LRAMVA to capture the variance between the OEB-approved CDM forecast and the actual CDM results at the customer rate class level. Distributors must continue to track the variances between the OEB-approved LRAMVA threshold and actual CDM results in the LRAMVA for the 2015-2020 period, as noted in the Board's *"Conservation and Demand Management Requirement Guidelines for Electricity Distributors"* issued December 19, 2014.

LPDL is requesting approval with this Application a claim for the recovery of the balance in its LRAMVA account 1568, as at December 31, 2017 with associated carrying charges. LPDL is submitting this Application before final verified results are available for 2017 CDM programs.

The former LPDL submitted a CoS Application in 2012 for rate year 2013 (EB-2012-0145) that accounted for CDM programs offered in 2013. Prior to 2013, forecasts for the former LPDL did not account for CDM. The former Parry Sound submitted a CoS Application in 2010 for rate year 2011 (EB-2010-0140) that included CDM programs offered in 2011 in the load forecast.

LPDL in its 2016 IRM, EB-2015-0086, disposed of the LRAMVA debit balance of \$19,167, which was for lost revenues from 2011 to 2012 from CDM programs delivered as well as carrying charges related to the former LPDL. The former PSP has not submitted a claim for lost revenue variances.

²⁰ MFR - LRAMVA - disposition of balance. Distributors must provide new LRAMVA Workform in a working Excel file and provide the following:

- statement indicating use of most recent input assumptions when calculating lost revenue
- statement indicating reliance on most recent CDM evaluation report from IESO; copy of report
- Tables for each rate class showing lost revenue by year; list of programs applicable to rate class. Within each separate rate class table, a list of all the CDM programs/initiatives applicable to that rate class and the energy savings (kWh) and peak demand (kW) savings assigned to those programs/initiatives.. For peak demand (kW) savings, the monthly multiplier amount used to convert the peak demand (kW) savings value included in the IESO's final results report into an annual value for each program
- lost revenue calculations - energy savings by class and OEB-approved variable charge
- statement that indicates if carrying charges are requested

LPDL has completed the Board's LRAMVA work form separately for each service territory as the IESO reported results show each town separately. This allows the model to work more efficiently as the distribution rates are different for each area. The reports used for the work forms are:

- Final 2016 Annual Verified Results Report – LPDL
- Final 2015 Annual Verified Results Report – LPDL
- 2011-2014 Final Results Report – former LPDL
- 2011-2014 Final Results Report – former PSP

Copies of these reports are appendices to this exhibit. The LRAMVA work forms for LPDL and for PSP, in working Excel format, have been included as part of the application material as well as Appendix K to this Exhibit.²¹

Please refer to Exhibit 9 for the calculation of LPDL's recovery of its LRAMVA balance and corresponding rate riders. The amounts requested for recovery have been included in the EDDVAR model and summarized in Table 37: Summary of Requested LRAM Amounts below by rate class.

²¹ MFR - Third party report for any OEB-approved programs

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Table 37: Summary of Requested LRAM Amounts

LRAMVA -former LPDL (see LPDL WorkForm)		LRAMVA	Carrying Charges	Total
Residential		-\$1,866	-\$629	-\$2,495
GS<50 kW		\$81,559	\$4,377	\$85,936
General Service 50 - 4,999 kW		\$8,855	\$126	\$8,981
Sentinel Lighting		-\$169	-\$10	-\$179
Street Lighting		-\$761	-\$127	-\$888
Unmetered Scattered Load		\$631	\$28	\$659
Total		\$88,250	\$3,765	\$92,015
LRAMVA -former PSP (see PSP Work_Form)		LRAMVA	Carrying Charges	Total
Residential		\$5,168	\$53	\$5,221
GS<50 kW		\$16,668	\$841	\$17,509
General Service 50 - 4,999 kW		\$1,981	-\$2	\$1,979
Sentinel Lighting				\$0
Street Lighting				\$0
Unmetered Scattered Load				\$0
Total		\$23,817	\$892	\$24,709
LRAMVA -LPDL Total		LRAMVA	Carrying Charges	Total
Residential		\$3,302	-\$576	\$2,726
GS<50 kW		\$98,227	\$5,218	\$103,445
General Service 50 - 4,999 kW		\$10,836	\$124	\$10,960
Sentinel Lighting		-\$169	-\$10	-\$179
Street Lighting		-\$761	-\$127	-\$888
Unmetered Scattered Load		\$631	\$28	\$659
Total		\$112,066	\$4,657	\$116,723

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APPENDICES

Appendix A	Collective Labour Agreements (Jan/16 to Dec/19 & July/13 to June/17)
Appendix B	Report on the Actuarial Valuation of Post-Retirement Non-Pension Benefits by Collins Barrow
Appendix C	LEL Shared Services Agreement
Appendix D	Capital Expenditure & Purchasing Policies
Appendix E	2017 PILs Tax Return
Appendix F	OEB PILs Work Form model
Appendix G	Final 2016 Annual Verified Results Report – LPDL
Appendix H	Final 2015 Annual Verified Results Report – LPDL
Appendix I	2011-2014 Final Results Report – former LPDL
Appendix J	2011-2014 Final Results Report – former PSP
Appendix K	LRAMVA Workform – former LPDL & former PSP

Appendix A	Collective Labour Agreements (Jan/16 to Dec/19 & July/13 to June/17)
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COLLECTIVE AGREEMENT

between

LAKELAND POWER DISTRIBUTION Ltd.

(hereinafter called 'the Company')

and

its EMPLOYEES

as represented by

THE CANADIAN UNION OF PUBLIC EMPLOYEES

AND ITS LOCAL 1813.10

(hereinafter called 'the Union')

From January 1, 2016 to January 1, 2020

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Article 1 - Preamble and Purpose

- 1.01 The general purpose of this Agreement is to establish and maintain orderly collective bargaining relations between the Company and its employees, to make provision for prompt and equitable disposition of grievances and to establish and maintain satisfactory working conditions, hours of work and wages for all employees who are subject to the provisions of this Agreement.
- 1.02 It is the intent of the parties in entering into this Agreement to find a positive way of achieving harmonious and mutually supportive relationships among the Company, the Employees and the Union, which will keep the company in a strong, efficient position.

The parties agree not to discriminate against any employee for reasons defined under the Human Rights Code (Ontario).

Article 2 - Recognition

- 2.01 The Company hereby recognizes the Union as the sole collective bargaining agent for all employees of the Company save and except Supervisor, persons above the rank of Supervisor, office staff, co-operative students, students employed during the school vacation period and persons regularly employed for not more than twenty-four (24) hours per week.
- 2.02 **Gender Neutral Language**
For the purpose of gender neutrality, wherever the male pronoun is used within this Collective Agreement it is understood the female pronoun also applies.

Article 3 - Managements Rights

The Company has and the Union acknowledges, that the Company has the exclusive right and power to determine the locations of its operations, to manage its business, hours of work, and direct the working forces including, but not restricting the generality of the foregoing; the right to hire, suspend, discharge, lay-off, promote, demote, transfer and discipline any employee consistent with the terms of this agreement. In addition, it has the right to make, amend and enforce such rules and regulations as shall from time to time be required consistent with the terms of this Agreement.

Article 4 - Union Security

- 4.01 As a condition of employment, employees who are presently members of the Union shall remain members, and employees hired subsequent to the signing of this Agreement shall become members of the Union, (save and except as excluded in Article 2.01.)
- 4.02 During the term of this Agreement the Company agrees to deduct from the wages of each union member, a sum of money equal to the monthly membership dues as established by the Union, and remit same to the Secretary-Treasurer of the Union before the 15th of the following month.
- 4.03 In consideration of this deduction and forwarding service by the Company, the Union agrees to indemnify and save the Company harmless against any claim or liability arising out of or resulting from the collection and forwarding of these dues.
- 4.04 The employer will provide to the Union a list of all the employees in the bargaining unit. The list will include each person's name, home mailing address, and home telephone number.

4.05 Correspondence

The union shall provide the Company with a list of union officials to be revised from time to time as changes occur. The Company shall provide the Union with a list of supervisors to whom grievances and other relevant matters may be submitted.

Unless otherwise stipulated in this agreement, all correspondence between the parties arising out of this Agreement shall pass to and from the CEO of the Company and the Unit VP of the Union.

The Union shall be notified, in writing of all permanent appointments, hires, lay-offs, recall and terminations of employment involving employees in the bargaining unit.

- 4.06** The Company will recognize a Committee of two (2) of its employees (who may be assisted by a Union representative) in negotiations and the second and/or third step of the Grievance Procedure. The Company will deal with the said Committee on matters which are properly the subject of negotiation of an agreement, an amendment thereto, a renewal thereof, or a grievance therein. The Union recognizes that union officials have regular duties to perform for the Company. The Company agrees to maintain the standard rate of pay for all time spent by union officials on grievance matters during normal working hours. The Union agrees to reimburse the Company for all wages and benefits paid while Committee members are working on behalf of the Union and its membership on matters of negotiation and arbitration.

4.07 Labour Management Committee

On the request of either party, the parties shall meet at least once every two (2) months until this agreement is terminated for the purpose of discussing issues relating to the workplace which affect the parties or any employee bound by this agreement.

- 4.08** The union shall have the right at any time to have the assistance of representatives of the Canadian Union of Public Employees or any other advisors when dealing or negotiating with the Employer
- 4.09** Employees whose jobs (paid or unpaid) who are not in the bargaining unit shall not do bargaining unit work except in the case of emergency, training, or in other cases where mutually agreed upon in writing by the parties, except for special events where the Employer may require volunteers to assist and supplement the workforce.
- 4.10** There shall be no discrimination by the Company or the Union or its members against any employee because of membership in, or non-membership in the Union.

Article 5 - Company Service Credit and Seniority

- 5.01** a) Credit for Company service shall accrue to regular employees whether or not they are members of the bargaining unit and shall represent an employee's service with the Company based on the employees most recent date of hire.

b) Seniority shall be defined as the length of continuous employment a regular employee has within the bargaining unit based on the last date of hire into the bargaining unit. It is understood that seniority with Parry Sound Power Corporation and Lakeland Power Distribution Ltd. shall carry forward into this agreement

c) A person who is in a temporary assignment who is subsequently hired by the Employer as a probationary employee in the same position, shall count any of his/her continuous service rendered in the same position, while on temporary assignment towards completion of the probationary period.

- 5.02 An employee shall forfeit all of his accumulated Company service credit and seniority and his name shall be removed from Company records if he:
- i. Terminates voluntarily;
 - ii. Is discharged and not reinstated;
 - iii. Retires
 - iv. Is laid off for a period exceeding twelve (12) calendar months;
 - v. Fails to report for work after a lay-off within five (5) working days of recall, notice of which has been sent by registered mail to the last address the employee has reported to the Company;
 - vi. Is permanently disabled and unable to work for the Company in a job classification in which there is a job available, and the Company has exhausted all obvious avenues with respect to their obligations regarding duty to accommodate;
 - vii. Is absent from work because of occupational illness or injury for thirty (30) months or non-occupational illness or injury for eighteen (18) months;
- 5.03 A seniority list shall be posted by the Company by January 15th of each year.

Article 6 - Employee Categories

- 6.01 Temporary employees are persons hired for a period of up to nine (9) months in duration, in positions which are not likely to become part of the Company's continuing organization. Temporary employees shall not accumulate seniority. Temporary employees may be discharged at the sole discretion of the Company, and shall not have recourse to the grievance procedure.
- 6.02 Probationary employees are persons hired on trial to determine their suitability for continuing employment in regular positions. An employee shall be considered probationary for a six (6) month period. At the successful completion of an employee's probation period the employee will receive seniority, backdated to his most recent date of hire into the bargaining unit. During this period of probation he shall, unless the context otherwise provides, have all the rights and privileges of this Collective Agreement except that he may be discharged at the sole discretion of the Company and without recourse including having the ability to file a grievance.
- 6.03 Regular employees are persons who have satisfactorily served a probationary period.
- 6.04 When an employee is assigned to relieve in the Lead Hand position for a minimum of one (1) working day or more, the employee will be paid a premium of four percent (4%) of his current hourly rate. It is understood that when an assignment or project requires three (3) or more employees, the Company shall assign a Lead Hand who shall be paid a premium of four percent (4%) of his current hourly rate for the duration of that assignment or project.
- 6.05 When an employee is assigned to relieve in a supervisory position for a minimum of one (1) working day or more, the employee will be paid a premium of eight percent (8%) of his current hourly rate.

Article 7 - Strikes/Lockouts

- 7.01 During the term of this Agreement the Company agrees not to lock out its employees, and the Union agrees that no cessation or slowdown of production will occur.
- 7.02 Employees are not required to cross picket lines except to perform duties relative to the Company's operation and the maintenance of service to equipment within the Company's jurisdiction. Employees will not be required to cross a picket line if the employee feels unsafe doing so.
- 7.03 **Continuation of Benefits during Work Stoppages**
In the event of a legal work stoppage, the Company agrees to maintain payment of benefits under Article 13.01 and 13.02(b) of this agreement. The union agrees to reimburse benefits as set out in this Article, to the Employer within 45 working days of receipt of detailed invoices. Such invoice shall be sent to the assigned CUPE National Representative.

Article 8 - Grievance and Arbitration Procedure

8.01 Grievance Definition

For the purposes of this Agreement a dispute, claim or complaint which involves an alleged violation, an interpretation or application of this Agreement shall be considered a matter for grievance and shall be dealt with promptly and as specified below.

- 8.02 The time limits set out for the processing of grievances shall be adhered to except in the case of mutual agreement to alter the time limits. Reasonable requests for extensions will not be denied.

8.03 Right to have Steward Present

- a) An employee shall have the right to have his/her Steward present at any discussion with supervisory personnel which the employee believes might be the basis of disciplinary action. Where a supervisor intends to interview an employee for disciplinary purposes, the supervisor shall so notify the employee in advance of the purpose of the interview in order that the employee may contact his/her Steward to be present at the interview.
- b) If an employee declines union representation under the collective agreement the Employer shall require such employee to sign the following and provide a copy to the Employee forthwith:

"I _____ (employee name) have declined union representation.

Dated, this _____ day of _____, 20____."

- c) A Steward or local union officer shall have the right to consult with a CUPE Staff Representative and to have him/her present at any discussion with supervisory personnel which may be the basis of disciplinary action save and except b).
- d) Representative(s) of the Union and the grievor shall not suffer any loss of regular pay or benefits for time spent during regular working hours in the grievance procedures set out in Article 8.04

8.04 Grievance Procedure

(a) Step One

An employee believing he has a grievance shall, within five (5) working days of the alleged grievous occurrence, take the matter up with his immediate Manager or their designate. The employee may be accompanied by a member of the grievance committee at the time of this presentation. The Manager or their designate shall give his disposition within five (5) working days of the presentation.

(b) Step Two

If the grievor (or the Union) is not satisfied with the disposition at Step One, he or the Union may within five (5) working days of the disposition at Step One submit a written statement of the grievance to the Chief Operating Officer (COO) or his designated representative. The grievance shall include, as a minimum, the grievance, the part of the collective agreement that has been violated, and the redress that is being sought. The COO or his designated representative shall, within five (5) working days, of the receipt of the grievance at this Step convene a grievance meeting at which the employee may be represented by a duly-formed two (2) member union committee. The COO or his designated representative shall, give his disposition in writing within five (5) working days of the second step meeting.

(c) Step Three

If the grievor (or the Union) is not satisfied with the disposition at Step Two, he or the Union may within five (5) working days of the disposition at Step Two submit a written statement of the grievance to the CEO or his designated representative. The CEO or his designated representative shall within five (5) working days of the receipt of the grievance at this Step convene a grievance meeting at which the employee may be represented by a duly-formed two (2) member union committee. The CEO or his designated representative shall give his disposition in writing within five (5) working days of the third step meeting.

8.05 (a) A regular employee may be discharged but only for just cause. Grievances concerning discharges shall be taken directly to Step Three of the Grievance Procedure.

(b) Where an employee may be disciplined, the Company will notify the employee that he is entitled to union representation at the meeting. If the employee declines, the Company will notify the Union of the employee's decision.

(c) The parties to this Agreement can mutually agree to access the services, of a mutually agreed upon grievance mediator, prior to any grievance proceeding to arbitration. The parties will share equally the expenses and fees of the Grievance Mediator. Failing a satisfactory resolution in this process either party reserves the right to proceed to arbitration.

8.06 Arbitration

Failing settlement at Step Three, the Union shall within ten (10) working days of the issuance of the disposition at Step Three notify the Company of its intention to submit the grievance to Arbitration. Should the grievance proceed the union will inform the Company of the union nominee, and his mailing address, to an Arbitration Board which will then be processed in accordance with the *Ontario Labour*

Relations Act. Should the respective nominee(s) to such an Arbitration Board fail to agree on a Chairman, the appointment will be referred to the Ontario Labour-Management Arbitration Commission.

- 8.07 No Board of Arbitration shall have the power to alter or change any of the provisions of this Agreement or to substitute any new provision for any existing provision, or to provide a decision which is inconsistent with any term or provision of this Agreement. The Board shall have the power to dispose of any discharge or a discipline grievance by any arrangement which in its opinion it deems just and equitable.
- 8.08 Each party to this Agreement will bear the expenses and fee of its nominee, and the parties will share equally the expenses and fee of the Chairman.
- 8.09 As an alternative, if the parties mutually agree, the matter may be submitted to a single arbitrator as provided by the *Labour Relations Act* and Clauses 8.07 and 8.08 shall apply to a single arbitrator with respect to jurisdiction and expenses.

Article 9 - Hours of Work and Overtime

- 9.01 This section provides the basis for establishing work schedules and for the calculation and payment of overtime, but shall not be read or construed as a guarantee of hours of work per day or week or a guarantee of days of work per week.
- 9.02 The normal work week of employees covered by this Agreement shall be forty (40) hours per week. Shifts may consist of the following: five (5) days of eight (8) hours each between the hours of 7:30 a.m. to 3:30 p.m. with a 20 minute paid lunch period on the job site from Monday to Friday inclusive.
- 9.03 It is acknowledged that from time to time it will be necessary for employees to perform work outside of the normal schedules at all hours of the day or night, and management has the right to authorize such work as required.
- 9.04 (a) Work performed in excess of the normal hours, from quitting time Friday to starting time Monday and recognized holidays (as outlined in Article 10) shall be paid at the rate of two (2) times an employee's base rate of pay. Work performed Monday to Thursday after 6:30 p.m. shall be paid at the rate of two (2) times an employee's base rate of pay. All other work performed in excess of normal hours shall be paid at the rate of one and one-half (1-1/2) times an employee's base rate of pay.

(b) On the approval of the Manager, employees may take time off in lieu of overtime at the appropriate premium rate to a one time maximum of fifty six (56) hours per calendar year. All banked overtime accumulated during the previous calendar year must be taken by the end of February. If not used all banked time will be paid out on March 1.

(c) While working unplanned overtime all employees are entitled to a fourteen (\$14.00) dollar meal allowance after the completion of two (2) hours consecutive overtime and again after the completion of every four (4) consecutive hours.

- 9.05 When an employee is called in for emergency overtime work outside of his normal working hours, he shall be provided with a minimum payment in accordance with the following:

Two (2) hours pay at the appropriate overtime rate of pay or the actual time worked at the appropriate premium rate, whichever is the greater except when a short call follows within one (1) hour of the completion of a previous call in which case time shall be considered continuous from the start of the previous call. There shall be no minimum payment applicable to overtime as worked an extension of an employee's normal daily working hours.

- 9.06 Where an employee is directed by the company to attend any meeting outside Muskoka/Almaguin/Parry Sound, the Company will pay travel time at the employee's normal straight time rate for all travel time that precedes the employee's normal start time or exceeds the employee's normal end time. The Company agrees to pay off duty employees for time spent at Safety meetings. Pay to be at straight time rates.

9.07 **On - Call**

- (a) On-call duty is defined as that duty performed by qualified employees who are required by the Company to be readily available within thirty (30) minutes by means of normal driving conditions to the normal work headquarters for emergency service at other than normal hours of work.
- (b) All qualified employees will be required to perform on-call duty which will be distributed on an equitable basis among them. Management shall maintain an advance schedule of on- call duty which shall be made available to the staff concerned.
- (c) Employee's on-call will be allowed to use the company vehicle for business purposes.
- (d) The payment for on-call duty for qualified employees shall be \$2.20 per hour. An additional \$42.00 will be paid for each statutory holiday (excluding floaters).
- (e) On-call duty shall commence Thursday at normal quitting time and cease the following Thursday at normal start time. An employee may exchange on-call duties with another qualified employee provided the supervisor is made aware of the exchange.

- 9.08 All employees shall be permitted a fifteen (15) minute break period in the first and second halves of a shift, at a time designated by the COO or his delegate.

9.09 **Inclement Weather**

Inside work will be provided for all regular employees if, in the opinion of the immediate supervisor, it is not reasonable to work outside during extreme weather conditions to complete the time for that day.

Article 10 - Paid Holidays

10.01 The following 14 days shall be recognized as paid holidays by the Company.

New Year's Day	Thanksgiving Day
Good Friday	Christmas Day
Easter Monday	Victoria Day
Canada Day	Boxing Day
Civic Holiday	Family Day
Labour Day	"plus" two (2) floater days
The one-half (½) day before Christmas	
The one-half (½) day before New Year's Day	

10.02 Regular and probationary employees of the Company will be entitled to payment of normal basic wages for such holidays provided they have worked or been on leave of absence with pay on the normal scheduled days of work which immediately precede and follow such holidays.

10.03 Any employee who is required to work on such a holiday shall be paid for time worked at the premium rate specified in the overtime clause of this Agreement Article 9.

10.04 When any of the above-noted recognized holidays falls on a Saturday or Sunday and is not proclaimed as being observed on some other day, the preceding Friday or the following Monday as designated by the Company shall be recognized as the holiday.

Article 11 - Vacations

11.01 Vacation pay shall mean the normal basic earnings of the employee immediately prior to the date on which vacation monies become payable. In any event and in the cases of temporary and probationary employees, vacation payment shall be made in accordance with the *Employment Standards Act*.

11.02 Vacations will, as far as it is practical, be granted at the times most desired by the employees. An employee, to ensure consideration of his request and his relative seniority standing, must notify management of his preferred vacation period by March 1 in any given year. However, management reserves the authority to designate vacation periods for all employees in a manner consistent with the efficient operation of the Company.

11.03 Normal vacations shall not be accumulative. Vacations may be carried over with the consent of the COO. All carried over vacations from the previous year must be taken by the end of March, exceptions may be granted by the COO in special circumstances and no requests will be unreasonably denied.

11.04 An employee will be entitled to five (5) days vacation with pay after completion of a successful probationary period and one (1) day per month thereafter to a maximum of ten (10) days vacation after one (1) year of continuous employment.

11.05 (a) In the year in which an employee completes three (3) years continuous Company service an employee shall be entitled to fifteen (15) days vacation with pay.

(b) In the year in which an employee completes nine (9) years continuous Company service an employee shall be entitled to twenty (20) days vacation with pay.

(c) In the year in which an employee completes eighteen (18) years continuous Company service an employee shall be entitled to twenty five (25) days vacation with pay.

(d) In the year in which an employee completes twenty (20) years of continuous Company service an employee shall be entitled to an additional one (1) day of vacation with pay for each two (2) years of service, up to a maximum of 5 days, when he reaches thirty (30) years of continuous service.

11.06 If a recognized holiday as defined in Article 10 of this Agreement falls or is observed during an employee's vacation period, 1 day with pay will be granted for each such holiday.

11.07 A regular employee terminating his employment at any time in his vacation year before he has taken his vacation entitlement shall receive proportionate payment of his vacation pay entitlement in lieu of such vacation. Temporary and probationary employees who terminate employment with the Company shall receive vacation pay in accordance with the *Employment Standards Act (Ontario)*.

11.08 (a) An employee who is hospitalized due to illness or suffers a bereavement under Article 16.03 of this Collective Agreement while on scheduled vacation shall be permitted to reschedule any such vacation. The Company may require, at the Company's expense, medical documentation verifying their hospitalization.

(b) Under exceptional circumstances in the case of very serious illness, sick leave may be granted at the discretion of the CEO. In all such cases the employee shall be required to produce a doctor's certificate indicating the dates and the nature of the illness.

11.09 An employee's vacation pay will be reduced on a pro-rata basis for any period for which the employee has not received wages from the Company during the vacation accumulation period, except when on sick leave, or W.S.I.B. for less than thirty (30) days or approved leave of absence for less than thirty (30) days.

Article 12 - Sick Leave

12.01 The Company's sick leave plan has been created by the Company, and allows Employees to accumulate sick leave credits to reduce the financial hardship that a short term bona fide illness or injury can create. The sick leave plan shall not be used to extend the minimum qualifying period outlined in the Long Term Disability Insurance Plan provided by the Company. It is the employee's responsibility to report for work in proper physical condition in order to perform his/her assigned duties. To receive sick leave payment the employee must be unable to do any and all Company work causing consequent loss of normal straight time hourly wages. Modified work and alternate work must be discussed and if within the employee's limitations will be accepted.

12.02 Sick leave credits will accrue to regular employees at the rate of twelve (12) hours per month of accredited Company service credit to a maximum of two thousand (2,000) hours.

12.03 To qualify for payment of sick pay, an employee must:

- i. have an established credit for sick pay;
- ii. ensure that his illness is reported to the Company as soon as possible before shift start;

- iii. be suffering from a bonafide illness which prevents his useful employment and is not compensable under the W.S.I.B;
 - iv. submit written verification including the nature of his illness signed by a qualified doctor of Medicine if requested;
 - v. submit to medical examination by a doctor of medicine designated by the Company upon request, at the Company's expense;
 - vi. be available for modified duties and return to work as soon as possible following recovery from illness;
 - vii. do everything possible to speed his recovery include meet with the company to discuss return to work options and actively participate in Lakeland's return to work program.
- 12.04 An employee will be entitled to the accumulation of sick leave credits provided the employee has worked or has been in receipt of regular base wages for more than half of the working days in any calendar month.
- 12.05 It is recognized and agreed that as a result of employee benefits granted by the Company, the requirements of the Employment Insurance Commission regulations covering rebates to employees have been satisfied and the employees waive their right to the rebate.
- 12.06 The company agrees to contribute one hundred (100%) of the total premiums for a Long Term Disability Plan as prepared by the insurance company providing up to sixty seven (67%) of wages up to a maximum monthly benefit of five thousand dollars (\$5,000).

Article 13 - Group Insurance Plans for Regular and Probationary Employees

13.01 Health Plan

The company shall pay one hundred percent (100%) of the cost of premium of the Health and Dental Plans per Appendix B.

13.02 Pension and Insurance

(a) The Company agrees to pay fifty percent (50%) of the cost of the Ontario Municipal Employees Retirement System Basic Plan and one hundred percent (100%) of the cost of a group life insurance plan to provide coverage to the amount of two (2) times an employee's basic wage.

(b) The Company agrees to pay one hundred percent (100%) of premiums to provide a Long Term Disability Insurance Plan.

13.03 All employees shall participate in the plans noted in Clauses 13.01 and 13.02 above, subject to the provisions of the individual plans involved.

13.04 Provided that the carrier is in agreement, retirees can purchase group benefit. The Corporation agrees to pay fifty (50%) of the cost of extending group benefits for any employee who retires before the age of sixty-five (65) who has a minimum of thirty (30) years' service with the Company. This benefit will expire when the retiree reaches age sixty-five (65).

Article 14 -Selection

14.01 The selection of applicants for promotions to positions within the bargaining unit shall be made only from those applicants who are judged by the Company to be qualified to do the work and will be based on:

- i. qualifications;
- ii. ability;
- iii. seniority;

In the event that in the opinion of the Company qualifications and ability, are relatively equal among the applicants, then seniority shall govern.

14.02 Job Posting

The Company agrees to post any vacancy within the bargaining unit for a period of five (5) working days in order to give employees an opportunity to make application for the position.

Trial Period

An employee who is promoted under this Article shall be provided a sixty (60) working day trial to prove efficiency. The Corporation shall be the judge of those items listed in Article 14.01 provided however, that the Corporation shall agree that these functions shall be exercised in a manner consistent with the general purpose and intent of this Agreement and subject to the employee's right to lodge a grievance as set out herein. If the employee proves unsuccessful during the trial period, or the employee elects not to complete the trial period, they shall be returned to his or her former position, without loss of seniority. Anyone displaced as a result will be returned to their former position.

Article 15 - Lay-off and Recall

15.01 In the event of a layoff, contract employees performing bargaining unit work, will be terminated first, followed by any layoff of regular employees who shall be laid off in the reverse order of seniority, provided, in the opinion of the Company, the employees retained are qualified and able to perform the work available or unless determined otherwise by mutual agreement of the parties. An employee about to be laid off may bump an employee with less seniority provided the employee exercising the bump, is qualified and able to perform the work available.

15.02 Employees will be recalled in the order of their seniority, provided they are qualified and able to do the work available.

15.03 Employees retain their recall rights for a period of twelve (12) months from the date of lay-off.

Article 16 - Leave of Absence

16.01 Under certain conditions leaves of absence may be granted by the Company. Normally no payment of wages will be made for such absences. To ensure consideration, such leaves must be applied for in writing at least one (1) calendar month in advance.

16.02 The Company agrees to grant a leave of absence with pay to an employee who serves as a juror or a subpoenaed witness in any court in the Province of Ontario. The employee shall pay to the Company the payment he received for such jury or witness duty, excluding any payment for travelling, meals or any other expenses.

- 16.03 In the event of the death of a member of the immediate family of a regular or probationary employee, he shall be granted a leave of absence with pay of five (5) work days for the purpose of bereavement. The immediate family includes parent, parent-in-law, spouse (as defined by the Family Law Act), son, daughter, brother, and sister and grandchildren. In the event of the death of a son-in-law, daughter-in-law or grandparents he shall be granted a leave of three (3) work days. Up to two (2) days of bereavement leave can be saved for future celebration.
- 16.04 In addition to the entitlement in Article 16.03 an employee shall be granted upon request up to an additional two (2) days unpaid leave for the purposes of travel.
- 16.05 Where an employee can be released by the Company to attend union business, the Union will compensate the Company at the employee's regular rate of pay plus benefit costs.

Article 17 - Compensable Disability Grant

- 17.01 When a regular employee through his employment by the Company suffers a disability which is compensable under the Workplace Safety & Insurance Board, the Company agrees to maintain the normal take home pay of the employee involved for a period of up to one (1) year.

It is understood that the portion of pay received from WSIB is recognized as such income for Revenue Canada purposes.

- 17.02 To be eligible for the grant outlined in Clause 17.01 the employee shall endorse all benefit cheques received by him from the Workplace Safety & Insurance Board and turn them over to the Company.

Article 18 - Tools, Equipment and Clothing

The Company shall supply the following items to those employees who in the Company's opinion require same for the performance of their normal duties:

1. hard hats;
2. safety glasses;
3. Safety rated rubber boots;
4. Flame Retardant/Arc rated (FRA) rain coats;
5. leather gloves;
6. The Company will provide the initial issue of the following FRA clothing for new employees in the positions of Engineering Technicians, Journeypersons and Plant Operators:
 - a. Five (5) pants – cargo or regular
 - b. Five (5) long sleeved shirts
 - c. Two (2) bib overalls
 - d. One (1) winter jacket
 - e. One (1) winter bib overall
 - f. Two (2) hoodies

7. The Company will provide the initial issue of the following FRA clothing for new Materials and Facilities Co-ordinator:
 - a. Two (2) pants – cargo or regular
 - b. Two (2) long sleeved shirts
 - c. One (1) bib overalls
 - d. One (1) winter jacket
 - e. One (1) hoodie
8. All replacement/repairs of clothing shall be on the approval of the immediate supervisor. Old clothing must be turned in before replacements are issued.
9. Employees shall be responsible for laundering and cleaning clothing items to ensure clothing is well maintained and in good condition following the manufacturer's guidelines.
10. The company will launder winter jackets, winter overalls, bib overalls, and summer jackets/hoodies on an as needed basis and upon the approval of the immediate supervisor.
11. An annual allowance towards the cost of purchase or repair of approved safety boots, for the employee work related use, only upon surrender of a receipt of two hundred and sixty dollars (\$260.00).
12. An allowance of one hundred and forty dollars (\$140.00) to be used towards the cost of purchase for one pair of prescription safety eyeglasses, for employees only, upon surrender of a receipt for same, once every two (2) years.
13. Where an employee terminates their employment within six (6) months of receiving their clothing/boot allotment the employee will reimburse the company an amount equal to one hundred percent (100%) of all clothing cost. All clothing with Lakeland Power LOGO's must be returned for security reasons.

Article 19 – General

- 19.01 The company will establish a policy of holding regular meetings of all employees with the purpose of discussing matters of mutual concern to the company and the employees.
- 19.02 The company will provide training for first aid and CPR. Time spent for such training will be without normal wage loss or seniority.
- 19.03 Where an employee is directed by the company to attend any meetings, on their scheduled day off, the company agrees to pay off- duty employees for time spent for all meetings. An employee who is called into work outside his regular working hours, for such meetings, shall be paid for a minimum of three hours, at the overtime rate.
- 19.04 Where an employee is directed by the company to attend any meetings the company will pay travel time at the normal straight time rate for all travel time that precedes the employee normal start time or exceeds the employees normal end time.

19.05 Merger/Amalgamation/Sale of Business

a) The Corporations agrees that in the event of a merger/amalgamation/sale of business with another company/corporation/or municipal utility, all employees covered by the collective agreement between Lakeland Power Distribution Ltd. and the Canadian Union of Public Employees, and its local 1813 will be treated fairly and given a chance for employment in the new organization. The company will make every effort to retain the seniority status, wages and benefits for the former employees of the corporation with the new Employer.

b) In the event of a merger/amalgamation/sale of business with another company/corporation/or municipality, employees not offered employment or opt not to work for the new employer will receive a severance in an amount of 2 weeks wages for each year or part year of service.

Both the Company and the Union agree that in the event of a merger or amalgamation with any other utility or corporation, every reasonable effort will be made to provide a position to existing employees.

Article 20 - Bulletin Boards / Mileage

20.01 The Company will provide bulletin board space in an area designated by the Company for the purpose of posting notices.

20.02 If required to use their own personal vehicle for business or training authorized by the Company, the employee shall be reimbursed based on the Company's policy covering kilometre rate. The kilometre rate paid shall not be less than fifty-two (52) cents per kilometre. Proof of Insurance and valid Driver's License must be provided upon request. It is the responsibility of the Employee to inform the Company if they do not have insurance coverage or a valid Driver's License.

Article 21 - Distribution of Agreement

The responsibility for printing and distributing this AGREEMENT shall rest with the Company.

The Company agrees to ensure that the Union receives sufficient copies of the Agreement for distribution to the employees of the bargaining unit.

Article 22 - Wages

Employees will receive rates of pay in accordance with the attached wage schedule in Appendix A. The Classifications and rates are listed therein for the purpose of payment of wages only.

Article 23- Duration

This agreement shall remain in force from January 1, 2016 to January 1, 2020 and shall continue in force from year to year. Notice to bargain will conform to the *Ontario Labour Relations Act*.

Signed this 14th day of December 2015.

On behalf of the Company:

On behalf of the Union:

.....
.....
.....

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.....

WAGE SCHEDULE (see Appendix A)

LETTERS OF UNDERSTANDING

Between:

Lakeland Power Distribution Ltd. ("the Company")

And

The Canadian Union of Public Employees, Local 1813.10 (the "Union")

APPENDIX A

APPRENTICESHIP TRAINING

An Apprenticeship Training program will be made available for qualified technical employees when the company deems an apprentice position is required to be filled. Employees will be encouraged to further their careers through the apprenticeship program. The company pays for most practical, academic and on-the-job training costs for apprentices that usually last four years.

In addition to training results, and on-the-job performance, each apprentice will also be monitored with respect to technical capability, communications skills, safety rules adherence, and overall attitude to ensure that he/she is suitable and qualified to proceed further in the program. For any employee deemed by management not to be satisfactory to continue the apprenticeship program, the company will make every effort to maintain his/her employment in another position.

Apprentices will be assessed after each six (6) month interval by the Supervisor and Manager for continuation in the program.

Where an apprentice or journeyperson terminates their employment within two (2) years of completing their formal apprenticeship training program, or during the apprenticeship program, the employee will reimburse the company an amount equal to one hundred percent (100%) of all the off sight training costs (tuition, lodging, meals and mileage) incurred during the apprenticeship training program.

LABOUR-MANAGEMENT COMMITTEE

A Labour-Management Committee shall be established consisting of two (2) representatives appointed by the Union and two (2) representatives of the Corporation. The committee shall enjoy the full support of both parties in discussing matters of mutual interest.

It is agreed and understood that under no circumstances, unless otherwise mutually agreed shall matters be discussed that are properly the subject of a grievance or negotiations for the amendment or renewal of this Collective Agreement. The frequency of Committee meetings will be determined by the parties, but will normally be established every three (3) months at a mutually agreed upon time and place. Employees shall not suffer any loss of pay for time spent at joint meetings with the Corporation.

The purpose of the Committee will be to enhance the communication between CUPE Local 1813 and the Corporation. Normal subjects for discussion may include, but not be limited to: Business Arising (from a previous meeting); updates concerning the business (productivity improvement; customer service improvement; efficiency issues; impact of government legislation and regulatory rulings; and mergers, acquisitions and amalgamations).

LIFE INSURANCE FOR RETIREES

During the negotiations of this Collective Agreement the parties agreed that employees of who came from Parry Sound Power will no longer be eligible for any company paid Retirees Life Insurance under this agreement. In order for these employees to make alternate arrangements, the parties agreed that the Company will pay employees who transferred to Lakeland Power \$400.00 for each completed year of service. These monies will be paid within one month after January 1, 2016.

Provided that the Carrier is in Agreement it is understood that retirees under this Collective Agreement are given the opportunity to convert their life insurance policy through the Company at total cost to the employee.

SICK LEAVE ENTITLEMENT AND CONVERSION

During the negotiations of the Collective Agreement the parties agreed that employees who came from Parry Sound Power would convert to the Lakeland Sick Leave program by applying the language in the CUPE Local 1813 Collective Agreement, Article 12-Sick Leave.

The following constitutes the formula for converted sick time:

(Months of Service) x (1.5 days/month) –(# of days absent) = Sick Benefit to a maximum of 250 days

It was agreed by the parties that where an employee transferred from Parry Sound would convert with less than the seventy five (75) days previously enjoyed in the Parry Sound sick plan, they would be recognized as coming with seventy five (75) days, less any time taken, provided they are actively at work at the time of ratification. Additional sick days would not accumulate beyond 75 (seventy five) days until years of service equals 4 (four) years and 2 (two) months.

Appendix 'B' Operations Department - Lakeland Power

WAGE SCHEDULE

Salary Increase for all classifications January 1, 2016 = 1.4%, July 1, 2016 = 1.4%, January 1, 2017 = 1.4%, July 1, 2017 = 1.4%, January 1, 2018 = 1.25%, July 1, 2018 = 1.25%, January 1, 2019 = 1.25%, July 1, 2019 = 1.25%

January 1, 2018 = 1.25%, July 1, 2018 = 1.25%, January 1, 2019 = 1.25%, July 1, 2019 = 1.25%

	Progression	Start	Jan 1/16	July 1/16	Jan 1/17	July 1/17	Jan 1/18	July 1/18	Jan 1/19	July 1/19
Engineering Technician/Technologist	2 years	39.65	1.40%	40.21	40.77	1.40%	41.34	41.86	1.25%	42.38
	1 year	36.77	37.28	37.81	38.34	38.82	39.30	39.79	40.29	40.79
	Start	33.69	34.16	34.64	35.12	35.56	36.01	36.46	36.91	37.38
Leadhand Journeyperson Journeyperson 4th year Apprentice Journeyperson 3rd year Apprentice Journeyperson 2nd year Apprentice Journeyperson 1st year Apprentice Journeyperson		39.65	40.21	40.77	41.34	41.86	42.38	42.91	43.44	43.99
	100%	37.03	37.55	38.07	38.61	39.09	39.58	40.07	40.57	41.08
		33.09	33.55	34.02	34.50	34.93	35.37	35.81	36.26	36.71
		29.62	30.03	30.46	30.88	31.27	31.66	32.05	32.45	32.86
		27.57	27.96	28.35	28.74	29.10	29.47	29.84	30.21	30.59
		25.73	26.09	26.46	26.83	27.16	27.50	27.84	28.19	28.54
Materials and Facilities Co-ordinator Materials and Facilities Co-ordinator Materials and Facilities Co-ordinator	2 years	33.69	34.16	34.64	35.12	35.56	36.01	36.46	36.91	37.38
	1 year	32.38	32.83	33.29	33.76	34.18	34.61	35.04	35.48	35.92
	Start	31.18	31.62	32.06	32.51	32.91	33.33	33.74	34.16	34.59
Labourer A Labourer B	1 year	20.59	20.88	21.17	21.47	21.74	22.01	22.28	22.56	22.84
	Start	18.59	18.85	19.11	19.38	19.62	19.87	20.12	20.37	20.62

Benefit	Lakeland Power and Bracebridge Generation
Waiting Period	You are eligible after 3 months provided you are under age 65
Definition of Full Time	At least 16 hours per week
Basic Life Insurance	
Schedule	200% of employee earnings
Benefit Maximum	\$470,000
Non Evidence Maximum	\$235,000
Termination Clause	Earlier of age 70 or retirement
Note	Living Benefit = 50% of the sum insured on the date the insurer receives the L.B. claim, subject to maximum of \$50,000.
Basic AD & D	
Same as Basic Life	Yes
Dependent Life	Yes
Spousal	\$2,000
Per Child	\$1,000
Termination	Earlier of age 70 or Retirement
Long Term Disability	
Schedule	67% of monthly earnings
Benefit Maximum	\$5,000
Non Evidence Maximum	\$5,000
All Source Maximum	85.0% gross
Elimination Period	182 Days
Benefit Duration	To age 65
Definition of Disability	Own Occupation for 2 years
CPP/QPP Offsets	Primary
Pre Existing Conditions	3 / 12
Termination Clause	Earlier of age 65 or retirement
Tax Status	Taxable
Extended Health Care (EHC)	
Calendar Year Deductible	None
Overall Maximum	Unlimited
Reimbursement	
Drugs	100%
Hospital	100%
Paramedical	100%
Vision Care	100%
Other Health	100%
Drug	
Pay Direct Drug Card	Yes
Drug Definition	Required by law, Generic Sub, Specialty Drug Program & Prior Authorization Process
Smoking Cessation	Exclude
Fertility Drugs	Subject to a lifetime max of \$5,000/24 months (Maximum for fertility drugs is \$5,000/24 months)
Convalescent Home Rehabilitation Institution	While under the supervision of a physician or registered nurse up to a max of \$20 per day/90 days max which follows a period of hospitalization by less than 14 days

Chronic Care Institution	
Hospital:	
Room Type	Private
Paramedical maximum per calendar year	\$500/calendar yr/practitioner Chiropractor Naturopath Osteopath Psychologist Speech Therapist Chiropodist or Podiatrist Dietitian medical recommendation required
	\$500/calendar year -- combined (medical recommendation required) Registered Massage Shiatsu Therapist Physiotherapist Athletic Therapist
Orthopedic Shoes	\$500 per calendar year
Custom Made Orthotics	Reasonable & Customary \$500 per calendar year
Hearing Aids	\$500 per every 5 years
Medical Equipment & Supplies	Reasonable and customary
Vision Care	
Adult	\$375 per 24 months
Child	\$375 per 24 months
Eye Examination	\$75 per 24 months
Definition of Dependent child	21 / 25
Termination Clause	Retirement
Out of Province/Canada Emergency	100% with \$5,000,000 calendar year (6 Month duration however, if you are 71 or older, on leave of absence or not actively at work due to lay off, strike or lock out for a period exceeding 3 months the maximum is \$50,000 per insured person per each consecutive 5 year period. Hospitalization outside Canada in case of emergency, semi private without any limit to the number of days.
Private Duty Nursing	Unlimited maximum for in-home nursing care. The benefit is for RN only and a pre Approval is required
Travel Assist	Yes
Survivor Benefit	24 months
Dental	
Calendar Year Deductible	Nil
Reimbursement	
Preventive	100%
Basic	100%
Major Restorative	50%
Orthodontic Services	50% to a lifetime maximum of \$2,000
Maximum Per Family Member	
Preventive	\$2,000 per calendar year (combined)
Basic	\$2,000 per calendar year (combined)
Major Restorative	\$1,500 per calendar year (Crowns, Dentures and Bridgework.)
Definition of Dependent child	21 / 25
Dental Fee Guide	Current Year
Recall Examinations	Every 6 months
Termination	Retirement

COLLECTIVE AGREEMENT

between

LAKELAND POWER DISTRIBUTION Ltd.

(hereinafter called 'the Company')

and

its EMPLOYEES

as represented by

THE CANADIAN UNION OF PUBLIC EMPLOYEES

AND ITS LOCAL 1813

(hereinafter called 'the Union')

From July 1, 2013 to June 30, 2017

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Article 1 - Preamble and Purpose

- 1.01 The general purpose of this Agreement is to establish and maintain orderly collective bargaining relations between the Company and its employees, to make provision for prompt and equitable disposition of grievances and to establish and maintain satisfactory working conditions, hours of work and wages for all employees who are subject to the provisions of this Agreement.
- 1.02 The parties agree not to discriminate against any employee for reasons defined under the Human Rights Code (Ontario).

Article 2 - Recognition

The Company hereby recognizes the Union as the sole collective bargaining agent for all employees of the Company save and except Supervisor, persons above the rank of Supervisor, office staff, co-operative students, students employed during the school vacation period and persons regularly employed for not more than twenty-four (24) hours per week.

Article 3 - Managements Rights

The Union acknowledges that the Company has the exclusive right to manage its business and direct the working force, make, amend and enforce such rules and regulations as shall from time to time be required consistent with the terms of this Agreement.

Article 4 - Union Security and Check-off

- 4.01 As a condition of employment employees who are presently members of the Union shall remain members, and employees hired subsequent to the signing of this Agreement shall become and remain members of the Union.
- 4.02 During the term of this Agreement the Company agrees to deduct from the wages of each union member a sum of money equal to the monthly membership dues as established by the Union, and remit same to the Secretary-Treasurer of the Union before the end of each current month.
- 4.03 In consideration of this deduction and forwarding service by the Company, the Union agrees to indemnify and save the Company harmless against any claim or liability arising out of or resulting from the collection and forwarding of these dues.

Article 5 - Company Service Credit and Seniority

5.01 a) Credit for Company service shall accrue to regular employees whether or not they are members of the bargaining unit and shall represent an employee's service with the Company based on the employees most recent date of hire.

b) Seniority shall be defined as the length of continuous employment a regular employee has within the bargaining unit based on the last date of hire into the bargaining unit.

5.02 An employee shall forfeit all of his accumulated Company service credit and seniority and his name shall be removed from Company records if he:

- i. terminates voluntarily;
- ii. is discharged and not reinstated;
- iii. retires;
- iv. is laid off for a period exceeding twelve (12) calendar months;
- v. fails to report for work after a lay-off within five (5) working days of recall, notice of which has been sent by registered mail to the last address the employee has reported to the Company;
- vi. is permanently disabled and unable to work for the Company in a job classification in which there is a job available, and the Company has exhausted all obvious avenues with respect to their obligations regarding duty to accommodate;
- vii. is absent from work because of occupational illness or injury for thirty (30) months or non-occupational illness or injury for eighteen (18) months.

5.03 A seniority list shall be posted by the Company by January 1st of each year.

Article 6 - Employee Categories

6.01 Temporary employees are persons hired for periods of not longer than six (6) months duration, or in the case of replacement of a bargaining unit employee on pregnancy and/or parental leave not longer than twelve (12) months duration, in positions which are not likely to become part of the Company's continuing organization. Temporary employees shall not accumulate seniority. Temporary employees may be discharged at the sole discretion of the Company, and shall not have recourse to the grievance procedure.

6.02 Probationary employees are persons hired on trial to determine their suitability for continuing employment in regular positions. An employee shall be considered probationary for a six (6) month period. At the successful completion of an employee's probation period the employee will receive seniority, backdated to his most recent date of hire into the bargaining unit. During this period of probation he shall, unless the context otherwise provides, have all the rights and privileges of this Collective Agreement except that he may be discharged at the sole discretion of the commission and without recourse.

6.03 Regular employees are persons who have satisfactorily served a probationary period.

6.04 When an employee is assigned to relieve in the Lead Hand position for a minimum of one (1) working day or more, the employee will be paid a premium of four percent (4%). It is understood that when an assignment or project requires three (3) or more employees, the Company shall assign a Lead Hand who shall be paid a premium of four percent (4%) for the duration of that assignment or project.

6.05 When an employee is assigned to relieve in a supervisory position for a minimum of one (1) working day or more, the employee will be paid a premium of eight percent (8%).

Article 7 - Strikes/Lockouts

7.01 During the term of this Agreement the Company agrees not to lock out its employees, and the Union agrees that no cessation or slowdown of production will occur.

7.02 Employees are not required to cross picket lines except to perform duties relative to the Company's operation and the maintenance of service to equipment within the Company's jurisdiction. Employees will not be required to cross a picket line if the employee feels unsafe doing so.

Article 8 - Grievance and Arbitration Procedure

8.01 Grievance Definition

For the purposes of this Agreement a dispute, claim or complaint which involves an alleged violation, an interpretation or application of this Agreement shall be considered a matter for grievance and shall be dealt with promptly and as specified below.

8.02 The time limits set out for the processing of grievances shall be rigidly adhered to except in the case of mutual agreement to alter the time limits.

Grievance Procedure**(a) Step One**

An employee believing he has a grievance shall within five (5) working days of the alleged grievous occurrence take the matter up with his immediate supervisor. The employee may be accompanied by a member of the grievance committee at the time of this presentation. The supervisor shall give his disposition within five (5) working days of the presentation.

(b) Step Two

If the grievor (or the Union) is not satisfied with the disposition at Step One, he or the Union may within five (5) working days of the disposition at Step One submit a written statement of the grievance to the Chief Operating Officer (COO) or his designated representative. The COO shall within five (5) working days of the receipt of the grievance at this Step convene a grievance meeting at which the employee may be represented by a duly-formed two (2) member union committee. The COO shall give his disposition in writing within five (5) working days of the second step meeting.

(c) Step Three

If the grievor (or the Union) is not satisfied with the disposition at Step Two, he or the Union may within five (5) working days of the disposition at Step Two submit a written statement of the grievance to the President or his designated representative. The President shall within five (5) working days of the receipt of the grievance at this Step convene a grievance meeting at which the employee may be represented by a duly-formed two (2) member union committee. The President shall give his disposition in writing within five (5) working days of the third step meeting.

(a) A regular employee may be discharged but only for just cause. Grievances concerning discharges shall be taken directly to Step Three of the Grievance Procedure.

(b) Where an employee may be disciplined, the Company will notify the employee that he is entitled to union representation at the meeting. If the employee declines, the Company will notify the Union of the employee's decision.

(c) The parties to this Agreement agree to access the services of a grievance mediator prior to any grievance proceeding to arbitration. The parties will share equally the expenses and fees of the Grievance Mediator. Failing a satisfactory resolution in this process either party reserves the right to proceed to arbitration.

8.05 **Arbitration**

Failing settlement at Step Three, the Union may within ten (10) working days of the issuance of the disposition at Step Three notify the Company of its intention to submit the grievance to Arbitration, and at the same time inform the Company of the union nominee, and his mailing address, to an Arbitration Board which will then be processed in accordance with the *Ontario Labour Relations Act*. Should the respective nominee(s) to such an Arbitration Board fail to agree on a Chairman, the appointment will be referred to the Ontario Labour-Management Arbitration Commission.

8.06 No Board of Arbitration shall have the power to alter or change any of the provisions of this Agreement or to substitute any new provision for any existing provision, or to provide a decision which is inconsistent with any term or provision of this Agreement. The Board shall have the power to dispose of any discharge or a discipline grievance by any arrangement which in its opinion it deems just and equitable.

8.07 Each party to this Agreement will bear the expenses and fee of its nominee, and the parties will share equally the expenses and fee of the Chairman.

8.08 As an alternative, if the parties mutually agree, the matter may be submitted to a single arbitrator as provided by the *Labour Relations Act* and Clauses 8.06 and 8.07 shall apply to a single arbitrator with respect to jurisdiction and expenses.

Article 9- Hours of Work and Overtime

9.01 This section provides the basis for establishing work schedules and for the calculation and payment of overtime, but shall not be read or construed as a guarantee of hours of work per day or week or a guarantee of days of work per week.

9.02 The normal work week of employees covered by this Agreement shall be forty (40) hours per week consisting of five (5) days of eight (8) hours each between the hours of 7:30 a.m. to 4:00 p.m. with ½ hour unpaid lunch from Monday to Friday inclusive.

9.03 It is acknowledged that from time to time it will be necessary for employees to perform work outside of the normal schedules at all hours of the day or night, and management has the right to authorize such work as required.

9.04 (a) Work performed in excess of the normal hours from quitting time Friday to starting time Monday and recognized holidays (as outlined in Article 10) shall be paid at the rate of two (2) times an employee's base rate of pay. Work performed Monday to Thursday after 10:00 p.m. shall be paid at the rate of two (2) times an employee's base rate of pay. All other work performed in excess of normal hours shall be paid at the rate of one and one-half (1-1/2) times an employee's base rate of pay.

(b) On the approval of the President or Manager, employees may take time off in lieu of overtime at the appropriate premium rate to a maximum of fifty-six (56) hours per year. All banked overtime accumulated during the previous calendar year must be taken by the end of February.

(c) While working overtime all employees are entitled to a fourteen (\$14.00) dollar meal allowance after the completion of four (4) hours consecutive overtime and again after the completion of every four (4) consecutive hours.

9.05 When an employee is called in for emergency overtime work outside of his normal working hours, he shall be provided with a minimum payment in accordance with the following:

Two (2) hours pay at the appropriate overtime rate of pay or the actual time worked at the appropriate premium rate, whichever is the greater except when a short call follows within one (1) hour of the completion of a previous call in which case time shall be considered continuous from the start of the previous call. There shall be no minimum payment applicable to overtime as worked an extension of an employees normal daily working hours.

9.06

On-Call

(a) All qualified employees will be required to perform on-call duty which will be distributed on an equitable basis among them. Management shall maintain an advance schedule of on-call duty which shall be made available to the staff concerned.

(b) The payment for on-call duty for qualified employees shall be one hundred seventy (\$170.00) per seven (7) day week beginning July 1, 2009 and one hundred seventy-five (\$175.00) per seven (7) day week beginning July 1, 2010 and one hundred eighty (\$180.00) per seven (7) day week beginning July 1, 2011 and one hundred eighty-five (\$185.00) per seven (7) day week beginning July 1, 2012. Effective July 1, 2006 an additional \$25 will be paid for each statutory holiday (excluding floaters).

9.07 All employees shall be permitted a fifteen (15) minute break period in the first and second halves of a shift, at a time to be designated by the President or his delegate.

Article 10 - Paid Holidays

10.01 The following days shall be recognized as paid holidays by the Company.

New Year's Day	Thanksgiving Day
Good Friday	The one-half (½) day before
Easter Monday	Christmas
Victoria Day	Christmas Day
Canada Day	Boxing Day
Civic Holiday	The one-half (½) day before
Labour Day	New Year's Day
"plus" two (2) floater days	Family Day

10.02 Regular and probationary employees of the Company will be entitled to payment of normal basic wages for such holidays provided they have worked or have been on leave of absence with pay on the normal scheduled days of work which immediately precede and follow such holidays.

10.03 Any employee who is required to work on such a holiday shall be paid for time worked at the premium rate specified in the overtime clause of this Agreement.

10.04 When any of the above-noted recognized holidays falls on a Saturday or Sunday and is not proclaimed as being observed on some other day, the preceding Friday or the following Monday as designated by the Company shall be recognized as the holiday.

Article 11 - Vacations

11.01 Vacation pay shall mean the normal basic earnings of the employee immediately prior to the date on which vacation monies become payable. In any event and in the cases of temporary and probationary employees, vacation payment shall be made in accordance with the *Employment Standards Act*.

11.02 Vacations will, as far as it is practical, be granted at the times most desired by the employees. An employee, to ensure consideration of his request and his relative seniority standing, must notify management of his preferred vacation period by April 1 in any given year. However, management reserves the authority to designate vacation periods for all employees in a manner consistent with the efficient operation of the Company.

11.03 Normal vacations shall not be accumulative. Vacations may be carried over with the consent of the President. All carried over vacations from the previous year must be taken by the end of February, exceptions may be granted by the President in special circumstances.

11.04 An employee will be entitled to five (5) working days vacation with pay after completion of a successful probationary period and one (1) day per month thereafter to a maximum of ten (10) working days vacation after one (1) year of continuous employment.

11.05 (a) In the year in which an employee completes three (3) years continuous Company service an employee shall be entitled to fifteen (15) working days vacation with pay.

(b) In the year in which an employee completes ten (10) years continuous Company service an employee shall be entitled to twenty (20) working days vacation.

(c) In the year in which an employee completes nineteen (19) years continuous Company service an employee shall be entitled to twenty-five (25) working days vacation with pay.

(d) In the year in which an employee completes twenty (20) years of continuous Company service an employee shall be entitled to one (1) additional day of vacation with pay for each two (2) years of service, up to a total of five (5) days, when he reaches thirty (30) years of continuous service.

11.06 If a recognized holiday as defined in Article 10 of this Agreement falls or is observed during an employee's vacation period, a day off with pay will be granted for each such holiday.

11.07 A regular employee terminating his employment at any time in his vacation year before he has taken his vacation entitlement shall receive proportionate

payment of his vacation pay entitlement in lieu of such vacation. Temporary and probationary employees who terminate employment with the Company shall receive vacation pay in accordance with the *Employment Standards Act* (Ontario).

11.08 (a) An employee who is hospitalized due to illness or suffers a bereavement under Article 16.03 of this Collective Agreement while on scheduled vacation shall be permitted to reschedule any such vacation. The Company may require, at the Company's expense, medical documentation verifying the hospitalization.

(b) Under exceptional circumstances in the case of very serious illness, sick leave may be granted at the discretion of the President. In all such cases the employee shall be required to produce a doctor's certificate indicating the dates and the nature of the illness.

11.09 An employee's vacation pay will be reduced on a pro-rata basis for any period for which the employee has not received wages from the Company during the vacation accumulation period, except when on sick leave, W.S.I.B. for less than thirty (30) days or approved leave of absence for less than thirty (30) days.

Article 12 - Sick Leave

12.01 Sick pay will accrue to regular employees at the rate of one and one-half (1-1/2) days per month of accredited Company service credit to a maximum of two hundred and fifty (250) days.

12.02 To qualify for payment of sick pay, an employee must:

- i. have an established credit for sick pay;
- ii. ensure that his illness is reported to the Company as soon as possible;
- iii. be suffering from a bonafide illness which prevents his useful employment and is not compensable under the W.S.I.B.
- iv. submit written verification of his illness signed by a qualified doctor of Medicine if requested;
- v. submit to medical examination by a doctor of medicine designated by the Company upon request, at the Company's expense;
- vi. return to work as soon as possible following recovery from illness;
- vii. do everything possible to speed his recovery.

12.03 An employee's accumulated sick leave credits are intended to reduce the financial hardship that short term bona fide illness can create as far as inability to

work and the consequent loss of normal wages are concerned, and shall not be used to extend the minimum qualifying period outlined in the Long Term Disability Insurance Plan provided by the Company.

12.04 An employee will be entitled to the forgoing accumulation of sick leave credits provided the employee has worked or has been in receipt of regular base wages for more than half of the working days in any calendar month.

12.05 It is recognized and agreed that as a result of employee benefits granted by the Company, the requirements of the Employment Insurance Commission regulations covering rebates to employees have been satisfied and the employees waive their right to the rebate.

Article 13 - Group Insurance Plans for Regular and Probationary Employees

13.01 Health Plan

The company will pay one hundred percent (100%) of the cost of premiums of the current Health & Dental Plans. Eye Glass Plan includes \$375.00 maximum for 24 months, starting July 1, 2013. Chiropractic maximum of \$250 annually starting July 1, 2013. No visit maximum on Registered Massage Therapist, limited to one (1) visit per day, up to \$200.00 per calendar year.

13.02 Pension and Insurance

(a) The Company agrees to pay fifty percent (50%) of the cost of the Ontario Municipal Employees Retirement System Basic Plan and one hundred percent (100%) of the cost of a group life insurance plan to provide coverage to the amount of two (2) times an employee's basic wage.

(b) The Company agrees to pay one hundred percent (100%) of premiums to provide a Long Term Disability Insurance Plan.

13.03 All employees shall participate in the plans noted in Clauses 13.01 and 13.02 above, subject to the provisions of the individual plans involved.

Article 14 -Selection

14.01 The selection of applicants for promotions to positions within the bargaining unit shall be made only from those applicants who are judged by the Company to be qualified to do the work and will be based on:

- i. qualifications;
- ii. ability;
- iii. seniority;

In the event that in the opinion of the Company qualifications and ability are relatively equal among the applicants, then seniority shall govern.

14.02 **Job Posting**

The Company agrees to post any vacancy within the bargaining unit for a period of five (5) working days in order to give employees an opportunity to make application for the position.

Article 15 - Lay-off and Recall

In the event of a layoff, contract employees performing bargaining unit work, will be terminated first, followed by any layoff of regular employees who shall be laid off in the reverse order of seniority, provided, in the opinion of the Company, the employees retained are qualified and able to perform the work available or unless determined otherwise by mutual agreement of the parties. An employee about to be laid off may bump an employee with less seniority provided the employee exercising the bump, is qualified and able to perform the work available. Employees will be recalled in the order of their seniority, provided they are qualified and able to do the work available.

Article 16 - Leave of Absence

16.01 Under certain conditions leaves of absence may be granted by the Company. Normally no payment of wages will be made for such absences. To ensure consideration, such leaves must be applied for in writing at least one (1) calendar month in advance.

16.02 The Company agrees to grant a leave of absence with pay to an employee who serves as a juror or a subpoenaed witness in any court in the Province of Ontario. The employee shall pay to the Company the payment he received for such jury or witness duty, excluding any payment for travelling, meals or any other expenses.

16.03 In the event of the death of a member of the immediate family of a regular or probationary employee, he shall be granted a leave of absence with pay of five (5) consecutive work days in order that he may arrange for and attend the funeral. The immediate family includes parent, parent-in-law, husband, wife, son, daughter, brother and sister. In the event of the death of a son-in-law, daughter-in-law or grandparents he shall be granted a leave of three (3) consecutive work days.

16.04 Where an employee can be released by the Company to attend union business, the Union will compensate the Company at the employee's regular rate of pay plus benefit costs.

Article 17 - Compensable Disability Grant

17.01 When a regular employee through his employment by the Company suffers a disability which is compensable under the Workplace Safety & Insurance Board, the Company agrees to maintain the normal take-home pay of the employee involved for a period of up to one (1) year.

17.02 To be eligible for the grant outlined in Clause 17.01 the employee shall endorse all benefit cheques received by him from the Workplace Safety & Insurance Board and turn them over to the Company.

Article 18 - Tools, Equipment and Clothing

The Company shall supply the following items to those employees who in the Company's opinion require same for the performance of their normal duties:

- i. caps;
- ii. safety glasses;
- iii. rubber boots;
- iv. rain coats;
- v. leather gloves;
- vi. hand tools used to maintain service;
- vii. The Company agrees to pay for the initial issue of the following fire retardant clothing for new employees: Five (5) pants and five (5) shirts. The clothing will be repaired or replaced on a turn-in basis.
- viii. The Company will provide each employee annually an allowance for the purchase of work related fire retardant clothing, July 1, 2013 = \$290.00 increasing \$10 every year on each anniversary of the renewal of this collective agreement. Clothing will be repaired or replaced based on the allowance amount on a turn-in basis. The Company will co-ordinate the ordering of all clothing.
- ix an annual allowance towards the cost of purchase or repair of approved safety boots upon surrender of a receipt, July 1, 2013 = \$210.00 increasing \$5.00 every year on each anniversary of the renewal of this collective agreement.

Article 19 - Representation

19.01 The Union shall provide the Company with a list of union officials to be revised from time to time as changes occur. The Company shall provide the Union with a list of supervisors to whom grievances and other relevant matters may be submitted.

19.02 The Company will recognize a Committee of two (2) of its employees (who may be assisted by a Union representative) in negotiations

and the second step and/or third step of the Grievance Procedure. The Company will deal with the said Committee on all matters which are properly the subject of negotiation of an agreement, an amendment thereto, a renewal thereof, or a grievance therein. The Union recognizes that union officials have regular duties to perform for the Company, and subject to this recognition, the Company agrees to maintain standard rate of pay for time spent by union officials on grievance matters during normal working hours.

19.03 All correspondence between the parties arising out of this Agreement shall pass to and from the President of the Company and the Unit VP of the Union.

19.04 The Company agrees to pay off duty employees for time spent at Safety meetings. Pay to be at straight time rates.

19.05 On the request of either party, the parties shall meet at least once every two (2) months until this agreement is terminated for the purpose of discussing issues relating to the workplace which affect the parties or any employee bound by this agreement.

19.06 Where an employee is directed by the company to attend any meeting outside Muskoka/Almaguin, the Company will pay travel time at the employee's normal straight time rate for all travel time that precedes the employee's normal start time or exceeds the employee's normal end time.

Article 20 - Bulletin Boards / Mileage

20.01 The Company will provide bulletin board space in an area designated by the Company for the purpose of posting notices. All notices before they are posted must be approved by the President or his delegate.

20.02 If required to use their own personal vehicle for business or training authorized by the Company, the employee shall be reimbursed based on the Company's policy covering kilometre rate. The kilometre rate paid shall not be less than forty-two (42) cents per kilometre.

Article 21 - Distribution of Agreement

21.01 The responsibility for printing and distributing this AGREEMENT shall rest with the Company.

The Company agrees to ensure that the Union receives sufficient copies of the Agreement for distribution to the employees of the bargaining unit.

Article 22 - Wages

Employees will receive rates of pay in accordance with the attached wage schedule. The Classifications and rates are listed therein for the purposes of payment of wages only.

Article 23 - Duration

This agreement shall remain in force from July 1, 2013 to June 30, 2017 and shall continue in force from year to year. Notice to bargain will conform to the *Ontario Labour Relations Act*.

Signed this day of 2013.

On behalf of the Company:

On behalf of the Union:

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WAGE SCHEDULE

**Salary Increase for all classifications July 1, 2013 = 1.4%, January 1, 2014 = 1.4%,
July 1, 2014 = 1.4%, January 1, 2015 = 1.4%, July 1, 2015 = 1.4%, January 1, 2016
= 1.4%, July 1, 2016 = 1.4%, January 1, 2017 = 1.4%**

Appendix 'A' - Operations Department - Power									
	Progression	July 1/13	Jan 1/14	July 1/14	Jan 1/15	July 1/15	Jan 1/16	July 1/ 16	Jan 1/17
		1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%
Engineering Technician\Technologist	2 years	\$37.50	\$38.03	\$38.56	\$39.10	\$39.65	\$40.20	\$40.77	\$41.34
	1 year	\$34.78	\$35.27	\$35.77	\$36.27	\$36.77	\$37.29	\$37.81	\$38.34
	Start	\$31.87	\$32.32	\$32.77	\$33.23	\$33.69	\$34.16	\$34.64	\$35.13
Lead Hand Journeyperson		\$37.50	\$38.03	\$38.56	\$39.10	\$39.65	\$40.20	\$40.77	\$41.34
Journeyman Journeyperson	100%	\$34.77	\$35.26	\$35.75	\$36.25	\$36.76	\$37.28	\$37.80	\$38.33
4th Year Apprentice Journeyperson	90%	\$31.30	\$31.73	\$32.18	\$32.63	\$33.09	\$33.55	\$34.02	\$34.49
3rd Year Apprentice Journeyperson	80%	\$27.82	\$28.21	\$28.60	\$29.00	\$29.41	\$29.82	\$30.24	\$30.66
2nd Year Apprentice Journeyperson	75%	\$26.08	\$26.45	\$26.82	\$27.19	\$27.57	\$27.96	\$28.35	\$28.75
1st Year Apprentice Journeyperson	70%	\$24.34	\$24.68	\$25.03	\$25.38	\$25.73	\$26.09	\$26.46	\$26.83
Material and Facilities Coordinator	2 years	\$31.87	\$32.32	\$32.77	\$33.23	\$33.69	\$34.16	\$34.64	\$35.13
Material and Facilities Coordinator	1 year	\$30.63	\$31.06	\$31.50	\$31.94	\$32.38	\$32.84	\$33.30	\$33.76
Material and Facilities Coordinator	Start	\$29.50	\$29.91	\$30.33	\$30.75	\$31.18	\$31.62	\$32.06	\$32.51
Utilityperson/Meter Reader		\$28.60	\$29.00	\$29.41	\$29.82	\$30.24	\$30.66	\$31.09	\$31.52
Groundperson A	2 years	\$27.75	\$28.14	\$28.53	\$28.93	\$29.34	\$29.75	\$30.17	\$30.59
Groundperson B	1 year	\$26.63	\$27.00	\$27.38	\$27.76	\$28.15	\$28.54	\$28.94	\$29.35
Groundperson C	Start	\$25.53	\$25.88	\$26.25	\$26.61	\$26.99	\$27.36	\$27.75	\$28.14
Serviceperson/Meter Reader	2 years	\$26.65	\$27.02	\$27.40	\$27.79	\$28.17	\$28.57	\$28.97	\$29.37
Serviceperson/Meter Reader	1 year	\$25.60	\$25.95	\$26.32	\$26.69	\$27.06	\$27.44	\$27.82	\$28.21
Serviceperson/Meter Reader	Start	\$24.61	\$24.95	\$25.30	\$25.66	\$26.02	\$26.38	\$26.75	\$27.12
Stockkeeper A	2 years	\$25.56	\$25.92	\$26.28	\$26.65	\$27.02	\$27.40	\$27.78	\$28.17
Stockkeeper B	1 year	\$24.63	\$24.98	\$25.33	\$25.68	\$26.04	\$26.40	\$26.77	\$27.15
Stockkeeper C	Start	\$23.61	\$23.94	\$24.28	\$24.62	\$24.96	\$25.31	\$25.66	\$26.02
Labourer A	1 year	\$23.50	\$23.82	\$24.16	\$24.50	\$24.84	\$25.19	\$25.54	\$25.90
Labourer B	Start	\$22.60	\$22.92	\$23.24	\$23.56	\$23.89	\$24.23	\$24.57	\$24.91

APPENDIX “B”

Letter of Understanding #1

Both the Union and the Company agree that in the event of a merger or amalgamation with any other utility or corporation, every reasonable effort will be made to provide job security to existing employees. It is understood the representation rights and this Collective Agreement shall be maintained until the Ontario Labour Relations Board determines the proper representative of the combined group or groups.

#2

Where an apprentice or journeyman/journeyperson hired on or after the ratification date of this Agreement terminates their employment within two (2) years of completing their formal apprenticeship training program, or during the apprenticeship program, the employee will reimburse the company an amount equal to one hundred percent (100%) of all the off-site training costs (tuition, lodging, meals, and mileage) incurred during the apprenticeship training program.

Appendix B	Report on the Actuarial Valuation of Post-Retirement Non-Pension Benefits by Collins Barrow
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COLLINS BARROW TORONTO

ACTUARIAL SERVICES

LAKELAND POWER DISTRIBUTION INC.

Report on the Actuarial Valuation of
Post-Retirement Non-Pension
Benefits

As at December 31, 2016

February 10, 2017 – Final

Clarity Defined.™
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EXECUTIVE SUMMARY

PURPOSE

Collins Barrow Toronto Actuarial Services Inc. was engaged by Lakeland Power Distribution Inc. ("the Corporation") to perform an actuarial valuation of the post-retirement non-pension benefits sponsored by the Corporation and to determine the accounting results for those benefits for the fiscal period ending December 31, 2016. The nature of these benefits is defined benefit.

This report is prepared in accordance with the International Financial Reporting Standards (the "IFRS") guidelines for post-retirement non-pension benefits as outlined in the International Accounting Standard 19 – Employee Benefits ("IAS 19") in effect January 1, 2016. The Corporation began reporting on the basis of IFRS for the fiscal year beginning January 1, 2015. Prior to this date, the valuation of the Corporation's post-retirement non-pension benefits was prepared in accordance with the Canadian Institute of Chartered Accountants ("CICA") guidelines outlined in Employee Future Benefits, Section 3461 of the CICA Accounting Handbook ("CICA 3461").

The most recent full valuation was prepared as at January 1, 2014 based on the then appropriate assumptions and in accordance with CICA 3461 as well as IAS 19. Note that for comparison purposes the January 1, 2014 figures referenced in this report reflect the previous valuation figures calculated under IAS 19 guidelines.

The purpose of this valuation is threefold:

- i) To determine the Corporation's liabilities in respect of post-retirement non-pension benefits at December 31, 2016;
- ii) To determine the defined benefit costs to be recognized in the income statement and other comprehensive income for fiscal year 2016; and
- iii) To provide all other pertinent information necessary for compliance with IAS 19.

The intended users of this report include the Corporation and its auditors. This report is not intended for use by the plan beneficiaries or for use in determining any funding of the benefit obligations.

SUMMARY OF KEY RESULTS

The key results of this actuarial valuation as at December 31, 2016 with comparative results from the previous valuation as at January 1, 2014 are shown below, in thousands of dollars:

	January 1, 2014	December 31, 2016
Present Value of Defined Benefit Obligation (PV DBO)		
a) People in Receipt of Benefits	187	216
b) Fully Eligible Actives ¹	17	37
c) Not Fully Eligible Actives	77	49
Total PV DBO	281	302

	CY 2014	CY 2016
Current Service Cost	4	4
Past Service Cost	-	188
Interest Cost	12	11
Defined Benefit Cost Recognized in Income Statement	16	203

¹ Fully Eligible refers to those employees who would be eligible for post-retirement non-pension benefits if they retired at the valuation date.

ACTUARIAL CERTIFICATION

An actuarial valuation has been performed on the post-retirement non-pension benefit plans sponsored by Lakeland Power Distribution Ltd. ("the Corporation") as at December 31, 2016, for the purposes described in this report.

In accordance with the Canadian Institute of Actuaries Consolidated Standards of Practice General Standards, we hereby certify that, in our opinion, for the purposes stated in the Executive Summary:

1. The data on which the valuation is based is sufficient and reliable;
2. The assumptions employed, as outlined in this report, have been selected by the Corporation as management's best estimate assumptions (no provision for adverse deviations) and we express no opinion on them;
3. All known legal and constructive obligations with respect to the post-retirement non-pension benefits sponsored by and identified by the Corporation are included in the calculations; and
4. This report has been prepared, and our opinions given, in accordance with accepted actuarial practice in Canada.

We are not aware of any subsequent events after December 31, 2016 that would have a significant effect on our valuation.

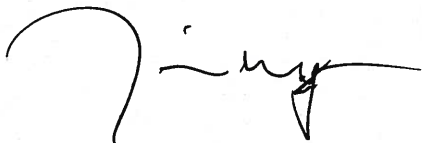
The latest date on which the next actuarial valuation should be performed is December 31, 2019. If any supplemental advice or explanation is required, please advise the undersigned.

Respectfully submitted,

COLLINS BARROW TORONTO ACTUARIAL SERVICES INC.



Stanley Caravaggio, FSA, FCIA
Senior Manager



Jamie Wong, ASA, ACIA
Consultant

Toronto, Ontario

February 10, 2017

SECTION A— VALUATION RESULTS

Table A - 1 shows the key valuation results for the prior valuation and the current valuation.

Table A - 2 shows the sensitivity of the valuation results to certain changes in assumptions. We have shown a change to the assumed retirement age from age 60 to 58, an increase/decrease in the health and dental claims cost trend rates by 1% per annum, and an increase/decrease in the discount rate by 1% per annum.

Table A - 3 presents the development of changes in the present value of defined benefit obligation as a result of the re-measurement at December 31, 2016 and past service benefit changes in 2016.

VALUATION RESULTS

**Table A.1—Valuation Results
(in thousands of dollars)**

	January 1, 2014	December 31, 2016
Present Value of Defined Benefit Obligation (PV DBO)		
a) People in Receipt of Benefits	187	216
b) Fully Eligible Actives	17	37
c) Not Fully Eligible Actives	77	49
Total PV DBO	281	302

	CY 2014	CY 2016
Current Service Cost	4	4
Past Service Cost	-	188
Interest Cost	12	11
Defined Benefit Cost Recognized in Income Statement	16	203
Actuarial (Gains)/Losses	30	(163)
Defined Benefit Cost Recognized in Other Comprehensive Income	30	(163)
Total Defined Benefit Cost	46	40
Expected Benefit Payments ¹⁾	27	25

¹⁾ The benefit payments for CY 2016 are based on the expected payments made for those eligible for benefits in 2016. These amounts were provided by the Corporation.

SENSITIVITY ANALYSIS

Table A.2—Sensitivity Analysis
(in thousands of dollars)

	PV DBO at December 31, 2016				CY 2017	
	People in Receipt of Benefits	Fully Eligible Actives	Not Fully Eligible Actives	Total PV DBO	Current Service Cost	Interest Cost
Valuation Results	216	37	49	302	6	11
Retirement Age 58	216	51	64	331	7	12
Cost Trends +1%	217	38	57	312	7	12
Cost Trends -1%	216	35	42	293	5	11
Discount Rate 2.8%	239	39	57	335	7	9
Discount Rate 4.8%	197	35	42	274	5	13

DEVELOPMENT OF CHANGES IN THE DEFINED BENEFIT OBLIGATION

**Table A.3—Development of Changes in the Present Value of Defined Benefit Obligation
(in thousands of dollars)**

PV DBO at December 31, 2015	287
2016 Current Service Cost	4
2016 Benefit Payments	(25)
2016 Interest Cost	11
Expected PV DBO at December 31, 2016	277
Past Service Cost for 2016	188
Actuarial (Gain)/Loss for 2016	(163)
PV DBO at December 31, 2016	302

The decrease indicated above of \$163,000 is due to the re-measurement of the liability; a breakdown of the major changes is as follows:

- A change in the discount rate assumption (an increase of approximately \$3,000)
- Difference between the benefit cost level assumption and expected levels as well as a change in the trend rate assumptions (a decrease of approximately \$148,000)
- Deviations from the expected demographic changes due to factors such as the difference between expected and actual group experience, changes in coverage type, new hires, changes in employee status, and change in the mortality and withdrawal rate assumptions (a decrease of approximately \$18,000)

Pursuant to IAS 19, the re-measurement of the PV DBO at December 31, 2016 based on the changes in the assumptions and experience is recognized immediately as an adjustment to other comprehensive income at December 31, 2016.

The past service cost indicated above reflects a loss of approximately \$188,000 in 2016 due to changes to the Corporation's post-retirement non-pension benefit provisions, which include the following:

- Former Parry Sound Power Generation (PSPG) employees who were active as of January 1, 2016 no longer receive post-retirement life insurance, additional life insurance, and accidental death and dismemberment ("AD&D") benefits (a decrease of approximately \$30,000).
- 19 of the Corporation's existing employees and the 16 new hires became entitled to receive post-retirement health (union and non-union) and dental (union only) benefits. Non-union employees no longer receive post-retirement dental benefits (an increase of approximately \$90,000).
- Post-retirement health benefits for non-union employees are now 100% paid by the Corporation (previously 50%) and require 25 years of service for eligibility (previously 30 years). In addition, AD&D coverage ceases at age 70 (an increase of \$128,000).

Pursuant to IAS 19, the total Past Service Cost for 2016 is recognized immediately as an expense on the income statement for 2016.

SECTION B— PLAN PARTICIPANTS

Table B – 1 sets out the summary information with respect to the plan participants valued in the report, along with comparisons to the participants in the previous valuation. The previous valuation was based on membership data as of January 1, 2014.

Table B – 2 reconciles the number of participants in the last valuation to the number of participants in the current valuation.

PARTICIPANT DATA

Table B.1—Participant Data

Membership data as at November 30, 2016 was received from the Corporation via e-mail and included information such as name, sex, age, date of hire, current salary, benefit amounts and other applicable details for all active employees and people in receipt of benefits.

Although the data provided reflected status and benefit information as at November 30, any changes in status and other member data occurring from November 30 to December 31 are not expected to be material to the valuation results.

We have reviewed the data and compared it to the data used in the prior valuation for consistency and reliability for use in this valuation. The main tests of sufficiency and reliability that were conducted on the membership data are as follows:

- Date of hire prior to date of birth;
- Ages under 18 or over 100;
- Abnormal levels of benefits and/or premiums; and
- Duplicate records

In addition, the following tests were performed:

- A reconciliation of statuses from the prior valuation to the current valuation;
- A review of the consistency of individual data items and statistical summaries between the current and prior valuations; and
- A review of the reasonableness of changes in such information since the prior valuation.

Active Employees

	January 1, 2014			November 30, 2016		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
Number of Employees	7	3	10	38	16	54
Avg. Length of Service	12.2	16.9	13.6	8.0	9.3	8.4

Count as of November 30, 2016						
Age Band	Active Lives - Not Fully Eligible			Active Lives - Fully Eligible		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
Less than 30	12	2	14	-	-	-
30 - 35	3	-	3	-	-	-
36 - 40	5	2	7	-	-	-
41 - 45	4	1	5	-	-	-
46 - 50	6	5	11	-	-	-
51 - 55	5	1	6	1	-	1
56 - 60	1	1	2	1	2	3
61 - 65	-	1	1	-	-	-
66 - 70	-	-	-	-	-	-
71 - 75	-	1	1	-	-	-
Greater than 75	-	-	-	-	-	-
Total	36	14	50	2	2	4

Average Service as of November 30, 2016						
Age Band	Active Lives - Not Fully Eligible			Active Lives - Fully Eligible		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
Less than 30	1.5	1.4	1.4	-	-	-
30 - 35	5.7	-	5.7	-	-	-
36 - 40	6.6	1.3	5.1	-	-	-
41 - 45	7.7	10.8	8.3	-	-	-
46 - 50	9.2	5.0	7.3	-	-	-
51 - 55	18.1	1.6	15.4	28.7	-	28.7
56 - 60	2.1	12.3	7.2	30.5	29.8	30.0
61 - 65	-	24.2	24.2	-	-	-
66 - 70	-	-	-	-	-	-
71 - 75	-	9.7	9.7	-	-	-
Greater than 75	-	-	-	-	-	-
Total	6.8	6.4	6.7	29.6	29.8	29.7

People in Receipt of Benefits

Number of Members	January 1, 2014			November 30, 2016		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
	7	1	8	8	3	11

Expected Annual Benefit Payments for CY 2017			
<u>Age Band</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
Less than 30	-	-	-
30 - 35	-	-	-
36 - 40	-	-	-
41 - 45	-	-	-
46 - 50	-	-	-
51 - 55	-	-	-
56 - 60	834	1,873	2,707
61 - 65	590	1,871	2,461
66 - 70	305	-	305
71 - 75	-	-	-
Greater than 75	5,477	2,977	8,454
Total	7,206	6,721	13,927

PARTICIPATION RECONCILIATION

Table B.2—Participation Reconciliation

Participant Reconciliation		
	<u>Actives</u>	<u>Retired</u>
Former PSPG Employees as at Jan. 1, 2014 ^{1\}	10	8
Lakeland Employees as at Jan. 1, 2014 ^{2\}	29	4
New Hires to Lakeland	20	-
Active	-	-
LTD	-	-
Terminated	(5)	-
Deceased	-	(1)
Retired	-	-
No Longer Eligible	-	-
As at Nov. 30, 2016	54	11

1\ Consists of all former Parry Sound Power Generation employees that were valued in the previous valuation as at January 1, 2014

2\ Consists of 29 Lakeland employees and 4 retirees that were previously not entitled to post-retirement benefits were therefore excluded from the valuation database provided by the Corporation as at January 1, 2014.

SECTION C— SUMMARY OF ACTUARIAL METHOD AND ASSUMPTIONS

ACTUARIAL METHOD

The aim of an actuarial valuation of post-retirement non-pension benefits is to provide a reasonable and systematic allocation of the cost of these future benefits to the years in which the related employees' services are rendered. To accomplish this, it is necessary to:

- make assumptions for discount rates, mortality, and other decrements;
- use these assumptions to calculate the present value of the expected future benefits; and,
- adopt an actuarial cost method to allocate the present value of expected future benefits to the specific years of employment.

The Present Value of the Defined Benefit Obligation and Current Service Cost were determined using the projected benefit method, pro-rated on service. This is the method stipulated by IAS 19 when future salary levels or cost escalation affect the amount of the employee's future benefits. Under this method, the projected post-retirement benefits are deemed to be earned on a pro-rata basis over the years of service in the attribution period. IAS 19 stipulates that the attribution period commences on the date when service by the employee first leads to post-retirement non-pension benefits under the plan and ends on the date when further service by the employee will lead to no material amount of further post-retirement non-pension benefits under the plan, other than from further salary increases.

For each employee not yet fully eligible for benefits, the Present Value of the Defined Benefit Obligation is equal to the present value of expected future benefits multiplied by the ratio of the years of service to the valuation date to the total years of service in the attribution period. The Current Service Cost is equal to the present value of expected future benefits multiplied by the ratio of the year (or part) of service in the fiscal year to total years of service in the attribution period.

For health and dental benefits, the Corporation has selected the funding levels charged for retiree benefits as management's best estimate of the benefits costs to be incurred. The total monthly premium rates, inclusive of premium taxes, used are as follows:

Retirees	Health Single	Health Family	Dental Single	Dental Family
Non-Union	\$ 58.09	\$ 147.44	n/a	n/a
Union	\$ 51.07	\$ 135.65	\$ 42.43	\$ 88.13

The above premium rates are effective January 1, 2017 to December 31, 2017, provided by the Corporation, and represent the rates at 100%, prior to any cost-sharing provisions.

The PV DBO at December 31, 2016 is based on membership data as at November 30, 2016 and management's best estimate assumptions as at December 31, 2016.

MANAGEMENT'S BEST ESTIMATE ASSUMPTIONS

The following are management's best estimate economic and demographic assumptions as at December 31, 2016.

ECONOMIC ASSUMPTIONS

Consumer Price Index

The consumer price index is assumed to be 2.00% per annum, which remains unchanged from the previous valuation.

Discount Rate

The rate used to discount future benefits is assumed to be 3.80% per annum as at December 31, 2016. This rate reflects the Corporation's expected projected benefit cash flows for post-retirement non-pension benefits and the market yields on high quality bonds at December 31, 2016.

The assumption used in the previous valuation was 4.60% per annum as at January 1, 2014, which was subsequently updated to 3.90% per annum as at December 31, 2014.

Claims Cost Trend Rate

The rates used to project health and dental benefit costs into the future are assumed to be as follows:

End of Year	Current Valuation		Previous Valuation	
	Health	Dental	Health	Dental
2016	6.20%	4.50%	6.40%	4.60%
2017	5.99%	4.50%	6.10%	4.60%
2018	5.78%	4.50%	5.80%	4.60%
2019	5.56%	4.50%	5.50%	4.60%
2020	5.35%	4.50%	5.20%	4.60%
2021	5.14%	4.50%	4.90%	4.60%
2022	4.93%	4.50%	4.60%	4.60%
2023	4.71%	4.50%	4.60%	4.60%
2024 and Thereafter	4.50%	4.50%	4.60%	4.60%

DEMOGRAPHIC ASSUMPTIONS

Mortality Table

The mortality tables used are as per the Canadian Institute of Actuaries Canadian Pensioners' Mortality Pension Experience Subcommittee final report dated February 11, 2014 (CIA Report). More specifically, the Canada Pensioners Mortality ("CPM") Table Public Sector (CPM2014 PUBL) has been used with the generational projection of mortality improvement based upon CPM Improvement Scale B-2014.

Mortality rates are applied on a sex-distinct basis.

This assumption remains unchanged from the previous valuation, with the exception of the mortality improvement scale which we previously assumed the one-dimensional version of the same scale.

Rates of Withdrawal

Termination of employment is assumed to be in accordance with the following withdrawal table:

Age Bucket	Current Valuation	Previous Valuation
18 – 29	3.50%	2.75%
30 – 34	2.50%	2.25%
35 – 39	2.15%	2.00%
40 – 49	1.75%	1.50%
50 – 54	1.40%	1.50%

Retirement Age

All active employees are assumed to retire at age 60 (or immediately if currently over age 60), which was based on the Corporation's retirement experience as well as the experience of other similar companies for which data was available. The assumed retirement age of 60 was increased, if necessary, to the minimum of the age at which 30 years of service for union employees or 25 years of service for non-union employees was reached and age 65.

This assumption remains unchanged from the previous valuation.

Disability

No provision was made for future disability. There are no individuals on LTD at the valuation date.

This assumption remains unchanged from the previous valuation.

Family/Single Coverage

It is assumed that the coverage type as at December 31, 2016, as provided by the Corporation, will remain the same until the employee reaches the assumed retirement age. For family coverage, it is assumed that the retiree has a spouse of opposite gender and no other dependents. Male spouses are assumed to be three years older than female spouses.

These assumptions remain unchanged from the previous valuation.

Expenses and Taxes

We have assumed 10% of benefits is required for the cost of sponsoring the program for post-retirement life insurance and AD&D benefits. In addition, we have included a load onto the life insurance benefit amount to reflect the cost of AD&D. The load is approximately 0.81% based on the AD&D premium charge for current retirees. The load used in the previous valuation was 0.54%.

The taxes and expenses are included in the benefit cost rates above for health and dental benefits. This approach remains unchanged from the previous valuation.

SECTION D— SUMMARY OF POST-RETIREMENT BENEFITS

The following is a summary of the plan provisions that are pertinent to this valuation, based on information provided by and discussions with the Corporation.

GOVERNING DOCUMENTS

The program is governed by the following documents:

- Collective Agreement between Bracebridge Generation Ltd. and its employees as represented by the Canadian Union of Public Employees and its Local 1813.12, effective January 1, 2016 to January 1, 2020
- Collective Agreement between Lakeland Power Distribution Ltd. and its employees as represented by the Canadian Union of Public Employees and its Local 1813.10, effective January 1, 2016 to January 1, 2020
- Manulife Benefits Booklet for Lakeland Holding Ltd. (Group Policy Number G0100530) class: Union Employees retiring with 30 years or more of service
- Manulife Benefits Booklet for Lakeland Holding Ltd. (Group Policy Number G0100530) class: Non-union retirees with 25 or more years of service
- Manulife Benefits Booklet for Lakeland Holding Ltd. (Group Policy Number G0100530) class: Closed retiree class for former PSPG retirees

What follows is only a summary of the post retirement non-pension benefits program. For a complete description, please refer to the above-noted documents.

ELIGIBILITY

Upon retirement, all union employees with 30 years of service are eligible for post-retirement health and dental benefits until age 65. Upon retirement, all non-union employees with 25 years of service are eligible for post-retirement health benefits until age 65.

In addition, all former Parry Sound Power Generation (PSPG) employees who retired before January 1, 2016 were eligible for post-retirement life and additional life coverage for lifetime, as well as AD&D until age 70.

PARTICIPANT CONTRIBUTIONS

The Corporation shall pay 50% of the cost of all post-retirement benefits for eligible union retirees and 100% of the cost of all post-retirement benefits for eligible non-union and former PSPG retirees.

PAST SERVICE

Past service is defined as continuous service prior to joining the plan if the participant was employed by similar companies prior to joining the Corporation.

LENGTH OF SERVICE

Length of service is defined as continuous service from the date of hire to the valuation date, measured in years and months.

SUMMARY OF BENEFITS

Life Insurance and AD&D

Upon retirement, all former PSPG employees are entitled to post-retirement life insurance benefits, as per the MEARIE plan, based upon the following table:

Plan Option	Amount of Coverage	Eligibility
1	Flat \$2,000.	Employee retires with less than 10 years of service in the Plan.
2	50% of final annual earnings, reducing by 2.5% of final annual earnings each year for 10 years, to a final benefit equal to 25% of final annual earnings. Reduction occurs on the anniversary date of retirement.	Employee was insured under Plan options 2, 3, or 4 or Employee retires with 10 or more years of service in the Plan but was never in the superseded plan.
3	50% of final annual earnings.	Employee was insured under the superseded plan and was hired on or after May 1, 1967 and elected coverage under option 1 only.
4	70% of final amount insured under the life plan immediately prior to retirement.	Employee was insured under the superseded plan and was hired before May 1, 1967 and elected coverage under option 1 only.

In addition, all former PSPG employees are entitled to additional post-retirement life insurance of \$10,000 for lifetime and AD&D coverage of \$10,000 until age 70.

Health and Dental Benefits

Upon retirement, all union employees are entitled to post-retirement health and dental benefit coverage and all non-union employees are entitled to post-retirement health benefit coverage. Complete details of these coverages can be found in the documents listed above.

SECTION E— EMPLOYER CERTIFICATION

Post-Retirement Non-Pension Benefit Plan of Lakeland Power Distribution Inc. Actuarial Valuation as at December 31, 2016

I hereby confirm, as an authorized signing officer of the administrator of the Post-Retirement Non-Pension Benefit Plan of Lakeland Power Distribution Inc. that, to the best of my knowledge and belief, for the purposes of the valuation:

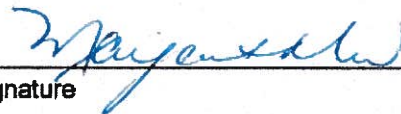
- i) the membership data summarized in Section B is accurate and complete;
- ii) the assumptions upon which this report is based as summarized in Section C, are management's best estimate assumptions and are adequate and appropriate for the purposes of this valuation; and
- iii) the summary of Plan Provisions in Section D is an accurate and complete summary of the terms of the Plan in effect on December 31, 2016.

LAKELAND POWER DISTRIBUTION INC.

Date

Feb 11/17

Signature

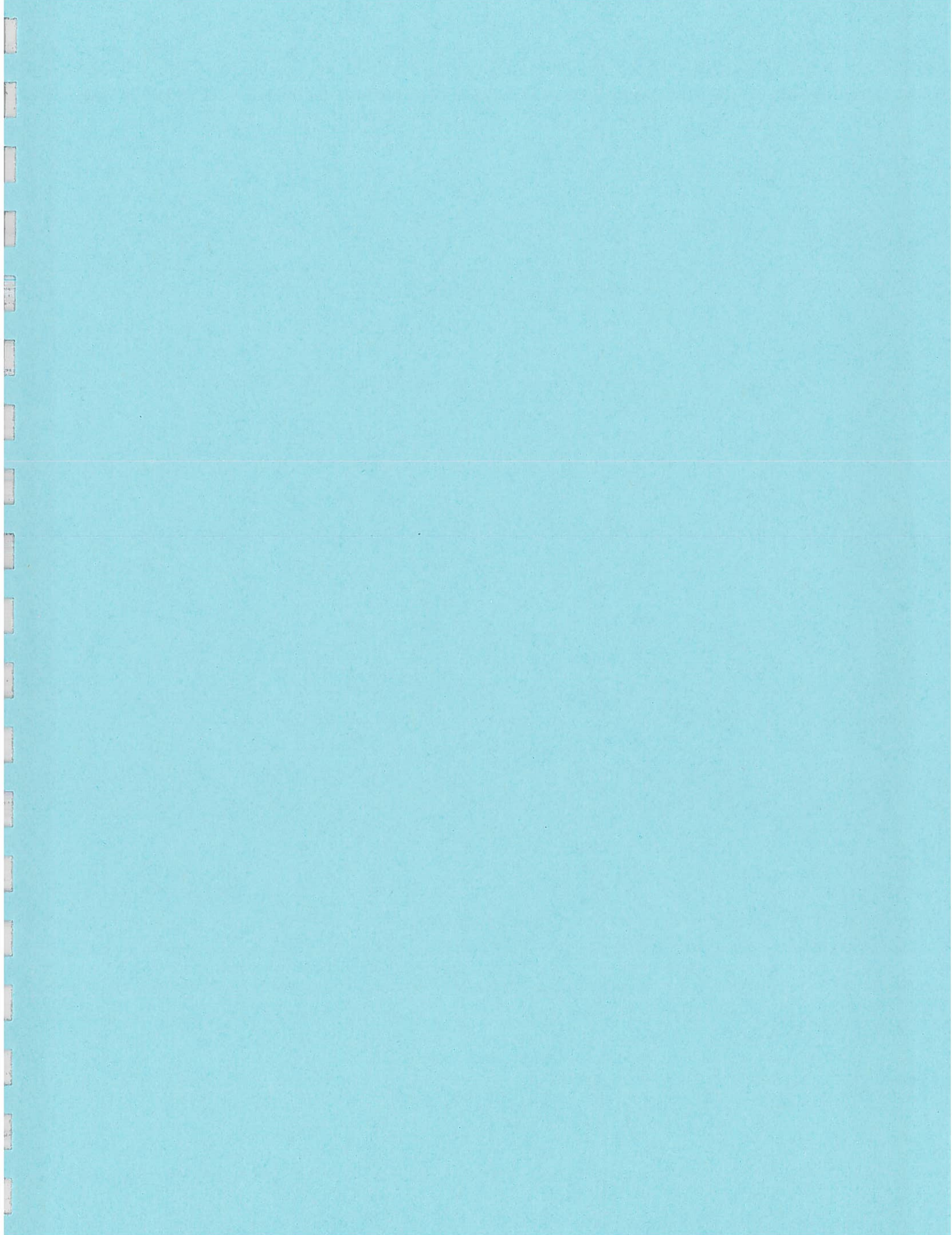


Name

Margaret Maw

Title

Chief Financial Officer



Lakeland Power Distribution Ltd.

Estimated Benefit Expense (IAS 19)

Power

FINAL

	CY 2016 *	Projected ** CY 2017	Projected ** CY 2018
Discount Rate at January 1	3.90%	3.80%	3.80%
Discount Rate at December 31	3.80%	3.80%	3.80%
Health Benefit Cost Trend Rate at December 31			
Initial Trend Rate	5.99%	5.78%	5.56%
Ultimate Rate	4.50%	4.50%	4.50%
Year Ultimate Rate Reached	2024	2024	2024
Dental Benefit Cost Trend Rate at December 31	4.50%	4.50%	4.50%
Assumed Increase in Employer Contributions	expected ***	expected ***	expected ***

A. Change in the Net Defined Benefit Liability/(Asset) Recognized in Balance Sheet

Net Defined Benefit Liability/(Asset) as at January 1	73,591	55,110	57,444
Defined Benefit Cost Recognized in Income Statement	104,488	3,826	3,446
Defined Benefit Cost Recognized in Other Comprehensive Income	(122,969)	-	-
Benefits Paid by the Employer	-	(1,492)	(3,210)
Net Defined Benefit Liability/(Asset) as at December 31	55,110	57,444	57,680

B. Determination of Defined Benefit Cost**B1. Determination of Defined Benefit Cost Recognized in Income Statement**

Current Service Cost	2,634	1,760	1,324
Past Service Cost	98,983	-	-
Interest Cost	2,870	2,066	2,122
Defined Benefit Cost Recognized in Income Statement	104,488	3,826	3,446

B2. Remeasurements of the Net Defined Benefit Liability/(Asset) Recognized in Other Comprehensive Income

Net Actuarial Loss/(Gain) arising from Changes in Financial Assumptions	(76,371)	-	-
Net Actuarial Loss/(Gain) arising from Changes in Demographic Assumptions	70	-	-
Net Actuarial Loss/(Gain) arising from Experience Adjustments	(46,668)	-	-
Return on Plan Assets (Excluding Amounts Included in Net Interest Cost)	-	-	-
Change in Effect of Asset Ceiling	-	-	-
Defined Benefit Cost Recognized in Other Comprehensive Income	(122,969)	-	-
Total Defined Benefit Cost	(18,481)	3,826	3,446

C. Change in the Present Value of Defined Benefit Obligation

Present Value of Defined Benefit Obligation as at January 1	73,591	55,110	57,444
Current Service Cost	2,634	1,760	1,324
Past Service Cost	98,983	-	-
Interest Cost	2,870	2,066	2,122
Benefits Paid	-	(1,492)	(3,210)
Net Actuarial Loss/(Gain)	(122,969)	-	-
Present Value of Defined Benefit Obligation as at December 31	55,110	57,444	57,680

* The CY 2016 defined benefit cost and January 1, 2016 PV DBO are calculated based on membership data and management's best estimate assumptions at January 1, 2014

** Projected CY 2017 and CY 2018 results are provided for informational purposes only. Significant changes such as re-negotiated benefits, increased benefit costs, or significant swings in demographics may require revised projections or a full actuarial review

*** Based on expected benefits to be paid to those eligible for benefits

Lakeland Power Distribution Ltd.

Estimated Benefit Expense (IAS 19)

Power

FINAL

	CY 2016 *	Projected ** CY 2017	Projected ** CY 2018
Discount Rate at January 1	3.90%	3.80%	3.80%
Discount Rate at December 31	3.80%	3.80%	3.80%
Health Benefit Cost Trend Rate at December 31			
Initial Trend Rate	5.99%	5.78%	5.56%
Ultimate Rate	4.50%	4.50%	4.50%
Year Ultimate Rate Reached	2024	2024	2024
Dental Benefit Cost Trend Rate at December 31	4.50%	4.50%	4.50%
Assumed Increase in Employer Contributions	expected ***	expected ***	expected ***

D. Calculation of Component Items

Interest Cost

Present Value of Defined Benefit Obligation as at January 1	73,591	55,110	57,444
Benefits Paid	-	(746)	(1,605)
Accrued Benefits	73,591	54,364	55,839
Interest Cost	2,870	2,066	2,122

Expected Present Value of Defined Benefit Obligation as at December 31

Present Value of Defined Benefit Obligation as at January 1	73,591	55,110	57,444
Current Service Cost	2,634	1,760	1,324
Benefits Paid	-	(1,492)	(3,210)
Interest Cost	2,870	2,066	2,122
Expected Present Value of Defined Benefit Obligation as at December 31	79,095	57,444	57,680

E. Net Actuarial Loss/(Gain)

Net Actuarial Loss/(Gain) as at December 31

Expected Present Value of Defined Benefit Obligation	79,095	57,444	57,680
Past Service Cost	98,983	-	-
Expected Present Value of Defined Benefit Obligation (after Past Service Cost)	178,078	57,444	57,680
Actual Present Value of Defined Benefit Obligation	55,110	57,444	57,680
Net Actuarial Loss/(Gain) as at December 31	(122,969)	-	-

* The CY 2016 defined benefit cost and January 1, 2016 PV DBO are calculated based on membership data and management's best estimate assumptions at January 1, 2014

** Projected CY 2017 and CY 2018 results are provided for informational purposes only. Significant changes such as re-negotiated benefits, increased benefit costs, or significant swings in demographics may require revised projections or a full actuarial review

*** Based on expected benefits to be paid to those eligible for benefits

Appendix C	LEL Shared Services Agreement
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2



IT Services Agreement

LakelandPower

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IT Services Agreement

This Agreement has been made as of **March 1st, 2017** between:

Lakeland Networks Ltd. (the Consultant)

- AND -

Lakeland Power Distribution Ltd. (the Customer)

The Customer specified acknowledges that the terms and conditions of this service agreement have been made available to the customer and has been reviewed by the customer prior to the customer submitting the order requesting the performance of services by Lakeland Networks. The customer further acknowledges that the submission of the order constitutes acceptance of this agreement and will bind the customer to all of the terms and conditions hereof.

In consideration of the mutual promises and covenants made herein, the parties agree as follows:

Services

The Consultant shall, during the term, provide the following services to the customer. **These services shall be provided during normal business hours being 7:30 am and 4:00 pm, Monday through Friday.**

A list of servers, systems, network switches and other computing peripherals covered under this agreement and included in Appendix A.

The following is a list of duties the Consultant will provide the Customer:

- a) Business day on-site/remote support for users concerning desktop support.
- b) Server/System Data backup implementation, monitoring and logging.
- c) Diagnosis of any problems (software or hardware).
- d) Repair any physical connection difficulties at the Customer's physical office locations.
- e) Manage and assign required VPN access to consultants and internal.
- f) Update software and firmware on supported devices as requested.
- g) Installation of all 3rd party software.
- h) Consultation on IT related matters.

Term of this Agreement

This agreement shall commence on January 1st, 2017 and shall remain in effect until December 31st, 2017, a period of 1 year. This contract can be extended provided that the parties agree in writing.

Confidential Information

For the purposes of this Agreement, the term "Confidential Information" means all information disclosed to, or acquired by, the Consultant, its employees or agents in connection with, and during the term of this Agreement which relates to the Customer's past, present and future research, developments, systems, operations and business activities, including, without limiting the generality of the foregoing:

1. All items and documents prepared for, or submitted to the Customer in connection with this agreement.
2. All information specifically designated by the Customer as confidential.

but shall not include any information which was known to the Consultant, its employees or agents prior to the date hereof, or which was publicly disclosed otherwise than by breach of this Agreement.

The Consultant acknowledges that pursuant to the performance of its obligations under this Agreement, it may require Confidential Information. The Consultant covenants and agrees, during the Term and following any termination of this Agreement, to hold and maintain all Confidential Information in trust and confidence for the Customer and not to use Confidential Information other than for the benefit of the Customer. Except as authorized in writing by the Customer, the Consultant covenants and agrees not to disclose any Confidential Information, by publication or otherwise, to any person other than those persons whose services are contemplated for the purposes of carrying out this Agreement, provided that such persons agree in writing to be bound by, and comply with the provisions of this paragraph. The Consultant shall obtain similar covenants and agreement to those contained in this paragraph for the benefit of the Customer from each of its employees or agents who are or may be exposed to Confidential Information.

Software

The Customer will be responsible for all purchasing of software, subscription software services and licensing as the needs of their Information Technology infrastructure dictates. The Customer will abide by the terms of the licenses of any software they've purchased and are wholly responsible for ensuring these terms are met. The Consultant cannot be held liable for any violation of the terms of service stated in any licensed software license.

The Customer is similarly responsible for the renewal of any software licensing and 3rd party Vendor support agreements. The Consultant cannot be held liable for support of Information Technology infrastructure systems that do not have active, valid support agreements with 3rd party Vendors.

Personal Computing Hardware

The Customer will be responsible for purchasing of all Desktop, Laptop and Workstation personal computers as required by their needs. The Customer will also be responsible for providing to the Consultant any spare Desktop, Laptop and Workstation personal computers for the purposes of quick service restoration in the event the Customer's personal computer is non-functioning for an extended period of time.

The Consultant will work with the Customer to set standard devices for Desktop, Laptop, Workstation personal computers, Personal Digital Assistant, Cell phone, Smart phone and similar devices to facilitate ease of support, rapid deployment and rapid recovery of downed systems.

The Customer is responsible for purchasing of all Personal Digital Assistant, Cell phone, Smart phone and similar devices. Any Personal Digital Assistant, Cell phone, Smart phone or similar device purchased that is capable of connecting to the Customer's Information Technology infrastructure must meet security standards as jointly set by the Consultant and the Customer. The Consultant is not responsible for support of these devices and will provide best effort support for any Personal Digital Assistant, Cell phone, Smart phone or similar device.

Server and Network Device Hardware

The Consultant will provide Servers and Network infrastructure as required based on performance, age and the Customer's Information Technology infrastructure needs. The Consultant will work with the Customer to determine Server/Network sizing to meet the Customer's written Information Technology infrastructure needs.

The Consultant will be responsible for setting the hardware standards, configuration and purchasing of all systems that support the Customer's Information Technology infrastructure needs.

Desktop Support

The Consultant shall provide the Customer with full support of their client devices if they meet all terms and conditions as defined in this document. Any Desktop, Laptop, Workstation, Personal Digital Assistant, Cell phone, Smart phone and similar devices which can connect to the Customer's Information Technology infrastructure must meet security standards as jointly set by the Consultant and the Customer.

The Consultant is not responsible for support of any Desktop, Laptop, Workstation personal computers, and similar devices that does not have a hardware warranty, applicable software licenses and 3rd party vendor software support.

Support will be provided during the Business day, Monday through Friday. "Business day" is defined as 7:30am – 4:00pm. All deskside support provided by the Consultant to the Customer that does not fall within the defined "Business day" will be billable above and beyond the pricing of this service agreement.

Server and Network Support

The Consultant shall provide the Customer will full support of the server and network devices required to support the Customer's Information Technology infrastructure. The Customer's staff will report incidents to the Consultant for resolution.

The Consultant shall perform 7x24 system availability monitoring of all production systems with automated alerting. The Consultant shall respond to any alerts received, assess system impact and take steps necessary for resolution.

The Consultant shall perform regularly scheduled backups of the Customer's data. The data will be retained for a period of 1 year. The Consultant shall log all nightly backup results and provide reports to the Customer upon request.

New Business and Project Work

The Customer may request the Consultant to support the development, architecture, provisioning and deployment of new environments to support the Customer's Information Technology needs. All new business and new environments will be handled as a new project and will be billed separately at an IT Support rate of \$100.00/hr.

Any additions to the environment which affect the cost to support the Customer will be adjusted at the time of renewal of this agreement.

Security Standards

The Consultant and the Customer agree to meet yearly to discuss security standards for all areas of the Customer's Information Technology infrastructure. The Consultant shall provide to the Customer documentation which outlines "best practices" for securing the Customer's infrastructure. Any modifications to the security standards need to be documented and agreed to by both parties. If a security setting change poses significant risk to the Customer, the Customer will formally submit a risk acceptance form to the Consultant acknowledging the risk.

The Consultant agrees to secure the Customer's Information Technology infrastructure with the security settings documented. If for any reason a system cannot meet the documented settings, then the Customer must file a risk acceptance form to the Consultant agreeing to the risk.

Emergency Device disconnect from network if risk

The Consultant may at any time and from time to time suspend Services without penalty or liability for any claim by the Customer where necessary, acting reasonably, to prevent the improper or unlawful use of the Consultant's services or equipment by the Customer or any other person. The Consultant will provide the Customer with notice following such an emergency suspension to advise of the reasons for the suspension.

Limitation of Liability

THE CUSTOMER AGREES THAT NEITHER LAKELAND NETWORKS NOR ANY OF ITS MEMBERS, SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES OR REPRESENTATIVES OF LAKELAND NETWORKS WILL AT ANY TIME BE HELD LIABLE FOR ANY LOSS OF BUSINESS OR INJURIES OR LOSSES TO PERSONS OR PROPERTY FROM WILLFUL, ACCIDENTAL OR MISTAKEN SUSPENSION OR DELETION OF CUSTOMER INFORMATION OR DATA.

The Customer acknowledges and agrees that in no event will the Consultant or any of its members, shareholders, directors, officers, employees or representatives be liable for any special, indirect, consequential, punitive or exemplary damages, or economic damages (including but not limited to damages for loss of profits or revenues, loss of data, or loss of use) in connection with this Agreement, even if the Consultant has been advised of the possibility of such damages.

If, despite the foregoing limitations, the Consultant or any the Consultant's Indemnity should become liable to the Customer in connection with this Agreement for any reason, then in no event will the aggregate liability of the Consultant or any of the Consultant's Indemnities exceed the amount payable by the Customer to the Consultant for one month of Services under this Agreement.

Indemnity

The Customer will indemnify and save the harmless Consultant from and against all damages, losses, liabilities, fines, costs and expenses (including actual legal fees and costs), incurred by or awarded, asserted or claimed against the Consultant in connection with this Agreement which are attributable, in whole or in part, to any negligent or willful activities or omissions of the Customer or any breaches by the Customer of its obligations under this Agreement.

Customer Acknowledgement

The Customer acknowledges that it accepts all risk of any unauthorized or illegal use of the Consultant network or any inter-connected network by third parties. The Consultant provides no warranties, makes no representations, and accepts no liability for the unauthorized or illegal access or interference with the Customer's server and or network.

Acceptable Use Policy

The Customer shall at all times comply with the terms and conditions of the Consultant's current acceptable usage policy.

Severability and Waiver

If any provision of this Agreement is held invalid or unenforceable for any reason by a court of competent jurisdiction, the offending provision will be severed but the remaining provisions will continue in full force without being impaired or invalidated in any way. The waiver by either party of a breach of any provision of this Agreement will not operate or be interpreted as a waiver of any other or subsequent breach.

Relationship of Parties

No agency, partnership, joint venture, or employment relationship is created by this Agreement and neither party has the power to bind the other party.

We recognize that there is a relationship between the two parties but this agreement will be handled as if the Consultant was a 3rd party vendor.

Compensation

The Consultant (Lakeland Networks Ltd.) has determined the rate to provide IT services to The Customer (Lakeland Power Distribution Ltd.) is **\$23,356.00** per month. These fees are broken down in the following table.

	PER MONTH	PER YEAR
SERVER COSTS	\$11,859.26	\$142,311.18
NETWORK DEVICE COSTS	\$1,555.56	\$18,666.67
IT LABOUR COSTS	\$8,936.43	\$85,647.06
PHONE SYSTEM COSTS	\$646.83	\$7,762.00
SOFTWARE COSTS	\$357.91	\$4,294.95
TOTALS	\$23,356.00	\$258,681.86

Agreement

By signing below, the Customer agrees to pay the Consultant the amounts listed in the section "Compensation" and agrees to abide by all the terms and conditions detailed in this document and any supporting document this document references.

Signature – The Customer (Lakeland Power Distribution Ltd.)

(DD-MM-YYYY)

Customer Name (Please print and title)

Customer Signature

Date

Signatures – The Consultant (Lakeland Networks Ltd.)

(DD-MM-YYYY)

Signature – Bill Gispen – Operations Manager

Date

(DD-MM-YYYY)

Signature – Vince Kulchycki – Chief Operating Officer

Date

Appendix A – List of devices that are covered by this agreement

IP	CP/P/TD?	HOSTNAME	OS VENDOR	OS VERSION
10.10.1.14	P	IT-Server	Microsoft	Windows 2008 Standard Server
10.10.1.140	P	lakeebt	Microsoft	Windows 2003 Standard Edition
172.16.200.2	TD	lakelandweb3	Microsoft	Windows 2003 Standard Edition
10.10.1.6	P	LAKEMAIL	Microsoft	Windows 2003 Standard Edition
172.16.186.244	P	LLH-GreatPlains2015	Microsoft	Windows 2012 Server
10.10.1.13	P	LLHWorktech	Microsoft	Windows 2003 Standard Edition
172.16.186.247	CP	LLN-APPASSURE	Microsoft	Windows 2012 Server
172.16.200.5	P	LLN-WEBSRV02	CentOS	CentOS 7
10.10.1.15	P	LLPAS2-02	Microsoft	Windows 2008 Standard Server
10.10.1.12	P	LLPFilesNexus	Microsoft	Windows 2003 Standard Edition
172.16.186.243	CP	LLP-Harris-03	Microsoft	Windows 2012 Server
10.47.114.114	P	LLP-MAS-BACKUP	Microsoft	Windows 2008 Standard Server
172.16.186.232	P	LLP-PDC01	Microsoft	Windows 2012 Server
172.16.186.51 10.30.1.6	CP	LLP-SCADAOMS01	Microsoft	Windows 2012 Server
172.16.186.46 10.30.1.7	CP	LLP-SCADAOMS02	Microsoft	Windows 2012 Server
10.30.1.5	CP	LLP-SCADASYS01	Microsoft	Windows 2012 Server
192.168.1.230	CP	LLP-SCADASYS02	Microsoft	Windows 2012 Server
10.47.114.115	P	LLP-SmartMetre-Control-PC	Microsoft	Windows 7
192.168.1.232	P	LLP-VBDC02	Microsoft	Windows 2012 Server
172.16.200.7	P	LLP-Web-04	Microsoft	Windows 2008 Standard Server
10.10.1.128	P	LLP-WORKTECH	Microsoft	Windows 2012 Server



10.10.1.133 10.10.1.163 192.168.0.200	P	remoteoffice	Microsoft	Windows 2008 Standard Server
172.16.186.240	CP	VMWARE-HOST-03	VMware	ESXi
172.16.186.241	CP	VMWARE-HOST-04	VMware	ESXi
172.16.186.242	CP	VMWARE-HOST-05	VMware	ESXi
192.168.1.249	CP	VMWARE-HOST-06	VMware	ESXi
10.10.1.8	P	workmgr	Microsoft	Windows 2003 Standard Edition

IP	VENDOR	MODEL	DESCRIPTION
<DHCP>	Ubiquiti	AP-Pro	Wireless Access Point
<DHCP>	Ubiquiti	AP-AC	Wireless Access Point
<DHCP>	Ubiquiti	AP-LR	Wireless Access Point
<DHCP>	Ubiquiti	AP-Pro	Wireless Access Point
<DHCP>	Ubiquiti	AP-AC	Wireless Access Point
<DHCP>	Ubiquiti	AC-Pro	Wireless Access Point
<DHCP>	Ubiquiti	AC-Pro	Wireless Access Point
172.16.186.205	Ubiquiti	UniFI Cloud Key	Wireless Access Point Controller
10.10.1.252	Cisco	SG 200-26P	Desktop Network Switch
172.16.186.200	Ubiquiti	EdgeSwitch 48 Lite	Desktop Network Switch
10.10.1.254	Dell	PowerConnect 2724	Server Network Switch
172.16.186.101	Dell	PowerConnect 5424	Server iSCSI SAN Switch
10.10.1.102	Dell	PowerConnect 5424	Server iSCSI SAN Switch
172.16.186.252	Hewlett-Packard	2520G 24 Port PoE	Server Network Switch
172.16.186.251	Hewlett-Packard	2520G 24 Port PoE	Phone PoE Switch
172.16.186.250	Hewlett-Packard	2520G 24 Port PoE	Phone PoE Switch
172.16.184.80	Hewlett-Packard	A5120	Server Network Switch
172.16.186.103	Hewlett-Packard	A5120	VMware Server Switch
172.16.186.104	Hewlett-Packard	A5120	VMware Server Switch
172.16.186.223	Ubiquiti	EdgeSwitch 24 Lite	DR Network Switch



172.16.186.254	Cisco	1841 Router	Lakeland Power Internet Router
192.168.10.2	Cisco	ASA 5510	Lakeland Firewall
172.16.186.2	Cisco	Catalyst 2950	Server Network Switch
10.10.1.204	Hewlett-Packard	2520G 24 Port PoE	Desktop and Phone Network Switch
<DHCP>	Dell	PowerConnect 2724	Desktop Network Switch
<DHCP>	Cisco	Catalyst 2950	Desktop Network Switch
<DHCP>	Cisco	Catalyst 2950	Desktop Network Switch

STAFF_MEMBER	COMP_NAME	MANUFACTURER	DEVICE TYPE	MODEL	SERIAL NUMBER
Back Lines Office PC	llp-coop-e6400	Dell	Laptop	Latitude E6400	JSV7MJ1
Brenda Czerniak	bczer-opt9020	Dell	Desktop	OptiPlex 9020	BCT6V62
Brian Elliott	bellio-spro3	Microsoft	Laptop	Surface Pro 3	0045690442753
Bryan Emery	bemer-pb650	Hewlett-Packard	Laptop	ProBook 650 G1	CNU415CNN7
Craig Keith	e5550-ckeith	Dell	Laptop	Latitude E5550	7PSHH72
Engineering Control PC	ctrlpc-hped800	Hewlett-Packard	Desktop	EliteDesk 800 G1 SFF	MXL3422GT6
Jennifer Monpetit	jmout-spro3	Microsoft	Laptop	Surface Pro 3	jmout-spro3
Jordan Nickason	jnick-e5550	Dell	Laptop	Latitude E5550	DL51N32
Kelly Elik	kelik-opt9020	Dell	Desktop	OptiPlex 9020	BCV3Z72
Mark Dawood	mdawo-spro3	Microsoft	Laptop	Surface Pro 3	003111144453
Miriam Sommers	msomm-ed800	Hewlett-Packard	Desktop	Elite 8300 SFF	2UA249055B
Naomi Haight	nhaig-hp6560	Hewlett-Packard	Laptop	ProBook 6560b	5CB13811PW
Sharon Shipston	llp-sship-6560	Hewlett-Packard	Laptop	ProBook 6560b	4CZ12903GD
Sharon Shipston	sship-e5550	Dell	Laptop	Latitude E5550	7LN6H72
Shawn Morrison	smori-pb6560	Hewlett-Packard	Laptop	ProBook 6560b	5CB2272THK
Terry-Lee Humphery	thump-hp6200	Hewlett-Packard	Desktop	6200 Pro SFF PC	2UA1400MX1

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Appendix D	Capital Expenditure & Purchasing Policies
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ENVIRONMENTAL HEALTH & SAFETY PROCEDURES MANUAL

Capital Expenditure Requests

Procedure No.:	2000122
Pages:	7
Issued:	June 2011
Revision No.:	2
Date Revised:	June 2014

Procedure**Number: 205-CEER****Title: Capital & Expenditure Expense Requests
(CEER)****Issued by:** Finance**Date:** Last Revised June 2011**Revision Number:****2007-02****Approved by:****Page: 1 of 5 pages**

Note: All amounts are in CDN funds

1.0 PURPOSE AND APPLICABILITY

To prescribe the approval procedure for authorizing major capital items and expenditures for repairs, tooling, inventory items, etc, legal fees, environmental costs, outside consultants and services, and leases. This policy applies to Lakeland Holding Ltd. and its subsidiaries "(The Company)".

2.0 POLICY STATEMENT

It is the policy of the Company that all capital and expense expenditures greater than the approved annually approved budget amount or anything greater than \$50,000 not in the approved budget must be brought to the Board for approval. Leases for equipment must be supported by a lease versus purchase analysis. All other expenses to be approved based on the criteria and levels set out below. Upon approving annually the budget, the Board may require certain capital and expense items still be brought forward with additional justification. These requests will be made at the time of the annual budget approval.

3.0 PROCEDURE AND RESPONSIBILITY

It is the joint responsibility of both the Chief Executive Officer and of the Chief Financial Officer to insure that proper approvals for all transactions are received. For ALL transactions exceeding \$50,000 an expense request form (Exhibit A) must be submitted for approval with appropriate attachments explaining: 1) Reason for the proposed expenditure; 2) Financial or business analysis resulting from proposed expenditure; and 3) quotation comparison

Supplemental requests are to be prepared for each project as soon as it becomes evident that the cost of the project is likely to exceed the approved amount by more than 10%. The word "Supplement" is to be typed on the Expense Request form to distinguish it from a regular Expense Request. Approval will be in the same manner as the original Expense Request.



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Capital Expenditure Requests

Procedure No.:	2000122
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Date Revised:	June 2014

VERBAL PURCHASE ORDERS/REQUISITIONS ARE ALLOWED UNDER SPECIAL CIRCUMSTANCES

4.0 APPROVAL PROCEDURE & LEVELS

All requests for purchase shall be set up in the purchasing system as requisitions. Requisitions shall be approved by Chief Operating Officer, validated for appropriateness of expenditure and checked for account coding accuracy. Requisitions exceeding the level of the COO and CFO shall be approved by the CEO before becoming a purchase order. All invoices shall be approved by the CFO with approved purchase orders.

Authority Limits

Supervisors	Approval of purchase orders not to exceed \$1,000
Managers	Approval of purchase orders not to exceed \$2,500
COO/CFO	Approval of purchase orders not to exceed \$5,000
President & CEO	Approval of purchase orders over \$5,000
Board of Directors	Approval of Capital expenditure and Expense projects in excess of \$50,000 not in the approved budget or as otherwise requested during the annual budget approval.

Note: the next level supervisor may decrease or cancel the approval amount of their direct report at their discretion.

Purchase of miscellaneous items under a value of \$500 do not require a purchase order but do require approval and account coding by COO, CFO, or CEO.

Rental of equipment does not require a purchase order at the time of issue but does require a work order to be associated. The work order shall contain the account coding and the invoice shall be approved at the time it is received. Work order number must be recorded on third party documentation. Consideration should be given to the cost of renting equipment against purchasing depending on future requirements

5.0 APPROVAL REQUIREMENT

The capital and expense approval/tracking procedure is broken down as follows:

1. Submission of annual capital and expense plan
2. Approval for individual capital or expense expenditure requests over \$50,000 not in the approved budget or as outlined in Approval Procedure and Levels in Section 2.0 above
3. Monthly tracking of the capital and expense plan implementation



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Capital Expenditure Requests

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4. Evaluation of actual benefits derived from expenditures

1. Annual Capital and Expense Plan

The plans consists of:

A. A list of planned expenditures prioritized.

B. A planned implementation schedule indicating the following:

- a) Date funds may be requested (subject to vendor and customer confirmation)
- b) Planned delivery date
- c) Start-up period
- d) Anticipated post audit date (usually 6 months after the end of the start-up period)

C. For each capital and expense project, a concise narrative explaining the rationale/benefits for each of the four spending categories. Why are funds being requested and what are the anticipated financial benefits?

2. Individual Capital and Expense Expenditure Requests

The approved capital and expense budgets form the basis for individual capital requests throughout the budget year. The following chart shows the limits of authority.

All Management & Executive
Board of Directors

All approved annual budget items unless requested by the Board
All CEERs over \$50 K not in the approved budget or any items
expressly stated by the Board during annual budget approval

6.0 GENERAL INFORMATION

- a) CEER's requiring Board of Directors approval should be received at the Huntsville office seven days prior to the Board meeting.
- b) A separate CEER is required for each project having a distinct purpose. Some major projects could involve multiple capital and expense requests that are dependent upon

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each other to generate the overall benefits. Such projects should be submitted as a single request even though the total funds will be approved in stages as they are needed. Under no circumstances are CEERs to be subdivided to circumvent the approval authorization levels.

- c) All data should be submitted in CDN funds (indicate exchange rate applied to other currencies)
- d) Overruns: Expenditures which will likely exceed the approved appropriation by 10% or more require a supplemental Expenditure Request to cover the project's overrun. The financial justification should be revised at the time of the supplemental request.
- e) Authorization: Approval provides authorization for the operations unit to purchase only items included in the CEER. If a project is under spent, purchase of additional items is not permitted.
- f) Disposals: When the Capital Request replaces an existing asset, a Disposal Request should be attached in accordance with Corporate Policy.
- g) For 100% recoverable work / items, Exhibit A and F are the only pages required to be filled out. This will assist Finance with cash flow planning.

A. Preparation

All CEER's should be prepared in accordance with the following instructions and should contain all of the necessary exhibits. Each CEER package should have tabs distinguishing the various exhibits as follows:

- a) Capital and Expense Expenditure Request
 - b) Reason for Proposed Expenditure
 - c) Economic Justification
 - d) Capital and Expense Expenditure Detail
 - e) Related Detail
 - f) Disposal of Fixed Assets
 - g) Quotation Comparison
- a) Capital and Expense Expenditure Request Form (Exhibit A): Summary of Capital and Expense Expenditure Request detail which is self-explanatory. *Note:* that this cover page

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shows the scheduled implementation dates, request date, delivery date, start-up period, and post audit date.

- b) Reason for Proposed Expenditure (Exhibit B): This section should contain a concise discussion of the business purpose and anticipated benefits of the proposed expenditure, and why this action is preferred over other alternative actions. Capital and Expense Expenditure Detail (Exhibit D)

Listing of the individual items comprising the project.

- c) Related Expense Detail (Exhibit E): Listing of the individual expenses that will be incurred to complete the project.
- d) Quotation Comparison (Exhibit G): The general rule is to have three quotes for every project. The quotes should be summarized in this section with a brief statement explaining how the final selection was made. Any time three quotes cannot be obtained, an explanation is required. The details of the individual quotes must be maintained at the business unit and available for audit.
- e) Disposal of Fixed Assets (Exhibit F): The exhibit is self-explanatory and is required when the capital request is for replacement of an existing asset with a net book value in excess of \$25,000.
- f) Economic Justification (Exhibit C): Expenditures should be justified on the combined basis of economic value added (E.V.A.), the after-tax internal rate of return, and the payback period. Exhibit C is provided as a guideline which should be modified as appropriate. (If there are no incremental sales, eliminate that section. If a shorter or longer time period is more appropriate, change the form, etc.)

The individual savings shown on Exhibit C should be fully explained in supporting work papers and should represent true/measurable cash savings. Do not show combined or netted numbers.

The benefits of the program should be well supported and be measurable.

Most of these projects are either cost/risk avoidance or are simply necessary to maintain existing business. Explain them as such. Providing some data on down-time, machine accuracy, and repair costs would be in order. The business discussion should fully explain the consequences of delaying replacement expenditures.



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3. Monthly Tracking of the Capital Plan Implementation

Exhibit H is required to be submitted with the Monthly Performance Reports. This report tracks planned spending as compared to actual spending.

7.0 RESPONSIBILITY OF ACCOUNTS PAYABLE

1. Examine purchase order for the appropriate electronic signature(s) of approval.
2. Review receiving documents for matching to invoiced amounts.
3. Code expenses to the correct account classification as per purchase order.
4. Enter the Expense Report into computer system and subsequently control the cheque printing, matching, signing, and delivery of the cheque.
5. Invoices received in the Accounts Payable department which are not in accordance with this policy will return to the appropriate individual for the required adjustment and/or approval.

8.0 SUMMARY

Supervisors	Approval of purchase orders not to exceed \$1,000
Managers	Approval of purchase orders not to exceed \$2,500
COO/CFO	Approval of purchase orders not to exceed \$5,000
President & CEO	Approval of purchase orders over \$5,000
Board of Directors	Approval of Capital expenditure and Expense projects in excess of \$50,000 not in the approved budget or otherwise stated during the annual budget approval.

Note: the next level supervisor may decrease or cancel the approval amount of their direct report at their discretion.

Purchase of miscellaneous items under a value of \$500 do not require a purchase order but do require approval and account coding by COO, CFO, or CEO.

The approved capital and expense budgets form the basis for individual requests throughout the budget year. The following chart shows the limits of authority.

All Management & Executive	All approved annual budget items unless requested by the Board
Board of Directors	All CEERs over \$50 K not in the approved budget or any items expressly stated by the Board during annual budget approval



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PROCEDURES MANUAL***

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For internal use requiring CEO but not Board approval.

Management & Executive All CEERs over \$50 K in the approved budget
 All CEERs over \$25 K not in the approved budget



ENVIRONMENTAL HEALTH & SAFETY PROCEDURES MANUAL

Purchasing Policy

Procedure No.:	2000124
Pages:	2
Issued:	Dec 22, 2007
Revision No.:	2
Date Revised:	June 1, 2014

Note: All Funds are CDN

PURPOSE AND APPLICABILITY

To prescribe the approval procedure for authorizing major expenditures for repairs, expenditures for tooling, inventory items, etc, legal fees, environmental costs, outside consultants and services, and leases. This policy applies to Lakeland Holding and Its Subsidiaries "(The Company)".

POLICY STATEMENT

It is the policy of the Company that all capitalized and non-capitalized expenditures greater than \$50,000 but in the plan, greater than \$25,000 not in the plan and leases and contracts having a term longer than one year and a cost of over \$50,000 must be approved by the Board of Directors. Leases for equipment must be supported by a lease versus buy analysis. All other expenses to be approved based on the criteria and levels set out below.

PROCEDURE AND RESPONSIBILITY

It is the joint responsibility of both the President and of the Chief Financial Officer to insure that proper approvals for all transactions are received. For transactions exceeding the above criteria, an expense request form (Exhibit A) must be submitted for approval with appropriate attachments explaining: 1) Reason for the proposed expenditure; 2) Financial or business analysis resulting from proposed expenditure; and 3) quotation comparison. Supplemental Expense Request should include costs incurred to date, projected costs for current Expense Request, and future costs to complete the entire project by major category.

The President has approval up to +10% over expenditures for expenditures approved up to \$100k but more that 10% over expenditure must be brought back to the Board for approval.

Supplemental requests are to be prepared for each project as soon as it becomes evident that the cost of the project is likely to exceed the approved amount by more than 10%. The word "Supplement" is to be typed on the Expense Request form to distinguish it from a regular Expense Request. Approval will be in the same manner as the original Expense Request.

VERBAL PURCHASE ORDERS/REQUISITIONS ARE NOT ALLOWED



ENVIRONMENTAL HEALTH & SAFETY PROCEDURES MANUAL

Purchasing Policy

Procedure No.:	2000124
Pages:	2
Issued:	Dec 22, 2007
Revision No.:	2
Date Revised:	June 1, 2014

APPROVAL PROCEDURE & LEVELS

All requests for purchase shall be set up in the purchasing system as requisitions. Requisitions will be approved by Operations Manager, validated for appropriateness of expenditure and checked for account coding accuracy. Requisitions exceeding the level of the Operations Manager and CFO will be approved by the President & CEO before becoming a purchase order. All invoices will be approved by the CFO with approved purchase orders.

Supervisors/Superintendent	Approval of purchase orders not to exceed \$500
Operations Manager	Approval of purchase orders not to exceed \$1,000
President & CEO	Approval of purchase orders over \$1,000
Board of Directors	Approval of Capital expenditure and expense projects in excess of \$50,000 in plan or \$25,000 if not in plan

Purchase of miscellaneous items under a value of \$250 do not require a purchase order but do require approval and account coding by Operations Manager, CFO, CEO or President.

Rental of equipment does not require a purchase order at the time of issue but does require a work order to be associated. The work order will contain the account coding and the invoice will be approved at the time it is received. Work order number must be recorded on third party documentation.

RESPONSIBILITY OF ACCOUNTS PAYABLE

1. Examine purchase order for the appropriate electronic signature(s) of approval.
2. Review receiving documents for matching to invoiced amounts.
3. Code expenses to the correct account classification as per purchase order.
4. Enter the Expense Report into computer system and subsequently control the cheque printing, matching, signing, and delivery of the cheque.
5. Invoices received in the Accounts Payable department which are not in accordance with this policy will return to the appropriate individual for the required adjustment and/or approval.

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Appendix E	2017 PILs Tax Return
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3



T2 Corporation Income Tax Return

200

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal *Income Tax Act* and *Income Tax Regulations*. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax centre or tax services office. You have to file the return within six months after the end of the corporation's tax year.

For more information see canada.ca/taxes or Guide T4012, *T2 Corporation – Income Tax Guide*.

055 Do not use this area

Identification

Business number (BN) **001** 89649 9613 RC0002**Corporation's name****002** LAKELAND POWER DISTRIBUTION LTD.**Address of head office**

Has this address changed since the last time we were notified? **010** 1 Yes ☐ 2 No ☒

If **yes**, complete lines 011 to 018.

011 200-395 CENTRE STREET NORTH**012****015** City HUNTSVILLE **016** Province, territory, or state ON**017** Country (other than Canada) **018** Postal or ZIP code P1H 2M2**Mailing address** (if different from head office address)

Has this address changed since the last time we were notified? **020** 1 Yes ☐ 2 No ☒

If **yes**, complete lines 021 to 028.

021 c/o**022****023****025** City **026** Province, territory, or state**027** Country (other than Canada) **028** Postal or ZIP code**Location of books and records** (if different from head office address)

Has this address changed since the last time we were notified? **030** 1 Yes ☐ 2 No ☒

If **yes**, complete lines 031 to 038.

031**032****035** City **036** Province, territory, or state**037** Country (other than Canada) **038** Postal or ZIP code**040** Type of corporation at the end of the tax year (tick one)

- ☒ 1 Canadian-controlled private corporation (CCPC)
☐ 2 Other private corporation
☐ 3 Public corporation
☐ 4 Corporation controlled by a public corporation
☐ 5 Other corporation (specify) _____

If the type of corporation changed during the tax year, provide the effective date of the change **043**

Year Month Day

To which tax year does this return apply?

Tax year start

Year Month Day

2017-01-01

060

Tax year-end

Year Month Day

2017-12-31

061

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? **063** 1 Yes ☐ 2 No ☒

If **yes**, provide the date control was acquired **065**

Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? **066** 1 Yes ☐ 2 No ☒

Is the corporation a professional corporation that is a member of a partnership? **067** 1 Yes ☐ 2 No ☒

Is this the first year of filing after:Incorporation? **070** 1 Yes ☐ 2 No ☒Amalgamation? **071** 1 Yes ☐ 2 No ☒

If **yes**, complete lines 030 to 038 and attach Schedule 24.

Has there been a wind-up of a subsidiary under section 88 during the current tax year? **072** 1 Yes ☐ 2 No ☒

If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? **076** 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? **078** 1 Yes ☐ 2 No ☒

If an election was made under section 261, state the functional currency used **079**

Is the corporation a resident of Canada? **080** 1 Yes ☒ 2 No ☐

If **no**, give the country of residence on line 081 and complete and attach Schedule 97.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? **082** 1 Yes ☐ 2 No ☒

If **yes**, complete and attach Schedule 91.

If the corporation is exempt from tax under section 149, tick one of the following boxes:

- 085** ☐ 1 Exempt under paragraph 149(1)(e) or (l)
☐ 2 Exempt under paragraph 149(1)(j)
☐ 3 Exempt under paragraph 149(1)(t)
☐ 4 Exempt under other paragraphs of section 149

Do not use this area

095**096****098**

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141.

Schedules – Answer the following questions. For each **yes** response, **attach** the schedule to the T2 return, unless otherwise instructed.

	Yes	Schedule
Is the corporation related to any other corporations?	<input checked="" type="checkbox"/>	9
Is the corporation an associated CCPC?	<input checked="" type="checkbox"/>	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	<input type="checkbox"/>	49
Does the corporation have any non-resident shareholders who own voting shares?	<input type="checkbox"/>	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	<input type="checkbox"/>	11
If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	<input type="checkbox"/>	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	<input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter?	<input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	<input type="checkbox"/>	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	<input type="checkbox"/>	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	<input type="checkbox"/>	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the <i>Income Tax Regulations</i> ?	<input type="checkbox"/>	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents?	<input type="checkbox"/>	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	<input checked="" type="checkbox"/>	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	<input type="checkbox"/>	
Does the corporation earn income from one or more Internet webpages or websites?	<input type="checkbox"/>	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	<input checked="" type="checkbox"/>	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	<input checked="" type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	<input type="checkbox"/>	3
Is the corporation claiming any type of losses?	<input type="checkbox"/>	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	<input type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	<input type="checkbox"/>	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or		
ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	<input type="checkbox"/>	7
Does the corporation have any property that is eligible for capital cost allowance?	<input checked="" type="checkbox"/>	8
Does the corporation have any property that is eligible capital property?	<input type="checkbox"/>	10
Does the corporation have any resource-related deductions?	<input type="checkbox"/>	12
Is the corporation claiming deductible reserves (other than transitional reserves under section 34.2)?	<input type="checkbox"/>	13
Is the corporation claiming a patronage dividend deduction?	<input type="checkbox"/>	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	<input type="checkbox"/>	17
Is the corporation an investment corporation or a mutual fund corporation?	<input type="checkbox"/>	18
Is the corporation carrying on business in Canada as a non-resident corporation?	<input type="checkbox"/>	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	<input type="checkbox"/>	21
Does the corporation have any Canadian manufacturing and processing profits?	<input type="checkbox"/>	27
Is the corporation claiming an investment tax credit?	<input type="checkbox"/>	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	<input type="checkbox"/>	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	<input checked="" type="checkbox"/>	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	<input checked="" type="checkbox"/>	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/>	38
Is the corporation claiming a Part I tax credit?	<input type="checkbox"/>	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	<input type="checkbox"/>	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/>	45
Is the corporation subject to Part II – Tobacco Manufacturers' surtax?	<input type="checkbox"/>	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	<input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit refund?	<input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit refund?	<input type="checkbox"/>	T1177
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	<input type="checkbox"/>	92

Attachments (continued)

	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	<input type="checkbox"/>	T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN\$100,000?	<input type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/>	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/>	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/>	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	<input type="checkbox"/>	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/>	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	<input type="checkbox"/>	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	<input type="checkbox"/>	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	<input type="checkbox"/>	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	<input checked="" type="checkbox"/>	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	<input type="checkbox"/>	54

Additional information

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	1 Yes <input checked="" type="checkbox"/>	2 No <input type="checkbox"/>
Is the corporation inactive?	280	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
What is the corporation's main revenue-generating business activity?	221122	Electric Power Distribution	
Specify the principal products mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.	284	HYDRO POWER	285 100.000 %
	286		287 %
	288		289 %
Did the corporation immigrate to Canada during the tax year?	291	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the tax year?	292	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	294	Year Month Day	
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	295	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIF	300	1,802,990	A
Deduct:			
Charitable donations from Schedule 2	311	1,725	
Cultural gifts from Schedule 2	313		
Ecological gifts from Schedule 2	314		
Gifts of medicine made before March 22, 2017, from Schedule 2	315		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320		
Part VI.1 tax deduction*	325		
Non-capital losses of previous tax years from Schedule 4	331		
Net capital losses of previous tax years from Schedule 4	332		
Restricted farm losses of previous tax years from Schedule 4	333		
Farm losses of previous tax years from Schedule 4	334		
Limited partnership losses of previous tax years from Schedule 4	335		
Taxable capital gains or taxable dividends allocated from a central credit union	340		
Prospector's and grubstaker's shares	350		
Subtotal		1,725	B
Subtotal (amount A minus amount B) (if negative, enter "0")		1,801,265	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355		D
Taxable income (amount C plus amount D)	360	1,801,265	
Income exempt under paragraph 149(1)(t)	370		
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)		1,801,265	Z
Taxable income for the year from a personal services business			Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 8.

Small business deduction**Canadian-controlled private corporations (CCPCs) throughout the tax year**

Income from active business carried on in Canada from Schedule 7	400	1,802,990	A
Taxable income from line 360 on page 3, minus 100/28 (3.57143) of the amount on line 632* on page 7, minus 4 times the amount on line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax	405	1,801,265	B
Business limit (see notes 1 and 2 below)	410	500,000	C

Notes:

- For CCPCs that are not associated, enter \$ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount by the number of days in the tax year **divided** by 365, and enter the result on line 410.
- For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

Business limit reduction:

Amount C	500,000	x	415 ***	114,270	D	=	5,078,667	E
				11,250				
Reduced business limit (amount C minus amount E) (if negative, enter "0")							425	F
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below)								G
Amount F minus amount G							427	H

Small business deduction

Amount A, B, C, or H, whichever is the least	x	Number of days in the tax year before January 1, 2018	365	x	17.5 % =	1
		Number of days in the tax year	365			
Amount A, B, C, or H, whichever is the least	x	Number of days in the tax year after December 31, 2017, and before January 1, 2019		x	18 % =	2
		Number of days in the tax year	365			
Total of amounts 1 and 2 (enter amount I at amount J on page 7)						430 I

* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

** Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

***** Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **prior** year **minus** \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **current** year **minus** \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

Specified corporate income and assignment under subsection 125(3.2)**Applicable to tax years that begin after March 21, 2016**

Except that, if the tax year of your corporation started before **and** ends on or after March 22, 2016 and in the tax year of a CCPC, you can make an assignment of business limit to that other CCPC if its tax year started after March 21, 2016.

J1 Name of corporation receiving the income and assigned amount	J Business number of the corporation receiving the assigned amount	K Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column J ³	L Business limit assigned to corporation identified in column J ⁴
	490	500	505
1.			
Total		510	515

Notes:

- This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to (I) persons (other than the private corporation) with which the corporation deals at arm's length, or (II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
- The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column K in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 425.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from page 3 (line 360 or amount Z, whichever applies)		1,801,265	A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27			B
Amount 13K from Part 13 of Schedule 27			C
Personal services business income	432		D
Amount used to calculate the credit union deduction (amount F from Schedule 17)			E
Amount from line 400, 405, 410, or 427 on page 4, whichever is the least			F
Aggregate investment income from line 440 on page 6*			G
Subtotal (add amounts B to G)			H
Amount A minus amount H (if negative, enter "0")		1,801,265	I
General tax reduction for Canadian-controlled private corporations – Amount I multiplied by 13 %		234,164	J

Enter amount J on line 638 on page 7.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from page 3 (line 360 or amount Z, whichever applies)			K
Lesser of amounts 9B and 9H from Part 9 of Schedule 27			L
Amount 13K from Part 13 of Schedule 27			M
Personal services business income	434		N
Amount used to calculate the credit union deduction (amount F from Schedule 17)			O
Subtotal (add amounts L to O)			P
Amount K minus amount P (if negative, enter "0")			Q
General tax reduction – Amount Q multiplied by 13 %			R

Enter amount R on line 639 on page 7.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 **440** x 30 2 / 3 % = A

Foreign non-business income tax credit from line 632 on page 7 B

Deduct:

Foreign investment income from Schedule 7 **445** x 8 % = C

Subtotal (amount B minus amount C) (if negative, enter "0") D

Amount A minus amount D (if negative, enter "0") E

Taxable income from line 360 on page 3 1,801,265 F

Deduct:

Amount from line 400, 405, 410, or 427 on page 4, whichever is the least G

Foreign non-business income tax credit from line 632 on page 7 x 75 / 29 = H

Foreign business income tax credit from line 636 on page 7 x 4 = I

Subtotal (total of amounts G, H and I) J

Subtotal (amount F minus amount J) (if negative, enter "0") 1,801,265 K x 30 2 / 3 % = 552,388 L

Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 8) 270,190 M

Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450** N

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the previous tax year **460** 10,857

Deduct: Dividend refund for the previous tax year **465** 10,857

Subtotal O

Add the total of:

Refundable portion of Part I tax from line 450 above P

Total Part IV tax payable from Schedule 3 Q

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation **480**

Subtotal R

Refundable dividend tax on hand at the end of the tax year – Amount O plus amount R **485**

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the tax year

Taxable dividends paid in the tax year from line 460 on page 3 of Schedule 3 x 38 1 / 3 % = S

Refundable dividend tax on hand at the end of the tax year from line 485 above T

Dividend refund – Amount S or T, whichever is less U

Enter amount U on line 784 on page 8.

Part I tax

Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) **multiplied** by 38 % **550** 684,481 A

Additional tax on personal services business income (section 123.5)

Taxable income from a personal services business **555** x 5 % = **560** B

Recapture of investment tax credit from Schedule 31 **602** C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)

Aggregate investment income from line 440 on page 6 D

Taxable income from line 360 on page 3 1,801,265 E

Deduct:

Amount from line 400, 405, 410, or 427 on page 4,
whichever is the least F

Net amount (amount E **minus** amount F) 1,801,265 ▶ 1,801,265 G

Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G **604** H

Subtotal (**add** amounts A, B, C, and H) 684,481 I

Deduct:

Small business deduction from line 430 on page 4 J

Federal tax abatement **608** 180,127

Manufacturing and processing profits deduction from Schedule 27 **616**

Investment corporation deduction **620**

Taxed capital gains **624**

Additional deduction – credit unions from Schedule 17 **628**

Federal foreign non-business income tax credit from Schedule 21 **632**

Federal foreign business income tax credit from Schedule 21 **636**

General tax reduction for CCPCs from amount J on page 5 **638** 234,164

General tax reduction from amount R on page 5 **639**

Federal logging tax credit from Schedule 21 **640**

Eligible Canadian bank deduction under section 125.21 **641**

Federal qualifying environmental trust tax credit **648**

Investment tax credit from Schedule 31 **652**

Subtotal 414,291 ▶ 414,291 K

Part I tax payable – Amount I **minus** amount K 270,190 L

Enter amount L on line 700 on page 8.

Privacy statement

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source canada.ca/cra-info-source, personal information bank CRA PPU 047.

Summary of tax and credits**Federal tax**

Part I tax payable from amount L on page 7	700	270,190
Part II surtax payable from Schedule 46	708	
Part III.1 tax payable from Schedule 55	710	
Part IV tax payable from Schedule 3	712	
Part IV.1 tax payable from Schedule 43	716	
Part VI tax payable from Schedule 38	720	
Part VI.1 tax payable from Schedule 43	724	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	
Total federal tax		270,190

Add provincial or territorial tax:

Provincial or territorial jurisdiction	750	ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)		
Net provincial or territorial tax payable (except Quebec and Alberta)	760	207,145
Total tax payable	770	477,335 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from amount U on page 6	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Canadian film or video production tax credit refund (Form T1131)	796	
Film or video production services tax credit refund (Form T1177)	797	
Tax withheld at source	800	
Total payments on which tax has been withheld	801	
Provincial and territorial capital gains refund from Schedule 18	808	
Provincial and territorial refundable tax credits from Schedule 5	812	
Tax instalments paid	840	512,485
Total credits	890	512,485
		512,485 B

Refund code **894** 1 Overpayment 35,150 Balance (amount A minus amount B) -35,150

Direct deposit request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

☐ Start ☐ Change information **910** Branch number
914 Institution number **918** Account number

If the result is positive, you have a **balance unpaid**.
If the result is negative, you have an **overpayment**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of \$2 or less.

Balance unpaid

For information on how to make your payment, go to canada.ca/payments.

If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due?

896 1 Yes ☐ 2 No ☒

If this return was prepared by a tax preparer for a fee, provide their EFILE number

920 N7935

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Certification

I, **950** LITSCHKO **951** CHRIS **954** PRESIDENT

Lastname

First name

Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955 2018-07-24
Date (yyyy/mm/dd)

Signature of the authorized signing officer of the corporation

956 (705) 789-5442
Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below

957 1 Yes ☒ 2 No ☐

958 Name of other authorized person

959 Telephone number

Language of correspondence – Langue de correspondance

Indicate your language of correspondence by entering **1** for English or **2** for French.
Indiquez votre langue de correspondance en inscrivant **1** pour anglais ou **2** pour français.

990 1

Name of corporation contact _____
Telephone number _____

Effective interest date	Description (instalment remittance, split payment, assessed credit)	Amount of credit
	Instalments paid within fiscal year	442,485
	Instalments paid after fiscal year	70,000
Total amount of instalments claimed (carry the result to line 840 of the T2 Return)		512,485
Total instalments credited to the taxation year per T9		512,485

Transfer				
Account number	Taxation year end	Amount	Effective interest date	Description
From:				
To:				
From:				
To:				
From:				
To:				
From:				
To:				
From:				
To:				

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF1

Corporation's name	Business number	Tax year end Year Month Day
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	2017-12-31

Balance sheet information

Account	Description	GIFI	Current year	Prior year
Assets				
	Total current assets	1599 +	13,739,591	13,231,143
	Total tangible capital assets	2008 +	56,675,970	46,266,473
	Total accumulated amortization of tangible capital assets	2009 –	24,575,283	21,012,796
	Total intangible capital assets	2178 +	1,150,014	1,150,014
	Total accumulated amortization of intangible capital assets	2179 –		
	Total long-term assets	2589 +	1,704,168	2,330,868
	* Assets held in trust	2590 +		
	Total assets (mandatory field)	2599 =	<u>48,694,460</u>	<u>41,965,702</u>

Liabilities				
	Total current liabilities	3139 +	7,822,288	12,800,753
	Total long-term liabilities	3450 +	22,916,481	13,125,253
	* Subordinated debt	3460 +		
	* Amounts held in trust	3470 +		
	Total liabilities (mandatory field)	3499 =	<u>30,738,769</u>	<u>25,926,006</u>

Shareholder equity				
	Total shareholder equity (mandatory field)	3620 +	17,955,691	16,039,696

	Total liabilities and shareholder equity	3640 =	<u>48,694,460</u>	<u>41,965,702</u>
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Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849 =	<u>3,658,166</u>	<u>1,709,584</u>

* Generic item

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year end Year Month Day
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	2017-12-31

Income statement information

Description	GIFI
Operating name	0001
Description of the operation	0002
Sequence number	0003 01

Account	Description	GIFI	Current year	Prior year
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Income statement information

Total sales of goods and services	8089 +	43,597,921	47,755,958
Cost of sales	8518 -	35,405,579	39,715,278
Gross profit/loss	8519 =	8,192,342	8,040,680
Cost of sales	8518 +	35,405,579	39,715,278
Total operating expenses	9367 +	6,619,125	6,390,914
Total expenses (mandatory field)	9368 =	42,024,704	46,106,192
Total revenue (mandatory field)	8299 +	44,399,949	48,260,941
Total expenses (mandatory field)	9368 -	42,024,704	46,106,192
Net non-farming income	9369 =	2,375,245	2,154,749

Farming income statement information

Total farm revenue (mandatory field)	9659 +		
Total farm expenses (mandatory field)	9898 -		
Net farm income	9899 =		

Net income/loss before taxes and extraordinary items	9970 =	2,375,245	2,154,749
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Total other comprehensive income	9998 =		122,969
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Extraordinary items and income (linked to Schedule 140)

Extraordinary item(s)	9975 -		
Legal settlements	9976 -		
Unrealized gains/losses	9980 +		
Unusual items	9985 -		
Current income taxes	9990 -	459,251	431,628
Future (deferred) income tax provision	9995 -		164,972
Total – Other comprehensive income	9998 +		122,969
Net income/loss after taxes and extraordinary items (mandatory field)	9999 =	1,915,994	1,681,118



Notes Checklist

Corporation's name	Business number	Tax Year End Year Month Day
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	2017-12-31

- Parts 1, 2, and 3 of this schedule must be completed from the perspective of the person (referred to in these parts as the **accountant**) who prepared or reported on the financial statements. If the person preparing the tax return is not the accountant referred to above, they must still complete Parts 1, 2, 3, and 4, as applicable.
- For more information, see Guide RC4088, *General Index of Financial Information (GIFI)* and T4012, *T2 Corporation – Income Tax Guide*.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

Part 1 – Information on the accountant who prepared or reported on the financial statements

Does the accountant have a professional designation? **095** Yes ☒ No ☐

Is the accountant connected* with the corporation? **097** Yes ☐ No ☒

Note

If the accountant does not have a professional designation **or** is connected to the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you **do have** to complete Part 4, as applicable.

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Part 2 – Type of involvement with the financial statements

Choose the option that represents the highest level of involvement of the accountant: **198**

Completed an auditor's report	1	<input checked="" type="checkbox"/>
Completed a review engagement report	2	<input type="checkbox"/>
Conducted a compilation engagement	3	<input type="checkbox"/>

Part 3 – Reservations

If you selected option 1 or 2 under **Type of involvement with the financial statements** above, answer the following question:

Has the accountant expressed a reservation? **099** Yes ☐ No ☒

Part 4 – Other information

If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options: **110**

Prepared the tax return (financial statements prepared by client)	1	<input type="checkbox"/>
Prepared the tax return and the financial information contained therein (financial statements have not been prepared)	2	<input type="checkbox"/>

Were notes to the financial statements prepared? **101** Yes ☒ No ☐

If **yes**, complete lines 104 to 107 below:

Are subsequent events mentioned in the notes?	104	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is re-evaluation of asset information mentioned in the notes?	105	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is contingent liability information mentioned in the notes?	106	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Is information regarding commitments mentioned in the notes?	107	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Does the corporation have investments in joint venture(s) or partnership(s)?	108	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Part 4 – Other information (continued)

Impairment and fair value changes

In any of the following assets, was an amount recognized in net income or other comprehensive income (OCI) as a result of an impairment loss in the tax year, a reversal of an impairment loss recognized in a previous tax year, or a change in fair value during the tax year?

200 Yes ☐ No ☒

If **yes**, enter the amount recognized:

		In net income Increase (decrease)		In OCI Increase (decrease)
Property, plant, and equipment	210		211	
Intangible assets	215		216	
Investment property	220			
Biological assets	225			
Financial instruments	230		231	
Other	235		236	

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)?

250 Yes ☐ No ☒

Did the corporation apply hedge accounting during the tax year?

255 Yes ☐ No ☒

Did the corporation discontinue hedge accounting during the tax year?

260 Yes ☐ No ☒

Adjustments to opening equity

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year?

265 Yes ☐ No ☒

If **yes**, you have to maintain a separate reconciliation.

SCHEDULE 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF

Form identifier 100

Name of corporation	Business Number	Tax year-end Year Month Day
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	2017-12-31

Assets – lines 1000 to 2599

1000	4,745,368	1060	4,304,291	1062	3,966,937
1064	68,324	1120	365,961	1483	4,219
1484	284,491	1599	13,739,591	1600	378,105
1601	567,931	1602	-49,975	1680	2,482,457
1681	-745,520	1740	51,697,512	1741	-22,355,629
1774	1,549,965	1775	-1,424,159	2008	56,675,970
2009	-24,575,283	2012	1,150,014	2178	1,150,014
2420	867,316	2421	836,852	2589	1,704,168
2599	48,694,460				

Liabilities – lines 2600 to 3499

2620	5,168,552	2780	1,048,991	2920	1,413,525
2960	191,220	3139	7,822,288	3140	16,426,932
3220	210,876	3320	6,278,673	3450	22,916,481
3499	30,738,769				

Shareholder equity – lines 3500 to 3640

3500	9,226,787	3540	4,986,711	3580	84,027
3600	3,658,166	3620	17,955,691	3640	48,694,460

Retained earnings – lines 3660 to 3849

3660	1,709,584	3680	1,915,994	3720	32,588
3849	3,658,166				

SCHEDULE 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIF

Form identifier 125

Name of corporation	Business Number	Tax year-end Year Month Day
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	2017-12-31

Description

Sequence number **0003** 01

Revenue – lines 8000 to 8299

8000	43,597,921	8089	43,597,921	8090	36,203
8210	-7,454	8230	773,279	8299	44,399,949

Cost of sales – lines 8300 to 8519

8450	35,405,579	8518	35,405,579	8519	8,192,342
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Operating expenses – lines 8520 to 9369

8523	3,709	8590	44,236	8670	1,339,984
8710	440,179	8762	54,642	9010	836,052
9060	1,393,232	9270	74,359	9284	2,432,732
9367	6,619,125	9368	42,024,704	9369	2,375,245

Extraordinary items and taxes – lines 9970 to 9999

9970	2,375,245	9990	459,251	9999	1,915,994
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Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	2017-12-31

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 *Corporation – Income Tax Guide*.
- All legislative references are to the *Income Tax Act*.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 1,915,994 A

Add:

Provision for income taxes – current	101	459,251
Amortization of tangible assets	104	1,339,984
Loss on disposal of assets	111	7,454
Charitable donations and gifts from Schedule 2	112	1,725
Non-deductible meals and entertainment expenses	121	1,855
Subtotal of additions		1,810,269 ▶
		1,810,269

Other additions:**Miscellaneous other additions:**

1 Description	2 Amount		
605	295		
1 Inducement under 12(1)(x) ITA	3,000		
2 Par. 12(1)(x) contributions capitalized on F/S	365,698		
3 Post retirement benefits expensed in P&L	2,334		
Total of column 2	371,032	▶ 296	371,032
Subtotal of other additions		199	371,032 ▶
			371,032
Total additions		500	2,181,301 ▶
			2,181,301 B

Amount A plus amount B 4,097,295 C

Deduct:

Capital cost allowance from Schedule 8	403	1,928,607
Subtotal of deductions		1,928,607 ▶
		1,928,607

Other deductions:**Miscellaneous other deductions:**

1 Description	2 Amount		
705	395		
1 Ss. 13(7.4) election re Contributions in aid of construction	365,698		
Total of column 2	365,698	▶ 396	365,698
Subtotal of other deductions		499	365,698 ▶
			365,698
Total deductions		510	2,294,305 ▶
			2,294,305 D

Net income (loss) for income tax purposes (amount C minus amount D) 1,802,990 E

Enter amount E on line 300 of the T2 return.

Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) of the ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

Tax credits whose amount should be added to income

Select this check box to add all the amounts to income calculated in Schedule 1. ☒

Ontario

A

- | | | |
|-------------------------------------|---|-------|
| <input checked="" type="checkbox"/> | Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations | |
| <input checked="" type="checkbox"/> | Ontario co-operative education tax credit | 3,000 |
| <input checked="" type="checkbox"/> | Ontario apprenticeship training tax credit | |
| <input checked="" type="checkbox"/> | Ontario computer animation and special effects tax credit* | |
| | * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help. | |
| <input checked="" type="checkbox"/> | Ontario film and television tax credit* | |
| | * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help. | |
| <input checked="" type="checkbox"/> | Ontario production services tax credit* | |
| | * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help. | |
| <input checked="" type="checkbox"/> | Ontario interactive digital media tax credit* | |
| | * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help. | |
| <input checked="" type="checkbox"/> | Ontario sound recording tax credit* | |
| | * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help. | |
| <input checked="" type="checkbox"/> | Ontario book publishing tax credit | |
| <input checked="" type="checkbox"/> | Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations | |
| <input checked="" type="checkbox"/> | Ontario business-research institute tax credit | |
| <input type="checkbox"/> | Ontario community food program donation tax credit for farmers | |

Tax credits whose amount should reduce the capital cost of property



Charitable Donations and Gifts

Corporation's name LAKELAND POWER DISTRIBUTION LTD.	Business number 89649 9613 RC0002	Tax year-end Year Month Day 2017-12-31
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- For use by corporations to claim any of the following:
 - the eligible amount of charitable donations to qualified donees;
 - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers;
 - the eligible amount of gifts of certified cultural property;
 - the eligible amount of gifts of certified ecologically sensitive land; or
 - the additional deduction for gifts of medicine made before March 22, 2017.
- All legislative references are to the federal *Income Tax Act*, unless otherwise specified.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts are eligible for a 5-year carryforward except for gifts of certified ecologically sensitive land made after February 10, 2014, which are eligible for a 10-year carryforward. Provincial food donation tax credits must be applied in the current tax year.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
 - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
 - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- A gift of medicine made before March 22, 2017 to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File a completed copy of this schedule with your *T2 Corporation Income Tax Return*.
- For more information, see the *T2 Corporation – Income Tax Guide*.

Part 1 – Charitable donations

Charity/Recipient	Amount (\$100 or more only)
Various charities	1,725
	Subtotal 1,725
	Add: Total donations of less than \$100 each
	Total donations in current tax year 1,725

Part 1 – Charitable donations

	Federal	Québec	Alberta
Charitable donations at the end of the previous tax year	1A		
Charitable donations expired after five tax years*	239		
Charitable donations at the beginning of the current tax year (amount 1A minus line 239)	240		
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250		
Total charitable donations made in the current year	210 1,725	1,725	1,725
Include on line 112 of Schedule 1 <i>Net Income (Loss) for Income Tax Purposes</i>			
Subtotal (line 250 plus line 210)	1,725	1B 1,725	1,725
Subtotal (line 240 plus amount 1B)	1,725	1C 1,725	1,725
Adjustment for an acquisition of control	255		
Total charitable donations available (amount 1C minus line 255)	1,725	1D 1,725	1,725
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2)	260 1,725	1,725	1,725
Enter on line 311 of the T2 return			
Charitable donations closing balance (amount 1D minus line 260)	280		
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in line 260 (for donations made after December 31, 2013)	262		
Ontario community food program donation tax credit for farmers (line 262 multiplied by 25 %)		1E	
Enter amount 1E on line 420 of Schedule 5, <i>Tax Calculation Supplementary – Corporations</i> . The maximum amount you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1E. For more information, see section 103.1.2 of the <i>Taxation Act, 2007</i> (Ontario).			
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in line 260 (for donations made after December 31, 2015)	263		
Nova Scotia food bank tax credit for farmers (line 263 multiplied by 25 %)		1F	
Enter amount 1F on line 570 of Schedule 5, <i>Tax Calculation Supplementary – Corporations</i> . The maximum amount you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 1F. For more information, see section 50A of the Nova Scotia <i>Income Tax Act</i> .			
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in line 260 (for donations made after February 16, 2016 and before January 1, 2019)	265		
British Columbia farmers' food donation tax credit (line 265 multiplied by 25 %)		1G	
Enter amount 1G on line 683 of Schedule 5, <i>Tax Calculation Supplementary – Corporations</i> . The maximum amount you can claim in the current year is whichever is less: the British Columbia income tax otherwise payable or amount 1G. For more information, see section 20.1 of the British Columbia <i>Income Tax Act</i> .			

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Charitable donations

Year of origin:		Federal	Québec	Alberta
1 st prior year	2016-12-31			
2 nd prior year	2015-12-31			
3 rd prior year	2014-12-31			
4 th prior year	2014-06-30			
5 th prior year	2013-12-31			
6 th prior year*	2012-12-31			
7 th prior year	2011-12-31			
8 th prior year	2010-12-31			
9 th prior year	2009-12-31			
10 th prior year	2008-12-31			
11 th prior year	2007-12-31			
12 th prior year	2006-12-31			
13 th prior year	2005-12-31			
14 th prior year	2004-12-31			
15 th prior year	2003-12-31			
16 th prior year	2002-12-31			
17 th prior year	2001-12-31			
18 th prior year				
19 th prior year				
20 th prior year				
21 st prior year*				
Total (to line A)				

* For federal and Alberta tax purposes, donations and gifts included on line 6th prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21st prior year expire automatically in the current tax year.

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes* multiplied by 75 %		1,352,243	2A
Taxable capital gains arising in respect of gifts of capital property included in Part 1 **	225		
Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)	227		
The amount of the recapture of capital cost allowance in respect of charitable donations	230		
Proceeds of disposition, less outlays and expenses**	2B		
Capital cost**	2C		
Amount 2B or 2C, whichever is less	235		
Line 230 or 235, whichever is less		2D	
Subtotal (add lines 225, 227 and amount 2D)		2E	
Amount 2E multiplied by 25 %		2F	
Subtotal (amount 2A plus amount 2F)		1,352,243	2G
Maximum allowable deduction for charitable donations (amount 1D from Part 1, amount 2G, or net income for tax purposes, whichever is less)		1,725	2H

* For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

** This amount must be prorated by the following calculation: eligible amount of the gift divided by the proceeds of disposition of the gift.

Part 3 – Gifts of certified cultural property

	Federal	Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year	3A		
Gifts of certified cultural property expired after five tax years* 439			
Gifts of certified cultural property at the beginning of the current tax year (amount 3A minus line 439) 440			
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary 450			
Total gifts of certified cultural property in the current year 410			
Include on line 112 of Schedule 1			
Subtotal (line 450 plus line 410)	3B		
Subtotal (line 440 plus amount 3B)	3C		
Adjustment for an acquisition of control 455			
Amount applied in the current year against taxable income 460			
Enter on line 313 of the T2 return			
Subtotal (line 455 plus line 460)	3D		
Gifts of certified cultural property closing balance (amount 3C minus amount 3D) 480			

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amount carried forward – Gifts of certified cultural property

Year of origin:	Federal	Québec	Alberta
1 st prior year 2016-12-31			
2 nd prior year 2015-12-31			
3 rd prior year 2014-12-31			
4 th prior year 2014-06-30			
5 th prior year 2013-12-31			
6 th prior year* 2012-12-31			
7 th prior year 2011-12-31			
8 th prior year 2010-12-31			
9 th prior year 2009-12-31			
10 th prior year 2008-12-31			
11 th prior year 2007-12-31			
12 th prior year 2006-12-31			
13 th prior year 2005-12-31			
14 th prior year 2004-12-31			
15 th prior year 2003-12-31			
16 th prior year 2002-12-31			
17 th prior year 2001-12-31			
18 th prior year			
19 th prior year			
20 th prior year			
21 st prior year*			
Total			

* For federal and Alberta tax purposes, donations and gifts included on line 6th prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line 6th prior year and donations and gifts that are included on line 21st prior year expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land

	Federal	Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year	4A		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*	539		
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A minus line 539)	540		
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550		
Total current-year gifts of certified ecologically sensitive land made before February 11, 2014 (include on line 112 of Schedule 1)	510		
Total current-year gifts of certified ecologically sensitive land made after February 10, 2014 (include on line 112 of Schedule 1)	520		
Subtotal (add lines 550, 510, and 520)	4B		
Subtotal (line 540 plus amount 4B)	4C		
Adjustment for an acquisition of control	555		
Amount applied in the current year against taxable income (enter on line 314 of the T2 return)	560		
Subtotal (line 555 plus line 560)	4D		
Gifts of certified ecologically sensitive land closing balance (amount 4C minus amount 4D)	580		

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation and gifts expire after twenty tax years.

Amounts carried forward – Gifts of certified ecologically sensitive land

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date					
Year of origin:				Federal	Québec	Alberta
1 st prior year	2016-12-31					
2 nd prior year	2015-12-31					
3 rd prior year	2014-12-31					
4 th prior year	2014-06-30					
5 th prior year	2013-12-31					
6 th prior year*	2012-12-31					
7 th prior year	2011-12-31					
8 th prior year	2010-12-31					
9 th prior year	2009-12-31					
10 th prior year	2008-12-31					
11 th prior year*	2007-12-31					
12 th prior year	2006-12-31					
13 th prior year	2005-12-31					
14 th prior year	2004-12-31					
15 th prior year	2003-12-31					
16 th prior year	2002-12-31					
17 th prior year	2001-12-31					
18 th prior year						
19 th prior year						
20 th prior year						
21 st prior year*						
Total						

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line 6th prior year and gifts that are included on line 11th prior year expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line 6th prior year and gifts that are included on line 21st prior year expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine

	Federal	Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year	5A		
Additional deduction for gifts of medicine expired after five tax years*	639		
Additional deduction for gifts of medicine at the beginning of the current tax year (amount 5A minus line 639)	640		
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary	650		
Additional deduction for gifts of medicine made before March 22, 2017:			
Proceeds of disposition	602		
Cost of gifts of medicine made before March 22, 2017	601		
Subtotal (line 602 minus line 601)	5B		
Amount 5B multiplied by 50 %	5C		
Eligible amount of gifts	600		
Federal	Additional deduction for gifts of medicine made before March 22, 2017		
a _____ x $\left(\frac{b}{c} \right)$ =	610		
Québec	Additional deduction for gifts of medicine made before March 22, 2017		
a _____ x $\left(\frac{b}{c} \right)$ =			
Alberta	Additional deduction for gifts of medicine made before March 22, 2017		
a _____ x $\left(\frac{b}{c} \right)$ =			
where:			
a is the lesser of line 601 and amount 5C			
b is the eligible amount of gifts (line 600)			
c is the proceeds of disposition (line 602)			
Subtotal (line 650 plus line 610)	5D		
Subtotal (line 640 plus amount 5D)	5E		
Adjustment for an acquisition of control	655		
Amount applied in the current year against taxable income	660		
Enter on line 315 of the T2 return			
Subtotal (line 655 plus line 660)	5F		
Additional deduction for gifts of medicine closing balance (amount 5E minus amount 5F)	680		

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:		Federal	Québec	Alberta
1 st prior year	2016-12-31			
2 nd prior year	2015-12-31			
3 rd prior year	2014-12-31			
4 th prior year	2014-06-30			
5 th prior year	2013-12-31			
6 th prior year*	2012-12-31			
7 th prior year	2011-12-31			
8 th prior year	2010-12-31			
9 th prior year	2009-12-31			
10 th prior year	2008-12-31			
11 th prior year	2007-12-31			
12 th prior year	2006-12-31			
13 th prior year	2005-12-31			
14 th prior year	2004-12-31			
15 th prior year	2003-12-31			
16 th prior year	2002-12-31			
17 th prior year	2001-12-31			
18 th prior year				
19 th prior year				
20 th prior year				
21 st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line 6th prior year expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, that are included on line 6th prior year and donations and gifts that are included on line 21st prior year expire automatically in the current tax year.

Québec – Gifts of musical instruments

Gifts of musical instruments at the end of the previous tax year		A
Deduct: Gifts of musical instruments expired after twenty tax years		B
Gifts of musical instruments at the beginning of the tax year		C
Add:		
Gifts of musical instruments transferred on an amalgamation or the wind-up of a subsidiary		D
Total current-year gifts of musical instruments		E
	Subtotal (line D plus line E)	F
Deduct: Adjustment for an acquisition of control		G
Total gifts of musical instruments available		H
Deduct: Amount applied against taxable income (enter this amount on line 255 of form CO-17)		I
Gifts of musical instruments closing balance		J

Amounts carried forward – Gifts of musical instruments

		Québec	
Year of origin:			
1 st prior year	2016-12-31		
2 nd prior year	2015-12-31		
3 rd prior year	2014-12-31		
4 th prior year	2014-06-30		
5 th prior year	2013-12-31		
6 th prior year*	2012-12-31		
7 th prior year	2011-12-31		
8 th prior year	2010-12-31		
9 th prior year	2009-12-31		
10 th prior year	2008-12-31		
11 th prior year	2007-12-31		
12 th prior year	2006-12-31		
13 th prior year	2005-12-31		
14 th prior year	2004-12-31		
15 th prior year	2003-12-31		
16 th prior year	2002-12-31		
17 th prior year	2001-12-31		
18 th prior year			
19 th prior year			
20 th prior year			
21 st prior year*			
Total			

* These gifts expired in the current year.

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	2017-12-31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

Is the corporation electing under *Regulation 1101(5q)*? **101** Yes ☐ No ☒

	1 Class number *	Description	2 Undepreciated capital cost at the beginning of the year (amount from column 12 of last year's schedule 8)	3 Cost of acquisitions during the year (new property must be available for use) (see note 1 below)	4 Adjustments and transfers (see note 2 below)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) (see note 3 below)	7 Reduced undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5 minus column 6)	8 CCA rate % (see note 4 below)	9 Recapture of capital cost allowance (line 107 of Schedule 1) (see note 5 below)	10 Terminal loss (line 404 of Schedule 1)	11 Capital cost allowance (for declining balance method, column 7 multiplied by column 8, or a lower amount) (line 403 of Schedule 1) (see note 6 below)	12 Undepreciated capital cost at the end of the year (column 6 plus column 7 minus column 11)
	200		201	203	205	207	211		212	213	215	217	220
1.	1	Distribution	10,268,924		-10,000	0		10,258,924	4	0	0	410,357	9,848,567
2.	1	Building	1,758,838			0		1,758,838	4	0	0	70,354	1,688,484
3.	10	Computers	2,215			0		2,215	30	0	0	665	1,550
4.	10	Automotive	462,577	127,913		105,136	11,389	473,965	30	0	0	142,190	343,164
5.	1	Valuation Bump	1,002,528			0		1,002,528	4	0	0	40,101	962,427
6.	8	Equipment	111,369			0		111,369	20	0	0	22,274	89,095
7.	12	Computer Software	19,140	45,266		0	22,633	41,773	100	0	0	41,773	22,633
8.	45	Computers	74			0		74	45	0	0	33	41
9.	50	Computers	79,979	3,421		0	1,711	81,689	55	0	0	44,929	38,471
10.	6	Portable Office	25,816			0		25,816	10	0	0	2,582	23,234
11.	47	Distribution System	13,467,192	1,876,702		63,387	906,658	14,373,849	8	0	0	1,149,908	14,130,599
12.	42	Fibre Optic Communication	28,676			0		28,676	12	0	0	3,441	25,235
13.	47	Work in Process	179,177		-179,177	0			8	0	0		
Totals			27,406,505	2,053,302	-189,177	168,523	942,391	28,159,716				1,928,607	27,173,500

* Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed.

Class 1a: $4\% + 6\% = 10\%$ (class 1 to 10%), class 1b: $4\% + 2\% = 6\%$ (class 1 to 6%).

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see *Regulation 1100(2)* and (2.2).

Note 2. Enter in column 4, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost.

Items that **increase** the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that **reduce** the undepreciated capital cost include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the *T2 Corporation Income Tax Guide* for other examples of adjustments and transfers to include in column 4.

Note 3. The net cost of acquisitions is the cost of acquisitions (column 3) **plus** or **minus** certain adjustments and transfers from column 4. For information on the exceptions to the 50% rule, as well as how to calculate the amounts to enter in column 6 in those cases, see Interpretation Bulletin IT-285, *Capital Cost Allowance - General Comments*.

Note 4. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 11.

Note 5. For every entry in column 9, "Recapture of capital cost allowance", there must be a corresponding entry in column 5, "Proceeds of dispositions during the year". The recapture and terminal loss rules do not apply to passenger vehicles in Class 10.1.

Note 6. If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the *T2 Corporation Income Tax Guide* for more information.

T2 SCH 8 (17)

Canada

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	2017-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	Name	Country of resi- dence (other than Canada)	Business number (see note 1)	Rela- tion- ship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	LAKELAND HOLDING LTD.	CA	86574 9568 RC0002	1					
2.	LAKELAND ENERGY LTD.	CA	89650 2416 RC0001	3					
3.	BRACEBRIDGE GENERATION LTD.	CA	89650 1210 RC0002	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated



Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year, is required to file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group. Include non-CCPCs and CCPCs that have filed an election under subsection 256(2) of the *Income Tax Act* not to be associated for purposes of the small business deduction.

Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code from the list below that applies to each corporation:

- 1 – Associated for purposes of allocating the business limit (unless code 5 applies)
- 2 – CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
- 3 – Non-CCPC that is a "third corporation" as defined in subsection 256(2)
- 4 – Associated non-CCPC
- 5 – Associated CCPC to which code 1 does not apply because of a subsection 256(2) election made by a "third corporation"

Column 4: Enter the business limit for the year of each corporation in the associated group.

Column 5: Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A does not exceed \$500,000.

Allocating the business limit

Date filed (do not use this area)

025

Year Month Day

Enter the calendar year to which the agreement applies

050

Year

2017

Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below?

075

1 Yes

☐

2 No

☒

	1 Names of associated corporations 100	2 Business number of associated corporations 200	3 Asso- ciation code 300	4 Business limit for the year before the allocation \$	5 Percentage of the business limit % 350	6 Business limit allocated* \$ 400
1	LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	1	500,000	100.0000	500,000
2	LAKELAND HOLDING LTD.	86574 9568 RC0002	1	500,000		
3	LAKELAND ENERGY LTD.	89650 2416 RC0001	1	500,000		
4	BRACEBRIDGE GENERATION LTD.	89650 1210 RC0002	1	500,000		
Total					100.0000	500,000 A

Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula $0.225\% \times (D - \$10,000,000)$. Details of this formula and variable D are in subsection 125(5.1) of the Act.

- * Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year, whichever is less.



Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	2017-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 *Corporation Income Tax Return* no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

Reserves that have not been deducted in calculating income for the year under Part I	101	
Capital stock (or members' contributions if incorporated without share capital)	103	9,226,787
Retained earnings	104	3,658,166
Contributed surplus	105	
Any other surpluses	106	4,986,711
Deferred unrealized foreign exchange gains	107	
All loans and advances to the corporation	108	25,489,673
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109	
Any dividends declared but not paid by the corporation before the end of the year	110	
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111	
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112	
Subtotal (add lines 101 to 112)		43,361,337
		43,361,337 A

Note:

Line 112 is determined by the formula $(A - B) \times C/D$ (as per paragraph 181.2(3)(g)) where:

- A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
- those lines applied to partnerships in the same manner that they apply to corporations, and
 - those amounts were computed without reference to amounts owing by the partnership
 - to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
 - to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.
- B is the partnership's deferred unrealized foreign exchange losses at the end of the period,
- C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and
- D is the partnership's income or loss for the period.

Part 1 – Capital (continued)

Subtotal A (from page 1) 43,361,337 A

Deduct the following amounts:

Deferred tax debit balance at the end of the year **121** 836,852

Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year **122** _____

To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year. **123** _____

Deferred unrealized foreign exchange losses at the end of the year **124** _____

Subtotal (add lines 121 to 124) 836,852 ▶ 836,852 B

Capital for the year (amount A minus amount B) (if negative, enter "0") **190** 42,524,485

Part 2 – Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation **401** _____

A loan or advance to another corporation (other than a financial institution) **402** _____

A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution) **403** _____

Long-term debt of a financial institution **404** _____

A dividend payable on a share of the capital stock of another corporation **405** _____

A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1) **406** _____

An interest in a partnership (see note 2 below) **407** _____

Investment allowance for the year (add lines 401 to 407) **490** _____

Notes:

1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190) 42,524,485 C

Deduct: Investment allowance for the year (line 490) _____ D

Taxable capital for the year (amount C minus amount D) (if negative, enter "0") **500** 42,524,485

Part 4 – Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500)	42,524,485	x	Taxable income earned in Canada	610	1,801,265	=	Taxable capital employed in Canada	690	42,524,485
			Taxable income		1,801,265				

- Notes:**
1. Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
 2. Where a corporation's taxable income for a tax year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
 3. In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada **701**

Deduct the following amounts:

Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada **711**

Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada **712**

Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal or movable property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below) **713**

Total deductions (add lines 711, 712, and 713) ▶ **E**

Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0") **790**

Note: Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690) **F**

Deduct: 10,000,000 **G**

Excess (amount F minus amount G) (if negative, enter "0") **H**

Calculation for purposes of the small business deduction (amount H x 0.225%) **I**

Enter this amount at line 415 of the T2 return.

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	2017-12-31

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

		Provide only one number per shareholder				
Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)		Business Number (If a corporation is not registered, enter "NR")	Social insurance number	Trust number	Percentage common shares	Percentage preferred shares
100		200	300	350	400	500
1	LAKELAND HOLDING LTD	86574 9568 RC0001			100.000	
2						
3						
4						
5						
6						
7						
8						
9						
10						



General Rate Income Pool (GRIP) Calculation

Corporation's name	Business number	Tax year-end Year Month Day
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	2017-12-31

On: 2017-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2 *Corporation Income Tax Return*. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.

Eligibility for the various additions

Answer the following questions to determine the corporation's eligibility for the various additions:

2006 addition

1. Is this the corporation's first taxation year that includes January 1, 2006? ☐ Yes ☒ No
 2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006?
Enter the date and go directly to question 4 2006-12-31
 3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA? ☒ Yes ☐ No
- If the answer to question 3 is yes, complete Part "GRIP addition for 2006".**

Change in the type of corporation

4. Was the corporation a CCPC during its preceding taxation year? ☒ Yes ☐ No
 5. Corporations that become a CCPC or a DIC ☐ Yes ☒ No
- If the answer to question 5 is yes, complete Part 4.**

Amalgamation (first year of filing after amalgamation)

6. Corporations that were formed as a result of an amalgamation ☐ Yes ☒ No
If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.
7. Was one or more of the predecessor corporations neither a CCPC nor a DIC? ☐ Yes ☐ No
If the answer to question 7 is yes, complete Part 4.
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation? ☐ Yes ☐ No
If the answer to question 8 is yes, complete Part 3.

Winding-up

9. Has the corporation wound-up a subsidiary in the preceding taxation year? ☐ Yes ☒ No
If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year? ☐ Yes ☐ No
If the answer to question 10 is yes, complete Part 4.
11. Was the subsidiary a CCPC or a DIC during its last taxation year? ☐ Yes ☐ No
If the answer to question 11 is yes, complete Part 3.

Part 1 – General rate income pool (GRIP)

GRIP at the end of the previous tax year	100	7,798,992	A
Taxable income for the year (DICs enter "0") *	110	1,801,265	B
Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less *	130		
For a CCPC, the lesser of aggregate investment income (line 440 of the T2 return) and taxable income *	140		
Subtotal (line 130 plus line 140)			C
Income taxable at the general corporate rate (amount B minus amount C) (if negative enter "0")	150	1,801,265	
After-tax income (line 150 multiplied by 0.72 (the general rate factor for the tax year))	190	1,296,911	D
Eligible dividends received in the tax year	200		
Dividends deductible under section 113 received in the tax year	210		
Subtotal (line 200 plus line 210)			E
Becoming a CCPC (amount W5 in Part 4)	220		
Post-amalgamation (total of amounts E4 in Part 3 and amounts W5 in Part 4)	230		
Post-wind-up (total of amounts E4 in Part 3 and amounts W5 in Part 4)	240		
Subtotal (add lines 220, 230, and 240)	290		F
Subtotal (add amounts A, D, E, and F)		9,095,903	G
Eligible dividends paid in the previous tax year	300		
Excessive eligible dividend designations made in the previous tax year	310		
(If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)			
Subtotal (line 300 minus line 310)			H
GRIP before adjustment for specified future tax consequences (amount G minus amount H) (amount can be negative)	490	9,095,903	
Total GRIP adjustment for specified future tax consequences to previous tax years (amount N3 in Part 2)	560		
GRIP at the end of the tax year (line 490 minus line 560)	590	9,095,903	

Enter this amount on line 160 of Schedule 55.

* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years

Complete this part if the corporation's taxable income of any of the previous three tax years took into account the specified future tax consequences defined in subsection 248(1) from the current tax year. Otherwise, enter "0" on line 560.

First previous tax year 2016-12-31

Taxable income before specified future tax consequences
from the current tax year 1,654,544 A1

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, or 427
of the T2 return, whichever is less B1

Aggregate investment income
(line 440 of the T2 return) 29,702 C1

Subtotal (amount B1 **plus** amount C1) 29,702 ► 29,702 D1

Subtotal (amount A1 **minus** amount D1) (if negative, enter "0") 1,624,842 ► 1,624,842 E1

Future tax consequences that occur for the current year

Amount carried back from the current year to a prior year

Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks

Taxable income after specified future tax consequences F1

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, or 427
of the T2 return, whichever is less G1

Aggregate investment income
(line 440 of the T2 return) H1

Subtotal (amount G1 **plus** amount H1) ► I1

Subtotal (amount F1 **minus** amount I1) (if negative, enter "0") ► J1

Subtotal (amount E1 **minus** amount J1) (if negative, enter "0") ► K1

GRIP adjustment for specified future tax consequences to the first previous tax year

(amount K1 **multiplied by** 0.72) **500**

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Second previous tax year 2015-12-31

Taxable income before specified future tax consequences from
the current tax year 1,433,245 A2

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, or 427
of the T2 return, whichever is less B2

Aggregate investment income
(line 440 of the T2 return) 6,556 C2

Subtotal (amount B2 **plus** amount C2) 6,556 ► 6,556 D2

Subtotal (amount A2 **minus** amount D2) (if negative, enter "0") 1,426,689 ► 1,426,689 E2

Future tax consequences that occur for the current year

Amount carried back from the current year to a prior year

Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks

Taxable income after specified future tax consequences F2

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, or 427
of the T2 return, whichever is less G2

Aggregate investment income
(line 440 of the T2 return) H2

Subtotal (amount G2 **plus** amount H2) ► I2

Subtotal (amount F2 **minus** amount I2) (if negative, enter "0") ► J2

Subtotal (amount E2 **minus** amount J2) (if negative, enter "0") K2

GRIP adjustment for specified future tax consequences to the second previous tax year

(amount K2 **multiplied** by 0.72) **520**

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Third previous tax year 2014-12-31

Taxable income before specified future tax consequences from
the current tax year 903,486 A3

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, or 427
of the T2 return, whichever is less B3

Aggregate investment income
(line 440 of the T2 return) C3

Subtotal (amount B3 **plus** amount C3) ► D3

Subtotal (amount A3 **minus** amount D3) (if negative, enter "0") 903,486 ► 903,486 E3

Future tax consequences that occur for the current year					
Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks

Taxable income after specified future tax consequences F3

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, or 427
of the T2 return, whichever is less G3

Aggregate investment income
(line 440 of the T2 return) H3

Subtotal (amount G3 **plus** amount H3) ► I3

Subtotal (amount F3 **minus** amount I3) (if negative, enter "0") ► J3

Subtotal (amount E3 **minus** amount J3) (if negative, enter "0") K3

GRIP adjustment for specified future tax consequences to the third previous tax year

(amount K3 **multiplied by** 0.72) **540**

Total GRIP adjustment for specified future tax consequences to previous tax years:

(**add** lines 500, 520, and 540) (if negative, enter "0") L3

Enter amount L3 on line 560 in part 1.

**Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up
(predecessor or subsidiary was a CCPC or a DIC in its last tax year)**

nb. 1 Postamalgamation . . . ☐ Post wind-up ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.

Corporation's GRIP at the end of its last tax year _____ A4

Eligible dividends paid by the corporation in its last tax year _____ B4

Excessive eligible dividend designations made by the corporation in its last tax year _____ C4

Subtotal (amount B4 **minus** amount C4) _____  _____ D4

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)
(amount A4 **minus** amount D4) _____ E4

After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount on:

- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

Part 4 – Worksheet to calculate the GRIP addition post-amalgamation, post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC

nb. 1 Corporation becoming a CCPC ☐ Post amalgamation ☐ Post wind-up ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary was not a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last year. Keep a copy of this calculation for your records, in case we ask to see it later.

Cost amount to the corporation of all property immediately before the end of its previous/last tax year A5

The corporation's money on hand immediately before the end of its previous/last tax year B5

Total of subsection 111(1) losses that would have been deductible in calculating the corporation's taxable income for the previous/last tax year if the corporation had had unlimited income from each business carried on and each property held and had realized an unlimited amount of capital gains for the previous/last tax year:

Non-capital losses C5

Net capital losses D5

Farm losses E5

Restricted farm losses F5

Limited partnership losses G5

Subtotal (add amounts C5 to G5) ► H5

Total of all amounts deducted under subsection 111(1) in calculating the corporation's taxable income for the previous/last tax year:

Non-capital losses I5

Net capital losses J5

Farm losses K5

Restricted farm losses L5

Limited partnership losses M5

Subtotal (add amounts I5 to M5) ► N5

Unused and unexpired losses at the end of the corporation's previous/last tax year (amount H5 minus amount N5) ► O5

Subtotal (add amounts A5, B5, and O5) P5

All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year Q5

Paid-up capital of all the corporation's issued and outstanding shares of capital stock immediately before the end of its previous/last tax year R5

All the corporation's reserves deducted in its previous/last tax year S5

The corporation's capital dividend account immediately before the end of its previous/last tax year T5

The corporation's low rate income pool immediately before the end of its previous/last tax year U5

Subtotal (add amounts Q5 to U5) ► V5

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC (amount P5 minus amount V5) (if negative, enter "0") W5

After you complete this worksheet for each predecessor and each subsidiary, calculate the total of all the W5 amounts. Enter this total amount on:

- line 220 for a corporation becoming a CCPC;
- line 230 for post-amalgamation; or
- line 240 for post-wind-up.



Ontario Corporation Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	2017-12-31

- Use this schedule if the corporation had a permanent establishment, under section 400 of the federal *Income Tax Regulations*, in Ontario at any time in the tax year and had Ontario taxable income in the year.
- Legislative references are to the federal *Income Tax Act* and *Income Tax Regulations*.
- This schedule is a worksheet only and is not required to be filed with your *T2 Corporation Income Tax Return*.

Part 1 – Ontario basic income tax

Ontario taxable income *	1,801,265	A
Ontario basic rate of tax for the year	11.5 %	B
Ontario basic income tax (amount A multiplied by amount B **)	207,145	C

* If the corporation has a permanent establishment only in Ontario, enter the amount from line 360 or amount Z, whichever applies, of the T2 return. Otherwise, enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5.

** If the corporation has a permanent establishment in more than one jurisdiction, or is claiming an Ontario tax credit in addition to Ontario basic income tax, or has Ontario corporate minimum tax or Ontario special additional tax on life insurance corporations payable, enter amount C on line 270 of Schedule 5, *Tax Calculation Supplementary – Corporations*. Otherwise, enter it on line 760 of the T2 return.

Part 2 – Ontario small business deduction (OSBD)

Complete this part if the corporation claimed the federal small business deduction under subsection 125(1).

Amount from line 400 of the T2 return	1,802,990	1
Amount from line 405 of the T2 return	1,801,265	2
Amount from line 427 of the T2 return		3
Enter the least of amounts 1, 2 or 3		D
Ontario domestic factor (ODF):	Taxable income for Ontario *	1,801,265.00
	Taxable income for all provinces **	1,801,265
		= 1.00000
Amount D multiplied by amount E		4
Ontario taxable income (amount A from Part 1)	1,801,265	5
Ontario small business income (lesser of amount 4 or amount 5)		F
Ontario small business deduction rate for the year		
Number of days in the tax year before January 1, 2018	365	x
Number of days in the tax year	365	7 % = 7.00000 %
		G1
Number of days in the tax year after December 31, 2017		x
Number of days in the tax year	365	8 % = %
		G2
OSBD rate for the year (rate G1 plus rate G2)	7.00000 %	G
Ontario small business deduction (amount F multiplied by rate G)		H

Enter amount H on line 402 of Schedule 5.

* Enter amount A from Part 1.

** Includes the offshore areas for Nova Scotia and Newfoundland and Labrador.

Enter amount I at amount K in Part 4 of this schedule or at amount B in Part 2 of Schedule 502, *Ontario Tax Credit for Manufacturing and Processing*, whichever applies.

Complete this part and Schedule 17, *Credit Union Deductions*, if the corporation was a credit union throughout the tax year.

Amount N from Part 5 of Schedule 17 J

Ontario adjusted small business income (amount I) K

Subtotal (amount J **minus** amount K, if negative, enter "0") _____ L

Amount L **multiplied** by amount G M

Ontario domestic factor (amount E)	1.00000
------------------------------------	---------

Ontario credit union tax reduction (amount M multiplied by amount N)

Enter amount O on line 410 of Schedule 5.

**CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS**

Name of corporation	Business Number	Tax year-end Year Month Day
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC0002	2017-12-31

- This schedule should be completed by a corporation that is incorporated, continued, or amalgamated in Ontario and subject to the Ontario *Business Corporations Act* (BCA) or Ontario *Corporations Act* (CA), except for registered charities under the federal *Income Tax Act*. This completed schedule serves as a *Corporations Information Act* Annual Return under the *Ontario Corporations Information Act*.
- Complete parts 1 to 4. Complete parts 5 to 7 only to report change(s) in the information recorded on the Ontario Ministry of Government Services (MGS) public record.
- This schedule must set out the required information for the corporation as of the date of delivery of this schedule.
- A completed Ontario *Corporations Information Act* Annual Return must be delivered within six months after the end of the corporation's tax year-end. The MGS considers this return to be delivered on the date that it is filed with the Canada Revenue Agency (CRA) together with the corporation's income tax return.
- It is the corporation's responsibility to ensure that the information shown on the MGS public record is accurate and up-to-date. To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. Visit www.ServiceOntario.ca for more information.
- This schedule contains non-tax information collected under the authority of the Ontario *Corporations Information Act*. This information will be sent to the MGS for the purposes of recording the information on the public record maintained by the MGS.

Part 1 – Identification

100 Corporation's name (exactly as shown on the MGS public record) LAKELAND POWER DISTRIBUTION LTD.			
Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent Ontario	110 Date of incorporation or amalgamation, whichever is the most recent Year Month Day 2014-07-01	120 Ontario Corporation No. 1918065	

Part 2 – Head or registered office address (P.O. box not acceptable as stand-alone address)

200 Care of (if applicable)			
210 Street number 200-395	220 Street name/Rural route/Lot and Concession number CENTRE STREET NORTH	230 Suite number	
240 Additional address information if applicable (line 220 must be completed first)			
250 Municipality (e.g., city, town) HUNTSVILLE	260 Province/state ON	270 Country CA	280 Postal/zip code P1H 2M2

Part 3 – Change identifier

Have there been any changes in any of the information most recently filed for the public record maintained by the MGS for the corporation with respect to names, addresses for service, and the date elected/appointed and, if applicable, the date the election/appointment ceased of the directors and five most senior officers, or with respect to the corporation's mailing address or language of preference? To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. For more information, visit www.ServiceOntario.ca.

300 ☐ 1 If there have been no changes, enter 1 in this box and then go to "Part 4 – Certification."
If there are changes, enter 2 in this box and complete the applicable parts on the next page, and then go to "Part 4 – Certification."

Part 4 – Certification

I certify that all information given in this *Corporations Information Act* Annual Return is true, correct, and complete.

450 LITSCHKO	451 CHRIS
Last name	First name
454 _____ Middle name(s)	

460 ☐ 1 Please enter one of the following numbers in this box for the above-named person: 1 for director, 2 for officer, or 3 for other individual having knowledge of the affairs of the corporation. If you are a director and officer, enter 1 or 2.

Note: Sections 13 and 14 of the Ontario *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Complete the applicable parts to report changes in the information recorded on the MGS public record.

Part 5 – Mailing address

500	<input type="checkbox"/>	Please enter one of the following numbers in this box:	1 - Show no mailing address on the MGS public record. 2 - The corporation's mailing address is the same as the head or registered office address in Part 2 of this schedule. 3 - The corporation's complete mailing address is as follows:					
510	Care of (if applicable)							
520	Street number	530	Street name/Rural route/Lot and Concession number	540	Suite number			
550	Additional address information if applicable (line 530 must be completed first)							
560	Municipality (e.g., city, town)		570	Province/state	580	Country	590	Postal/zip code

Part 6 – Language of preference

600	<input type="checkbox"/>	Indicate your language of preference by entering 1 for English or 2 for French. This is the language of preference recorded on the MGS public record for communications with the corporation. It may be different from line 990 on the T2 return.
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1

Appendix F	OEB PILs Work Form model
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2

3



Ontario Energy Board

Income Tax/PILs Workbook

Utility Name Lakeland Power Distribution Ltd.

Assigned EB Number EB-2018-0050

Name and Title Margaret Maw, CFO

Phone Number 705-789-5442

Email Address mmaw@lakelandholding.com

Date 20/07/2018

Last COS Re-based Year 2013

Note: Drop-down lists are shaded blue; Input cells are shaded green.

This Workbook Model is protected by copyright and is being made available to you solely for your use in reviewing your draft rate order, and you are not to reproduce, publish, sell, adapt, translate, modify, reverse engineer or otherwise use this model for any purpose other than that intended without the prior written consent of the Ontario Energy Board. If you provide a copy of this model to a third party for reviewing your draft rate order, you must ensure that the person understands and agrees to the terms of this model.

While this model has been provided in Excel format and is required to be filed with the application for a draft rate order, the data and the results are not to be used for any other purpose.



Ontario Energy Board

Income Tax/PILs Workform f

[1. Info](#)

[S. Summary](#)

[A. Data Input Sheet](#)

[B. Tax Rates & Exemptions](#)

Historical Year

[H0 - PILs, Tax Provision Historical Year](#)

[H1 - Adj. Taxable Income Historical Year](#)

[H4 - Schedule 4 Loss Carry Forward Historic](#)

[H8 - Schedule 8 Historical](#)

[H13 - Schedule 13 Tax Reserves Historical](#)

Bridge Year

[B0 - PILs, Tax Provision Bridge Year](#)

[B1 - Adj. Taxable Income Bridge Year](#)

[B4 - Schedule 4 Loss Carry Forward Bridge](#)

[B8 - Schedule 8 CCA Bridge Year](#)

[B13 - Schedule 13 Tax Reserves Bridge Y](#)

Test Year

[T0 PILs, Tax Provision Test Year](#)

[T1 Taxable Income Test Year](#)

[T4 Schedule 4 Loss Carry Forward Test Y](#)

[T8 Schedule 8 CCA Test Year](#)

[T13 Schedule 13 Reserve Test Year](#)



Income Tax/PILs Workform for 2019 Filers

Rate Base

Return on Ratebase

Deemed ShortTerm Debt %
Deemed Long Term Debt %
Deemed Equity %

Short Term Interest Rate

Long Term Interest

Return on Equity (**Regulatory Income**)

Return on Rate Base

4.00%
56.00%
40.00%

2.29%
3.11%
9.00%

	Test Year	Bridge Year
S	\$ 30,060,737	\$ 31,446,967
T	\$ 1,202,429	$W = S * T$
U	\$ 16,834,013	$X = S * U$
V	\$ 12,024,295	$Y = S * V$
Z	\$ 27,536	$AC = W * Z$
AA	\$ 523,538	$AD = X * AA$
AB	\$ 1,082,187	$AE = Y * AB$ T1
	\$ 1,633,260	$AF = AC + AD + AE$

Questions that must be answered

- Does the applicant have any Investment Tax Credits (ITC)?
- Does the applicant have any SRED Expenditures?
- Does the applicant have any Capital Gains or Losses for tax purposes?
- Does the applicant have any Capital Leases?
- Does the applicant have any Loss Carry-Forwards (non-capital or net capital)?
- Since 1999, has the applicant acquired another regulated applicant's assets?
- Did the applicant pay dividends?
If Yes, please describe what was the tax treatment in the manager's summary.
- Did the applicant elect to capitalize interest incurred on CWIP for tax purposes?

Historical Year	Bridge Year	Test Year
No	No	No
No	No	No
Yes	Yes	No
No	No	No
No	No	No
No	No	No
No	No	No
No	No	No



Income Tax/PILs Workform for 2019 Filers

Tax Rates

Federal & Provincial As of June 29, 2018

Federal income tax

General corporate rate
Federal tax abatement
Adjusted federal rate

Rate reduction

Federal Income Tax

Ontario income tax

Combined federal and Ontario

Federal & Ontario Small Business

Federal small business threshold
Ontario Small Business Threshold

Federal small business rate

Ontario small business rate

	Effective January 1, 2014	Effective January 1, 2015	Effective January 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019
General corporate rate	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%
Federal tax abatement	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%
Adjusted federal rate	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%
Rate reduction	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%
Federal Income Tax	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Ontario income tax	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%
Combined federal and Ontario	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
Federal small business threshold	500,000	500,000	500,000	500,000	500,000	500,000
Ontario Small Business Threshold	500,000	500,000	500,000	500,000	500,000	500,000
Federal small business rate	11.00%	11.00%	11.00%	10.50%	10.00%	9.00%
Ontario small business rate	4.50%	4.50%	4.50%	4.50%	3.50%	3.50%

Notes

- The Ontario Energy Board's proxy for taxable capital is rate base.
- Regarding the small business deduction, if applicable,
 - If taxable capital exceeds \$15 million, the small business rate will not be applicable.
 - If taxable capital is below \$10 million, the small business rate would be applicable.
 - If taxable capital is between \$10 million and \$15 million, the appropriate small business rate will be calculated.



Income Tax/PILs Workform for 2019 Filers

PILs Tax Provision - Historical Year

Note: Input the actual information from the tax returns for the historical year.

Regulatory Taxable Income
Combined Tax Rate and PILs

Ontario Tax Rate (Maximum 11.5%)
Federal tax rate (Maximum 15%)
Combined tax rate (Maximum 26.5%)

11.50%

B

15.00%

C

Wires Only

\$ 1,801,265 A

26.50% D = B+C

Total Income Taxes

\$ 477,335 E = A * D

Investment Tax Credits
Miscellaneous Tax Credits

F

G

Total Tax Credits

\$ - H = F + G

Corporate PILs/Income Tax Provision for Historical Year

\$ 477,335 I = E - H



Income Tax/PILs Workform for 2019 Filers

Adjusted Taxable Income - Historical Year

	T2S1 line #	Total for Legal Entity	Non-Distribution Eliminations	Historic Wires Only
Income before PILs/Taxes	(A + 101 + 102)	2,375,245		2,375,245
Additions:				
Interest and penalties on taxes	103			0
Amortization of tangible assets	104	1,339,984		1,339,984
Amortization of intangible assets	106			0
Recapture of capital cost allowance from Schedule 8	107			0
Gain on sale of eligible capital property from Schedule 10	108			0
Income or loss for tax purposes- joint ventures or partnerships	109			0
Loss in equity of subsidiaries and affiliates	110			0
Loss on disposal of assets	111	7,454		7,454
Charitable donations	112	1,725		1,725
Taxable Capital Gains	113			0
Political Donations	114			0
Deferred and prepaid expenses	116			0
Scientific research expenditures deducted on financial statements	118			0
Capitalized interest	119			0
Non-deductible club dues and fees	120			0
Non-deductible meals and entertainment expense	121	1,855		1,855
Non-deductible automobile expenses	122			0
Non-deductible life insurance premiums	123			0
Non-deductible company pension plans	124			0
Tax reserves deducted in prior year	125			0
Reserves from financial statements- balance at end of year	126			0
Soft costs on construction and renovation of buildings	127			0
Book loss on joint ventures or partnerships	205			0
Capital items expensed	206			0
Debt issue expense	208			0
Development expenses claimed in current year	212			0
Financing fees deducted in books	216			0
Gain on settlement of debt	220			0
Non-deductible advertising	226			0
Non-deductible interest	227			0
Non-deductible legal and accounting fees	228			0
Recapture of SR&ED expenditures	231			0
Share issue expense	235			0
Write down of capital property	236			0
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237			0
Other Additions				
Interest Expensed on Capital Leases	290			0
Realized Income from Deferred Credit Accounts	291			0
Pensions	292			0
Non-deductible penalties	293			0
	294			0
	295			0
ARO Accretion expense				0
Capital Contributions Received (ITA 12(1)(x))		365,698		365,698
Lease Inducements Received (ITA 12(1)(x))				0
Deferred Revenue (ITA 12(1)(a))				0
Prior Year Investment Tax Credits received				0
Inducement under 12(1)(x) ITA		3,000		3,000

Post retirement benefits expensed in P&L		2,334		2,334
				0
				0
				0
				0
				0
				0
				0
Total Additions		1,722,050	0	1,722,050
Deductions:				
Gain on disposal of assets per financial statements	401			0
Dividends not taxable under section 83	402			0
Capital cost allowance from Schedule 8	403	1,928,607		1,928,607
Terminal loss from Schedule 8	404			0
Allowable business investment loss	406			0
Deferred and prepaid expenses	409			0
Scientific research expenses claimed in year	411			0
Tax reserves claimed in current year	413			0
Reserves from financial statements - balance at beginning of year	414			0
Contributions to deferred income plans	416			0
Book income of joint venture or partnership	305			0
Equity in income from subsidiary or affiliates	306			0
Other deductions: (Please explain in detail the nature of the item)				
Interest capitalized for accounting deducted for tax	390			0
Capital Lease Payments	391			0
Non-taxable imputed interest income on deferral and variance accounts	392			0
	393			0
	394			0
ARO Payments - Deductible for Tax when Paid				0
ITA 13(7.4) Election - Capital Contributions Received		365,698		365,698
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds				0
Deferred Revenue - ITA 20(1)(m) reserve				0
Principal portion of lease payments				0
Lease Inducement Book Amortization credit to income				0
Financing fees for tax ITA 20(1)(e) and (e.1)				0
				0
				0
				0
				0
				0
				0
				0
Total Deductions		2,294,305	0	2,294,305
Net Income for Tax Purposes		1,802,990	0	1,802,990
Charitable donations from Schedule 2	311	1,725		1,725
Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82)	320			0
Non-capital losses of preceding taxation years from Schedule 4	331			0
Net-capital losses of preceding taxation years from Schedule 4 (Please include explanation and calculation in Manager's summary)	332			0
Limited partnership losses of preceding taxation years from Schedule 4	335			0
TAXABLE INCOME		1,801,265	0	1,801,265



Ontario Energy Board

Income Tax/PILs Workform for 2019 Filers

Schedule 7-1 Loss Carry Forward - Historical

Corporation Loss Continuity and Application

	Total	Non-Distribution Portion	Utility Balance
Non-Capital Loss Carry Forward Deduction			
Actual Historical			0

[B4](#)

	Total	Non-Distribution Portion	Utility Balance
Net Capital Loss Carry Forward Deduction			
Actual Historical			0

[B4](#)

Income Tax/PILs Workform for

Schedule 8 - Historical Year

Class	Class Description	UCC End of Year Historical per tax returns
1	Distribution System - post 1987	\$ 12,499,478.00
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election	
2	Distribution System - pre 1988	
8	General Office/Stores Equip	\$ 89,095.00
10	Computer Hardware/ Vehicles	\$ 344,714.00
10.1	Certain Automobiles	
12	Computer Software	\$ 22,633.00
13₁	Lease # 1	
13₂	Lease #2	
13₃	Lease # 3	
13₄	Lease # 4	
14	Franchise	
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs	
42	Fibre Optic Cable	\$ 25,235.00
43.1	Certain Energy-Efficient Electrical Generating Equipment	
43.2	Certain Clean Energy Generation Equipment	
45	Computers & Systems Software acq'd post Mar 22/04	\$ 41.00
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	
47	Distribution System - post February 2005	\$ 14,130,599.00
50	Data Network Infrastructure Equipment - post Mar 2007	\$ 38,471.00
52	Computer Hardware and system software	
95	CWIP	
14.1	Eligible Capital Property (acq'd pre Jan 1, 2017) ¹	
14.1	Eligible Capital Property (acq'd post Jan 1, 2017) ¹	
6	Portable Office	\$ 23,234.00
	SUB-TOTAL - UCC	27,173,500

r 2019 Filers

Less: Non-Distribution Portion	UCC Regulated Historical Year
	\$ 12,499,478.00
	\$ -
	\$ -
	\$ 89,095.00
	\$ 344,714.00
	\$ -
	\$ 22,633.00
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ 25,235.00
	\$ -
	\$ -
	\$ 41.00
	\$ -
	\$ 14,130,599.00
	\$ 38,471.00
	\$ -
	\$ -
	\$ -
	\$ -
	\$ 23,234.00
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	0
0	27,173,500



Income Tax/PILs Workform for 2

Schedule 13 Tax Reserves - Historical

Continuity of Reserves

Description	Historical Balance as per tax returns	Non-Distribution Eliminations	Utility Only
Capital Gains Reserves ss.40(1)			0
Tax Reserves Not Deducted for accounting purposes			
Reserve for doubtful accounts ss. 20(1)(l)			0
Reserve for goods and services not delivered ss. 20(1)(m)			0
Reserve for unpaid amounts ss. 20(1)(n)			0
Debt & Share Issue Expenses ss. 20(1)(e)			0
Other tax reserves			0
			0
			0
			0
			0
			0
Total	0	0	0
Financial Statement Reserves (not deductible for Tax Purposes)			
General Reserve for Inventory Obsolescence (non-specific)			0
General reserve for bad debts			0
Accrued Employee Future Benefits:			0
- Medical and Life Insurance			0
-Short & Long-term Disability			0
-Accumulated Sick Leave			0
- Termination Cost			0
- Other Post-Employment Benefits			0
Provision for Environmental Costs			0
Restructuring Costs			0
Accrued Contingent Litigation Costs			0
Accrued Self-Insurance Costs			0
Other Contingent Liabilities			0
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)			0
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)			0
Other			0
			0
			0
Total	0	0	0



Income Tax/PILs Workform for 2019 Filers

PILS Tax Provision - Bridge Year

Regulatory Taxable Income

	Tax Rate	Small Business Rate (If Applicable)	Taxes Payable	Effective Tax Rate	
Ontario (Max 11.5%)	11.5%	11.5%	\$100,178	11.5%	B
Federal (Max 15%)	15.0%	15.0%	\$130,667	15.0%	C
Combined effective tax rate (Max 26.5%)					

Total Income Taxes

Investment Tax Credits
Miscellaneous Tax Credits

Total Tax Credits

Corporate PILs/Income Tax Provision for Bridge Year

Wires Only

Reference

[B1](#) \$ 871,110 **A**

26.50% **D = B + C**

\$ 230,844 **E = A * D**

F

G

\$ - **H = F + G**

\$ 230,844 **I = E - H**

Note:

1. This is for the derivation of Bridge year PILs income tax expense and should not be used for Test year revenue requirement calculations.



Income Tax/PILs Workform for 2019 Filers

Adjusted Taxable Income - Bridge Year

	T2S1 line #	Working Paper Reference	Total for Regulated Utility
Income before PILs/Taxes	(A + 101 + 102)		1,377,553
Additions:			
Interest and penalties on taxes	103		
Amortization of tangible assets	104		1,401,312
Amortization of intangible assets	106		
Recapture of capital cost allowance from Schedule 8	107		
Gain on sale of eligible capital property from Schedule 10	108		
Income or loss for tax purposes- joint ventures or partnerships	109		
Loss in equity of subsidiaries and affiliates	110		
Loss on disposal of assets	111		23,630
Charitable donations	112		
Taxable Capital Gains	113		
Political Donations	114		
Deferred and prepaid expenses	116		
Scientific research expenditures deducted on financial statements	118		
Capitalized interest	119		
Non-deductible club dues and fees	120		
Non-deductible meals and entertainment expense	121		2,000
Non-deductible automobile expenses	122		
Non-deductible life insurance premiums	123		
Non-deductible company pension plans	124		
Tax reserves deducted in prior year	125	B13	0
Reserves from financial statements- balance at end of year	126	B13	0
Soft costs on construction and renovation of buildings	127		
Book loss on joint ventures or partnerships	205		
Capital items expensed	206		
Debt issue expense	208		
Development expenses claimed in current year	212		
Financing fees deducted in books	216		
Gain on settlement of debt	220		
Non-deductible advertising	226		
Non-deductible interest	227		
Non-deductible legal and accounting fees	228		
Recapture of SR&ED expenditures	231		
Share issue expense	235		
Write down of capital property	236		
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237		



Income Tax/PILs Workform for 2019 Filers

Adjusted Taxable Income - Bridge Year

Other Additions			
Interest Expensed on Capital Leases	290		
Realized Income from Deferred Credit Accounts	291		
Pensions	292		
Non-deductible penalties	293		
	294		
	295		
ARO Accretion expense			
Capital Contributions Received (ITA 12(1)(x))			
Lease Inducements Received (ITA 12(1)(x))			
Deferred Revenue (ITA 12(1)(a))			
Prior Year Investment Tax Credits received			
Total Additions			1,426,942
Deductions:			
Gain on disposal of assets per financial statements	401		6,060
Dividends not taxable under section 83	402		
Capital cost allowance from Schedule 8	403	B8	1,927,324
Terminal loss from Schedule 8	404		
Allowable business investment loss	406		
Deferred and prepaid expenses	409		
Scientific research expenses claimed in year	411		
Tax reserves claimed in current year	413	B13	0
Reserves from financial statements - balance at beginning of year	414	B13	0
Contributions to deferred income plans	416		
Book income of joint venture or partnership	305		
Equity in income from subsidiary or affiliates	306		
Other deductions: (Please explain in detail the nature of the item)			



Income Tax/PILs Workform for 2019 Filers

Adjusted Taxable Income - Bridge Year

Interest capitalized for accounting deducted for tax	390		
Capital Lease Payments	391		
Non-taxable imputed interest income on deferral and variance accounts	392		
	393		
	394		
ARO Payments - Deductible for Tax when Paid			
ITA 13(7.4) Election - Capital Contributions Received			
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds			
Deferred Revenue - ITA 20(1)(m) reserve			
Principal portion of lease payments			
Lease Inducement Book Amortization credit to income			
Financing fees for tax ITA 20(1)(e) and (e.1)			
Total Deductions		calculated	1,933,384
Net Income for Tax Purposes		calculated	871,110
Charitable donations from Schedule 2	311		
Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82)	320		
Non-capital losses of preceding taxation years from Schedule 4	331	B4	0
Net-capital losses of preceding taxation years from Schedule 4 (Please include explanation and calculation in Manager's summary)	332	B4	0
Limited partnership losses of preceding taxation years from Schedule 4	335		
TAXABLE INCOME		calculated	871,110



Ontario Energy Board

Income Tax/PILs Workform for 2019 File

Corporation Loss Continuity and Application

Schedule 4 Loss Carry Forward - Bridge Year

Non-Capital Loss Carry Forward Deduction		Total
Actual Historical	H4	0
Amount to be used in Bridge Year	B1	0
Loss Carry Forward Generated in Bridge Year (if any)	B1	0
Other Adjustments		
Balance available for use post Bridge Year	calculated	0

[T4](#)

Net Capital Loss Carry Forward Deduction		Total
Actual Historical	H4	0
Amount to be used in Bridge Year		
Loss Carry Forward Generated in Bridge Year (if any)	B1	
Other Adjustments		
Balance available for use post Bridge Year	calculated	0

[T4](#)

Schedule 8 CCA - Bridge Year

Class	Class Description	Working Paper Reference	UCC Regulated Historical Year	Additions	Disposals (Negative)	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}
1	Distribution System - post 1987	H8	\$ 12,499,478.00	\$ -	\$ -	\$ 12,499,478	\$ -
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election	H8				\$ -	\$ -
2	Distribution System - pre 1988	H8				\$ -	\$ -
8	General Office/Stores Equip	H8	\$ 89,095.00	\$ 25,000		\$ 114,095	\$ 12,500
10	Computer Hardware/ Vehicles	H8	\$ 344,714.00	\$ 126,000	-\$ 128,850	\$ 341,864	\$ -
10.1	Certain Automobiles	H8				\$ -	\$ -
12	Computer Software	H8	\$ 22,633.00	\$ 75,000		\$ 97,633	\$ 37,500
13 1	Lease # 1	H8				\$ -	\$ -
13 2	Lease #2	H8				\$ -	\$ -
13 3	Lease # 3	H8				\$ -	\$ -
13 4	Lease # 4	H8				\$ -	\$ -
14	Franchise	H8				\$ -	\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs	H8				\$ -	\$ -
42	Fibre Optic Cable	H8	\$ 25,235.00			\$ 25,235	\$ -
43.1	Certain Energy-Efficient Electrical Generating Equipment	H8				\$ -	\$ -
43.2	Certain Clean Energy Generation Equipment	H8				\$ -	\$ -
45	Computers & Systems Software acq'd post Mar 22/04	H8	\$ 41.00			\$ 41	\$ -
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	H8				\$ -	\$ -
47	Distribution System - post February 2005	H8	\$ 14,130,599.00	\$ 2,183,921		\$ 16,314,520	\$ 1,091,961
50	Data Network Infrastructure Equipment - post Mar 2007	H8	\$ 38,471.00			\$ 38,471	\$ -
52	Computer Hardware and system software	H8				\$ -	\$ -
95	CWIP	H8				\$ -	\$ -
14.1	Eligible Capital Property (acq'd pre Jan 1, 2017) ¹	H8				\$ -	\$ -
14.1	Eligible Capital Property (acq'd post Jan 1, 2017) ¹	H8				\$ -	\$ -
6	Portable Office		\$ 23,234.00			\$ 23,234	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
	TOTAL		\$ 27,173,500	\$ 2,409,921	-\$ 128,850	\$ 29,454,571	\$ 1,141,961

Reduced UCC	Rate %	Bridge Year CCA		UCC End of Bridge Year
\$ 12,499,478	4%	\$ 499,979		\$ 11,999,499
\$ -	6%	\$ -		\$ -
\$ -	6%	\$ -		\$ -
\$ 101,595	20%	\$ 20,319		\$ 93,776
\$ 341,864	30%	\$ 102,559		\$ 239,305
\$ -	30%	\$ -		\$ -
\$ 60,133	100%	\$ 60,133		\$ 37,500
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -	8%	\$ -		\$ -
\$ 25,235	12%	\$ 3,028		\$ 22,207
\$ -	30%	\$ -		\$ -
\$ -	50%	\$ -		\$ -
\$ 41	45%	\$ 18		\$ 23
\$ -	30%	\$ -		\$ -
\$ 15,222,560	8%	\$ 1,217,805		\$ 15,096,715
\$ 38,471	55%	\$ 21,159		\$ 17,312
\$ -	100%	\$ -		\$ -
\$ -	0%	\$ -		\$ -
\$ -	7%	\$ -		\$ -
\$ -	5%	\$ -		\$ -
\$ 23,234	10%	\$ 2,323		\$ 20,911
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ 28,312,611		\$ 1,927,324	B1	\$ 27,527,247

Income Tax/PILs Workform for 2019 Filers

Schedule 13 Tax Reserves - Bridge Year

Continuity of Reserves

Description	Reference	Historical Utility Only	Eliminate Amounts Not Relevant for Bridge Year	Adjusted Utility Balance	Bridge Year Adjustments		Balance for Bridge Year	
					Additions	Disposals		
Capital Gains Reserves ss.40(1)	H13	0		0			0	T13
Tax Reserves Not Deducted for accounting purposes								
Reserve for doubtful accounts ss. 20(1)(l)	H13	0		0			0	T13
Reserve for goods and services not delivered ss. 20(1)(m)	H13	0		0			0	T13
Reserve for unpaid amounts ss. 20(1)(n)	H13	0		0			0	T13
Debt & Share Issue Expenses ss. 20(1)(e)	H13	0		0			0	T13
Other tax reserves	H13	0		0			0	T13
		0		0			0	
		0		0			0	
Total		0	0	0	B1	0	0	B1
Financial Statement Reserves (not deductible for Tax Purposes)								
General Reserve for Inventory Obsolescence (non-specific)	H13	0		0			0	T13
General reserve for bad debts	H13	0		0			0	T13
Accrued Employee Future Benefits:	H13	0		0			0	T13
- Medical and Life Insurance	H13	0		0			0	T13
- Short & Long-term Disability	H13	0		0			0	T13
- Accumulated Sick Leave	H13	0		0			0	T13
- Termination Cost	H13	0		0			0	T13
- Other Post-Employment Benefits	H13	0		0			0	T13
Provision for Environmental Costs	H13	0		0			0	T13
Restructuring Costs	H13	0		0			0	T13
Accrued Contingent Litigation Costs	H13	0		0			0	T13
Accrued Self-Insurance Costs	H13	0		0			0	T13
Other Contingent Liabilities	H13	0		0			0	T13
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	H13	0		0			0	T13
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	H13	0		0			0	T13
Other	H13	0		0			0	T13
		0		0			0	
		0		0			0	
Total		0	0	0	B1	0	0	B1

[illegible]



Income Tax/PILs Workform for 2019 Filers

PILs Tax Provision - Test Year

Regulatory Taxable Income

	Tax Rate	Small Business Rate (If Applicable)	Taxes Payable	Effective Tax Rate	
Ontario (Max 11.5%)	11.5%	11.5%	\$ 76,991	11.5%	B
Federal (Max 15%)	15.0%	15.0%	\$ 100,423	15.0%	C

Combined effective tax rate (Max 26.5%)

Total Income Taxes

Investment Tax Credits
Miscellaneous Tax Credits

Total Tax Credits

Corporate PILs/Income Tax Provision for Test Year

Corporate PILs/Income Tax Provision Gross Up ¹

Income Tax (grossed-up)

Note:

1. This is for the derivation of revenue requirement and should not be used for sufficiency/deficiency calculations.

Wires Only

T1 \$ 669,486 **A**26.50% **D = B + C**\$ 177,414 **E = A * D****F****G**\$ - **H = F + G**\$ 177,414 **I = E - H**[S. Su](#)73.50% **J = 1-D** \$ 63,965 **K = I/J-I**\$ 241,379 **L = K + I**[S. Su](#)



Income Tax/PILs Workform for 2019 Filers

Taxable Income - Test Year

	Working Paper Reference	Test Year Taxable Income
Net Income Before Taxes	<u>A.</u>	1,082,187
	T2 S1 line #	
Additions:		
Interest and penalties on taxes	103	
Amortization of tangible assets 2-4 ADJUSTED ACCOUNTING DATA P489	104	1,652,955
Amortization of intangible assets 2-4 ADJUSTED ACCOUNTING DATA P490	106	
Recapture of capital cost allowance from Schedule 8	107	
Gain on sale of eligible capital property from Schedule 10	108	
Income or loss for tax purposes- joint ventures or partnerships	109	
Loss in equity of subsidiaries and affiliates	110	
Loss on disposal of assets	111	
Charitable donations	112	
Taxable Capital Gains	113	
Political Donations	114	
Deferred and prepaid expenses	116	
Scientific research expenditures deducted on financial statements	118	
Capitalized interest	119	
Non-deductible club dues and fees	120	
Non-deductible meals and entertainment expense	121	2,000
Non-deductible automobile expenses	122	
Non-deductible life insurance premiums	123	
Non-deductible company pension plans	124	
Tax reserves beginning of year	125	T13 0
Reserves from financial statements- balance at end of year	126	T13 0
Soft costs on construction and renovation of buildings	127	
Book loss on joint ventures or partnerships	205	
Capital items expensed	206	
Debt issue expense	208	
Development expenses claimed in current year	212	
Financing fees deducted in books	216	
Gain on settlement of debt	220	
Non-deductible advertising	226	
Non-deductible interest	227	
Non-deductible legal and accounting fees	228	
Recapture of SR&ED expenditures	231	
Share issue expense	235	
Write down of capital property	236	
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	
<i>Other Additions: (please explain in detail the nature of the item)</i>		
Interest Expensed on Capital Leases	290	
Realized Income from Deferred Credit Accounts	291	
Pensions	292	
Non-deductible penalties	293	
	294	
	295	
	296	
	297	
ARO Accretion expense		
Capital Contributions Received (ITA 12(1)(x))		
Lease Inducements Received (ITA 12(1)(x))		
Deferred Revenue (ITA 12(1)(a))		
Prior Year Investment Tax Credits received		



Ontario Energy Board

Income Tax/PILs Workform for 2019 Filers

Schedule 7-1 Loss Carry Forward - Test Year

Corporation Loss Continuity and Application

	Working Paper Reference	Total	Non-Distribution Portion	Utility Balance
Non-Capital Loss Carry Forward Deduction				
Actual/Estimated Bridge Year Carried Forward	B4	0		0
Amount to be used in Test Year and Price Cap Years	T1	0		0
Number of years loss until next cost of service (i.e. years the loss is to be spread over)				
Amount to be used in Test Year	calculated	0		0
Loss Carry Forward Generated in Test Year (if any)	T1	0		0
Other Adjustments				0
Balance available for use in Future Years	calculated	0		0

		Total	Non-Distribution Portion	Utility Balance
Net Capital Loss Carry Forward Deduction				
Actual/Estimated Bridge Year Carried Forward	B4	0		0
Amount to be used in Test Year and Price Cap Years				0
Number of years loss until next cost of service (i.e. years the loss is to be spread over)				
Amount to be used in Test Year	T1	0		0
Loss Carry Forward Generated in Test Year (if any)				0
Other Adjustments				0
Balance available for use in Future Years		0		0

Schedule 8 CCA - Test Year

Class	Class Description	Working Paper Reference	UCC Test Year Opening Balance	Additions	Disposals (Negative)	UCC Before 1/2 Yr Adjustment
1	Distribution System - post 1987	B8	\$ 11,999,499			\$ 11,999,499
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election	B8	\$ -			\$ -
2	Distribution System - pre 1988	B8	\$ -			\$ -
8	General Office/Stores Equip	B8	\$ 93,776	\$ 25,000		\$ 118,776
10	Computer Hardware/ Vehicles	B8	\$ 239,305	\$ 250,000	-\$ 257,985	\$ 231,320
10.1	Certain Automobiles	B8	\$ -			\$ -
12	Computer Software	B8	\$ 37,500	\$ 325,000		\$ 362,500
13 1	Lease # 1	B8	\$ -			\$ -
13 2	Lease #2	B8	\$ -			\$ -
13 3	Lease # 3	B8	\$ -			\$ -
13 4	Lease # 4	B8	\$ -			\$ -
14	Franchise	B8	\$ -			\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than E	B8	\$ -			\$ -
42	Fibre Optic Cable	B8	\$ 22,207			\$ 22,207
43.1	Certain Energy-Efficient Electrical Generating Equipment	B8	\$ -			\$ -
43.2	Certain Clean Energy Generation Equipment	B8	\$ -			\$ -
45	Computers & Systems Software acq'd post Mar 22/04	B8	\$ 23			\$ 23
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	B8	\$ -			\$ -
47	Distribution System - post February 2005	B8	\$ 15,096,715	\$ 1,875,000		\$ 16,971,715
50	Data Network Infrastructure Equipment - post Mar 2007	B8	\$ 17,312			\$ 17,312
52	Computer Hardware and system software	B8	\$ -			\$ -
95	CWIP	B8	\$ -			\$ -
14.1	Eligible Capital Property (acq'd pre Jan 1, 2017)1	B8	\$ -			\$ -
14.1	Eligible Capital Property (acq'd post Jan 1, 2017)1	B8	\$ -			\$ -
6	Portable Office		\$ 20,911			\$ 20,911
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
	TOTAL		\$ 27,527,247	\$ 2,475,000	-\$ 257,985	\$ 29,744,262

1. New CCA class 14.1 effective January 1, 2017. The class includes property that was eligible capital property immediately before January 1, 2017. For tax years that end prior to 2027, trar

1/2 Year Rule (1/2 Additions Less Disposals)	Reduced UCC	Rate %	Test Year CCA		UCC End of Test Year
\$ -	\$ 11,999,499	4%	\$ 479,980		\$ 11,519,519
\$ -	\$ -	6%	\$ -		\$ -
\$ -	\$ -	6%	\$ -		\$ -
\$ 12,500	\$ 106,276	20%	\$ 21,255		\$ 97,521
\$ -	\$ 231,320	30%	\$ 69,396		\$ 161,924
\$ -	\$ -	30%	\$ -		\$ -
\$ 162,500	\$ 200,000	100%	\$ 200,000		\$ 162,500
\$ -	\$ -		\$ -		\$ -
\$ -	\$ -		\$ -		\$ -
\$ -	\$ -		\$ -		\$ -
\$ -	\$ -		\$ -		\$ -
\$ -	\$ -		\$ -		\$ -
\$ -	\$ -	8%	\$ -		\$ -
\$ -	\$ 22,207	12%	\$ 2,665		\$ 19,542
\$ -	\$ -	30%	\$ -		\$ -
\$ -	\$ -	50%	\$ -		\$ -
\$ -	\$ 23	45%	\$ 10		\$ 12
\$ -	\$ -	30%	\$ -		\$ -
\$ 937,500	\$ 16,034,215	8%	\$ 1,282,737		\$ 15,688,978
\$ -	\$ 17,312	55%	\$ 9,522		\$ 7,790
\$ -	\$ -	100%	\$ -		\$ -
\$ -	\$ -	0%	\$ -		\$ -
\$ -	\$ -	7%	\$ -		\$ -
\$ -	\$ -	5%	\$ -		\$ -
\$ -	\$ 20,911	10%	\$ 2,091		\$ 18,820
\$ -	\$ -	0%	\$ -		\$ -
\$ -	\$ -	0%	\$ -		\$ -
\$ -	\$ -	0%	\$ -		\$ -
\$ -	\$ -	0%	\$ -		\$ -
\$ -	\$ -	0%	\$ -		\$ -
\$ -	\$ -	0%	\$ -		\$ -
\$ -	\$ -	0%	\$ -		\$ -
\$ 1,112,500	\$ 28,631,762		\$ 2,067,656	T1	\$ 27,676,606

transitional rules apply to class 14.1 that were acquired before January 1, 2017

Income Tax/PILs Workform for 2019 Filers

Schedule 13 Tax Reserves - Test Year

Continuity of Reserves

Description	Working Paper Reference	Bridge Year	Eliminate Amounts Not Relevant for Bridge Year	Adjusted Utility Balance	Test Year Adjustments		Balance for Test Year	
					Additions	Disposals		
Capital Gains Reserves ss.40(1)	B13	0		0			0	
Tax Reserves Not Deducted for accounting purposes								
Reserve for doubtful accounts ss. 20(1)(l)	B13	0		0	0	0	0	
Reserve for goods and services not delivered ss. 20(1)(m)	B13	0		0			0	
Reserve for unpaid amounts ss. 20(1)(n)	B13	0		0			0	
Debt & Share Issue Expenses ss. 20(1)(e)	B13	0		0			0	
Other tax reserves	B13	0		0			0	
		0		0			0	
		0		0			0	
Total		0	0	0	T1	0	0	T1
Financial Statement Reserves (not deductible for Tax Purposes)								
General Reserve for Inventory Obsolescence (non-specific)	B13	0		0			0	
General reserve for bad debts	B13	0		0			0	
Accrued Employee Future Benefits:	B13	0		0			0	
- Medical and Life Insurance	B13	0		0			0	
-Short & Long-term Disability	B13	0		0			0	
-Accumulated Sick Leave	B13	0		0			0	
- Termination Cost	B13	0		0			0	
- Other Post-Employment Benefits	B13	0		0			0	
Provision for Environmental Costs	B13	0		0			0	
Restructuring Costs	B13	0		0			0	
Accrued Contingent Litigation Costs	B13	0		0			0	
Accrued Self-Insurance Costs	B13	0		0			0	
Other Contingent Liabilities	B13	0		0			0	
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	B13	0		0			0	
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	B13	0		0			0	
Other	B13	0		0			0	
		0		0			0	
		0		0			0	
Total		0	0	0	T1	0	0	T1

[illegible]

1

Appendix G	Final 2016 Annual Verified Results Report – LPDL
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3

Final Verified 2016 Annual LDC CDM Program Results Report

Letter from the Vice-President, Conservation & Corporate Relations

June 30, 2017

I am pleased to provide LDCs with their Final Verified 2016 Annual Results Report. Collectively in 2016, LDCs achieved 1.2 TWh of energy savings persisting to 2020. When combined with the 2015 results, LDCs have achieved 2.6 TWh of energy savings, representing 38 % of the 7 TWh target. The results show positive progress towards the achievement of the Conservation First Framework (CFF) target and demonstrate the continued collaboration between LDCs and the IESO in promoting a culture of conservation across the province.

Key highlights from the 2016 final results include the following:

- The Coupons program produced a record achievement, delivering 428 GWh of energy savings in 2016, more than doubling the results from 2015. LED light bulbs remained the most common measure accounting for 75 % of coupons redeemed and 96 % of savings.
- The Retrofit program continues to be the highest performing program achieving 567 GWh of energy savings in 2016, despite experiencing a 29 % reduction in savings over the 2015 results (including adjustments). Lighting measures continue to produce the majority of savings, 74 % in 2016, with non-lighting measures accounting for the remainder.
- The success of the Coupons program supported residential sector programs in achieving a larger share of the portfolio savings in 2016 than in previous years, accounting for 44 % of target achievement, with business sector programs and local and pilot programs accounting for 54 % and 1 %, respectively.
 - o It is important to note that there remains a considerable data lag, representing completed, but unreported projects for the Retrofit and Process and Systems Upgrades Programs. Together, these programs have roughly 250 GWh in unverified savings waiting to be reported by LDCs. It is anticipated that these savings will be reported in future year’s 2016 adjustments.
- As with 2015, the IESO evaluation methodology enabled further granulation of net verified results in 2016, resulting in increased LDC-specific and regional level net-to-gross adjustment factors, where data permitted.
- Four LDCs have achieved at least 90 % of their CFF target, and nine others are above 50 %. These early successes are prompting increased dialogue between LDCs with respect to potential target exchange, which is both permitted and encouraged under the CFF.

There were minor revisions to the final results relative to the preliminary results including: 1) revisions/corrections to program savings assumptions / adjustments as required (primarily to participation levels for Coupons Program and Heating & Cooling Program); 2) the inclusion of an additional five LDC Innovation Fund and Conservation Fund Pilot Programs; and 3) amendments based on comments received by LDCs as part of their review of the preliminary results. Further details on the revisions between the preliminary and the final 2016 verified results can be found in the 2016 Frequently Asked Questions (FAQs) and Evaluation Findings Report which will be posted along with the results on the LDC extranet.

Please note that all results contained within this report are considered to be final verified results. Projects included in this report are reflected in the accompanying LDC Project List Report. Any program activity not captured in this report will be included as part of a future adjustment process.

In terms of next steps, as with the 2015 CFF results, Final Verified 2016 Annual Results Reports will be posted on the IESO website in early July. In addition, LDC-Program level and portfolio-level cost effectiveness test results will be available on September 15, 2017, as outlined in the Energy Conservation Agreement version 3.0 update. Finally, 2016 EM&V reports will be available later this summer along with key program recommendations to be shared with the LDC Working Groups and the IESO.

We appreciate your collaboration and cooperation throughout the reporting and evaluation process. As we look ahead, the IESO will be focusing on enhancing its communication and support services to further support LDCs in the delivery of programs and to increase customer participation in these programs. I look forward to continuing to work together in achieving success in the Conservation First Framework.

Sincerely,

Terry Young
Vice-President, Conservation & Corporate Relations
Independent Electricity System Operator

Final Verified 2016 Annual LDC CDM Program Results Report

Table of Contents

#	Worksheet Name	Worksheet Description
1	How to Use This Report	Describes the contents and structure of this report
2	Report Summary	A high level summary of the Final 2016 Annual Verified Results Report, including: 1) progress toward the LDC's a) Allocated 2020 Energy Savings Target; b) Allocated 2015-2020 LDC CDM Plan Budget; c) CDM Plan 2015-2020 Forecasts; 3) annual savings and spending; 4) Annual FCR Progress; 5) annual LDC CDM Plan spending progress; 6) graphs describing: a) contribution to 2020 Target Achievement by program; b) 2015 LDC CDM Plan Budget Spending by Sector; c) annual energy savings persistence to 2020 by year; d) your Allocated Target achievement progress relative to your peers; and e) your LDC CDM Plan Budget Spending progress relative to your peers;
3	LDC Rankings	A comprehensive report of each LDC's performance rankings against all other LDCs in major performance categories.
4	LDC Progress	A comprehensive report of 2016 conservation results including: 1) activity; 2) savings including: a) energy and peak demand; b) net and gross; c) CDM Plan forecasts, verified actuals and relative progress; d) Allocated Target and Target acheivement; and 3) spending, including participant incentives and administrative expenses and IESO Value Added Services Costs. Data is grouped by category and summarized at the LDC level.
5	Province-Wide Progress	A comprehensive report of 2016 conservation results including: 1) activity; 2) savings including: a) energy and peak demand; b) net and gross; c) CDM Plan forecasts, verified actuals and relative progress; d) Allocated Target and Target acheivement; and 3) spending, including participant incentives and administrative expenses and IESO Value Added Services Costs. Data is grouped by category and summarized at the province wide level.
6	LDC Savings Persistence	A report detailing the gross and net energy and peak demand savings persistence by program and implementation year (2015, 2015 Adjustment and 2016) at the LDC Level.
7	Province-Wide Persistence	A report detailing the gross and net energy and peak demand savings persistence by program and implementation year (2015, 2015 Adjustment and 2016) at the province wide Level.
8	Methodology	A description of the methods used to calculate energy savings, financial results and cost-effectiveness.
9	Reference Table	Provides detailing how Province wide Consumer Program results were allocated to specific LDCs.
10	Glossary	Definitions for the terms used throughout this report.

Final Verified 2016 Annual LDC CDM Program Results Report

How to Use this Report

The IESO is pleased to provide you with the 2016 Annual Verified Results Report.

This report provides:

- 1) electricity savings;
 - 2) annual Full Cost Recovery funding model program progress; and
 - 3) peak demand savings;
 - 4) IESO Value Added Services Costs
- in accordance with Section 9.2(b)(i) of the Energy Conservation Agreement.

In addition to the above, this report also provides in greater detail:

- 1) program participation results including:
 - a) forecasts; b) actuals; and c) progress (forecast versus (vs) actuals);
- 2) program savings results including:
 - a) net 2020 annual energy and peak demand savings;
 - b) allocated target, target achievement and progress towards target;
 - c) incremental net first year energy and peak demand savings;
 - d) annual net-to-gross and realization rate adjustments; and
 - e) incremental gross first year energy and peak demand savings;and where available reported by: i) forecasts; ii) verified actuals; and iii) progress (forecast vs actuals);
- 3) program spending including:
 - a) participation incentive spending;
 - b) administrative expense spending (including IESO value-added services costs);
 - c) aggregated total spending; and
 - d) allocated budget, LDC CDM Plan budget spending and progress towards budget;and for each cost: i) forecasts; ii) verified actuals; and iii) progress (forecast vs actuals);
- 4) program savings results persistence for:
 - a) gross energy savings;
 - b) gross peak demand savings;
 - c) net energy savings; and
 - d) net peak demand savings;

by both the LDC specific level and the province-wide aggregated level for 2016 and 2015 including 2015 Adjustments.

This report's format is consistent with the IESO issued Monthly Participation and Cost Report in that it is a dynamic sheet that can be expanded or collapsed by clicking the + button or "Show Detail" feature under the Data tab. Each of the four results categories listed above have been grouped together for easy accessibility.

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475	476	477	478	479	480	481	482	483	484	485	486	487	488	489	490	491	492	493	494	495	496	497	498	499	500	501	502	503	504	505	506	507	508	509	510	511	512	513	514	515	516	517	518	519	520	521	522	523	524	5
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Please note:

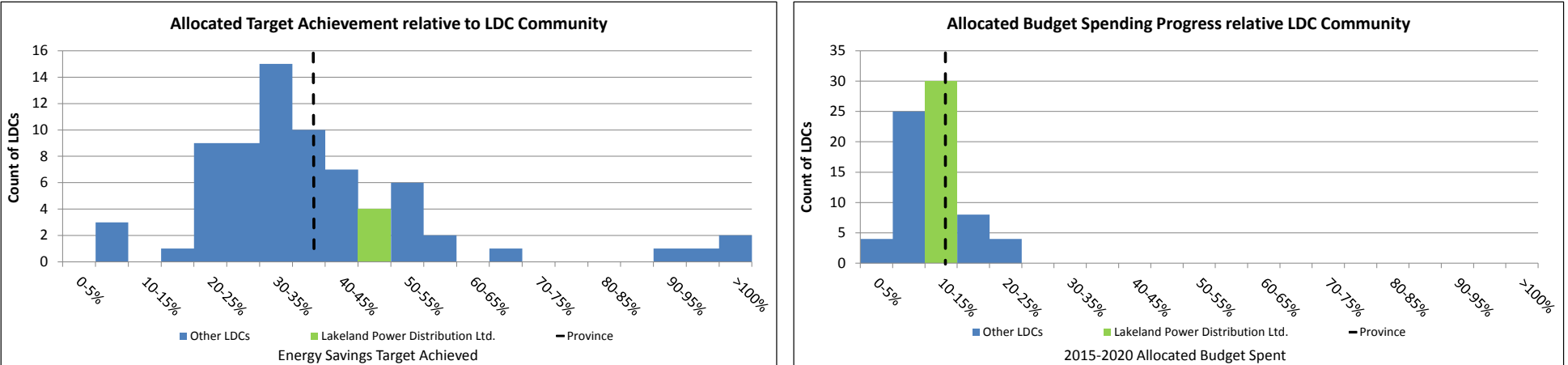
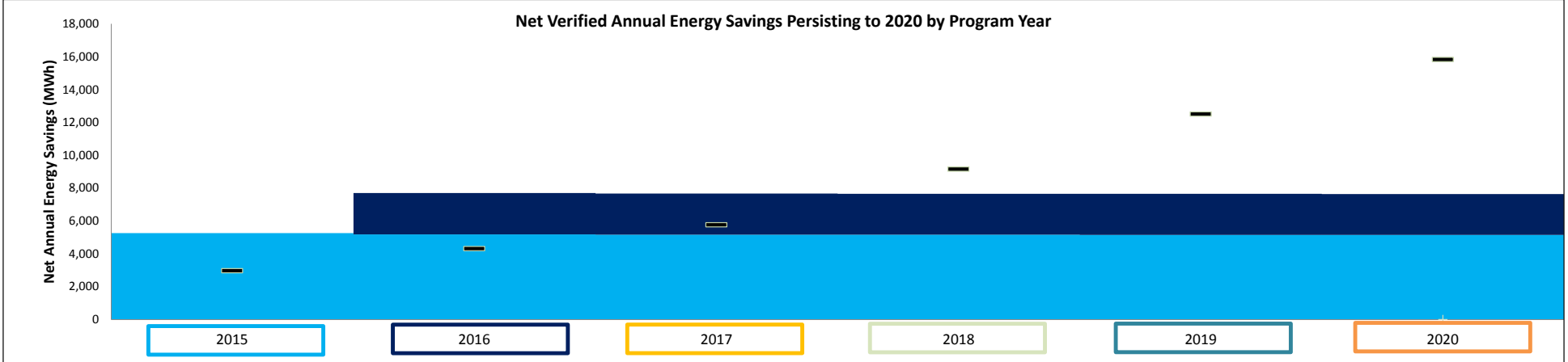
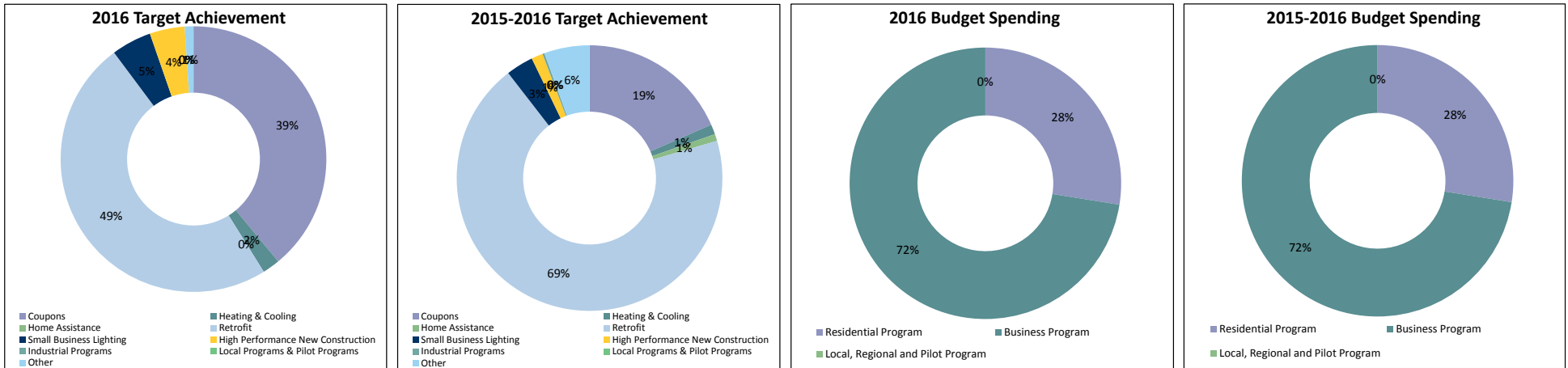
- 1) Cost Effectiveness Test (CET) results including:
 - a) total resource cost test;
 - b) program administration cost test;
 - c) levelized unit energy cost test;and for each test: i) benefits; ii) cost; iii) net benefit; iv) benefit ratio; at the LDC and province wide level will not be available in this report but will be provided to LDCs by September 15 2017, as per the Energy Conservation Agreement, version 3.0.
- 2) forecasts of: a) activity; b) savings; and c) spending; included in this report are based on approved LDC CDM Plan - Cost Effectiveness Tools as of April 1, 2017 (from the i) Program Design; ii) Budget Inputs; iii) Savings Results; and iv) CE Results; worksheets); Please note that this does not contain data for Legacy Framework program spending or CFF pilot program activity, savings, spending or cost effectiveness.
- 3) Annual FCR Progress only includes Full Cost Recovery funding model program savings results and excludes Pay-for-Performance funding model program savings results.
- 4) The complete list of approved programs and pilots as of April 1, 2017 approved LDC CDM Plans have been included, however only programs and pilots in market for a sufficient period of time to enable a valid EM&V process will have verified results.
- 5) 2015 Adjustments consists of projects completed in 2015 but were not reported to the IESO by the 2015 Verified Results Reporting deadline of March 31, 2016.
- 6) Pilot program savings are attributed to the LDC where the pilot program project is located in; and
- 7) This Annual Verified Results Report provides results for the LDC and province only. No aggregated reporting is provided for LDCs that are part of a joint CDM plan;

Final Verified 2016 Annual LDC CDM Program Results Report
Summary

For: Lakeland Power Distribution Ltd.

Results												
#	Metric	2015 Verified Results	2016 Verified Results	2015-2016 Verified Results	Allocated Target / Budget	2015-2016 Progress versus Allocated Target / Budget	2015-2020 LDC CDM Plan Forecast	2015-2016 Progress versus 2015-2020 LDC CDM Plan Forecast	2016 LDC CDM Plan Forecast	2016 Progress versus 2016 LDC CDM Plan Forecast	2015-2016 LDC CDM Plan Forecast	2015-2016 Progress versus 2015-2016 LDC CDM Plan Forecast
1	Net Verified Annual Energy Savings Persisting to 2020	5,141 MWh	2,495 MWh	7,637 MWh	15,770 MWh	48 %	15,833 MWh	48 %	1,345 MWh	186 %	4,319 MWh	177 %
2	LDC Ranking - Net Verified Annual Energy Savings Persisting to 2020	37	41	37	42	16	41	20	49	9	37	16
3	Total Spending (\$)	\$ 0	\$ 433,379	\$ 433,379	\$ 4,142,391	10 %	\$ 4,142,392	10 %	\$ 511,363	85 %	\$ 511,363	85 %
4	LDC Ranking - Total Spending (\$)	43	43	44	42	40	42	41	47	11	47	14

Annual Results				Cost Effectiveness					Annual FCR Progress			
#	Metric	2015	2016	Total	#	Test	2015	2016	Total	#	Metric	Result
1	Net Verified Annual Energy Savings Persisting to 2020 (MWh)	5,141 MWh	2,495 MWh	7,637 MWh	1	Total Resource Cost Test (Ratio)	n/a	tbd	tbd	1	2015-2016 Incremental Net Verified 2020 Annual Energy Savings from Full Cost Recovery Programs	7,637 MWh
2	Net Verified Incremental First Year Energy Savings (MWh)	5,253 MWh	2,516 MWh	7,769 MWh	2	Program Administrator Cost Test (Ratio)	n/a	tbd	tbd	2	2015-2016 Incremental Net 2020 Annual Energy Savings from Full Cost Recovery Program per CDM Plan Forecast	4,319 MWh
3	Total Spending (\$)	\$ 0	\$ 433,379	\$ 433,379	3	Levelized Unit Energy Cost Result (¢/kWh)	n/a	tbd	tbd	3	FCR Progress (%)	177 %



Final Verified 2016 Annual LDC CDM Program Results Report

LDC Rankings

[illegible]

Progress Report

For: Lakeland Power Distribution Ltd.

#	Programs

2015-2020 Conservation First Framework Programs	
Residential Province-Wide Programs	
1	Save on Energy Coupon Program
2	Save on Energy Heating & Cooling Program
3	Save on Energy New Construction Program
4	Save on Energy Home Assistance Program
Sub-total: Residential Province-Wide Programs	
Business Province-Wide Programs	
5	Save on Energy Audit Funding Program
6	Save on Energy Retrofit Program
7	Save on Energy Small Business Lighting Program
8	Save on Energy High Performance New Construction Program
9	Save on Energy Existing Building Commissioning Program
10	Save on Energy Process & Systems Upgrades Program
11	Save on Energy Energy Manager Program
12	Save on Energy Monitoring & Targeting Program
13	Save on Energy Retrofit Program - P4P
14	Save on Energy Process & Systems Upgrades Program - P4P
Sub-total: Business Province-Wide Programs	
Local & Regional Programs	
15	Adaptive Thermostat Local Program
16	Business Refrigeration Incentives Local Program
17	Conservation on the Coast Home Assistance Local Program
18	Conservation on the Coast Small Business Lighting Local Program
19	First Nations Conservation Local Program
20	High Efficiency Agricultural Pumping Local Program
21	Instant Savings Local Program
22	OPSaver Local Program
23	PUMPSaver Local Program
24	Social Benchmarking Local Program
25	THESL Swimming Pool Efficiency Local Program
Sub-total: Local & Regional Programs	
LDC Innovation Fund Pilot Programs	
26	Air Source Heat Pump for Residential Water Heating Pilot Program
27	Building Optimization Pilot Program
28	Conservation Voltage Regulation Leveraging AMI Data Pilot Program
29	Demand Control Kitchen Ventilation Pilot Program
30	Direct Install - Hydronic Pilot Program
31	Direct Install - RTU Controls Pilot Program
32	Electronically Commutated Furnace Motor Pilot Program
33	Electronics Takeback Pilot Program
34	Home Energy Assessment and Retrofit Pilot Program
35	HONI HP Pilot Program
36	P4P for Class B Office Pilot Program
37	Performance Based Conservation Pilot Program
38	Re-Invest Pilot Program
39	Residential Direct Install Pilot Program
40	Residential Direct Mail Pilot Program
41	Residential Ductless Heat Pump Pilot Program
42	Residential Install Pilot Program
43	Social Benchmarking Pilot Program
44	Solar Powered Attic Ventilation Pilot Program
45	Truckload Event Pilot Program
Sub-total: LDC Innovation Fund Pilot Programs	
Program Enabled Savings	
46	Save on Energy Retrofit Program Enabled Savings
47	Save on Energy High Performance New Construction Program Enabled Savings
48	Save on Energy Process & Systems Upgrades Program Enabled Savings
Sub-total: Program Enabled Savings	
Other	
49	Proposed Program or Pilot
50	Unassigned Target
Sub-total: Other	
Sub-total: 2015-2020 Conservation First Framework	
Conservation Fund	
51	EnerNOC Conservation Fund Pilot Program
52	Home Depot Home Appliance Market Uplift Conservation Fund Pilot Progr
53	Loblaw P4P Conservation Fund Pilot Program
54	Ontario Clean Water Agency P4P Conservation Fund Pilot Program
55	Social Benchmarking Conservation Fund Pilot Program
56	Strategic Energy Group Conservation Fund Pilot Program
Sub-total: Conservation Fund	
2011-2014+2015 Extension Legacy Framework Programs	
Residential Program	
57	Appliance Retirement Initiative
58	Coupon Initiative
59	Bi-Annual Retailer Event Initiative
60	HVAC Incentives Initiative
61	Residential New Construction and Major Renovation Initiative
Sub-total: Residential Program	
Commercial & Institutional Program	
62	Energy Audit Initiative
63	Efficiency: Equipment Replacement Incentive Initiative
64	Direct Install Lighting and Water Heating Initiative
65	New Construction and Major Renovation Initiative
66	Existing Building Commissioning Incentive Initiative
Sub-total: Commercial & Institutional Program	
Industrial Program	
67	Process and Systems Upgrades Initiatives - Project Incentive Initiative
68	Process and Systems Upgrades Initiatives - Energy Manager Initiative
69	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiat
Sub-total: Industrial Program	
Low Income Program	
70	Low Income Initiative
Sub-total: Low-Income Program	
Other	
71	Aboriginal Conservation Program
72	Program Enabled Savings
Sub-total: Other	
Sub-total: 2011-2014+2015 Extension Legacy Framework	
Total	

Participation >
Net Incremental 2020 Annual Energy Savings (Progress towards 2015 - 2020 CFF LDC CDM Plan Target) >
Net Incremental 2020 Annual Peak Demand Savings >
Net Incremental First Year Energy Savings >
Net Incremental First Year Peak Demand Savings >
Net-to-Gross Adjustment - Energy >
Net-to-Gross Adjustment - Peak Demand >
Realization Rate - Energy >
Realization Rate - Peak Demand >
Gross Incremental First Year Energy Savings >
Gross Incremental First Year Peak Demand Savings >
Savings Group >
Participant Incentive Spending >
LDC Administrative Expense Spending >
Value Added Services Provider Administrative Expense Spending >
Total Administrative Expense Spending >
Total 2015-2020 CFF LDC CDM Plan Budget Spending >
Spending Group >
Total Resource Cost - Cost Effectiveness Test - Gross Benefit >
Total Resource Cost - Cost Effectiveness Test - Gross Cost >
Total Resource Cost - Cost Effectiveness Test - Net Benefit >
Total Resource Cost - Cost Effectiveness Test - Net Benefit Ratio >
Program Administrator Cost - Cost Effectiveness Test - Gross Benefit >
Program Administrator Cost - Cost Effectiveness Test - Gross Cost >
Program Administrator Cost - Cost Effectiveness Test - Net Benefit >
Program Administrator Cost - Cost Effectiveness Test - Net Benefit Ratio >
Levelized Unit Energy Cost - Cost Effectiveness Test - Benefit >
Levelized Unit Energy Cost - Cost Effectiveness Test - Cost >
Levelized Unit Energy Cost - Cost Effectiveness Test
Cost Effectiveness Tests Group >

Progress Report

For: Province Wide

#	Programs

2015-2020 Conservation First Framework Programs

Residential Province-Wide Programs	
1	Save on Energy Coupon Program
2	Save on Energy Heating & Cooling Program
3	Save on Energy New Construction Program
4	Save on Energy Home Assistance Program
Sub-total: Residential Province-Wide Programs	

Business Province-Wide Programs	
5	Save on Energy Audit Funding Program
6	Save on Energy Retrofit Program
7	Save on Energy Small Business Lighting Program
8	Save on Energy High Performance New Construction Program
9	Save on Energy Existing Building Commissioning Program
10	Save on Energy Process & Systems Upgrades Program
11	Save on Energy Energy Manager Program
12	Save on Energy Monitoring & Targeting Program
13	Save on Energy Retrofit Program - P4P
14	Save on Energy Process & Systems Upgrades Program - P4P
Sub-total: Business Province-Wide Programs	

Local & Regional Programs	
15	Adaptive Thermostat Local Program
16	Business Refrigeration Incentives Local Program
17	Conservation on the Coast Home Assistance Local Program
18	Conservation on the Coast Small Business Lighting Local Program
19	First Nations Conservation Local Program
20	High Efficiency Agricultural Pumping Local Program
21	Instant Savings Local Program
22	OPSaver Local Program
23	PUMPSaver Local Program
24	Social Benchmarking Local Program
25	THESL Swimming Pool Efficiency Local Program
Sub-total: Local & Regional Programs	

LDC Innovation Fund Pilot Programs	
26	Air Source Heat Pump for Residential Water Heating Pilot Program
27	Building Optimization Pilot Program
28	Conservation Voltage Regulation Leveraging AMI Data Pilot Program
29	Demand Control Kitchen Ventilation Pilot Program
30	Direct Install - Hydronic Pilot Program
31	Direct Install - RTU Controls Pilot Program
32	Electronically Commutated Furnace Motor Pilot Program
33	Electronics Takeback Pilot Program
34	Home Energy Assessment and Retrofit Pilot Program
35	HONI HP Pilot Program
36	P4P for Class B Office Pilot Program
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38	Re-Invest Pilot Program
39	Residential Direct Install Pilot Program
40	Residential Direct Mail Pilot Program
41	Residential Ductless Heat Pump Pilot Program
42	Residential Install Pilot Program
43	Social Benchmarking Pilot Program
44	Solar Powered Attic Ventilation Pilot Program
45	Truckload Event Pilot Program
Sub-total: LDC Innovation Fund Pilot Programs	

Program Enabled Savings	
46	Save on Energy Retrofit Program Enabled Savings
47	Save on Energy High Performance New Construction Program Enabled Savings
48	Save on Energy Process & Systems Upgrades Program Enabled Savings
Sub-total: Program Enabled Savings	

Other	
49	Proposed Program or Pilot
50	Unassigned Target
Sub-total: Other	

Sub-total: 2015-2020 Conservation First Framework	
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Conservation Fund	
51	EnerNOC Conservation Fund Pilot Program
52	Home Depot Home Appliance Market Uplift Conservation Fund Pilot Progr
53	Loblaw P4P Conservation Fund Pilot Program
54	Ontario Clean Water Agency P4P Conservation Fund Pilot Program
55	Social Benchmarking Conservation Fund Pilot Program
56	Strategic Energy Group Conservation Fund Pilot Program

Sub-total: Conservation Fund	
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2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
57	Appliance Retirement Initiative
58	Coupon Initiative
59	Bi-Annual Retailer Event Initiative
60	HVAC Incentives Initiative
61	Residential New Construction and Major Renovation Initiative
Sub-total: Residential Program	

Commercial & Institutional Program	
62	Energy Audit Initiative
63	Efficiency: Equipment Replacement Incentive Initiative
64	Direct Install Lighting and Water Heating Initiative
65	New Construction and Major Renovation Initiative
66	Existing Building Commissioning Incentive Initiative
Sub-total: Commercial & Institutional Program	

Industrial Program	
67	Process and Systems Upgrades Initiatives - Project Incentive Initiative
68	Process and Systems Upgrades Initiatives - Energy Manager Initiative
69	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiat
Sub-total: Industrial Program	

Low Income Program	
70	Low Income Initiative
Sub-total: Low-Income Program	

Other	
71	Aboriginal Conservation Program
72	Program Enabled Savings
Sub-total: Other	

Sub-total: 2011-2014+2015 Extension Legacy Framework	
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Total	
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Participation >	
Net Incremental 2020 Annual Energy Savings (Progress towards 2015 - 2020 CFF LDC CDM Plan Target) >	
Net Incremental 2020 Annual Peak Demand Savings >	
Net Incremental First Year Energy Savings >	
Net Incremental First Year Peak Demand Savings >	
Net-to-Gross Adjustment - Energy >	
Net-to-Gross Adjustment - Peak Demand >	
Realization Rate - Energy >	
Realization Rate - Peak Demand >	
Gross Incremental First Year Energy Savings >	
Gross Incremental First Year Peak Demand Savings >	
Savings Group >	
Participant Incentive Spending >	
LDC Administrative Expense Spending >	
Value Added Services Provider Administrative Expense Spending >	
Total Administrative Expense Spending >	
Total 2015-2020 CFF LDC CDM Plan Budget Spending >	
Spending Group >	
Total Resource Cost - Cost Effectiveness Test - Gross Benefit >	
Total Resource Cost - Cost Effectiveness Test - Gross Cost >	
Total Resource Cost - Cost Effectiveness Test - Net Benefit >	
Total Resource Cost - Cost Effectiveness Test - Net Benefit Ratio >	
Program Administrator Cost - Cost Effectiveness Test - Gross Benefit >	
Program Administrator Cost - Cost Effectiveness Test - Gross Cost >	
Program Administrator Cost - Cost Effectiveness Test - Net Benefit >	
Program Administrator Cost - Cost Effectiveness Test - Net Benefit Ratio >	
Levelized Unit Energy Cost - Cost Effectiveness Test - Benefit >	
Levelized Unit Energy Cost - Cost Effectiveness Test - Cost >	
Levelized Unit Energy Cost - Cost Effectiveness Test	
Cost Effectiveness Tests Group >	

Programs / Initiative Name	Implementation Year
Group 1: Core Initiatives (2020-2025)	
1. Green Energy Transition Program	2020
2. Smart Urban Planning & Zoning Revisions	2021
3. Digital Literacy Campaigns	2022
4. Water Conservation Initiatives	2023
5. Urban Air Quality Monitoring Program	2024
6. Smart Waste Management System	2025
Group 2: Infrastructure & Urban Development (2020-2025)	
7. Urban Air Quality Monitoring Program	2020
8. Smart Urban Planning & Zoning Revisions	2021
9. Digital Literacy Campaigns	2022
10. Water Conservation Initiatives	2023
11. Urban Air Quality Monitoring Program	2024
12. Smart Waste Management System	2025
Group 3: Environmental & Sustainability (2020-2025)	
13. Green Energy Transition Program	2020
14. Smart Urban Planning & Zoning Revisions	2021
15. Digital Literacy Campaigns	2022
16. Water Conservation Initiatives	2023
17. Urban Air Quality Monitoring Program	2024
18. Smart Waste Management System	2025
Group 4: Social & Economic Development (2020-2025)	
19. Green Energy Transition Program	2020
20. Smart Urban Planning & Zoning Revisions	2021
21. Digital Literacy Campaigns	2022
22. Water Conservation Initiatives	2023
23. Urban Air Quality Monitoring Program	2024
24. Smart Waste Management System	2025
Group 5: Health & Well-being (2020-2025)	
25. Green Energy Transition Program	2020
26. Smart Urban Planning & Zoning Revisions	2021
27. Digital Literacy Campaigns	2022
28. Water Conservation Initiatives	2023
29. Urban Air Quality Monitoring Program	2024
30. Smart Waste Management System	2025
Group 6: Education & Research (2020-2025)	
31. Green Energy Transition Program	2020
32. Smart Urban Planning & Zoning Revisions	2021
33. Digital Literacy Campaigns	2022
34. Water Conservation Initiatives	2023
35. Urban Air Quality Monitoring Program	2024
36. Smart Waste Management System	2025
Group 7: Community Engagement (2020-2025)	
37. Green Energy Transition Program	2020
38. Smart Urban Planning & Zoning Revisions	2021
39. Digital Literacy Campaigns	2022
40. Water Conservation Initiatives	2023
41. Urban Air Quality Monitoring Program	2024
42. Smart Waste Management System	2025
Group 8: Innovation & Future Initiatives (2020-2025)	
43. Green Energy Transition Program	2020
44. Smart Urban Planning & Zoning Revisions	2021
45. Digital Literacy Campaigns	2022
46. Water Conservation Initiatives	2023
47. Urban Air Quality Monitoring Program	2024
48. Smart Waste Management System	2025
Group 9: Policy & Governance (2020-2025)	
49. Green Energy Transition Program	2020
50. Smart Urban Planning & Zoning Revisions	2021
51. Digital Literacy Campaigns	2022
52. Water Conservation Initiatives	2023
53. Urban Air Quality Monitoring Program	2024
54. Smart Waste Management System	2025
Group 10: Miscellaneous (2020-2025)	
55. Green Energy Transition Program	2020
56. Smart Urban Planning & Zoning Revisions	2021
57. Digital Literacy Campaigns	2022
58. Water Conservation Initiatives	2023
59. Urban Air Quality Monitoring Program	2024
60. Smart Waste Management System	2025
Group 11: Core Initiatives (2020-2025)	
61. Green Energy Transition Program	2020
62. Smart Urban Planning & Zoning Revisions	2021
63. Digital Literacy Campaigns	2022
64. Water Conservation Initiatives	2023
65. Urban Air Quality Monitoring Program	2024
66. Smart Waste Management System	2025
Group 12: Infrastructure & Urban Development (2020-2025)	
67. Urban Air Quality Monitoring Program	2020
68. Smart Urban Planning & Zoning Revisions	2021
69. Digital Literacy Campaigns	2022
70. Water Conservation Initiatives	2023
71. Urban Air Quality Monitoring Program	2024
72. Smart Waste Management System	2025
Group 13: Environmental & Sustainability (2020-2025)	
73. Green Energy Transition Program	2020
74. Smart Urban Planning & Zoning Revisions	2021
75. Digital Literacy Campaigns	2022
76. Water Conservation Initiatives	2023
77. Urban Air Quality Monitoring Program	2024
78. Smart Waste Management System	2025
Group 14: Social & Economic Development (2020-2025)	
79. Green Energy Transition Program	2020
80. Smart Urban Planning & Zoning Revisions	2021
81. Digital Literacy Campaigns	2022
82. Water Conservation Initiatives	2023
83. Urban Air Quality Monitoring Program	2024
84. Smart Waste Management System	2025
Group 15: Health & Well-being (2020-2025)	
85. Green Energy Transition Program	2020
86. Smart Urban Planning & Zoning Revisions	2021
87. Digital Literacy Campaigns	2022
88. Water Conservation Initiatives	2023
89. Urban Air Quality Monitoring Program	2024
90. Smart Waste Management System	2025
Group 16: Education & Research (2020-2025)	
91. Green Energy Transition Program	2020
92. Smart Urban Planning & Zoning Revisions	2021
93. Digital Literacy Campaigns	2022
94. Water Conservation Initiatives	2023
95. Urban Air Quality Monitoring Program	2024
96. Smart Waste Management System	2025
Group 17: Community Engagement (2020-2025)	
97. Green Energy Transition Program	2020
98. Smart Urban Planning & Zoning Revisions	2021
99. Digital Literacy Campaigns	2022
100. Water Conservation Initiatives	2023
101. Urban Air Quality Monitoring Program	2024
102. Smart Waste Management System	2025
Group 18: Innovation & Future Initiatives (2020-2025)	
103. Green Energy Transition Program	2020
104. Smart Urban Planning & Zoning Revisions	2021
105. Digital Literacy Campaigns	2022
106. Water Conservation Initiatives	2023
107. Urban Air Quality Monitoring Program	2024
108. Smart Waste Management System	2025
Group 19: Policy & Governance (2020-2025)	
109. Green Energy Transition Program	2020
110. Smart Urban Planning & Zoning Revisions	2021
111. Digital Literacy Campaigns	2022
112. Water Conservation Initiatives	2023
113. Urban Air Quality Monitoring Program	2024
114. Smart Waste Management System	2025
Group 20: Miscellaneous (2020-2025)	
115. Green Energy Transition Program	2020
116. Smart Urban Planning & Zoning Revisions	2021
117. Digital Literacy Campaigns	2022
118. Water Conservation Initiatives	2023
119. Urban Air Quality Monitoring Program	2024
120. Smart Waste Management System	2025

Project / Initiative Name	Implementation Year
Group 1: Core Infrastructure & Development	
1. New Core System Upgrade	2023
2. Server Room Expansion	2023
3. Network Security Enhancement	2023
4. Data Center Modernization	2023
5. Cloud Migration Phase 1	2023
6. New Core System Upgrade	2023
7. Server Room Expansion	2023
8. Network Security Enhancement	2023
9. Data Center Modernization	2023
10. Cloud Migration Phase 1	2023
Group 2: Client Services & Support	
11. New Client Portal Development	2023
12. Customer Support Training	2023
13. New Client Portal Development	2023
14. Customer Support Training	2023
15. New Client Portal Development	2023
16. Customer Support Training	2023
17. New Client Portal Development	2023
18. Customer Support Training	2023
19. New Client Portal Development	2023
20. Customer Support Training	2023
Group 3: Marketing & Sales	
21. New Marketing Campaign Launch	2023
22. Sales Team Training	2023
23. New Marketing Campaign Launch	2023
24. Sales Team Training	2023
25. New Marketing Campaign Launch	2023
26. Sales Team Training	2023
27. New Marketing Campaign Launch	2023
28. Sales Team Training	2023
29. New Marketing Campaign Launch	2023
30. Sales Team Training	2023
Group 4: HR & Finance	
31. New HR Policy Implementation	2023
32. Finance System Upgrade	2023
33. New HR Policy Implementation	2023
34. Finance System Upgrade	2023
35. New HR Policy Implementation	2023
36. Finance System Upgrade	2023
37. New HR Policy Implementation	2023
38. Finance System Upgrade	2023
39. New HR Policy Implementation	2023
40. Finance System Upgrade	2023
Group 5: Research & Development	
41. New R&D Project Launch	2023
42. Innovation Hub Setup	2023
43. New R&D Project Launch	2023
44. Innovation Hub Setup	2023
45. New R&D Project Launch	2023
46. Innovation Hub Setup	2023
47. New R&D Project Launch	2023
48. Innovation Hub Setup	2023
49. New R&D Project Launch	2023
50. Innovation Hub Setup	2023
Group 6: Compliance & Legal	
51. New Compliance Policy Review	2023
52. Legal System Integration	2023
53. New Compliance Policy Review	2023
54. Legal System Integration	2023
55. New Compliance Policy Review	2023
56. Legal System Integration	2023
57. New Compliance Policy Review	2023
58. Legal System Integration	2023
59. New Compliance Policy Review	2023
60. Legal System Integration	2023
Group 7: Operations & Logistics	
61. New Warehouse Setup	2023
62. Logistics System Upgrade	2023
63. New Warehouse Setup	2023
64. Logistics System Upgrade	2023
65. New Warehouse Setup	2023
66. Logistics System Upgrade	2023
67. New Warehouse Setup	2023
68. Logistics System Upgrade	2023
69. New Warehouse Setup	2023
70. Logistics System Upgrade	2023
Group 8: Environmental & Sustainability	
71. New Green Building Initiative	2023
72. Sustainability Report Publication	2023
73. New Green Building Initiative	2023
74. Sustainability Report Publication	2023
75. New Green Building Initiative	2023
76. Sustainability Report Publication	2023
77. New Green Building Initiative	2023
78. Sustainability Report Publication	2023
79. New Green Building Initiative	2023
80. Sustainability Report Publication	2023
Group 9: Miscellaneous	
81. New Office Renovation	2023
82. IT Helpdesk Setup	2023
83. New Office Renovation	2023
84. IT Helpdesk Setup	2023
85. New Office Renovation	2023
86. IT Helpdesk Setup	2023
87. New Office Renovation	2023
88. IT Helpdesk Setup	2023
89. New Office Renovation	2023
90. IT Helpdesk Setup	2023
Group 10: Future Planning	
91. New Strategic Vision Document	2023
92. Future Market Analysis	2023
93. New Strategic Vision Document	2023
94. Future Market Analysis	2023
95. New Strategic Vision Document	2023
96. Future Market Analysis	2023
97. New Strategic Vision Document	2023
98. Future Market Analysis	2023
99. New Strategic Vision Document	2023
100. Future Market Analysis	2023
Group 11: Additional Projects	
101. New Project Launch	2023
102. Project Completion	2023
103. New Project Launch	2023
104. Project Completion	2023
105. New Project Launch	2023
106. Project Completion	2023
107. New Project Launch	2023
108. Project Completion	2023
109. New Project Launch	2023
110. Project Completion	2023
Group 12: Final Summary	
111. Project Review	2023
112. Final Report	2023
113. Project Review	2023
114. Final Report	2023
115. Project Review	2023
116. Final Report	2023
117. Project Review	2023
118. Final Report	2023
119. Project Review	2023
120. Final Report	2023

Final Verified 2016 Annual LDC CDM Program Results Report
Methodology

General

All results are at the end-user level (not including transmission and distribution losses) and reported to IESO by April 15, 2017. 2015 results are based on projects completed between January 1, 2015 and December 31, 2015 and reported to the IESO by March 31, 2016. 2015 Adjustment results are based on projects completed between January 1, 2015 and December 31, 2015 and reported to the IESO between April 1, 2016 and April 15 2017. 2016 results are based on projects compelted between January 1, 2016 and December 31, 2016 and reported to the IESO by April 15, 2017.

Legacy Framework results are based on projects begun prior to an LDC's transition to the Conservation First Framework program and completed by December 31, 2015. Conservation First Framework results are based on projects begun after an LDC's transition to the Conservation First Framework program and projects transitioned to the Conservation First Framework through a valid Extension Agreement or eligible Programs.

Savings Calculations

#	Project Type	Attributing Savings to LDCs
1	Prescriptive Measures and Projects Programs	Gross Reported Savings = Activity * Per Unit Assumption Savings Gross Verified Savings = Gross Reported Savings * Realization Rate Net Verified Savings = Gross Verified Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
2	Engineered and Custom Projects / Programs	Gross Reported Savings = Reported Savings Gross Verified Savings = Gross Reported Savings * Realization Rate Net Verified Savings = Gross Verified Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
3	Adjustments to Previous Years' Verified Results	All variances from the Final Annual Results Reports from prior years will be adjusted within this report. Any variances with regards to projects counts, data lag, and calculations etc., will be made within this report. Considers the annual effect of energy savings.

Cost Determination

Costs are determined and allocated to the period based on the date the cost has been reported to the IESO regardless of when the cost was incurred.

E.g. if an LDC reports by the December 2016 IESO Reporting Period: 1) program savings; 2) Participant Incentives; and 3) Administrative Expenses associated with a 2016 completed project, then: a) the savings; b) expenditures; and c) corresponding cost effectiveness; are attributed to the 2016 program year.

However if the same is reported in or after the January 2017 IESO Reporting Period: i) the savings will be attributed to the 2016 program year; ii) the expenditures will be attributed to the 2017 program year and will not appear in the 2016 Verified Results Report; but iii) the project's Participant Incentives will be used to calculate 2016 Cost Effectiveness;

2015-2020 Conservation First Framework

#	Program	Attributing Savings to LDCs	Project List Date	Savings 'start' Date	Calculating Resource Savings
1	Save on Energy Coupon Program	LDC-coded coupons directly attributed to LDC; Otherwise results are allocated based on Consumer Program Allocation Reference Table.	April 15, 2017	Savings are considered to begin in the year in which the coupon was redeemed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
2	Save on Energy Heating & Cooling Program	Results directly attributed to LDC based on customer applications and postal code.	April 15, 2017	Savings are considered to begin in the year that the installation occurred.	
3	Save on Energy New Construction Program	Results are directly attributed to LDC based on LDC identified in LDC Report	April 15, 2017	Savings are considered to begin in the year of the project completion date.	
4	Save on Energy Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application.	April 15, 2017	Savings are considered to begin in the year in which the measures were installed.	
5	Save on Energy Audit Funding Program	Projects are directly attributed to LDC based on LDC identified in the application.	April 15, 2017	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings. to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
6	Save on Energy Retrofit Program	Projects are directly attributed to LDC based on LDC identified in the application.	April 15, 2017	Savings are considered to begin in the year of the actual project completion date as reported in the LDC Report	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON system (reported). A realization rate is applied to the reported savings. to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
7	Save on Energy Small Business Lighting Program	Results are directly attributed to LDC based on the LDC specified on the work order.	April 15, 2017	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
8	Save on Energy High Performance New Construction Program	Results are directly attributed to LDC based on LDC identified in the application.	April 15, 2017	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined by the total savings for a given project as reported in the CDM LDC Report Template. Preliminary unverified net savings are calculated by multiplying reported savings by 2014 Net-to-gross ratios and realization rates.
9	Save on Energy Existing Building Commissioning Program	Results are directly attributed to LDC based on LDC identified in the application.	April 15, 2017	Savings are considered to begin in the year of the actual project completion date.	
10	Save on Energy Process and Systems Upgrades Program	Results are directly attributed to LDC based on LDC identified in application.	April 15, 2017	Savings are considered to begin in the year in which the project was in-service.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings. to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
11	Save on Energy Energy Manager Program	Results are directly attributed to LDC based on LDC identified in the application.	April 15, 2017	Savings are considered to begin in the year in which the project was completed by the energy manager.	
12	Save on Energy Monitoring and Targeting program	Results are directly attributed to LDC based on LDC identified in the application.	April 15, 2017	Savings are considered to begin in the year in which the incentive project was completed.	

2011-2014+2015 Extension Legacy Framework

#	Initiative	Attributing Savings to LDCs	Project List Date	Savings 'start' Date	Calculating Resource Savings
1	saveONenergy Appliance Retirement Initiative	Includes both retail and home pickup stream. Retail stream allocated based on average of 2008 & 2009 residential throughput; Home pickup stream directly attributed by postal code or customer selection.	April 15, 2017	Savings are considered to begin in the year the appliance is picked up.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
2	saveONenergy Conservation Instant Coupon Booklet	LDC-coded coupons directly attributed to LDC. Otherwise results are allocated based on average of 2008 & 2009 residential throughput.	April 15, 2017	Savings are considered to begin in the year in which the coupon was redeemed.	
3	saveONenergy Bi-Annual Retailer Event	Results are allocated based on average of 2008 & 2009 residential throughput.	April 15, 2017	Savings are considered to begin in the year in which the event occurs.	
4	saveONenergy HVAC Incentives	Results directly attributed to LDC based on customer applications and postal code.	April 15, 2017	Savings are considered to begin in the year that the installation occurred.	
5	saveONenergy Residential New Construction	Results are directly attributed to LDC based on LDC identified in application in the iCon system.	April 15, 2017	Savings are considered to begin in the year of the project completion date.	
6	saveONenergy Energy Audit	Projects are directly attributed to LDC based on LDC identified in the application.	April 15, 2017	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings. to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
7	saveONenergy Efficiency: Equipment Replacement	Results are directly attributed to LDC based on LDC identified at the facility level in the iCon system. Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see page for Building type to Sector mapping.	April 15, 2017	Savings are considered to begin in the year of the actual project completion date in the iCON system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON system (reported). A realization rate is applied to the reported savings. to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track). Additional Note: project counts were derived by filtering out invalid statuses (e.g. Post-Project Submission - Payment denied by LDC) and only including projects with an "Actual Project Completion Date" in 2014)
8	saveONenergy Direct Installed Lighting	Results are directly attributed to LDC based on the LDC specified on the work order.	April 15, 2017	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
9	saveONenergy New Construction and Major Renovation Incentive	Results are directly attributed to LDC based on LDC identified in the application.	April 15, 2017	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings. to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
10	saveONenergy Existing Building Commissioning Incentive	Results are directly attributed to LDC based on LDC identified in the application.	April 15, 2017		
11	saveONenergy Process & System Upgrades	Results are directly attributed to LDC based on LDC identified in application.	April 15, 2017	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings. to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
12	saveONenergy Energy Manager	Results are directly attributed to LDC based on LDC identified in application.	April 15, 2017	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	
13	saveONenergy Monitoring & Targeting	Results are directly attributed to LDC based on LDC identified in application.	April 15, 2017	Savings are considered to begin in the year in which the incentive project was completed.	
14	saveONenergy Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application.	April 15, 2017	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
15	Aboriginal Conservation Program	Results are directly attributed to LDC based on LDC identified in the application.	April 15, 2017		
16	Program Enabled Savings		April 15, 2017		

Final Verified 2016 Annual LDC CDM Program Results Report
Consumer Program Allocation Reference Table

#	Local Distribution Company	Allocation (%)
1	Algoma Power Inc.	0.18
2	Atikokan Hydro Inc.	0.02
3	Attawapiskat Power Corporation	0.01
4	Bluewater Power Distribution Corporation	0.62
5	Brantford Power Inc.	0.67
6	Burlington Hydro Inc.	1.34
7	Canadian Niagara Power Inc.	0.35
8	Centre Wellington Hydro Ltd.	0.11
9	Chapleau Public Utilities Corporation	0.03
10	COLLUS PowerStream Corp.	0.25
11	Cooperative Hydro Embrun Inc.	0.06
12	E.L.K. Energy Inc.	0.25
13	Energy+ Inc.	1.12
14	Enersource Hydro Mississauga Inc.	4.64
15	Entegrus Powerlines Inc.	0.70
16	EniWin Utilities Ltd.	1.49
17	Erie Thames Powerlines Corporation	0.32
18	Espanola Regional Hydro Distribution Corporation	0.06
19	Essex Powerlines Corporation	0.61
20	Festival Hydro Inc.	0.32
21	Fort Albany Power Corporation	0.01
22	Fort Frances Power Corporation	0.09
23	Greater Sudbury Hydro Inc.	0.80
24	Grimsby Power Incorporated	0.18
25	Guelph Hydro Electric Systems Inc.	0.85
26	Halton Hills Hydro Inc.	0.59
27	Hearst Power Distribution Company Limited	0.05
28	Horizon Utilities Corporation	3.72
29	Hydro 2000 Inc.	0.04
30	Hydro Hawkesbury Inc.	0.15
31	Hydro One Brampton Networks Inc.	3.59
32	Hydro One Networks Inc.	27.29
33	Hydro Ottawa Limited	6.61
34	InnPower Corporation	0.33
35	Kashechewan Power Corporation	0.02
36	Kenora Hydro Electric Corporation Ltd.	0.09
37	Kingston Hydro Corporation	0.29
38	Kitchener-Willmot Hydro Inc.	1.51
39	Lakefront Utilities Inc.	0.11
40	Lakeland Power Distribution Ltd.	0.23
41	London Hydro Inc.	2.61
42	Midland Power Utility Corporation	0.10
43	Milton Hydro Distribution Inc.	0.66
44	Newmarket-Tay Power Distribution Ltd.	0.60
45	Niagara Peninsula Energy Inc.	0.82
46	Niagara-on-the-Lake Hydro Inc.	0.13
47	North Bay Hydro Distribution Limited	0.42
48	Northern Ontario Wires Inc.	0.09
49	Oakville Hydro Electricity Distribution Inc.	1.51
50	Orangeville Hydro Limited	0.20
51	Orillia Power Distribution Corporation	0.22
52	Oshawa PUC Networks Inc.	1.48
53	Ottawa River Power Corporation	0.12
54	Peterborough Distribution Incorporated	0.46
55	PowerStream Inc.	7.82
56	PUC Distribution Inc.	0.65
57	Renfrew Hydro Inc.	0.05
58	Rideau St. Lawrence Distribution Inc.	0.07
59	Sioux Lookout Hydro Inc.	0.08
60	St. Thomas Energy Inc.	0.28
61	Thunder Bay Hydro Electricity Distribution Inc.	0.82
62	Tillsonburg Hydro Inc.	0.12
63	Toronto Hydro-Electric System Limited	15.57
64	Veridian Connections Inc.	2.39
65	Wasaga Distribution Inc.	0.18
66	Waterloo North Hydro Inc.	0.96
67	Welland Hydro-Electric System Corp.	0.31
68	Wellington North Power Inc.	0.06
69	West Coast Huron Energy Inc.	0.06
70	Westario Power Inc.	0.37
71	Whitby Hydro Electric Corporation	1.12
Total		100.00

Final Verified 2016 Annual LDC CDM Program Results Report
Glossary

#	Term	Definition
Reporting Terms		
1	Forecast	An LDCs' forecast of program activity, savings, net-to-gross adjustments, expenditures and cost effectiveness as indicated in each LDC's submitted CDM Plan Cost Effectiveness Tools. Forecasts at the province wide level are the sum of all LDCs' forecasts.
2	Reported	Program activity savings and expenditures as determined by the LDC. For savings: 1) for prescriptive projects/programs: calculating quantity x prescriptive savings assumptions; and 2) for engineered or custom program projects/programs: calculated using prescribed methodologies.
3	Verified	The IESO's annually EM&V assessed program activity, savings, net-to-gross, expenditures and cost effectiveness. Preliminary Verified results are provided by June 1st of each year and Final Verified results are provided by July 1st of each year.
4	Adjustment	Verified results that were achieved in previous years but were not provided in a previous years' Annual Verified Results Report.
5	Progress or Comparison	An assessment of Actual results versus Verified results.
Framework Terms		
6	2011-2014+2015 Extension Legacy Framework	Programs in market from 2011-2015 resulting from the April 23, 2010 GEA CDM Ministerial Directive and funded separately from 2015-2020 Conservation First Framework Programs but whose savings in 2015 are attributed towards the 2015-2020 Conservation First Framework target.
7	2015-2020 Conservation First Framework	Programs in market from 2015-2020 resulting from the March 31, 2014 CFF Ministerial Directive and funded separately from 2011-2014+2015 Extension Legacy Framework Programs.
8	LDC Innovation Fund	A source of funding under the 2015-2020 Conservation First Framework separate from LDC CDM Plan Budgets that the IESO maintains to support LDC led program design and market testing of new initiatives. Savings from LDC Innovation Fund pilot programs contribute to the LDCs savings targets based on the LDC service territory the pilot program is delivered in.
9	Conservation Fund	A source of funding external to the 2015-2020 Conservation First Framework that provides financial support for innovative electricity conservation technologies, practices, research, and pilot programs. Savings from Conservation Fund pilot programs contribute to the LDCs savings targets based on the LDC service territory the pilot program is delivered in.
Programs Terms		
10	Program	A Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (e.g. Coupon; or Retrofit); from the 2015-2020 Conservation First Framework.
11	Province-Wide Program	Programs available to all LDCs to deliver and that are consistent across the province.
12	Regional Program	Programs designed by LDCs to serve their region and approved by the IESO.
13	Local Program	Programs designed by LDCs to serve their communities and approved by the IESO.
14	Pilot Program	A program pilot that may achieve energy or demand savings and is funded separately from an LDC's CDM Plan Budget.
15	Initiative	A Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (e.g. Fridge & Freezer Pickup) from the 2011-2014+2015 Extension Legacy Framework.
Activity Terms		
16	Participation	A measure of the level of program participation, such as number of projects, homes, equipment, etc..
17	Unit of Measure	For a specific initiative the relevant type of participation acquired in the market place (e.g. appliances picked up; coupon products installed; HVAC equipment installed; audits performed; or projects completed.).
Savings Terms		
18	Energy Savings	Energy savings attributable to conservation and demand management activities.
19	Peak Demand Savings	Peak Demand savings attributable to conservation and demand management activities, as determined by the IESO's EM&V Protocols.
20	Incremental Savings	The energy or peak demand savings newly attributable to activity procured in a particular reporting period based on when the savings are considered to 'start'. Savings attributed to activity performed or completed in 2016 are presented as 2016 savings.
21	First Year Savings	The energy or peak demand savings that occur in the year it was achieved (includes resource savings from only new program activity).
22	Annual Savings	The energy or peak demand savings that occur in a given year (includes resource savings from new program activity and resource savings persisting from previous years).
23	Gross Savings	The energy or peak demand savings that have been reported based on a conservation and demand management program's participation tracking.
24	Net Savings	The energy or peak demand savings attributable to conservation and demand management activities, net of free-riders, spill over, etc.
25	Realization Rate	A comparison of originally reported savings and observed or measured savings that adjusts reported savings to arrive at verified savings. Accounts for discrepancies such as audited measure counts; adjustment for connected demand savings to peak demand savings; etc.
26	Net-to-Gross Adjustment	The ratio of net savings to gross savings, which takes into account factors such as free-ridership, spillover, etc.
27	Free-ridership	The percentage of participants who would have implemented the program measure or practice in the absence of the program.
28	Spillover	Reductions in energy consumption and/or demand caused by the presence of the energy efficiency program, beyond the program-related gross savings of the participants. There can be participant and/or non-participant spillover.
29	Allocated Target	Each LDC's assigned portion of the Province's 7 TWh Net 2020 Annual Energy Savings Target of the 2015-2020 Conservation First Framework.
Costs Terms		
30	Participant Incentive	Costs incurred in the delivery of a program related to incenting participants to perform peak demand or energy savings.
31	LDC Administrative Expense	Costs reported by the LDC in the delivery of a program related to labour, marketing, third-party expenses, etc.
32	IESO Value Added Services Cost	Costs incurred by the IESO's Value Added Service Provider related to associated programs (Coupons and Heating & Cooling), and charged to the LDC in which the programs's activity took place.
33	Total Administrative Expense	The sum of LDC Administrative Expense and IESO Value Added Services Cost.
34	Delivery Cost	The sum of Total Administrative Expenses and Participant Incentives. All costs are presented based on the period reported by LDCs to the IESO, not necessarily associated with reported activity. E.g. If an LDC reports by the December 2016 IESO Reporting Period: 1) program savings; 2) Participant Incentives; and 3) Administrative Expenses associated with a 2016 completed project, then: a) the savings; b) expenditures; and c) corresponding cost effectiveness; are attributed to the 2016 program year. However if the same is reported in or after the January 2017 IESO Reporting Period: i) the savings will be attributed to the 2016 program year; ii) the expenditures will be attributed to the 2017 program year and will not appear in the 2016 Verified Results Report; but iii) the project's Participant Incentives will be used to calculate 2016 Cost Effectiveness;
35	Allocated Budget	Each LDC's assigned portion of the Province's \$ 1.835 billion CDM Plan Budget of the 2015-2020 Conservation First Framework.
Cost Effectiveness Terms		
36	Total Resource Cost Cost Effectiveness Test	A cost effectiveness test that measures the net cost of CDM based on the total costs of the program including both participants' and utility's costs.
37	Program Administrator Cost Cost Effectiveness Test	A cost effectiveness test that measures the net cost of CDM based on costs incurred by the program administrator, including incentive costs and excluding net costs incurred by the participant.
38	Levelized Unit Energy Cost Cost Effectiveness Test	A cost effectiveness test that normalizes the costs incurred by the program administrator per unit of energy or demand reduced.

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Appendix H	Final 2015 Annual Verified Results Report – LPDL
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3

Final 2015 Annual Verified Results Report

Letter from the Vice-President, Conservation & Corporate Relations

June 30, 2016

The IESO is pleased to provide the Final 2015 Annual Verified Results Report including final 2015 Project Lists and EM&V Key Findings & FAQs. Collectively LDCs achieved 1.1 TWh of energy savings persisting to 2020 – representing 16% of the 7 TWh target. These results were achieved through both Legacy Framework and Conservation First Framework (CFF) programs. The results indicate a smooth transition between frameworks and demonstrate the continued collaboration between LDCs and the IESO in promoting a culture of conservation across the province.

The IESO remains committed to supporting LDCs in the delivery of conservation programs and 2015 marked some significant milestones, including the completion and approval of over 40 CDM plans and the implementation of 14 pilot programs and 5 local programs. Other highlights include:

- Business sector accounted for 79% of the net energy savings persisting to 2020 with the remainder 21% through the Residential sector.
- The Coupons program shifted toward ENERGY STAR® rated LED lighting, accounting for roughly 90% of coupons redeemed.
- The Retrofit program participation increased nearly 20%, and net energy savings increased by over 50% over 2014 results. Net-to-gross adjustments are trending higher than previous years, minimum of a 75% net-to-gross in all regions.
- The Process & Systems Upgrades program achieved a 20% increase in Capital Incentive projects totalling 12 in all, including 4 Behind-the-Meter Generation, and a broad spectrum of industrial processes and end-uses.

2015 also marks the first year that regional and local net-to-gross values have been employed where possible in certain programs, providing LDCs with a more granular analysis on their individual results.

CFF provides many opportunities to support LDCs in achieving their energy targets and delivering value to customers. Through increased flexibility for LDCs to design and deliver programs based on local needs and fostering collaboration and innovation through enhanced program funding opportunities we are well positioned to achieve success in delivering effective conservation programs to all customers.

We appreciate your collaboration and cooperation throughout the reporting and evaluation process and as we look ahead to the remainder of 2016, the IESO will be focusing on improving its communication and support services to further enhance the participation in conservation programs for both LDCs and customers.

Please continue to monitor Save on Energy E-blasts for future updates and should you have any other questions or comments please contact LDC.Support@ieso.ca.

I look forward to continuing to work together in achieving success in the Conservation First Framework.

Sincerely,

Terry Young
Vice-President, Conservation & Corporate Relations
Independent Electricity System Operator

Final 2015 Annual Verified Results Report

Table of Contents

#	Worksheet Name	Worksheet Description
1	How to Use This Report	Describes the contents and structure of this report
2	Report Summary	<p>A high level summary of the Final 2015 Annual Verified Results Report, including:</p> <ol style="list-style-type: none"> 1) progress toward the LDC's <ol style="list-style-type: none"> a) Allocated 2020 Energy Savings Target; b) Allocated 2015-2020 LDC CDM Plan Budget; c) CDM Plan 2015-2020 Forecasts; 3) annual savings and spending; 4) Annual FCR Progress; 5) annual LDC CDM Plan spending progress; 6) graphs describing: <ol style="list-style-type: none"> a) contribution to 2020 Target Achievement by program; b) 2015 LDC CDM Plan Budget Spending by Sector; c) annual energy savings persistence to 2020 by year; d) your Allocated Target achievement progress relative to your peers; and e) your LDC CDM Plan Budget Spending progress relative to your peers;
3	LDC Progress	<p>A comprehensive report of 2015 conservation results including:</p> <ol style="list-style-type: none"> 1) activity; 2) savings including: <ol style="list-style-type: none"> a) energy and demand; b) net and gross; c) CDM Plan forecasts, verified actuals and relative progress; d) Allocated Target and Target achievement; and 3) spending, including participant incentives and administrative expenses. <p>Data is grouped by category and summarized at the LDC level.</p>
4	Province-Wide Progress	<p>A comprehensive report of 2015 conservation results including:</p> <ol style="list-style-type: none"> 1) activity; 2) savings including: <ol style="list-style-type: none"> a) energy and demand; b) net and gross; c) CDM Plan forecasts, verified actuals and relative progress; d) Allocated Target and Target achievement; and 3) spending, including participant incentives and administrative expenses. <p>Data is grouped by category and summarized at the province-wide level.</p>
5	IESO Value Added Services Costs	Provision of the LDCs and the Province-Wide aggregated IESO Value Added Services activity and costs for each year.
6	Methodology	Description of the methods used to calculate energy savings, financial results and cost-effectiveness.
7	Reference Tables	Consumer Program Province-Wide results allocation to specific LDCs.
8	Glossary	Definitions for the terms used throughout this report.

Final 2015 Annual Verified Results Report

How to use this 2015 Annual Verified Results Report

The IESO is pleased to provide you with the 2015 Annual Verified Results Report.

This report provides:

- 1) electricity savings;
 - 2) annual Full Cost Recovery funding model program progress; and
 - 3) peak demand savings;
 - 4) IESO Value Added Services Costs
- in accordance with Section 9.2(b)(i) of the Energy Conservation Agreement.

In addition to the above, this report also provides in greater detail:

- 1) program participation results including:
 - a) forecasts; b) actuals; and c) progress (forecast versus (vs) actuals);
- 2) program savings results including:
 - a) net 2020 annual energy savings;
 - b) allocated target, target achievement and progress towards target;
 - c) incremental net first year energy savings;
 - d) incremental net first year demand savings;
 - e) annual net-to-gross and realization rate adjustments;
 - f) incremental gross first year energy savings; and
 - g) incremental gross first year demand savings;

and where available reported by: i) forecasts; ii) verified actuals; and iii) progress (forecast vs actuals);
- 3) program spending including:
 - a) participation incentive spending;
 - b) administrative expense spending (including IESO value-added services costs);
 - c) aggregated total spending;

and for each cost: i) forecasts; ii) verified actuals; and iii) progress (forecast vs actuals);

by both the LDC specific level and the province-wide aggregated level.

This report's format is consistent with the IESO issued Monthly Participation and Cost Report in that it is a dynamic sheet that can be expanded or collapsed by clicking the + button or "Show Detail" feature under the Data tab. Each of the four results categories listed above have been grouped together for easy accessibility.

12/13	AE	C	D	E	AF	AG	BA	CA	CA	DA	C	EA	ES	FC	FE	FF	GE	HE	H	I	J	K	L	M	MB
1	Province-Wide Progress																								
2	Programs																								
3																									
4																									
5																									
6	2011-2014+2015 Extension Legacy Framework Programs																								
7	Residential Program																								
8	1) Energy Audit Initiative																								
9	2) Bi-Annual/Quarter Event Initiative																								
10	3) Appliance Performance Initiative																								
11	4) HVAC Incentives Initiative																								
12	5) Residential New Construction and Major Renovation Initiative																								
13	Sub-total: Residential Program																								
14	Commercial & Institutional Program																								
15	1) Energy Audit Initiative																								
16	2) Efficiency Equipment Replacement Incentive Initiative																								
17	3) Smart Initial Lighting and Smart Heating Initiative																								
18	4) New Construction and Major Renovation Initiative																								
19	5) Existing Building Commissioning Incentive Initiative																								
20	Sub-total: Commercial & Institutional Program																								
21	Industrial Program																								
22	1) Process and Systems Upgrades Initiative: Project Incentive Initiative																								
23	2) Process and Systems Upgrades Initiative: Monitoring and Targeting Initiative																								
24	3) Process and Systems Upgrades Initiative: Energy Manager Initiative																								
25	Sub-total: Industrial Program																								
26	Low Income Program																								
27	1) Low Income Initiative																								
28	Sub-total: Low Income Program																								

Please note:

- 1) Cost Effectiveness Test (CET) results including:
 - a) total resource cost test;
 - b) program administration cost test;
 - c) levelized unit energy cost test;

and for each test: i) benefits; ii) cost; iii) net benefit; iv) benefit ratio;

will not be available for the 2015 program year in this report but will be provided to LDCs in August 2016.
- 2) forecasts of: a) activity; b) savings; and c) spending; included in this report are based on LDC submitted and IESO received CDM Plan - Cost Effectiveness Tools as of May 16, 2016 (from the i) Program Design; ii) Budget Inputs; iii) Savings Results; and iv) CE Results; worksheets); Please note that this does not contain data for Legacy Framework program spending or CFF pilot program activity, savings, spending or cost effectiveness.
- 3) Annual FCR Progress only includes Full Cost Recovery funded program savings. In future reports, any Pay-for-Performance funded programs will be reported as a separate line item.
- 4) The complete list of programs and pilots launched into market in 2015 has been included, however no programs and pilots were in market for a sufficient period of time to enable a valid EM&V process. Therefore these programs and pilots have nothing to report at this time and have cells greyed out rather than reporting zero savings or spending. Any results in 2015 will be determined in a subsequent EM&V process and will be included in a future year's Annual Verified Results Report as a 2015 adjustment;
- 5) Pilot program savings are attributed to the LDC where the pilot program project is located in; and
- 6) This Annual Verified Results Report provides results for the LDC and province only. No aggregated

Final 2015 Annual Verified Results Report
Summary

For: **Lakeland Power Distribution Ltd.**

Target Achievement

#	Metric	2015 Verified Results	2015-2020 Total CDM Plan Forecast	2015 Verified Results versus CDM Plan (%)	2015-2020 Total Allocated Target / Budget	2015 Verified Results versus Allocated Target / Budget (%)	LDC Ranking in the Province out of 75 (2015 Verified Results versus Allocated Target / Budget (%))
1	Net Verified Annual Energy Savings Persisting to 2020 (MWh)	4,432,711	15,832,919	28	15,770,000	28	9
2	Total Spending (\$)	0	4,142,391	0	4,142,391	0	30

Annual Results

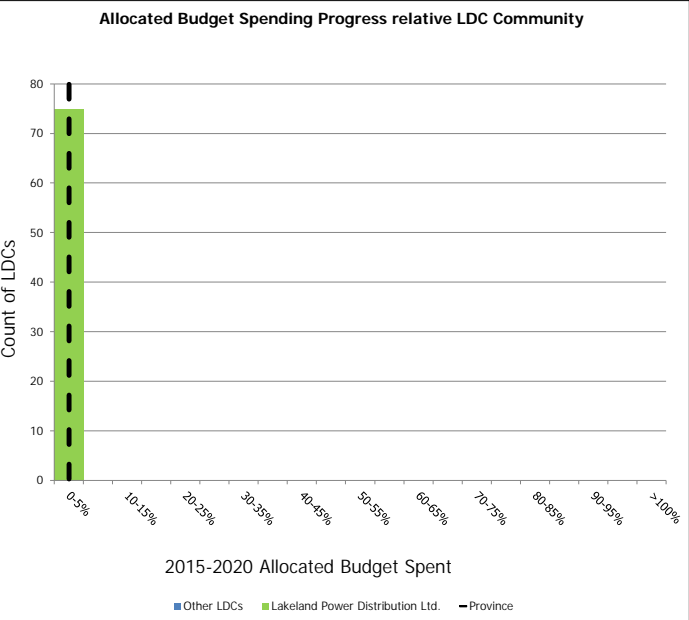
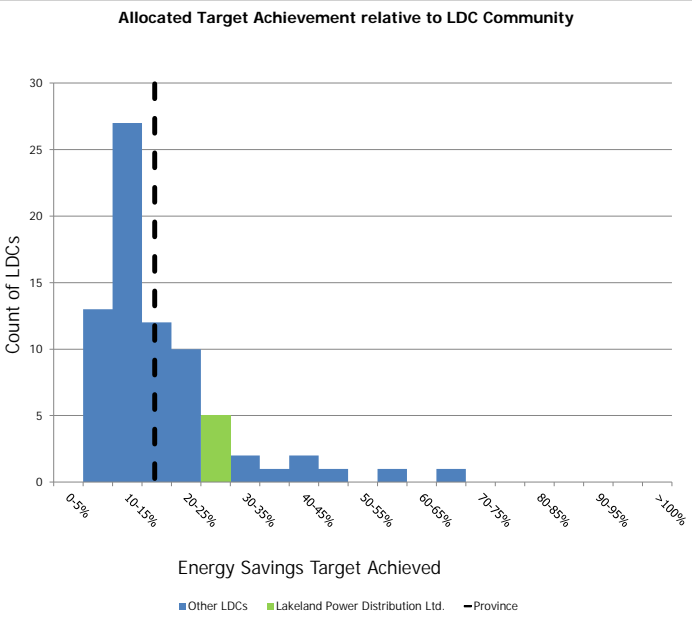
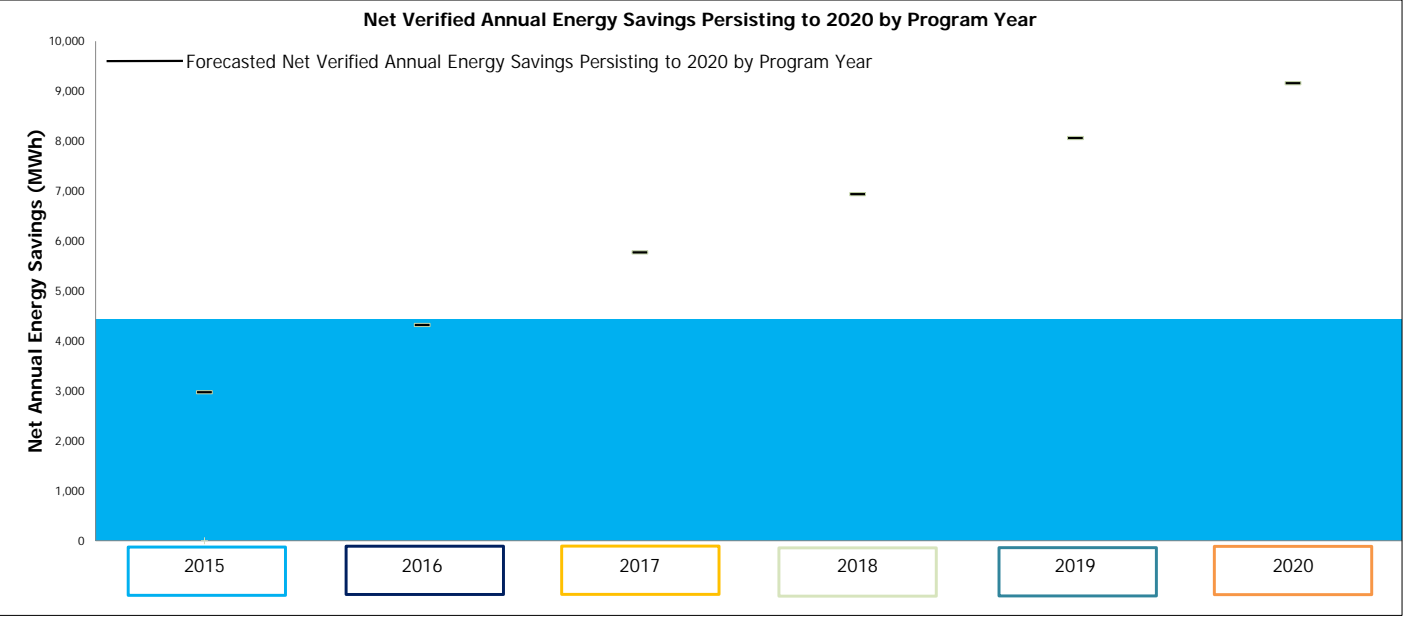
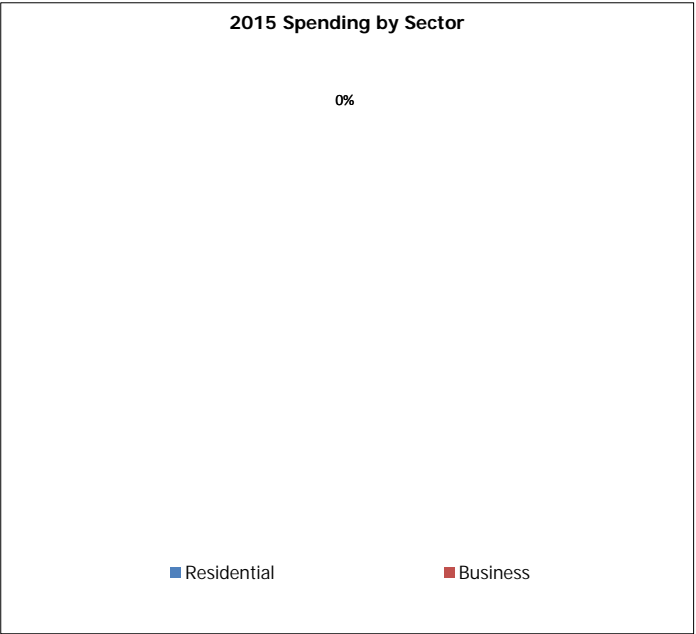
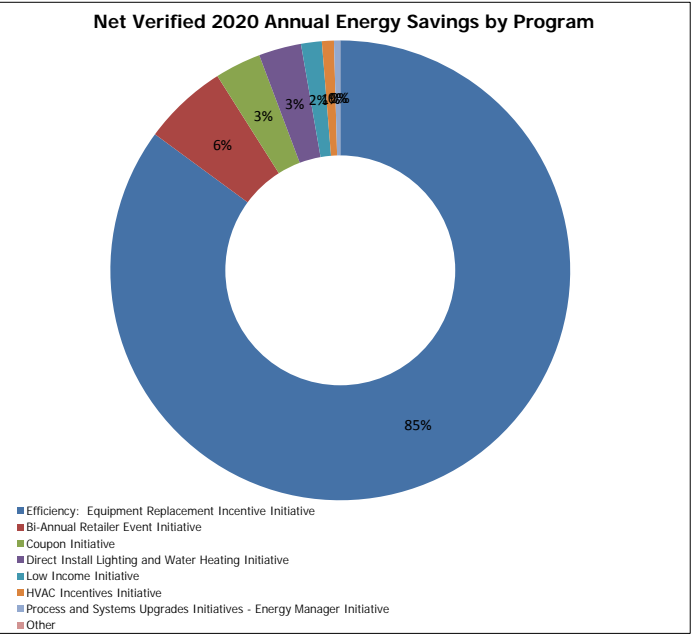
#	Metric	2015	2016	2017	2018	2019	2020	Total
1	Net Verified Annual Energy Savings Persisting to 2020 (MWh)	4,432,711						4,432,711
2	Net Verified Incremental First Year Energy Savings (MWh)	4,911,454						4,911,454
3	Total Spending (\$)	0						0
4	Total Resource Cost Test (Ratio)	n/a						n/a
5	Program Administrator Cost Test (Ratio)	n/a						n/a
6	Levelized Unit Energy Cost Result (\$/kWh)	n/a						n/a

Annual Full Cost Recovery Progress

#	Metric	Result
1	Net Verified 2015 Annual Energy Savings from Full Cost Recovery Programs (MWh)	4,911,454
2	Net 2015 Annual Energy Savings from Full Cost Recovery Program per CDM Plan Forecast (MWh)	2,973,916
3	Annual Full Cost Recovery Progress (%)	165

Budget Progress

#	Metric	Result
1	2015 Spending (\$)	0
2	2015 CDM Plan Budget (\$)	0
3	CDM Plan Budget Progress (%)	0



Lakeland Power Distribution Ltd. Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	BI-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework

2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
44	Kitchener-Wilmot Hydro Inc. - Pilot - DCKV
45	Niagara-on-the-Lake Hydro Inc. - Direct Install Energy Efficiency Measures for the Agric
46	Oakville Hydro Electricity Distribution Inc. - Direct Install - Hydronic
47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework

Total

Participation ^

Lakeland Power Distribution Ltd. Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	BI-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - C
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
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43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
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45	Niagara-on-the-Lake Hydro Inc. - Direct Install Energy Efficiency Measures for the Agric
46	Oakville Hydro Electricity Distribution Inc. - Direct Install - Hydronic
47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Progress Towards 2020 Net Annual Energy Savings Target ^

Lakeland Power Distribution Ltd. Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	BI-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
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49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Net Incremental First Year Energy Savings ^

Lakeland Power Distribution Ltd. Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	BI-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
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48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Net Incremental First Year Peak Demand Savings ^

Lakeland Power Distribution Ltd. Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	BI-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework

2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
44	Kitchener-Willmot Hydro Inc. - Pilot - DCKV
45	Niagara-on-the-Lake Hydro Inc. - Direct Install Energy Efficiency Measures for the Agric
46	Oakville Hydro Electricity Distribution Inc. - Direct Install - Hydronic
47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework

Total

Net-to-Gross and Realization Rate Adjustments - Actual

Lakeland Power Distribution Ltd. Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	BI-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
44	Kitchener-Willmot Hydro Inc. - Pilot - DCKV
45	Niagara-on-the-Lake Hydro Inc. - Direct Install Energy Efficiency Measures for the Agric
46	Oakville Hydro Electricity Distribution Inc. - Direct Install - Hydronic
47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Gross Incremental First Year Energy Savings ^	Gross Incremental First Year Peak Demand Savings ^	Savings Group ^

Lakeland Power Distribution Ltd. Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	BI-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework

2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
44	Kitchener-Wilmot Hydro Inc. - Pilot - DCKV
45	Niagara-on-the-Lake Hydro Inc. - Direct Install Energy Efficiency Measures for the Agric
46	Oakville Hydro Electricity Distribution Inc. - Direct Install - Hydronic
47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework

Total

Participant Incentive Spending ^

Lakeland Power Distribution Ltd. Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	Bi-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
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45	Niagara-on-the-Lake Hydro Inc. - Direct Install Energy Efficiency Measures for the Agric
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47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Administrative Expense Spending ^

Lakeland Power Distribution Ltd. Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	BI-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework

2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - C
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
44	Kitchener-Willmot Hydro Inc. - Pilot - DCKV
45	Niagara-on-the-Lake Hydro Inc. - Direct Install Energy Efficiency Measures for the Agric
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47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework

Total

Total Spending	Spending Group
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Lakeland Power Distribution Ltd. Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	Bi-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
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49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Total Resource Cost - Cost Effectiveness Test - Actual

Program Administrator Cost - Cost Effectiveness Test - Actual

Levelized Unit Energy Cost - Cost Effectiveness Test - Actual

Cost Effectiveness Tests Group

Province-Wide Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	BI-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework

2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
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49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework

Total

Participation ^

Province-Wide Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	BI-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
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40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
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42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
44	Kitchener-Willmot Hydro Inc. - Pilot - DCKV
45	Niagara-on-the-Lake Hydro Inc. - Direct Install Energy Efficiency Measures for the Agric
46	Oakville Hydro Electricity Distribution Inc. - Direct Install - Hydronic
47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Progress Towards 2020 Net Annual Energy Savings Target ^

Province-Wide Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	BI-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
44	Kitchener-Willmot Hydro Inc. - Pilot - DCKV
45	Niagara-on-the-Lake Hydro Inc. - Direct Install Energy Efficiency Measures for the Agric
46	Oakville Hydro Electricity Distribution Inc. - Direct Install - Hydronic
47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Net Incremental First Year Energy Savings >

Province-Wide Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	Bi-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
44	Kitchener-Willmot Hydro Inc. - Pilot - DCKV
45	Niagara-on-the-Lake Hydro Inc. - Direct Install Energy Efficiency Measures for the Agric
46	Oakville Hydro Electricity Distribution Inc. - Direct Install - Hydronic
47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Net Incremental First Year Peak Demand Savings >

Province-Wide Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	Bi-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
44	Kitchener-Wilmot Hydro Inc. - Pilot - DCKV
45	Niagara-on-the-Lake Hydro Inc. - Direct Install Energy Efficiency Measures for the Agric
46	Oakville Hydro Electricity Distribution Inc. - Direct Install - Hydronic
47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Net-to-Gross and Realization Rate Adjustments - Actual

Province-Wide Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	Bi-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
44	Kitchener-Willmot Hydro Inc. - Pilot - DCKV
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47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Gross Incremental First Year Energy Savings >	Gross Incremental First Year Peak Demand Savings >	Savings Group >

Province-Wide Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	BI-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - C
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
44	Kitchener-Willmot Hydro Inc. - Pilot - DCKV
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48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Participant Incentive Spending ^

Province-Wide Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	Bi-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
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48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Administrative Expense Spending ^

Province-Wide Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	BI-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework

2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - C
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
44	Kitchener-Willmot Hydro Inc. - Pilot - DCKV
45	Niagara-on-the-Lake Hydro Inc. - Direct Install Energy Efficiency Measures for the Agric
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47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework

Total

Total Spending	Spending Group
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Province-Wide Progress

#	Programs

2011-2014+2015 Extension Legacy Framework Programs

Residential Program	
1	Coupon Initiative
2	Bi-Annual Retailer Event Initiative
3	Appliance Retirement Initiative
4	HVAC Incentives Initiative
5	Residential New Construction and Major Renovation Initiative
Sub-total - Residential Program	

Commercial & Institutional Program	
6	Energy Audit Initiative
7	Efficiency: Equipment Replacement Incentive Initiative
8	Direct Install Lighting and Water Heating Initiative
9	New Construction and Major Renovation Initiative
10	Existing Building Commissioning Incentive Initiative
Sub-total - Commercial & Institutional Program	

Industrial Program	
11	Process and Systems Upgrades Initiatives - Project Incentive Initiative
12	Process and Systems Upgrades Initiatives - Monitoring and Targeting Initiative
13	Process and Systems Upgrades Initiatives - Energy Manager Initiative
Sub-total - Industrial Program	

Low Income Program	
14	Low Income Initiative
Sub-total - Low-Income Program	

Pilot Program	
15	Loblaws Pilot
16	Social Benchmarking Pilot
17	Conservation Fund Pilot - SEG
18	Conservation Fund Pilot - EnerNOC
Sub-total - Pilot Program	

Other	
19	Aboriginal Conservation Program
20	Program Enabled Savings
21	Adjustments to 2015 Legacy Framework Verified Results
Sub-total - Other	

Sub-total - 2011-2014+2015 Extension Legacy Framework	
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2015-2020 Conservation First Framework Programs

Residential Province-Wide Program	
22	Save on Energy Coupon Program
23	Save on Energy Heating and Cooling Program
24	Save on Energy New Construction Program
25	Save on Energy Home Assistance Program
Sub-total - Residential Province-Wide Program	

Business Province-Wide Program	
26	Save on Energy Audit Funding Program
27	Save on Energy Retrofit Program
28	Save on Energy Small Business Lighting Program
29	Save on Energy High Performance New Construction Program
30	Save on Energy Existing Building Commissioning Program
31	Save on Energy Process & Systems Upgrades Program
32	Save on Energy Monitoring & Targeting Program
33	Save on Energy Energy Manager Program
Sub-total - Business Province-Wide Program	

Local & Regional Program	
34	Business Refrigeration Local Program
35	First Nation Conservation Local Program
36	Social Benchmarking Local Program
Sub-total - Local & Regional Program	

Pilot Program	
37	Enersource Hydro Mississauga Inc. - Performance-Based Conservation Pilot Program - O
38	EnWin Utilities Ltd. - Building Optimization Pilot
39	EnWin Utilities Ltd. - Re-Invest Pilot
40	Horizon Utilities Corporation - ECM Furnace Motor Pilot
41	Horizon Utilities Corporation - Social Benchmarking Pilot
42	Hydro Ottawa Limited - Conservation Voltage Regulation (CVR) Leveraging AMI Data Pil
43	Hydro Ottawa Limited - Residential Demand Response Wi-Fi Thermostat Pilot
44	Kitchener-Willmot Hydro Inc. - Pilot - DCKV
45	Niagara-on-the-Lake Hydro Inc. - Direct Install Energy Efficiency Measures for the Agric
46	Oakville Hydro Electricity Distribution Inc. - Direct Install - Hydronic
47	Oakville Hydro Electricity Distribution Inc. - Direct Install - RTU Controls
48	Toronto Hydro-Electric System Limited - Direct Install - Hydronic (Pilot Savings)
49	Toronto Hydro-Electric System Limited - Direct Install - RTU Controls (Pilot Savings)
50	Toronto Hydro-Electric System Limited - PFP - Large (Pilot Savings)
Sub-total - Pilot Program	

Other	
51	Adjustments to 2015 CFF Verified Results
52	Adjustments to 2016 CFF Verified Results
53	Adjustments to 2017 CFF Verified Results
54	Adjustments to 2018 CFF Verified Results
55	Adjustments to 2019 CFF Verified Results
Sub-total - Other	

Sub-total - 2015-2020 Conservation First Framework	
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Total	
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Total Resource Cost - Cost Effectiveness Test - Actual

Program Administrator Cost - Cost Effectiveness Test - Actual

Levelized Unit Energy Cost - Cost Effectiveness Test - Actual

Cost Effectiveness Tests Group

Final 2015 Annual Verified Results Report

IESO Value Added Services Costs (as of March 31, 2016)

#		Reporting Level	Program	Unit of Measure	Units (#)								Administrative Expenses (\$)							
					2015	2016	2017	2018	2019	2020	Total	2015	2016	2017	2018	2019	2020	Total		
1	Lakeland Power Distribution Ltd.	Save on Energy Coupon Program	Coupons	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
2		Save on Energy Heating and Cooling Program	Applications	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Total				0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
3	Province Wide	Save on Energy Coupon Program	Coupons	785,625	0	0	0	0	0	0	785,625	1,374,844	0	0	0	0	0	1,374,844		
4		Save on Energy Heating and Cooling Program	Applications	20,446	0	0	0	0	0	0	20,446	265,798	0	0	0	0	0	265,798		
Total				806,071	0	0	0	0	0	0	806,071	1,640,642	0	0	0	0	0	1,640,642		

Final 2015 Annual Verified Results Report Methodology

General

All results are at the end-user level (not including transmission and distribution losses) and are based on activity completed on or after January 1, 2015 and on or before December 31, 2015 and reported to IESO by March 31, 2016.

Savings Calculations

#	Project Type	Equations
1	Prescriptive Measures and Projects Programs	Gross Reported Savings = Activity * Per Unit Assumption Savings Gross Verified Savings = Gross Reported Savings * Realization Rate Net Verified Savings = Gross Verified Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
2	Engineered and Custom Projects / Programs	Gross Reported Savings = Reported Savings Gross Verified Savings = Gross Reported Savings * Realization Rate Net Verified Savings = Gross Verified Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
3	Adjustments to Previous Years' Verified Results	All variances from the Final Annual Results Reports from prior years will be adjusted within this report. Any variances with regards to projects counts, data lag, and calculations etc., will be made within this report. Considers the annual effect of energy savings.

2011-2014+2015 Extension Legacy Framework Initiatives

#	Initiative	Attributing Savings to LDCs	Project List Date	Savings 'start' Date	Calculating Resource Savings
1	saveONenergy Conservation Instant Coupon Booklet	LDC-coded coupons directly attributed to LDC. Otherwise results are allocated based on average of 2008 & 2009 residential throughput.	March 31, 2016	Savings are considered to begin in the year in which the coupon was redeemed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
2	saveONenergy Bi-Annual Retailer Event	Results are allocated based on average of 2008 & 2009 residential throughput.	March 31, 2016	Savings are considered to begin in the year in which the event occurs.	
3	saveONenergy Appliance Retirement	Includes both retail and home pickup stream. Retail stream allocated based on average of 2008 & 2009 residential throughput; Home pickup stream directly attributed by postal code or customer selection.	March 31, 2016	Savings are considered to begin in the year the appliance is picked up.	
4	saveONenergy HVAC Incentives	Results directly attributed to LDC based on customer applications and postal code.	March 31, 2016	Savings are considered to begin in the year that the installation occurred.	
5	saveONenergy Residential New Construction	Results are directly attributed to LDC based on LDC identified in application in the iCon system.	March 31, 2016	Savings are considered to begin in the year of the project completion date.	
6	saveONenergy Energy Audit	Projects are directly attributed to LDC based on LDC identified in the application.	March 31, 2016	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
7	saveONenergy Efficiency: Equipment Replacement	Results are directly attributed to LDC based on LDC identified at the facility level in the iCon system.	March 31, 2016	Savings are considered to begin in the year of the actual project completion date in the iCon system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCon system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
		Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see page for Building type to Sector mapping.			
Additional Note: project counts were derived by filtering out invalid statuses (e.g. Post-Project Submission - Payment denied by LDC) and only including projects with an "Actual Project Completion Date" in 2014)					
9	saveONenergy Direct Installed Lighting	Results are directly attributed to LDC based on the LDC specified on the work order.	March 31, 2016	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
10	saveONenergy New Construction and Major Renovation Incentive	Results are directly attributed to LDC based on LDC identified in the application.	March 31, 2016		Peak demand and energy savings are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
11	saveONenergy Existing Building Commissioning Incentive		March 31, 2016		
12	saveONenergy Process & System Upgrades	Results are directly attributed to LDC based on LDC identified in application.	March 31, 2016	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
13	saveONenergy Monitoring & Targeting		March 31, 2016		
14	saveONenergy Energy Manager		March 31, 2016	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	
14	saveONenergy Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application.	March 31, 2016	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
15	Aboriginal Conservation Program		March 31, 2016		

2015-2020 Conservation First Framework Programs

#	Program	Attributing Savings to LDCs	Project List Date	Savings 'Start' Date	Calculating Resource Savings
1	Save on Energy Coupon Program	LDC-coded coupons directly attributed to LDC; Otherwise results are allocated based on average of 2008 & 2009 residential throughput.	March 31, 2016	Savings are considered to begin in the year in which the coupon was redeemed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
2	Save on Energy Heating and Cooling Program	Results directly attributed to LDC based on customer applications and postal code. LDCs may see additional participation, savings and spending relative to the March 2016 Value Added Services Report due to previously unassigned applications completed in 2015. Adjustments to reflect final 2015 verified participation will appear in your July 2016 Value Added Services Report to be issued on August 15, 2016	March 31, 2016	Savings are considered to begin in the year that the installation occurred.	
3	Save on Energy New Construction Program	Results are directly attributed to LDC based on LDC identified in CDM LDC Report Template.	March 31, 2016	Savings are considered to begin in the year of the project completion date.	
4	Save on Energy Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application.	March 31, 2016	Savings are considered to begin in the year in which the measures were installed.	
5	Save on Energy Audit Funding Program	Projects are directly attributed to LDC based on LDC identified in the application.	March 31, 2016	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
6	Save on Energy Retrofit Program	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM: Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see page for Building type to Sector mapping.	March 31, 2016	Savings are considered to begin in the year of the actual project completion date as reported in the CDM LDC Report Template	Peak demand and energy savings are determined by the total savings for a given project as reported in the ICON system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
7	Save on Energy Small Business Lighting Program	Results are directly attributed to LDC based on the LDC specified on the work order.	March 31, 2016	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
8	Save on Energy High Performance New Construction Program	Results are directly attributed to LDC based on LDC identified in the application.	March 31, 2016		Peak demand and energy savings are determined by the total savings for a given project as reported in the CDM LDC Report Template. Preliminary unverified net savings are calculated by multiplying reported savings by 2014 Net-to-gross ratios and realization rates.
9	Save on Energy Existing Building Commissioning Program		March 31, 2016		
10	Save on Energy Process and Systems Upgrades Program	Results are directly attributed to LDC based on LDC identified in application.	March 31, 2016	Savings are considered to begin in the year in which the project was in-service.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
11	Save on Energy Monitoring and Targeting Program	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated, no completed projects in 2011, 2012 or 2013.	March 31, 2016	Savings are considered to begin in the year in which the incentive project was completed.	
12	Save on Energy Energy Manager Program	Results are directly attributed to LDC based on LDC identified in the application.	March 31, 2016	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	
13	Business Refrigeration Incentive Program		March 31, 2016	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
14	Social Benchmarking Program	Results are directly attributed to LDC based on LDC identified in the application.	March 31, 2016	Savings are considered to begin in the year in which the report was sent.	Peak demand and energy savings are determined using the verified measure level (home) per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level (home).
15	First Nations Conservation Program		March 31, 2016	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.

IESO Value Added Services Costs

- 1) IESO Value Added Services Costs are based on activity reported as of March 31, 2016.
- 2) Save on Energy Heating & Cooling Program activity may be greater than the March 2016 IESO Value Added Services Report due to previously unassigned applications being assigned to LDCs through the Evaluation, Measurement & Verification Process based on updated applicant postal code mappings. These additional applications and costs will be reflected in the July 2016 IESO Value Added Services Report.
- 3) Future years may include adjustments to prior years based on delays of Value-Added Service report submissions to IESO from IESO Value-Added Service providers.
- 4) IESO Value Added Services costs are calculated based on the prevailing IESO Value Added Services Rates as per the applicable IESO Central Services Strategy and Rate Guideline.

Final 2015 Annual Verified Results Report

Consumer Program Allocation Methodology

#	Local Distribution Company	Allocation
1	Algoma Power Inc.	0.2207%
2	Atikokan Hydro Inc.	0.0265%
3	Attawapiskat Power Corporation	0.0255%
4	Bluewater Power Distribution Corporation	0.6460%
5	Brant County Power Inc.	0.1979%
6	Brantford Power Inc.	0.7255%
7	Burlington Hydro Inc.	1.3757%
8	Cambridge and North Dumfries Hydro Inc.	0.9578%
9	Canadian Niagara Power Inc.	0.5110%
10	Centre Wellington Hydro Ltd.	0.1129%
11	Chapleau Public Utilities Corporation	0.0379%
12	COLLUS PowerStream Corp.	0.2858%
13	Cooperative Hydro Embrun Inc.	0.0494%
14	E.L.K. Energy Inc.	0.2270%
15	Enersource Hydro Mississauga Inc.	3.9265%
16	Entegrus Powerlines Inc.	0.7226%
17	EnWin Utilities Ltd.	1.5542%
18	Erie Thames Powerlines Corporation	0.3535%
19	Espanola Regional Hydro Distribution Corporation	0.0821%
20	Essex Powerlines Corporation	0.6539%
21	Festival Hydro Inc.	0.3498%
22	Fort Albany Power Corporation	0.0212%

23	Fort Frances Power Corporation	0.0995%
24	Greater Sudbury Hydro Inc.	1.0276%
25	Grimsby Power Incorporated	0.2279%
26	Guelph Hydro Electric Systems Inc.	0.8983%
27	Haldimand County Hydro Inc.	0.4244%
28	Halton Hills Hydro Inc.	0.5475%
29	Hearst Power Distribution Company Limited	0.0667%
30	Horizon Utilities Corporation	4.0429%
31	Hydro 2000 Inc.	0.0390%
32	Hydro Hawkesbury Inc.	0.1394%
33	Hydro One Brampton Networks Inc.	2.8180%
34	Hydro One Networks Inc.	29.9788%
35	Hydro Ottawa Limited	5.5954%
36	InnPower Corporation	0.3951%
37	Kashechewan Power Corporation	0.0286%
38	Kenora Hydro Electric Corporation Ltd.	0.0989%
39	Kingston Hydro Corporation	0.5014%
40	Kitchener-Wilmot Hydro Inc.	1.6310%
41	Lakefront Utilities Inc.	0.1907%
42	Lakeland Power Distribution Ltd.	0.2906%
43	London Hydro Inc.	2.7308%
44	Midland Power Utility Corporation	0.1196%
45	Milton Hydro Distribution Inc.	0.5695%
46	Newmarket-Tay Power Distribution Ltd.	0.6607%
47	Niagara Peninsula Energy Inc.	0.9945%
48	Niagara-on-the-Lake Hydro Inc.	0.1586%
49	Norfolk Power Distribution Inc.	0.3495%
50	North Bay Hydro Distribution Limited	0.5333%

51	Northern Ontario Wires Inc.	0.1061%
52	Oakville Hydro Electricity Distribution Inc.	1.4632%
53	Orangeville Hydro Limited	0.2120%
54	Orillia Power Distribution Corporation	0.2722%
55	Oshawa PUC Networks Inc.	1.2283%
56	Ottawa River Power Corporation	0.1974%
57	Peterborough Distribution Incorporated	0.7132%
58	PowerStream Inc.	6.6383%
59	PUC Distribution Inc.	0.8687%
60	Renfrew Hydro Inc.	0.0775%
61	Rideau St. Lawrence Distribution Inc.	0.1120%
62	Sioux Lookout Hydro Inc.	0.0841%
63	St. Thomas Energy Inc.	0.2939%
64	Thunder Bay Hydro Electricity Distribution Inc.	0.8738%
65	Tillsonburg Hydro Inc.	0.1280%
66	Toronto Hydro-Electric System Limited	12.7979%
67	Veridian Connections Inc.	2.3525%
68	Wasaga Distribution Inc.	0.1799%
69	Waterloo North Hydro Inc.	1.0019%
70	Welland Hydro-Electric System Corp.	0.3879%
71	Wellington North Power Inc.	0.0632%
72	West Coast Huron Energy Inc.	0.0653%
73	Westario Power Inc.	0.5411%
74	Whitby Hydro Electric Corporation	0.8651%
75	Woodstock Hydro Services Inc.	0.2548%
Total		100.0000%

Results can be allocated based on average of 2008 & 2009 residential throughput for each LDC (below) when additional information is not available. Source: OEB Yearbook Data 2008 & 2009

Final 2015 Annual Verified Results Report

Glossary

#	Term	Definition
1	2011-2014+2015 Extension Legacy Framework Programs	Programs in market from 2011-2015 resulting from the April 23, 2010 GEA CDM Ministerial Directive and funded separately from 2015-2020 Conservation First Framework Programs but whose savings in 2015 are attributed towards the 2015-2020 Conservation First Framework target.
2	2015-2020 Conservation First Framework Programs	Programs in market from 2015-2020 resulting from the March 31, 2014 CFF Ministerial Directive and funded separately from 2011-2014+2015 Extension Legacy Framework Programs.
3	Allocated Target	Each LDC's assigned portion of the Province's 7 TWh Net 2020 Annual Energy Savings Target of the 2015-2020 Conservation First Framework.
4	Allocated Budget	Each LDC's assigned portion of the Province's \$ 1.835 billion CDM Plan Budget of the 2015-2020 Conservation First Framework.
5	Province-Wide Program	Programs available to all LDCs to deliver and that are consistent across the province.
6	Regional Program	Programs designed by LDCs to serve their region and approved by the IESO.
7	Local Program	Programs designed by LDCs to serve their communities and approved by the IESO.
8	Pilot Program	A program pilot that may achieve energy or demand savings and is funded extraneous to an LDC's CDM Plan Budget.
9	Initiative	A Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (i.e. Retrofit, Fridge & Freezer Pickup) from the 2011-2014+2015 Extension Legacy Framework.
10	Program	A Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (i.e. Retrofit, Fridge & Freezer Pickup) from the 2015-2020 Conservation First Framework.
11	Activity	The number of projects.

12	Unit	For a specific initiative the relevant type of activity acquired in the market place (i.e. appliances picked up, projects completed, coupons redeemed).
13	Forecast	LDC's forecast of activity, savings, expenditures and cost effectiveness as indicated in each LDC's submitted CDM Plan Cost Effectiveness Tools.
14	Actual	The IESO determined final results of activity, savings, expenditures and cost effectiveness.
15	Progress	A comparison of Actuals versus Forecasts.
16	Full Cost Recovery Progress	For a given year, the perscentage calculated by dividing: a) the sum of verified electricity savings for all years of the term up to and including the applicable year for all Programs that receive full cost recovery funding, by b) the Cumulative FCR Milestone, multiplied by 100%, as specified in Schedule A of the Energy Conservation Agreement.
17	Reported Savings	Savings determined by the LDC: 1) for prescriptive projects/programs: calculating quantity x prescriptive savings assumptions; and 2) for engineered or custom program projects/programs: calculated using prescribed methodologies.
18	Verified Savings	Savings determined by the IESO's evaluation, measurement and verification that may adjust reported savings by the realization rate.
19	Gross Savings	Savings determined as either: 1) program activity multiplied by per unit savings assumptions for prescriptive programs; or 2) reported savings multiplied by the realization rate for engineered or custom program streams.
20	Net Savings	The peak demand or energy savings attributable to conservation and demand management activities net of free-riders, etc.
21	Realization Rate	A comparison of observed or measured (evaluated) information to original reported savings which is used to adjust the gross savings estimates.
22	Net-to-Gross Adjustment	The ratio of net savings to gross savings, which takes into account factors such as free-ridership and spillover.
23	Free-ridership	The percentage of participants who would have implemented the program measure or practice in the absence of the program.

24	Spillover	Reductions in energy consumption and/or demand caused by the presence of the energy efficiency program, beyond the program-related gross savings of the participants. There can be participant and/or non-participant spillover.
25	Incremental Savings	The new resource savings attributable to activity procured in a particular reporting period based on when the savings are considered to 'start'.
26	First Year Savings	The peak demand or energy savings that occur in the year it was achieved (includes resource savings from only new program activity).
27	Annual Savings	The peak demand or energy savings that occur in a given year (includes resource savings from new program activity and resource savings persisting from previous years).
28	Demand Savings	Demand savings attributable to conservation and demand management activities.
29	Energy Savings	Energy savings attributable to conservation and demand management activities.
30	Administrative Expenses	Costs incurred in the delivery of a program related to labour, marketing, third-party expenses, value added services or other central services.
31	Participant Incentives	Costs incurred in the delivery of a program related to incenting participants to perform peak demand or energy savings.
32	Total Expenditure	The sum of Administrative Expenses and Participant Incentives
33	Total Resource Cost Cost Effectiveness Test	A cost effectiveness test that measures the net cost of CDM based on the total costs of the program including both participants' and utility's costs.
34	Program Administrator Cost Cost Effectiveness Test	A cost effectiveness test that measures the net cost of CDM based on costs incurred by the program administrator, including incentive costs and excluding net costs incurred by the participant.
35	Levelized Unit Energy Cost Cost Effectiveness Test	A cost effectiveness test that normalizes the costs incurred by the program administrator per unit of energy or demand reduced.

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Appendix I	2011-2014 Final Results Report – former LPDL
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Message from the Vice President:

The IESO is pleased to provide the enclosed 2011-2014 Final Results Report. This report is designed to help populate LDC Annual Reports that will be submitted to the Ontario Energy Board (OEB) in September 2015.

2011-2014 Conservation Framework Highlights:

- LDCs have made significant achievements against dual energy and peak demand savings targets. Collectively, the LDCs have achieved 109% of the energy target and 70% of the peak demand target.
- Momentum has built as we transition to the Conservation First Framework. 2014 demonstrated an achievement of over 1 TWh of net incremental energy savings, positioning us well for average net incremental energy savings of 1.2 TWh required in the new framework to meet our 2020 CDM targets.
- Throughout the past framework, program results have become more predictable year over year as noted in the increasingly smaller variance between quarterly preliminary results and verified final results.
- Customer engagement continued to increase in both the Consumer and Business Programs. Between 2011 - 2014 consumers have purchased over 10 million energy efficient products through the saveONenergy COUPONS program. Customers in RETROFIT continue to declare a positive experience participating in the program with 86% likely to recommend.
- saveONenergy has seen a steady and significant increase in unaided brand awareness by 33% from 2011-2014
- Conservation is becoming even more cost-effective as programs become more efficient and effective. 2014 proved early investments in long lead time projects will pay off with the high savings now being realized in programs like PROCESS & SYSTEMS and RETROFIT. Within 4 cents per kWh, Conservation programs continue to be a valuable and cost effective resource for customers across the province.

The 2011-2014 Final Results within this report vary from the Draft 2011-2014 Final Results Report for the following reasons:

- Savings from Time of Use pricing are included in the Final Results Report. Overall the province saved 55 MWs from Time-of-Use pricing in 2014, or 0.73% of residential summer peak demand.
- Between August 4th and August 28th, the IESO and LDCs have worked collaboratively to reconcile projects from 2011-2014 Final Results Report to ensure every eligible project was captured and accurately reported.
- Verified savings from Innovation Fund pilots are also included for participating LDCs.

All results will be considered final for the 2011-2014 Conservation Framework. Any additional program activity not captured in the 2011-2014 Final Results Report will not be included as part of a future adjustment process.

Please continue to monitor saveONenergy E-blasts for future updates and should you have any other questions or comments please contact LDC.Support@ieso.ca.

We appreciate your collaboration and cooperation throughout the reporting and evaluation process and we look forward to the success ahead in the Conservation First Framework.

Sincerely,

Terry Young

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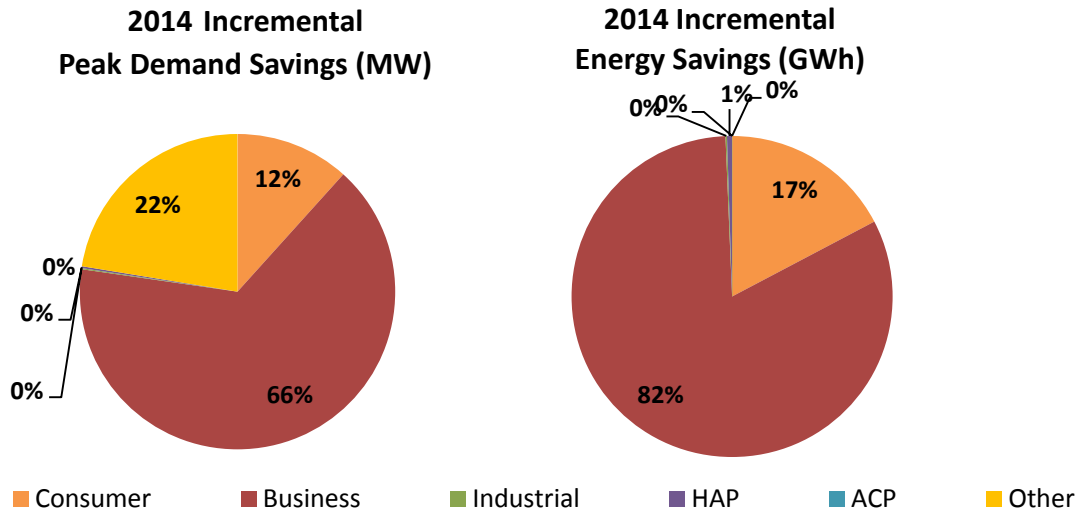
IESO-Contracted Province-Wide CDM Programs: 2011-2014 Final Results Report

LDC: Lakeland Power Distribution Ltd.

Final 2014 Achievement Against Targets	2014 Incremental	2011-2014	
		Achievement Against Target	% of Target Achieved
Net Annual Peak Demand Savings (MW)	0.4	1.1	45.4%
Net Energy Savings (GWh)	2.2	10.3	101.3%

Unless otherwise noted, results are presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Achievement by Sector



Comparison: LDC Achievement vs. LDC Community Achievement (Progress to Target)

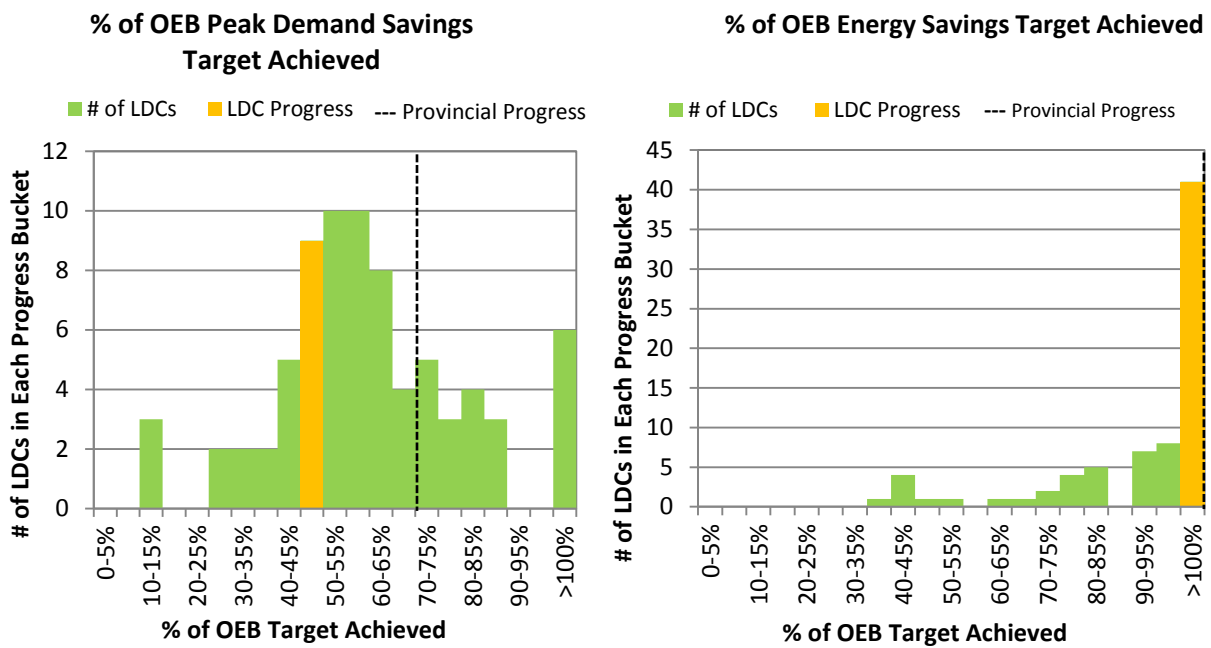


Table 1: Lakeland Power Distribution Ltd. Initiative and Program Level Net Savings by Year

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
Consumer Program															
Appliance Retirement	Appliances	130	69	34	47	8	4	2	3	56,010	27,217	14,247	19,973	17	353,956
Appliance Exchange	Appliances	8	21	10	18	1	3	2	4	1,222	5,118	3,694	6,650	9	33,968
HVAC Incentives	Equipment	40	54	54	68	16	14	12	16	31,420	25,551	21,085	29,839	57	274,342
Conservation Instant Coupon Booklet	Items	1,066	63	712	2,115	2	0	1	4	39,191	2,862	15,774	57,694	8	254,591
Bi-Annual Retailer Event	Items	1,949	2,171	1,934	9,874	3	3	2	16	60,143	54,810	35,160	251,528	25	726,852
Retailer Co-op	Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	0	0	0	17	0	0	0	6	0	0	0	0	6	0
Residential Demand Response (IHD)	Devices	0	0	0	15	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	2	1	3	2	0	0	0	1	0	411	4,102	7,734	1	17,171
Consumer Program Total						31	24	20	50	187,986	115,968	94,063	373,418	124	1,660,880
Business Program															
Retrofit	Projects	7	12	9	21	19	55	24	151	191,089	334,109	109,209	1,293,085	249	3,278,074
Direct Install Lighting	Projects	51	270	105	122	57	234	108	128	142,766	884,950	384,019	478,358	523	4,460,234
Building Commissioning	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Construction	Buildings	0	1	1	0	0	0	0	0	0	0	0	0	0	0
Energy Audit	Audits	0	0	1	0	0	0	9	0	0	0	48,451	0	9	96,902
Small Commercial Demand Response	Devices	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Business Program Total						76	289	141	280	333,854	1,219,059	541,679	1,771,443	781	7,835,210
Industrial Program															
Process & System Upgrades	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Energy Manager	Projects	0	0	0	1	0	0	0	0	0	0	0	3,313	0	3,313
Retrofit	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Industrial Program Total						0	0	0	0	0	0	0	3,313	0	3,313
Home Assistance Program															
Home Assistance Program	Homes	0	4	148	46	0	0	7	1	0	3,259	95,180	10,959	8	206,257
Home Assistance Program Total						0	0	7	1	0	3,259	95,180	10,959	8	206,257
Aboriginal Program															
Home Assistance Program	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aboriginal Program Total						0	0	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	1	0	0	0	4	0	0	0	25,081	0	0	0	4	100,323
High Performance New Construction	Projects	0	0	0	0	0	0	0	0	571	224	0	0	0	2,958
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011 Total						4	0	0	0	25,652	224	0	0	5	103,281
Other															
Program Enabled Savings	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	96	0	0	0	0	96	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Total						0	0	0	96	0	0	0	0	96	0
Adjustments to 2011 Verified Results							-3	0	0		-843	0	0	-3	-3,371
Adjustments to 2012 Verified Results								29	2			134,042	10,062	31	433,581
Adjustments to 2013 Verified Results									13				38,139	13	76,794
Energy Efficiency Total						111	314	168	420	547,493	1,338,509	730,922	2,159,133	1,007	9,808,941
Demand Response Total (Scenario 1)						0	0	0	6	0	0	0	0	6	0
Adjustments to Previous Years' Verified Results Total						0	-3	29	15	0	-843	134,042	48,201	41	507,003
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						111	311	197	441	547,493	1,337,666	864,964	2,207,335	1,054	10,315,944
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).										Full OEB Target:				2,320	10,180,000
*Includes adjustments after Final Reports were issued										% of Full OEB Target Achieved to Date (Scenario 1):				45.4%	101.3%
Results presented using scenario 1 which assumes that demand response resources have a persistence of 4 years.															

Table 2: Adjustments to Lakeland Power Distribution Ltd. Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
														2014	2014
Consumer Program															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	-11	2	4		-3	1	1		-6,590	1,121	1,607		-2	-19,784
Conservation Instant Coupon Booklet	Items	17	0	2		0	0	0		564	0	48		0	2,353
Bi-Annual Retailer Event	Items	167	0	0		0	0	0		4,468	0	0		0	17,874
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	2		0		0	0	0		715	0	0		0	2,859
Consumer Program Total						-3	1	1		-843	1,121	1,655		-2	3,301
Business Program															
Retrofit	Projects	0	2	0		0	14	0		0	76,757	0		14	229,637
Direct Install Lighting	Projects	0	10	0		0	16	0		0	60,868	0		16	182,605
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	0	1	1		0	1	11		0	5,992	25,956		12	69,889
Energy Audit	Audits	0	0	0		0	0	0		0	0	32		0	64
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						0	31	11		0	143,618	25,988		42	482,196
Industrial Program															
Process & System Upgrades	Projects	0	0	0		0	0	0		0	0	0		0	0
Monitoring & Targeting	Projects	0	0	0		0	0	0		0	0	0		0	0
Energy Manager	Projects	0	0	0		0	0	0		0	0	0		0	0
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Industrial Program Total						0	0	0		0	0	0		0	0
Home Assistance Program															
Home Assistance Program	Homes	0	0	21		0	0	1		0	0	11,011		1	21,506
Home Assistance Program Total						0	0	1		0	0	11,011		1	21,506
Aboriginal Program															
Home Assistance Program	Homes	0	0	0		0	0	0		0	0	0		0	0
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	0	0	0		0	0	0		0	0	0		0	0
High Performance New Construction	Projects	0	0	0		0	0	0		0	0	0		0	0
Toronto Comprehensive	Projects	0	0	0		0	0	0		0	0	0		0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						0	0	0		0	0	0		0	0
Other															
Program Enabled Savings	Projects	0	0	0		0	0	0		0	0	0		0	0
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
LDC Pilots	Projects	0	0	0		0	0	0		0	0	0		0	0
Other Total						0	0	0		0	0	0		0	0
Adjustments to 2011 Verified Results						-3				-843				-3	-3,371
Adjustments to 2012 Verified Results							32				144,738			31	433,581
Adjustments to 2013 Verified Results								13				38,655		13	76,794
Total Adjustments to Previous Years' Verified Results						-3	32	13		-843	144,738	38,655		41	507,003

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

Table 3: Lakeland Power Distribution Ltd. Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	n/a	n/a	0.52	0.46	0.42	0.42	1.00	1.00	n/a	n/a	0.52	0.47	0.44	0.44
Appliance Exchange	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	n/a	1.00	0.59	0.49	0.48	0.51	1.00	1.00	n/a	1.00	0.59	0.49	0.48	0.51
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.14	1.00	1.11	1.72	1.00	1.00	1.00	1.00	1.11	1.05	1.13	1.73
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.13	0.91	1.04	1.74	1.00	1.00	1.00	1.00	1.10	0.92	1.04	1.75
Retailer Co-op	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	n/a	3.79	0.83	20.11	n/a	0.49	0.63	0.63	n/a	2.78	7.16	20.39	n/a	0.49	0.63	0.63
Business Program																
Retrofit	0.92	0.99	0.63	0.92	0.74	0.80	0.66	0.71	1.23	1.22	0.78	0.96	0.72	0.80	0.68	0.72
Direct Install Lighting	1.08	0.68	0.82	0.78	0.93	0.94	0.94	0.94	0.90	0.85	0.84	0.83	0.93	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
New Construction	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Energy Audit	n/a	n/a	1.02	n/a	n/a	n/a	0.66	n/a	n/a	n/a	0.97	n/a	n/a	n/a	0.66	n/a
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial Program																
Process & System Upgrades	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Monitoring & Targeting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Energy Manager	n/a	n/a	n/a	0.91	n/a	n/a	n/a	0.90	n/a	n/a	n/a	0.96	n/a	n/a	n/a	0.90
Retrofit																
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Home Assistance Program																
Home Assistance Program	n/a	0.81	1.13	0.76	n/a	1.00	1.00	1.00	n/a	0.98	0.87	0.74	n/a	1.00	1.00	1.00
Aboriginal Program																
Home Assistance Program	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	0.77	n/a	n/a	n/a	0.52	n/a	n/a	n/a	0.77	n/a	n/a	n/a	0.52	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50
Toronto Comprehensive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other																
Program Enabled Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Summary Achievement Against CDM Targets

Results are recognized using current IESO reporting policies. Energy efficiency resources persist for the duration of the effective useful life. Any upcoming code changes are taken into account. Demand response resources persist for 1 year (Scenario 1). Please see methodology tab for more detailed information.

Table 4: Net Peak Demand Savings at the End User Level (MW) (Scenario 1)

Implementation Period	Annual			
	2011	2012	2013	2014
2011 - Verified	0.1	0.1	0.1	0.1
2012 - Verified†	0.0	0.3	0.3	0.3
2013 - Verified†	0.0	0.0	0.2	0.2
2014 - Verified†	0.0	0.0	0.0	0.4
Verified Net Annual Peak Demand Savings Persisting in 2014:				1.1
Lakeland Power Distribution Ltd. 2014 Annual CDM Capacity Target:				2.3
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				45.5%

Table 5: Net Energy Savings at the End User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011 - Verified	0.5	0.5	0.5	0.5	2.2
2012 - Verified†	0.0	1.3	1.3	1.3	4.0
2013 - Verified†	0.0	0.1	0.9	0.9	1.9
2014 - Verified†	0.0	0.0	0.05	2.2	2.3
Verified Net Cumulative Energy Savings 2011-2014:					10.3
Lakeland Power Distribution Ltd. 2011-2014 Annual CDM Energy Target:					10.2
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					101.3%

†Includes adjustments to previous years' verified results

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Table 6: Province-Wide Initiatives and Program Level Net Savings by Year (Scenario 1)

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
Consumer Program															
Appliance Retirement	Appliances	56,110	34,146	20,952	22,563	3,299	2,011	1,433	1,617	23,005,812	13,424,518	8,713,107	9,497,343	8,221	159,100,415
Appliance Exchange	Appliances	3,688	3,836	5,337	5,685	371	556	1,106	1,178	450,187	974,621	1,971,701	2,100,266	2,973	10,556,192
HVAC Incentives	Equipment	92,748	87,540	96,286	113,002	32,037	19,060	19,552	23,106	59,437,670	32,841,283	33,923,592	42,888,217	93,755	447,009,930
Conservation Instant Coupon Booklet	Items	567,678	30,891	347,946	1,208,108	1,344	230	517	2,440	21,211,537	1,398,202	7,707,573	32,802,537	4,531	137,258,436
Bi-Annual Retailer Event	Items	952,149	1,060,901	944,772	4,824,751	1,681	1,480	1,184	8,043	29,387,468	26,781,674	17,179,841	122,902,769	12,389	355,157,348
Retailer Co-op	Items	152	0	0	0	0	0	0	0	2,652	0	0	0	0	10,607
Residential Demand Response	Devices	19,550	98,388	171,733	241,381	10,947	49,038	93,076	117,513	24,870	359,408	390,303	8,379	117,513	782,960
Residential Demand Response (IHD)	Devices	0	49,689	133,657	188,577	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	27	21	279	2,367	0	2	18	369	743	17,152	163,690	2,330,865	390	2,712,676
Consumer Program Total						49,681	72,377	116,886	154,267	133,520,941	75,796,859	70,049,807	212,530,376	239,772	1,112,588,565
Business Program															
Retrofit	Projects	2,828	6,481	9,746	10,925	24,467	61,147	59,678	70,662	136,002,258	314,922,468	345,346,008	462,903,521	213,493	2,631,401,223
Direct Install Lighting	Projects	20,741	18,691	17,833	23,784	23,724	15,284	18,708	23,419	61,076,701	57,345,798	64,315,558	84,503,302	73,304	604,196,658
Building Commissioning	Buildings	0	0	0	5	0	0	0	988	0	0	0	1,513,377	988	1,513,377
New Construction	Buildings	25	98	158	226	123	764	1,584	6,432	411,717	1,814,721	4,959,266	20,381,204	8,904	37,390,767
Energy Audit	Audits	222	357	589	473	0	1,450	2,811	6,323	0	7,049,351	15,455,795	30,874,399	10,583	82,934,042
Small Commercial Demand Response	Devices	132	294	1,211	3,652	84	187	773	2,116	157	1,068	373	319	2,116	1,916
Small Commercial Demand Response (IHD)	Devices	0	0	378	820	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	145	151	175	180	16,218	19,389	23,706	23,380	633,421	281,823	346,659	0	23,380	1,261,903
Business Program Total						64,617	98,221	107,261	133,319	198,124,253	381,415,230	430,423,659	600,176,121	332,769	3,358,699,887
Industrial Program															
Process & System Upgrades	Projects	0	0	5	10	0	0	294	9,692	0	0	2,603,764	72,053,255	9,986	77,260,782
Monitoring & Targeting	Projects	0	1	3	5	0	0	0	102	0	0	0	502,517	102	502,517
Energy Manager	Projects	1	132	306	379	0	1,086	3,558	5,191	0	7,372,108	21,994,263	40,436,427	8,384	95,324,998
Retrofit	Projects	433	0	0	0	4,615	0	0	0	28,866,840	0	0	0	4,613	115,462,282
Demand Response 3	Facilities	124	185	281	336	52,484	74,056	162,543	166,082	3,080,737	1,784,712	4,309,160	0	166,082	9,174,609
Industrial Program Total						57,098	75,141	166,395	181,066	31,947,577	9,156,820	28,907,187	112,992,199	189,168	297,725,188
Home Assistance Program															
Home Assistance Program	Homes	46	5,920	29,654	25,424	2	566	2,361	2,466	39,283	5,442,232	20,987,275	19,582,658	5,370	77,532,571
Home Assistance Program Total						2	566	2,361	2,466	39,283	5,442,232	20,987,275	19,582,658	5,370	77,532,571
Aboriginal Program															
Home Assistance Program	Homes	0	0	717	1,125	0	0	267	549	0	0	1,609,393	3,101,207	816	6,319,993
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aboriginal Program Total						0	0	267	549	0	0	1,609,393	3,101,207	816	6,319,993
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	2,028	0	0	0	21,662	0	0	0	121,138,219	0	0	0	21,662	484,552,876
High Performance New Construction	Projects	182	73	19	3	5,098	3,251	772	134	26,185,591	11,901,944	3,522,240	688,738	9,255	148,181,415
Toronto Comprehensive	Projects	577	15	4	5	15,805	0	0	281	86,964,886	0	0	2,479,840	16,086	350,339,385
Multifamily Energy Efficiency Rebates	Projects	110	0	0	0	1,981	0	0	0	7,595,683	0	0	0	1,981	30,382,733
LDC Custom Programs	Projects	8	0	0	0	399	0	0	0	1,367,170	0	0	0	399	5,468,679
Pre-2011 Programs completed in 2011 Total						44,945	3,251	772	415	243,251,550	11,901,944	3,522,240	3,168,578	49,382	1,018,925,088
Other															
Program Enabled Savings	Projects	33	71	46	43	0	2,304	3,692	5,500	0	1,188,362	4,075,382	19,035,337	11,496	30,751,187
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	54,795	0	0	0	0	54,795	0
LDC Pilots	Projects	0	0	0	1,174	0	0	0	1,170	0	0	0	5,061,522	1,170	5,061,522
Other Total						0	2,304	3,692	61,466	0	1,188,362	4,075,382	24,096,859	67,462	35,812,709
Adjustments to 2011 Verified Results							1,406	641	1,418		18,689,081	1,736,381	7,319,857	3,215	110,143,550
Adjustments to 2012 Verified Results								6,260	9,221			41,947,840	37,080,215	15,401	238,780,637
Adjustments to 2013 Verified Results									24,391			150,785,808		24,391	296,465,211
Energy Efficiency Total						136,610	109,191	117,536	224,457	603,144,419	482,474,435	554,528,447	975,639,300	575,647	5,896,382,612
Demand Response Total (Scenario 1)						79,733	142,670	280,099	309,091	3,739,185	2,427,011	5,046,495	8,698	309,091	11,221,389
Adjustments to Previous Years' Verified Results Total						0	1,406	6,901	35,030	0	18,689,081	43,684,221	195,185,880	43,006	645,389,397
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						216,343	253,267	404,536	568,578	606,883,604	503,590,526	603,259,163	1,170,833,878	927,745	6,552,993,397
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).												Full OEB Target:		1,330,000	6,000,000,000
*Includes adjustments after Final Reports were issued Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year.												% of Full OEB Target Achieved to Date (Scenario 1):		70%	109%

Table 7: Adjustments to Province-Wide Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 2014	2011-2014 Net Cumulative Energy Savings (kWh) 2014
Consumer Program															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	-18,839	2,319	4,705		-5,270	479	1,037		-9,707,002	955,512	1,838,408		-3,754	-32,284,656
Conservation Instant Coupon Booklet	Items	8,216	0	1,050		16	0	2		275,655	0	23,571		18	1,149,763
Bi-Annual Retailer Event	Items	81,817	0	0		108	0	0		2,183,391	0	0		108	8,733,563
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	20	2	193		1	1	72		14,667	985	441,938		74	945,497
Consumer Program Total						-5,145	480	1,111		-7,233,290	956,497	2,303,917		-3,555	-21,664,975
Business Program															
Retrofit	Projects	312	876	961		3,208	7,233	11,961		16,266,129	42,498,052	78,146,280		22,056	347,545,386
Direct Install Lighting	Projects	444	197	51		501	204	46		1,250,388	736,541	164,667		620	7,158,143
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	15	29	72		850	1,304	2,241		3,604,553	4,825,774	8,636,179		4,401	46,187,216
Energy Audit	Audits	119	77	270		604	439	2,383		2,945,189	2,145,367	13,100,635		3,426	44,418,129
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						5,162	9,181	16,631		24,066,259	50,205,734	100,047,761		30,503	385,148,444
Industrial Program															
Process & System Upgrades	Projects	0	0	2		0	0	324		0	0	968,659		324	1,937,318
Monitoring & Targeting	Projects	0	1	3		0	0	54		0	528,000	639,348		54	2,862,696
Energy Manager	Projects	1	93	101		27	1,067	2,395		241,515	8,266,841	25,814,853		4,345	81,853,489
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Industrial Program Total						27	1,067	2,774		241,515	8,794,841	27,422,860		4,723	61,215,516
Home Assistance Program															
Home Assistance Program	Homes	0	887	2,898		0	222	791		0	1,316,749	4,321,794		1,009	12,515,300
Home Assistance Program Total						0	222	791		0	1,316,749	4,321,794		1,009	8,581,177
Aboriginal Program															
Home Assistance Program	Homes	0	0	133		0	0	134		0	0	563,715		134	1,127,430
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	134		0	0	563,715		134	1,127,430
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	12	0	0		138	0	0		545,536	0	0		138	2,182,145
High Performance New Construction	Projects	37	4	15		1,507	363	-184		2,398,941	2,832,533	-993,596		1,686	16,106,171
Toronto Comprehensive	Projects	0	15	4		0	672	185		0	4,523,517	1,324,388		857	16,219,327
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						1,645	1,035	2		2,944,477	7,356,050	330,792		2,682	11,104,528
Other															
Program Enabled Savings	Projects	33	55	33		1,776	3,712	2,020		7,727,573	11,481,687	10,688,564		7,509	86,732,481
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
LDC Pilots	Projects	0	0	0		0	0	0		0	0	0		0	0
Other Total						1,776	3,712	2,020		7,727,573	11,481,687	10,688,564		7,509	86,732,481
Adjustments to 2011 Verified Results						3,465				27,746,535				3,215	110,143,550
Adjustments to 2012 Verified Results							15,697				80,111,558			15,401	238,780,637
Adjustments to 2013 Verified Results								23,463				145,679,403		24,391	296,465,211
Adjustments to Previous Years' Verified Results Total						3,465	15,697	23,463		27,746,535	80,111,558	145,679,403		43,006	645,389,397

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

Table 8: Province-Wide Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	1.00	1.00	0.51	0.46	0.42	0.45	1.00	1.00	1.00	1.00	0.46	0.47	0.44	0.47
Appliance Exchange	1.00	1.00	1.00	1.00	0.51	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	1.00	1.00	0.60	0.50	0.48	0.48	1.00	1.00	1.00	1.00	0.50	0.49	0.48	0.48
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.14	1.00	1.11	1.69	1.00	1.00	1.00	1.00	1.00	1.05	1.13	1.73
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.12	0.91	1.04	1.74	1.00	1.00	1.00	1.00	0.91	0.92	1.04	1.75
Retailer Co-op	1.00	n/a	n/a	n/a	0.68	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	1.00	3.65	0.78	1.03	0.41	0.49	0.63	0.63	3.65	7.17	3.09	0.62	0.49	0.49	0.63	0.63
Business Program																
Retrofit	1.06	0.93	0.92	0.84	0.72	0.75	0.73	0.71	0.93	1.05	1.01	0.98	0.75	0.76	0.73	0.72
Direct Install Lighting	1.08	0.69	0.82	0.78	1.08	0.94	0.94	0.94	0.69	0.85	0.84	0.83	0.94	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	1.97	n/a	n/a	n/a	1.00	n/a	n/a	n/a	1.16	n/a	n/a	n/a	1.00
New Construction	0.50	0.98	0.68	0.71	0.50	0.49	0.54	0.54	0.98	0.99	0.76	0.79	0.49	0.49	0.54	0.54
Energy Audit	n/a	n/a	1.02	0.96	n/a	n/a	0.66	0.68	n/a	n/a	0.97	1.00	n/a	n/a	0.66	0.67
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial Program																
Process & System Upgrades	n/a	n/a	0.85	0.96	n/a	n/a	0.94	0.79	n/a	n/a	0.87	0.96	n/a	n/a	0.93	0.80
Monitoring & Targeting	n/a	n/a	n/a	0.59	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.36	n/a	n/a	n/a	1.00
Energy Manager	n/a	1.16	0.90	0.91	n/a	0.90	0.90	0.90	1.16	1.16	0.90	0.96	0.90	0.90	0.90	0.85
Retrofit	1.11	n/a	n/a	n/a	0.72	n/a	n/a	n/a	0.91	n/a	n/a	n/a	0.75	n/a	n/a	n/a
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Home Assistance Program																
Home Assistance Program	1.00	0.32	0.26	0.49	0.70	1.00	1.00	1.00	0.32	0.99	0.88	0.78	1.00	1.00	1.00	1.00
Aboriginal Program																
Home Assistance Program	n/a	n/a	0.05	0.15	n/a	n/a	1.00	1.00	n/a	n/a	0.95	0.97	n/a	n/a	1.00	1.00
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	0.80	n/a	n/a	n/a	0.54	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	n/a	0.49	0.50	0.50	0.50	1.00	1.00	1.00	n/a	0.50	0.50	0.50	0.50
Toronto Comprehensive	1.13	n/a	n/a	n/a	0.50	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	0.93	n/a	n/a	n/a	0.78	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	1.00	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other																
Program Enabled Savings	n/a	1.06	1.00	0.86	n/a	1.00	1.00	1.00	n/a	2.26	1.00	0.98	n/a	1.00	1.00	1.00
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Summary Provincial Progress Towards CDM Targets

Table 9: Province-Wide Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual			
	2011	2012	2013	2014
2011	216.3	136.6	135.8	129.0
2012†	1.4	253.3	109.8	108.2
2013†	0.6	7.0	404.5	122.0
2014†	1.4	10.8	34.2	568.6
Verified Net Annual Peak Demand Savings in 2014:				927.7
2014 Annual CDM Capacity Target:				1,330
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				69.8%

Table 10: Province-Wide Net Energy Savings at the End-User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011	606.9	603.0	601.0	582.3	2,393.1
2012†	18.7	503.6	498.4	492.6	1,513.3
2013†	1.7	44.4	603.3	583.4	1,232.8
2014†	7.3	44.8	191.0	1,170.8	1,413.9
Verified Net Cumulative Energy Savings 2011-2014:					6,553.0
2011-2014 Cumulative CDM Energy Target:					6,000
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					109.2%

†Includes adjustments to previous years' verified results

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

METHODOLOGY

All results are at the end-user level (not including transmission and distribution losses)

EQUATIONS	
Prescriptive Measures and Projects	Gross Savings = Activity * Per Unit Assumption Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Engineered and Custom Projects	Gross Savings = Reported Savings * Realization Rate Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Demand Response	Peak Demand: Gross Savings = Net Savings = contracted MW at contributor level * Provincial contracted to ex ante ratio Energy: Gross Savings = Net Savings = provincial ex post energy savings * LDC proportion of total provincial contracted MW All savings are annualized (i.e. the savings are the same regardless of the time of year a participant began offering DR)
Adjustments to Previous Years' Verified Results	All variances from the Final Annual Results Reports from prior years will be adjusted within this report. Any variances with regards to projects counts, data lag, and calculations etc., will be made within this report. Considers the cumulative effect of energy savings.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Consumer Program			
Appliance Retirement	Includes both retail and home pickup stream. Retail stream allocated based on average of 2008 & 2009 residential throughput; Home pickup stream directly attributed by postal code or customer selection.	Savings are considered to begin in the year the appliance is picked up.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Appliance Exchange	When postal code information is provided by customer, results are directly attributed to the LDC. When postal code is not available, results allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year that the exchange event occurred.	
HVAC Incentives	Results directly attributed to LDC based on customer postal code.	Savings are considered to begin in the year that the installation occurred.	

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Conservation Instant Coupon Booklet	LDC-coded coupons directly attributed to LDC. Otherwise results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the coupon was redeemed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Bi-Annual Retailer Event	Results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the event occurs.	
Retailer Co-op	When postal code information is provided by the customer, results are directly attributed. If postal code information is not available, results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year of the home visit and installation date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Residential Demand Response	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists.	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year and accounts for any "snapback" in energy consumption experienced after the event. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Residential New Construction	Results are directly attributed to LDC based on LDC identified in application in the iCon system. Initiative was not evaluated in 2011, reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year of the project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Business Program			
Efficiency: Equipment Replacement	Results are directly attributed to LDC based on LDC identified at the facility level in the iCon system. Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see page for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date in the iCON system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
	Additional Note: project counts were derived by filtering out invalid statuses (e.g. Post-Project Submission - Payment denied by LDC) and only including projects with an "Actual Project Completion Date" in 2014)		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Direct Installed Lighting	Results are directly attributed to LDC based on the LDC specified on the work order.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
Existing Building Commissioning Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
New Construction and Major Renovation Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	
Energy Audit	Projects are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Commercial Demand Response (part of the Residential program schedule)	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.
Demand Response 3 (part of the Industrial program schedule)	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
Industrial Program			
Process & System Upgrades	Results are directly attributed to LDC based on LDC identified in application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Monitoring & Targeting	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
Energy Manager	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
Demand Response 3	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Home Assistance Program			
Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Aboriginal Program			
Aboriginal Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Pre-2011 Programs completed in 2011			
Electricity Retrofit Incentive Program	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014 assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported. A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
High Performance New Construction	Results are directly attributed to LDC based on customer data provided to the OPA from Enbridge; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	
Toronto Comprehensive	Program run exclusively in Toronto Hydro-Electric System Limited service territory; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Multifamily Energy Efficiency Rebates	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
Data Centre Incentive Program	Program run exclusively in PowerStream Inc. service territory; Initiative was not evaluated in 2011, assumptions as per 2009 evaluation.		
EnWin Green Suites	Program run exclusively in ENWIN Utilities Ltd. service territory; Initiative was not evaluated in 2011 or 2012, assumptions as per 2010 evaluation.		

Consumer Program Allocation Methodology

Results can be allocated based on average of 2008 & 2009 residential throughput for each LDC (below) when additional information is not available. Source: OEB Yearbook Data 2008 & 2009

Local Distribution Company	Allocation
Algoma Power Inc.	0.2%
Atikokan Hydro Inc.	0.0%
Attawapiskat Power Corporation	0.0%
Bluewater Power Distribution Corporation	0.6%
Brant County Power Inc.	0.2%
Brantford Power Inc.	0.7%
Burlington Hydro Inc.	1.4%
Cambridge and North Dumfries Hydro Inc.	1.0%
Canadian Niagara Power Inc.	0.5%
Centre Wellington Hydro Ltd.	0.1%
Chapleau Public Utilities Corporation	0.0%
COLLUS Power Corporation	0.3%
Cooperative Hydro Embrun Inc.	0.0%
E.L.K. Energy Inc.	0.2%
Enersource Hydro Mississauga Inc.	3.9%
ENTEGRUS	0.6%
ENWIN Utilities Ltd.	1.6%
Erie Thames Powerlines Corporation	0.4%
Espanola Regional Hydro Distribution Corporation	0.1%
Essex Powerlines Corporation	0.7%
Festival Hydro Inc.	0.3%
Fort Albany Power Corporation	0.0%
Fort Frances Power Corporation	0.1%
Greater Sudbury Hydro Inc.	1.0%
Grimsby Power Inc.	0.2%
Guelph Hydro Electric Systems Inc.	0.9%
Haldimand County Hydro Inc.	0.4%
Halton Hills Hydro Inc.	0.5%
Hearst Power Distribution Company Limited	0.1%
Horizon Utilities Corporation	4.0%
Hydro 2000 Inc.	0.0%
Hydro Hawkesbury Inc.	0.1%
Hydro One Brampton Networks Inc.	2.8%
Hydro One Networks Inc.	30.0%
Hydro Ottawa Limited	5.6%
Innisfil Hydro Distribution Systems Limited	0.4%
Kashechewan Power Corporation	0.0%
Kenora Hydro Electric Corporation Ltd.	0.1%
Kingston Hydro Corporation	0.5%
Kitchener-Wilmot Hydro Inc.	1.6%
Lakefront Utilities Inc.	0.2%

Lakeland Power Distribution Ltd.	0.2%
London Hydro Inc.	2.7%
Middlesex Power Distribution Corporation	0.1%
Midland Power Utility Corporation	0.1%
Milton Hydro Distribution Inc.	0.6%
Newmarket - Tay Power Distribution Ltd.	0.7%
Niagara Peninsula Energy Inc.	1.0%
Niagara-on-the-Lake Hydro Inc.	0.2%
Norfolk Power Distribution Inc.	0.3%
North Bay Hydro Distribution Limited	0.5%
Northern Ontario Wires Inc.	0.1%
Oakville Hydro Electricity Distribution Inc.	1.5%
Orangeville Hydro Limited	0.2%
Orillia Power Distribution Corporation	0.3%
Oshawa PUC Networks Inc.	1.2%
Ottawa River Power Corporation	0.2%
Parry Sound Power Corporation	0.1%
Peterborough Distribution Incorporated	0.7%
PowerStream Inc.	6.6%
PUC Distribution Inc.	0.9%
Renfrew Hydro Inc.	0.1%
Rideau St. Lawrence Distribution Inc.	0.1%
Sioux Lookout Hydro Inc.	0.1%
St. Thomas Energy Inc.	0.3%
Thunder Bay Hydro Electricity Distribution Inc.	0.9%
Tillsonburg Hydro Inc.	0.1%
Toronto Hydro-Electric System Limited	12.8%
Veridian Connections Inc.	2.4%
Wasaga Distribution Inc.	0.2%
Waterloo North Hydro Inc.	1.0%
Welland Hydro-Electric System Corp.	0.4%
Wellington North Power Inc.	0.1%
West Coast Huron Energy Inc.	0.1%
Westario Power Inc.	0.5%
Whitby Hydro Electric Corporation	0.9%
Woodstock Hydro Services Inc.	0.3%

Reporting Glossary

Annual: the peak demand or energy savings that occur in a given year (includes resource savings from new program activity and resource savings persisting from previous years).

Cumulative Energy Savings: represents the sum of the annual energy savings that accrue over a defined period (in the context of this report the defined period is 2011 - 2014). This concept does not apply to peak demand savings.

End-User Level: resource savings in this report are measured at the customer level as opposed to the generator level (the difference being line losses).

Free-ridership: the percentage of participants who would have implemented the program measure or practice in the absence of the program.

Incremental: the new resource savings attributable to activity procured in a particular reporting period based on when the savings are considered to 'start'.

Initiative: a Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (i.e. Retrofit, Fridge & Freezer Pickup).

Net-to-Gross Ratio: The ratio of net savings to gross savings, which takes into account factors such as free-ridership and spillover

Net Energy Savings (MWh): energy savings attributable to conservation and demand management activities net of free-riders, etc.

Net Peak Demand Savings (MW): peak demand savings attributable to conservation and demand management activities net of free-riders, etc.

Program: a group of initiatives that target a particular market sector (e.g. Consumer, Industrial).

Realization Rate: A comparison of observed or measured (evaluated) information to original reported savings which is used to adjust the gross savings estimates.

Settlement Account: the grouping of demand response facilities (contributors) into one contractual agreement

Spillover: Reductions in energy consumption and/or demand caused by the presence of the energy efficiency program, beyond the program-related gross savings of the participants. There can be participant and/or non-participant spillover.

Unit: for a specific initiative the relevant type of activity acquired in the market place (i.e. appliances picked up, projects completed, coupons redeemed).

Table 11: Lakeland Power Distribution Ltd. Initiative and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement**	Appliances	15	4	5	7	107,615	27,217	30,627	42,780
Appliance Exchange**	Appliances	2	3	4	7	2,370	5,118	7,019	12,634
HVAC Incentives	Equipment	27	28	24	33	52,900	52,651	44,605	62,857
Conservation Instant Coupon Booklet	Items	2	0	1	3	35,581	2,714	14,003	33,425
Bi-Annual Retailer Event	Items	3	3	2	9	55,051	59,805	33,648	143,780
Retailer Co-op	Items	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	0	0	0	6	0	0	0	0
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	1	0	301	6,512	12,277
Consumer Program Total		49	39	37	66	253,517	147,805	136,414	307,754
Business Program									
Retrofit	Projects	25	59	36	220	265,523	330,202	160,781	1,813,077
Direct Install Lighting	Projects	54	315	114	136	153,753	1,063,471	406,856	506,805
Building Commissioning	Buildings	0	0	0	0	0	0	0	0
New Construction	Buildings	0	0	0	0	0	0	0	0
Energy Audit	Audits	0	0	13	0	0	0	73,311	0
Small Commercial Demand Response	Devices	0	0	0	0	0	0	0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	0	0	0	0	0	0
Business Program Total		79	374	164	356	419,276	1,393,674	640,948	2,319,882
Industrial Program									
Process & System Upgrades	Projects	0	0	0	0	0	0	0	0
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0
Energy Manager	Projects	0	0	0	1	0	0	0	3,681
Retrofit	Projects	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	0	0	0	0	0	0
Industrial Program Total		0	0	0	1	0	0	0	3,681
Home Assistance Program									
Home Assistance Program	Homes	0	0	7	1	0	3,331	95,180	10,959
Home Assistance Program Total		0	0	7	1	0	3,331	95,180	10,959
Aboriginal Program									
Home Assistance Program	Homes	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
Aboriginal Program Total		0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	8	0	0	0	48,232	0	0	0
High Performance New Construction	Projects	0	0	0	0	1,143	448	0	0
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011 Total		9	0	0	0	49,375	448	0	0
Other									
Program Enabled Savings	Projects	0	0	0	0	0	0	0	0
Time-of-Use Savings	Homes	0	0	0	96	0	0	0	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0
Other Total		0	0	0	96	0	0	0	0
Adjustments to 2011 Verified Results			-5	0	0		-172	0	0
Adjustments to 2012 Verified Results				34	4			156,391	17,782
Adjustments to 2013 Verified Results					22				62,069
Energy Efficiency Total		137	413	208	513	722,169	1,545,258	872,541	2,642,276
Demand Response Total		0	0	0	6	0	0	0	0
Adjustments to Previous Years' Verified Results Total		0	-5	34	26	0	-172	156,391	79,851
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		137	408	242	544	722,169	1,545,086	1,028,932	2,722,127

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

*Includes adjustments after Final Reports were issued

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

**Net results substituted for gross results due to unavailability of data

Table 12: Adjustments to Lakeland Power Distribution Ltd. Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement	Appliances	0	0	0		0	0	0	
Appliance Exchange	Appliances	0	0	0		0	0	0	
HVAC Incentives	Equipment	-6	1	2		-11,121	2,313	3,416	
Conservation Instant Coupon Booklet	Items	0	0	0		524	0	42	
Bi-Annual Retailer Event	Items	0	0	0		4,858	0	0	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	0	0	0		4,811	0	0	
Consumer Program Total		-5	1	2		-928	2,313	3,458	
Business Program									
Retrofit	Projects	0	16	0		0	95,883	0	
Direct Install Lighting	Projects	0	17	0		0	64,613	0	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	0	0	20		756	12,229	48,067	
Energy Audit	Audits	0	0	0		0	0	49	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Business Program Total		0	33	20		756	172,726	48,116	
Industrial Program									
Process & System Upgrades	Projects	0	0	0		0	0	0	
Monitoring & Targeting	Projects	0	0	0		0	0	0	
Energy Manager	Projects	0	0	0		0	0	0	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Industrial Program Total		0	0	0		0	0	0	
Home Assistance Program									
Home Assistance Program	Homes	0	0	1		0	0	11,011	
Home Assistance Program Total		0	0	1		0	0	11,011	
Aboriginal Program									
Home Assistance Program	Homes	0	0	0		0	0	0	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	0		0	0	0	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	0	0	0		0	0	0	
High Performance New Construction	Projects	0	0	0		0	0	0	
Toronto Comprehensive	Projects	0	0	0		0	0	0	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
Pre-2011 Programs completed in 2011 Total		0	0	0		0	0	0	
Other									
Program Enabled Savings	Projects	0	0	0		0	0	0	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
Other Total		0	0	0		0	0	0	
Adjustments to 2011 Verified Results		-5				-172			
Adjustments to 2012 Verified Results			34				175,039		
Adjustments to 2013 Verified Results				23				62,585	
Total Adjustments to Previous Years' Verified Results		-5	34	23		-172	175,039	62,585	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

Table 13: Province-Wide Initiatives and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement**	Appliances	6,750	2,011	3,151	3,579	45,971,627	13,424,518	18,616,239	20,315,770
Appliance Exchange**	Appliances	719	556	2,101	2,238	873,531	974,621	3,746,106	3,990,372
HVAC Incentives	Equipment	53,209	38,346	40,418	48,467	99,413,430	66,929,213	71,225,037	90,274,814
Conservation Instant Coupon Booklet	Items	1,184	231	464	1,442	19,192,453	1,325,898	6,842,244	19,000,254
Bi-Annual Retailer Event	Items	1,504	1,622	1,142	4,626	26,899,265	29,222,072	16,441,329	70,254,471
Retailer Co-op	Items	0	0	0	0	3,917	0	0	0
Residential Demand Response	Devices	10,390	49,038	93,076	117,513	23,597	359,408	390,303	8,379
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	1	29	587	1,813	4,884	259,826	3,699,786
Consumer Program Total		73,757	91,805	140,380	178,452	192,379,633	112,240,615	117,521,084	207,543,846
Business Program									
Retrofit	Projects	34,201	78,965	82,896	98,849	184,070,265	387,817,248	478,410,896	642,515,421
Direct Install Lighting	Projects	22,155	20,469	19,807	24,794	65,777,197	68,896,046	68,140,249	89,528,509
Building Commissioning	Buildings	0	0	0	988	0	0	0	1,513,377
New Construction	Buildings	247	1,596	2,934	11,911	823,434	3,755,869	9,183,826	37,742,970
Energy Audit	Audits	0	1,450	4,283	9,367	0	7,049,351	23,386,108	46,012,517
Small Commercial Demand Response	Devices	55	187	773	2,116	131	1,068	373	319
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	21,390	19,389	23,706	23,380	633,421	281,823	346,659	0
Business Program Total		78,048	122,056	134,399	171,405	251,304,448	467,801,406	579,468,111	817,313,113
Industrial Program									
Process & System Upgrades	Projects	0	0	313	12,287	0	0	2,799,746	90,463,617
Monitoring & Targeting	Projects	0	0	0	102	0	0	0	502,517
Energy Manager	Projects	0	1,034	3,953	5,767	0	7,067,535	24,438,070	44,929,364
Retrofit	Projects	6,372	0	0	0	38,412,408	0	0	0
Demand Response 3	Facilities	176,180	74,056	162,543	166,082	4,243,958	1,784,712	4,309,160	0
Industrial Program Total		182,552	75,090	166,809	184,238	42,656,366	8,852,247	31,546,976	135,895,498
Home Assistance Program									
Home Assistance Program	Homes	4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,658
Home Assistance Program Total		4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,658
Aboriginal Program									
Home Assistance Program	Homes	0	0	267	549	0	0	1,609,393	3,101,207
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
Aboriginal Program Total		0	0	267	549	0	0	1,609,393	3,101,207
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	40,418	0	0	0	223,956,390	0	0	0
High Performance New Construction	Projects	10,197	6,501	772	268	52,371,183	23,803,888	3,522,240	1,377,475
Toronto Comprehensive	Projects	33,467	0	0	802	174,070,574	0	0	7,085,257
Multifamily Energy Efficiency Rebates	Projects	2,553	0	0	0	9,774,792	0	0	0
LDC Custom Programs	Projects	534	0	0	0	649,140	0	0	0
Pre-2011 Programs completed in 2011 Total		87,169	6,501	772	1,070	460,822,079	23,803,888	3,522,240	8,462,733
Other									
Program Enabled Savings	Projects	0	2,177	3,692	5,500	0	525,011	4,075,382	19,035,337
Time-of-Use Savings	Homes	0	0	0	54,795	0	0	0	0
LDC Pilots	Projects	0	0	0	1,170	0	0	0	5,061,522
Other Total		0	2,177	3,692	60,296	0	525,011	4,075,382	19,035,337
Adjustments to 2011 Verified Results			13,266	645	1,601		48,705,294	20,581	6,028
Adjustments to 2012 Verified Results				8,632	13,449			54,301,893	59,098,939
Adjustments to 2013 Verified Results					34,727				206,413,158
Energy Efficiency Total		213,515	156,735	168,583	289,384	942,317,539	616,320,385	753,683,966	1,210,925,694
Demand Response Total		208,015	142,670	280,099	309,091	4,901,107	2,427,011	5,046,495	8,698
Adjustments to Previous Years' Verified Results Total		0	13,266	9,277	49,777	0	48,705,294	54,322,474	265,518,125
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		421,530	312,671	457,958	648,252	947,218,646	667,452,690	813,052,934	1,476,452,516

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

**Net results substituted for gross results due to unavailability of data

Table 14: Adjustments to Province-Wide Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement	Appliances	0	0	0		0	0	0	
Appliance Exchange	Appliances	0	0	0		0	0	0	
HVAC Incentives	Equipment	-8,759	1,091	2,157		-16,241,086	1,952,473	3,873,449	
Conservation Instant Coupon Booklet	Items	15	0	1		255,975	0	20,668	
Bi-Annual Retailer Event	Items	117	0	0		2,373,616	0	0	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	1	1	115		330,093	2,009	701,488	
Consumer Program Total		-8,628	1,092	2,273		-13,281,402	1,954,483	4,595,605	
Business Program									
Retrofit	Projects	4,511	10,114	16,584		22,046,931	58,528,789	108,677,566	
Direct Install Lighting	Projects	541	217	49		1,346,618	781,858	174,460	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	3,287	2,673	4,151		11,323,593	9,884,305	15,992,924	
Energy Audit	Audits	656	488	3,631		2,391,744	2,386,374	19,822,524	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Business Program Total		8,996	13,491	24,414		37,108,886	71,581,326	144,667,473	
Industrial Program									
Process & System Upgrades	Projects	0	0	426		0	0	1,232,785	
Monitoring & Targeting	Projects	0	0	54		0	528,000	639,348	
Energy Manager	Projects	29	1,071	2,687		0	8,968,007	28,893,596	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Industrial Program Total		29	1,071	3,168		0	9,496,007	30,765,729	
Home Assistance Program									
Home Assistance Program	Homes	0	222	791		0	1,316,749	4,321,794	
Home Assistance Program Total		0	222	791		0	1,316,749	4,321,794	
Aboriginal Program									
Home Assistance Program	Homes	0	0	134		0	0	563,715	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	134		0	0	563,715	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	266	0	0		1,049,108	0	0	
High Performance New Construction	Projects	13,072	727	405		23,905,663	5,665,066	1,535,048	
Toronto Comprehensive	Projects	0	1,920	529		0	12,924,335	3,783,965	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
Pre-2011 Programs completed in 2011 Total		13,337	2,647	934		24,954,771	18,589,400	5,319,013	
Other									
Program Enabled Savings	Projects	1,776	3,712	2,020		1,673,712	11,481,687	10,688,564	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
Other Total		1,776	3,712	2,020		1,673,712	11,481,687	10,688,564	
Adjustments to 2011 Verified Results		15,511				50,455,967			
Adjustments to 2012 Verified Results			22,235				114,419,652		
Adjustments to 2013 Verified Results				33,734				200,921,892	
Adjustments to Previous Years' Verified Results Total		15,511	22,235	33,734		50,455,967	114,419,652	200,921,892	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

*Includes adjustments after Final Reports were issued
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

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Appendix J	2011-2014 Final Results Report – former PSP
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Message from the Vice President:

The IESO is pleased to provide the enclosed 2011-2014 Final Results Report. This report is designed to help populate LDC Annual Reports that will be submitted to the Ontario Energy Board (OEB) in September 2015.

2011-2014 Conservation Framework Highlights:

- LDCs have made significant achievements against dual energy and peak demand savings targets. Collectively, the LDCs have achieved 109% of the energy target and 70% of the peak demand target.
- Momentum has built as we transition to the Conservation First Framework. 2014 demonstrated an achievement of over 1 TWh of net incremental energy savings, positioning us well for average net incremental energy savings of 1.2 TWh required in the new framework to meet our 2020 CDM targets.
- Throughout the past framework, program results have become more predictable year over year as noted in the increasingly smaller variance between quarterly preliminary results and verified final results.
- Customer engagement continued to increase in both the Consumer and Business Programs. Between 2011 - 2014 consumers have purchased over 10 million energy efficient products through the saveONenergy COUPONS program. Customers in RETROFIT continue to declare a positive experience participating in the program with 86% likely to recommend.
- saveONenergy has seen a steady and significant increase in unaided brand awareness by 33% from 2011-2014
- Conservation is becoming even more cost-effective as programs become more efficient and effective. 2014 proved early investments in long lead time projects will pay off with the high savings now being realized in programs like PROCESS & SYSTEMS and RETROFIT. Within 4 cents per kWh, Conservation programs continue to be a valuable and cost effective resource for customers across the province.

The 2011-2014 Final Results within this report vary from the Draft 2011-2014 Final Results Report for the following reasons:

- Savings from Time of Use pricing are included in the Final Results Report. Overall the province saved 55 MWs from Time-of-Use pricing in 2014, or 0.73% of residential summer peak demand.
- Between August 4th and August 28th, the IESO and LDCs have worked collaboratively to reconcile projects from 2011-2014 Final Results Report to ensure every eligible project was captured and accurately reported.
- Verified savings from Innovation Fund pilots are also included for participating LDCs.

All results will be considered final for the 2011-2014 Conservation Framework. Any additional program activity not captured in the 2011-2014 Final Results Report will not be included as part of a future adjustment process.

Please continue to monitor saveONenergy E-blasts for future updates and should you have any other questions or comments please contact LDC.Support@ieso.ca.

We appreciate your collaboration and cooperation throughout the reporting and evaluation process and we look forward to the success ahead in the Conservation First Framework.

Sincerely,

Terry Young

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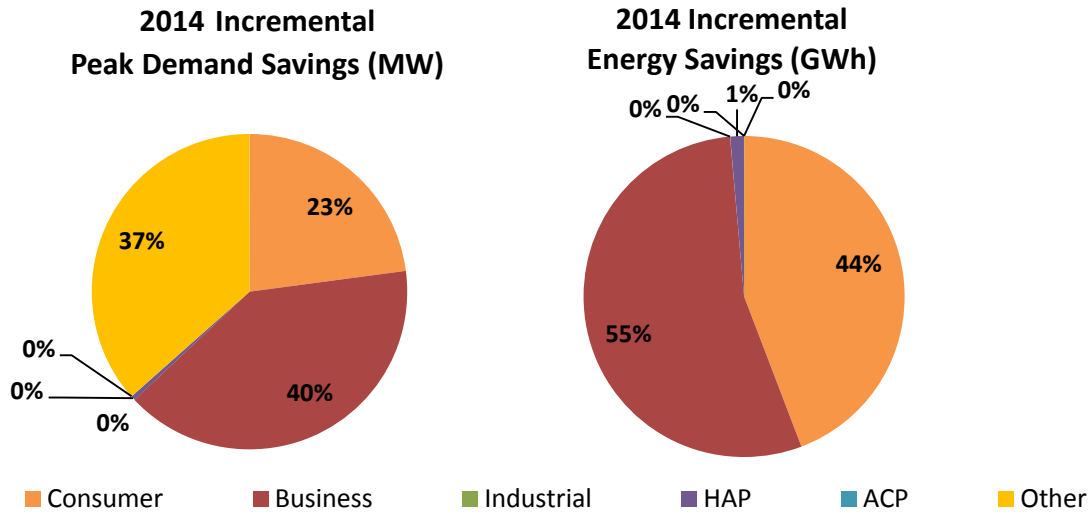
IESO-Contracted Province-Wide CDM Programs: 2011-2014 Final Results Report

LDC: Parry Sound Power Corporation

Final 2014 Achievement Against Targets	2014 Incremental	2011-2014	
		Achievement Against Target	% of Target Achieved
Net Annual Peak Demand Savings (MW)	0.1	0.2	27.0%
Net Energy Savings (GWh)	0.4	2.1	50.9%

Unless otherwise noted, results are presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Achievement by Sector



Comparison: LDC Achievement vs. LDC Community Achievement (Progress to Target)

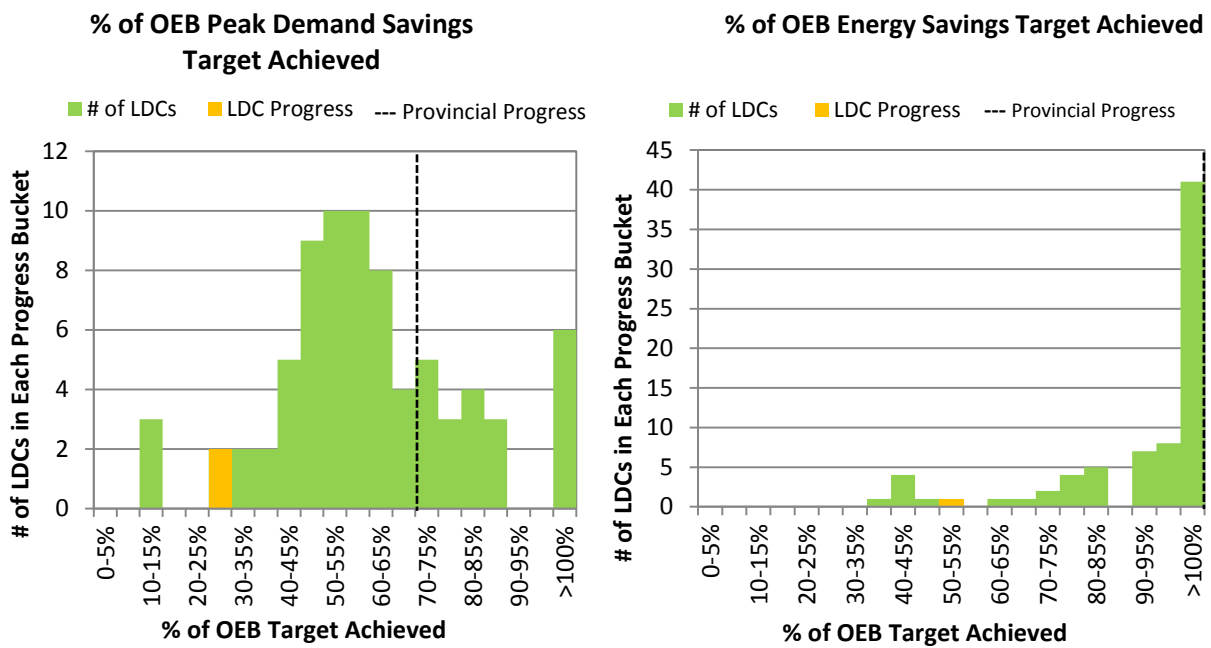


Table 1: Parry Sound Power Corporation Initiative and Program Level Net Savings by Year

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
Consumer Program															
Appliance Retirement	Appliances	50	66	47	27	3	4	3	2	21,128	25,949	20,106	11,901	12	214,169
Appliance Exchange	Appliances	7	2	3	9	1	0	1	2	572	613	1,108	3,325	3	9,145
HVAC Incentives	Equipment	2	3	4	2	0	0	1	0	663	302	1,021	94	1	5,695
Conservation Instant Coupon Booklet	Items	436	27	299	887	1	0	0	2	16,029	1,201	6,622	24,193	3	105,158
Bi-Annual Retailer Event	Items	818	912	812	4,145	1	1	1	7	25,250	23,011	14,761	105,599	11	305,154
Retailer Co-op	Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	0	0	0	20	0	0	0	6	0	0	0	0	6	0
Residential Demand Response (IHD)	Devices	0	0	0	9	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Consumer Program Total						7	6	6	19	63,641	51,077	43,619	145,112	36	639,320
Business Program															
Retrofit	Projects	1	4	5	7	12	17	17	18	57,790	60,125	60,669	118,286	64	651,159
Direct Install Lighting	Projects	23	22	11	18	31	22	8	16	85,801	79,758	24,425	60,317	64	651,013
Building Commissioning	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Construction	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Energy Audit	Audits	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Small Commercial Demand Response	Devices	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Business Program Total						43	39	25	33	143,591	139,883	85,094	178,603	127	1,302,172
Industrial Program															
Process & System Upgrades	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Energy Manager	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Retrofit	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Industrial Program Total						0	0	0	0	0	0	0	0	0	0
Home Assistance Program															
Home Assistance Program	Homes	0	50	17	8	0	0	1	0	0	0	11,869	4,581	1	27,613
Home Assistance Program Total						0	0	1	0	0	0	11,869	4,581	1	27,613
Aboriginal Program															
Home Assistance Program	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aboriginal Program Total						0	0	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
High Performance New Construction	Projects	0	0	0	0	0	0	0	0	232	94	0	0	0	1,210
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011 Total						0	0	0	0	232	94	0	0	0	1,210
Other															
Program Enabled Savings	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	30	0	0	0	0	30	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Total						0	0	0	30	0	0	0	0	30	0
Adjustments to 2011 Verified Results							0	0	0		2,724	0	0	0	10,894
Adjustments to 2012 Verified Results								0	3			679	42,343	4	131,593
Adjustments to 2013 Verified Results									0				1,302	0	2,604
Energy Efficiency Total						49	45	31	77	207,464	191,054	140,582	328,296	189	1,970,314
Demand Response Total (Scenario 1)						0	0	0	6	0	0	0	0	6	0
Adjustments to Previous Years' Verified Results Total						0	0	0	4	0	2,724	679	43,645	4	145,091
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						49	46	32	87	207,464	193,778	141,261	371,941	200	2,115,405
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).														Full OEB Target:	
														740	
														4,160,000	
*Includes adjustments after Final Reports were issued															
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year.															
% of Full OEB Target Achieved to Date (Scenario 1):															

Table 2: Adjustments to Parry Sound Power Corporation Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
														2014	2014
Consumer Program															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	1	2	2		0	0	0		611	679	629		1	5,738
Conservation Instant Coupon Booklet	Items	7	0	1		0	0	0		237	0	20		0	987
Bi-Annual Retailer Event	Items	70	0	0		0	0	0		1,876	0	0		0	7,504
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	0	0	0		0	0	0		0	0	0		0	0
Consumer Program Total						0	0	0		2,724	679	649		1	14,230
Business Program															
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	0	0	0		0	0	0		0	0	0		0	0
Energy Audit	Audits	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						0	0	0		0	0	0		0	0
Industrial Program															
Process & System Upgrades	Projects	0	0	0		0	0	0		0	0	0		0	0
Monitoring & Targeting	Projects	0	0	0		0	0	0		0	0	0		0	0
Energy Manager	Projects	0	0	0		0	0	0		0	0	0		0	0
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Industrial Program Total						0	0	0		0	0	0		0	0
Home Assistance Program															
Home Assistance Program	Homes	0	50	1		0	3	0		0	43,606	653		3	130,861
Home Assistance Program Total						0	3	0		0	43,606	653		3	130,861
Aboriginal Program															
Home Assistance Program	Homes	0	0	0		0	0	0		0	0	0		0	0
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	0	0	0		0	0	0		0	0	0		0	0
High Performance New Construction	Projects	0	0	0		0	0	0		0	0	0		0	0
Toronto Comprehensive	Projects	0	0	0		0	0	0		0	0	0		0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						0	0	0		0	0	0		0	0
Other															
Program Enabled Savings	Projects	0	0	0		0	0	0		0	0	0		0	0
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
LDC Pilots	Projects	0	0	0		0	0	0		0	0	0		0	0
Other Total						0	0	0		0	0	0		0	0
Adjustments to 2011 Verified Results						0				2,724				0	10,894
Adjustments to 2012 Verified Results							4				44,285			4	131,593
Adjustments to 2013 Verified Results								0				1,302		0	2,604
Total Adjustments to Previous Years' Verified Results						0	4	0		2,724	44,285	1,302		4	145,091

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

Table 3: Parry Sound Power Corporation Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	n/a	n/a	0.50	0.45	0.42	0.42	1.00	1.00	n/a	n/a	0.52	0.47	0.44	0.44
Appliance Exchange	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	n/a	1.00	0.60	0.50	0.48	0.51	1.00	1.00	n/a	1.00	0.60	0.49	0.48	0.51
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.14	1.00	1.11	1.69	1.00	1.00	1.00	1.00	1.11	1.05	1.13	1.73
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.13	0.91	1.04	1.74	1.00	1.00	1.00	1.00	1.10	0.92	1.04	1.75
Retailer Co-op	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Business Program																
Retrofit	0.93	0.91	0.62	0.93	0.75	0.70	0.69	0.73	1.35	0.91	0.93	1.11	0.76	0.74	0.70	0.73
Direct Install Lighting	1.08	0.68	0.81	0.78	0.93	0.94	0.94	0.94	0.90	0.85	0.84	0.83	0.93	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
New Construction	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Energy Audit	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial Program																
Process & System Upgrades	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Monitoring & Targeting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Energy Manager	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Retrofit																
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Home Assistance Program																
Home Assistance Program	n/a	n/a	0.99	0.98	n/a	n/a	1.00	1.00	n/a	n/a	0.82	0.69	n/a	n/a	1.00	1.00
Aboriginal Program																
Home Assistance Program	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50
Toronto Comprehensive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other																
Program Enabled Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Summary Achievement Against CDM Targets

Results are recognized using current IESO reporting policies. Energy efficiency resources persist for the duration of the effective useful life. Any upcoming code changes are taken into account. Demand response resources persist for 1 year (Scenario 1). Please see methodology tab for more detailed information.

Table 4: Net Peak Demand Savings at the End User Level (MW) (Scenario 1)

Implementation Period	Annual			
	2011	2012	2013	2014
2011 - Verified	0.0	0.0	0.0	0.0
2012 - Verified†	0.0	0.0	0.0	0.0
2013 - Verified†	0.0	0.0	0.0	0.0
2014 - Verified†	0.0	0.0	0.0	0.1
Verified Net Annual Peak Demand Savings Persisting in 2014:				0.2
Parry Sound Power Corporation 2014 Annual CDM Capacity Target:				0.7
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				27.0%

Table 5: Net Energy Savings at the End User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011 - Verified	0.2	0.2	0.2	0.2	0.8
2012 - Verified†	0.0	0.2	0.2	0.2	0.6
2013 - Verified†	0.0	0.0	0.1	0.1	0.3
2014 - Verified†	0.0	0.0	0.05	0.4	0.5
Verified Net Cumulative Energy Savings 2011-2014:					2.1
Parry Sound Power Corporation 2011-2014 Annual CDM Energy Target:					4.2
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					50.9%

†Includes adjustments to previous years' verified results

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Table 6: Province-Wide Initiatives and Program Level Net Savings by Year (Scenario 1)

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
Consumer Program															
Appliance Retirement	Appliances	56,110	34,146	20,952	22,563	3,299	2,011	1,433	1,617	23,005,812	13,424,518	8,713,107	9,497,343	8,221	159,100,415
Appliance Exchange	Appliances	3,688	3,836	5,337	5,685	371	556	1,106	1,178	450,187	974,621	1,971,701	2,100,266	2,973	10,556,192
HVAC Incentives	Equipment	92,748	87,540	96,286	113,002	32,037	19,060	19,552	23,106	59,437,670	32,841,283	33,923,592	42,888,217	93,755	447,009,930
Conservation Instant Coupon Booklet	Items	567,678	30,891	347,946	1,208,108	1,344	230	517	2,440	21,211,537	1,398,202	7,707,573	32,802,537	4,531	137,258,436
Bi-Annual Retailer Event	Items	952,149	1,060,901	944,772	4,824,751	1,681	1,480	1,184	8,043	29,387,468	26,781,674	17,179,841	122,902,769	12,389	355,157,348
Retailer Co-op	Items	152	0	0	0	0	0	0	0	2,652	0	0	0	0	10,607
Residential Demand Response	Devices	19,550	98,388	171,733	241,381	10,947	49,038	93,076	117,513	24,870	359,408	390,303	8,379	117,513	782,960
Residential Demand Response (IHD)	Devices	0	49,689	133,657	188,577	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	27	21	279	2,367	0	2	18	369	743	17,152	163,690	2,330,865	390	2,712,676
Consumer Program Total						49,681	72,377	116,886	154,267	133,520,941	75,796,859	70,049,807	212,530,376	239,772	1,112,588,565
Business Program															
Retrofit	Projects	2,828	6,481	9,746	10,925	24,467	61,147	59,678	70,662	136,002,258	314,922,468	345,346,008	462,903,521	213,493	2,631,401,223
Direct Install Lighting	Projects	20,741	18,691	17,833	23,784	23,724	15,284	18,708	23,419	61,076,701	57,345,798	64,315,558	84,503,302	73,304	604,196,658
Building Commissioning	Buildings	0	0	0	5	0	0	0	988	0	0	0	1,513,377	988	1,513,377
New Construction	Buildings	25	98	158	226	123	764	1,584	6,432	411,717	1,814,721	4,959,266	20,381,204	8,904	37,390,767
Energy Audit	Audits	222	357	589	473	0	1,450	2,811	6,323	0	7,049,351	15,455,795	30,874,399	10,583	82,934,042
Small Commercial Demand Response	Devices	132	294	1,211	3,652	84	187	773	2,116	157	1,068	373	319	2,116	1,916
Small Commercial Demand Response (IHD)	Devices	0	0	378	820	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	145	151	175	180	16,218	19,389	23,706	23,380	633,421	281,823	346,659	0	23,380	1,261,903
Business Program Total						64,617	98,221	107,261	133,319	198,124,253	381,415,230	430,423,659	600,176,121	332,769	3,358,699,887
Industrial Program															
Process & System Upgrades	Projects	0	0	5	10	0	0	294	9,692	0	0	2,603,764	72,053,255	9,986	77,260,782
Monitoring & Targeting	Projects	0	1	3	5	0	0	0	102	0	0	0	502,517	102	502,517
Energy Manager	Projects	1	132	306	379	0	1,086	3,558	5,191	0	7,372,108	21,994,263	40,436,427	8,384	95,324,998
Retrofit	Projects	433	0	0	0	4,615	0	0	0	28,866,840	0	0	0	4,613	115,462,282
Demand Response 3	Facilities	124	185	281	336	52,484	74,056	162,543	166,082	3,080,737	1,784,712	4,309,160	0	166,082	9,174,609
Industrial Program Total						57,098	75,141	166,395	181,066	31,947,577	9,156,820	28,907,187	112,992,199	189,168	297,725,188
Home Assistance Program															
Home Assistance Program	Homes	46	5,920	29,654	25,424	2	566	2,361	2,466	39,283	5,442,232	20,987,275	19,582,658	5,370	77,532,571
Home Assistance Program Total						2	566	2,361	2,466	39,283	5,442,232	20,987,275	19,582,658	5,370	77,532,571
Aboriginal Program															
Home Assistance Program	Homes	0	0	717	1,125	0	0	267	549	0	0	1,609,393	3,101,207	816	6,319,993
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aboriginal Program Total						0	0	267	549	0	0	1,609,393	3,101,207	816	6,319,993
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	2,028	0	0	0	21,662	0	0	0	121,138,219	0	0	0	21,662	484,552,876
High Performance New Construction	Projects	182	73	19	3	5,098	3,251	772	134	26,185,591	11,901,944	3,522,240	688,738	9,255	148,181,415
Toronto Comprehensive	Projects	577	15	4	5	15,805	0	0	281	86,964,886	0	0	2,479,840	16,086	350,339,385
Multifamily Energy Efficiency Rebates	Projects	110	0	0	0	1,981	0	0	0	7,595,683	0	0	0	1,981	30,382,733
LDC Custom Programs	Projects	8	0	0	0	399	0	0	0	1,367,170	0	0	0	399	5,468,679
Pre-2011 Programs completed in 2011 Total						44,945	3,251	772	415	243,251,550	11,901,944	3,522,240	3,168,578	49,382	1,018,925,088
Other															
Program Enabled Savings	Projects	33	71	46	43	0	2,304	3,692	5,500	0	1,188,362	4,075,382	19,035,337	11,496	30,751,187
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	54,795	0	0	0	0	54,795	0
LDC Pilots	Projects	0	0	0	1,174	0	0	0	1,170	0	0	0	5,061,522	1,170	5,061,522
Other Total						0	2,304	3,692	61,466	0	1,188,362	4,075,382	24,096,859	67,462	35,812,709
Adjustments to 2011 Verified Results							1,406	641	1,418		18,689,081	1,736,381	7,319,857	3,215	110,143,550
Adjustments to 2012 Verified Results								6,260	9,221			41,947,840	37,080,215	15,401	238,780,637
Adjustments to 2013 Verified Results									24,391				150,785,808	24,391	296,465,211
Energy Efficiency Total						136,610	109,191	117,536	224,457	603,144,419	482,474,435	554,528,447	975,639,300	575,647	5,896,382,612
Demand Response Total (Scenario 1)						79,733	142,670	280,099	309,091	3,739,185	2,427,011	5,046,495	8,698	309,091	11,221,389
Adjustments to Previous Years' Verified Results Total						0	1,406	6,901	35,030	0	18,689,081	43,684,221	195,185,880	43,006	645,389,397
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						216,343	253,267	404,536	568,578	606,883,604	503,590,526	603,259,163	1,170,833,878	927,745	6,552,993,397
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).												Full OEB Target:		1,330,000	6,000,000,000
*Includes adjustments after Final Reports were issued												% of Full OEB Target Achieved to Date (Scenario 1):		70%	109%
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year															

Table 7: Adjustments to Province-Wide Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh) 2014
Consumer Program															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	-18,839	2,319	4,705		-5,270	479	1,037		-9,707,002	955,512	1,838,408		-3,754	-32,284,656
Conservation Instant Coupon Booklet	Items	8,216	0	1,050		16	0	2		275,655	0	23,571		18	1,149,763
Bi-Annual Retailer Event	Items	81,817	0	0		108	0	0		2,183,391	0	0		108	8,733,563
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	20	2	193		1	1	72		14,667	985	441,938		74	945,497
Consumer Program Total						-5,145	480	1,111		-7,233,290	956,497	2,303,917		-3,555	-21,664,975
Business Program															
Retrofit	Projects	312	876	961		3,208	7,233	11,961		16,266,129	42,498,052	78,146,280		22,056	347,545,386
Direct Install Lighting	Projects	444	197	51		501	204	46		1,250,388	736,541	164,667		620	7,158,143
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	15	29	72		850	1,304	2,241		3,604,553	4,825,774	8,636,179		4,401	46,187,216
Energy Audit	Audits	119	77	270		604	439	2,383		2,945,189	2,145,367	13,100,635		3,426	44,418,129
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						5,162	9,181	16,631		24,066,259	50,205,734	100,047,761		30,503	385,148,444
Industrial Program															
Process & System Upgrades	Projects	0	0	2		0	0	324		0	0	968,659		324	1,937,318
Monitoring & Targeting	Projects	0	1	3		0	0	54		0	528,000	639,348		54	2,862,696
Energy Manager	Projects	1	93	101		27	1,067	2,395		241,515	8,266,841	25,814,853		4,345	81,853,489
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Industrial Program Total						27	1,067	2,774		241,515	8,794,841	27,422,860		4,723	61,215,516
Home Assistance Program															
Home Assistance Program	Homes	0	887	2,898		0	222	791		0	1,316,749	4,321,794		1,009	12,515,300
Home Assistance Program Total						0	222	791		0	1,316,749	4,321,794		1,009	8,581,177
Aboriginal Program															
Home Assistance Program	Homes	0	0	133		0	0	134		0	0	563,715		134	1,127,430
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	134		0	0	563,715		134	1,127,430
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	12	0	0		138	0	0		545,536	0	0		138	2,182,145
High Performance New Construction	Projects	37	4	15		1,507	363	-184		2,398,941	2,832,533	-993,596		1,686	16,106,171
Toronto Comprehensive	Projects	0	15	4		0	672	185		0	4,523,517	1,324,388		857	16,219,327
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						1,645	1,035	2		2,944,477	7,356,050	330,792		2,682	11,104,528
Other															
Program Enabled Savings	Projects	33	55	33		1,776	3,712	2,020		7,727,573	11,481,687	10,688,564		7,509	86,732,481
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
LDC Pilots	Projects	0	0	0		0	0	0		0	0	0		0	0
Other Total						1,776	3,712	2,020		7,727,573	11,481,687	10,688,564		7,509	86,732,481
Adjustments to 2011 Verified Results						3,465				27,746,535				3,215	110,143,550
Adjustments to 2012 Verified Results							15,697				80,111,558			15,401	238,780,637
Adjustments to 2013 Verified Results								23,463				145,679,403		24,391	296,465,211
Adjustments to Previous Years' Verified Results Total						3,465	15,697	23,463		27,746,535	80,111,558	145,679,403		43,006	645,389,397

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

Table 8: Province-Wide Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	1.00	1.00	0.51	0.46	0.42	0.45	1.00	1.00	1.00	1.00	0.46	0.47	0.44	0.47
Appliance Exchange	1.00	1.00	1.00	1.00	0.51	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	1.00	1.00	0.60	0.50	0.48	0.48	1.00	1.00	1.00	1.00	0.50	0.49	0.48	0.48
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.14	1.00	1.11	1.69	1.00	1.00	1.00	1.00	1.00	1.05	1.13	1.73
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.12	0.91	1.04	1.74	1.00	1.00	1.00	1.00	0.91	0.92	1.04	1.75
Retailer Co-op	1.00	n/a	n/a	n/a	0.68	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	1.00	3.65	0.78	1.03	0.41	0.49	0.63	0.63	3.65	7.17	3.09	0.62	0.49	0.49	0.63	0.63
Business Program																
Retrofit	1.06	0.93	0.92	0.84	0.72	0.75	0.73	0.71	0.93	1.05	1.01	0.98	0.75	0.76	0.73	0.72
Direct Install Lighting	1.08	0.69	0.82	0.78	1.08	0.94	0.94	0.94	0.69	0.85	0.84	0.83	0.94	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	1.97	n/a	n/a	n/a	1.00	n/a	n/a	n/a	1.16	n/a	n/a	n/a	1.00
New Construction	0.50	0.98	0.68	0.71	0.50	0.49	0.54	0.54	0.98	0.99	0.76	0.79	0.49	0.49	0.54	0.54
Energy Audit	n/a	n/a	1.02	0.96	n/a	n/a	0.66	0.68	n/a	n/a	0.97	1.00	n/a	n/a	0.66	0.67
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial Program																
Process & System Upgrades	n/a	n/a	0.85	0.96	n/a	n/a	0.94	0.79	n/a	n/a	0.87	0.96	n/a	n/a	0.93	0.80
Monitoring & Targeting	n/a	n/a	n/a	0.59	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.36	n/a	n/a	n/a	1.00
Energy Manager	n/a	1.16	0.90	0.91	n/a	0.90	0.90	0.90	1.16	1.16	0.90	0.96	0.90	0.90	0.90	0.85
Retrofit	1.11	n/a	n/a	n/a	0.72	n/a	n/a	n/a	0.91	n/a	n/a	n/a	0.75	n/a	n/a	n/a
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Home Assistance Program																
Home Assistance Program	1.00	0.32	0.26	0.49	0.70	1.00	1.00	1.00	0.32	0.99	0.88	0.78	1.00	1.00	1.00	1.00
Aboriginal Program																
Home Assistance Program	n/a	n/a	0.05	0.15	n/a	n/a	1.00	1.00	n/a	n/a	0.95	0.97	n/a	n/a	1.00	1.00
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	0.80	n/a	n/a	n/a	0.54	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	n/a	0.49	0.50	0.50	0.50	1.00	1.00	1.00	n/a	0.50	0.50	0.50	0.50
Toronto Comprehensive	1.13	n/a	n/a	n/a	0.50	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	0.93	n/a	n/a	n/a	0.78	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	1.00	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other																
Program Enabled Savings	n/a	1.06	1.00	0.86	n/a	1.00	1.00	1.00	n/a	2.26	1.00	0.98	n/a	1.00	1.00	1.00
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Summary Provincial Progress Towards CDM Targets

Table 9: Province-Wide Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual			
	2011	2012	2013	2014
2011	216.3	136.6	135.8	129.0
2012†	1.4	253.3	109.8	108.2
2013†	0.6	7.0	404.5	122.0
2014†	1.4	10.8	34.2	568.6
Verified Net Annual Peak Demand Savings in 2014:				927.7
2014 Annual CDM Capacity Target:				1,330
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				69.8%

Table 10: Province-Wide Net Energy Savings at the End-User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011	606.9	603.0	601.0	582.3	2,393.1
2012†	18.7	503.6	498.4	492.6	1,513.3
2013†	1.7	44.4	603.3	583.4	1,232.8
2014†	7.3	44.8	191.0	1,170.8	1,413.9
Verified Net Cumulative Energy Savings 2011-2014:					6,553.0
2011-2014 Cumulative CDM Energy Target:					6,000
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					109.2%

†Includes adjustments to previous years' verified results

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

METHODOLOGY

All results are at the end-user level (not including transmission and distribution losses)

EQUATIONS	
Prescriptive Measures and Projects	Gross Savings = Activity * Per Unit Assumption Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Engineered and Custom Projects	Gross Savings = Reported Savings * Realization Rate Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Demand Response	Peak Demand: Gross Savings = Net Savings = contracted MW at contributor level * Provincial contracted to ex ante ratio Energy: Gross Savings = Net Savings = provincial ex post energy savings * LDC proportion of total provincial contracted MW All savings are annualized (i.e. the savings are the same regardless of the time of year a participant began offering DR)
Adjustments to Previous Years' Verified Results	All variances from the Final Annual Results Reports from prior years will be adjusted within this report. Any variances with regards to projects counts, data lag, and calculations etc., will be made within this report. Considers the cumulative effect of energy savings.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Consumer Program			
Appliance Retirement	Includes both retail and home pickup stream. Retail stream allocated based on average of 2008 & 2009 residential throughput; Home pickup stream directly attributed by postal code or customer selection.	Savings are considered to begin in the year the appliance is picked up.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Appliance Exchange	When postal code information is provided by customer, results are directly attributed to the LDC. When postal code is not available, results allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year that the exchange event occurred.	
HVAC Incentives	Results directly attributed to LDC based on customer postal code.	Savings are considered to begin in the year that the installation occurred.	

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Conservation Instant Coupon Booklet	LDC-coded coupons directly attributed to LDC. Otherwise results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the coupon was redeemed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Bi-Annual Retailer Event	Results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the event occurs.	
Retailer Co-op	When postal code information is provided by the customer, results are directly attributed. If postal code information is not available, results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year of the home visit and installation date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Residential Demand Response	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists.	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year and accounts for any "snapback" in energy consumption experienced after the event. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Residential New Construction	Results are directly attributed to LDC based on LDC identified in application in the iCon system. Initiative was not evaluated in 2011, reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year of the project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Business Program			
Efficiency: Equipment Replacement	Results are directly attributed to LDC based on LDC identified at the facility level in the iCon system. Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see page for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date in the iCON system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
	Additional Note: project counts were derived by filtering out invalid statuses (e.g. Post-Project Submission - Payment denied by LDC) and only including projects with an "Actual Project Completion Date" in 2014)		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Direct Installed Lighting	Results are directly attributed to LDC based on the LDC specified on the work order.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
Existing Building Commissioning Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
New Construction and Major Renovation Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	
Energy Audit	Projects are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Commercial Demand Response (part of the Residential program schedule)	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.
Demand Response 3 (part of the Industrial program schedule)	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
Industrial Program			
Process & System Upgrades	Results are directly attributed to LDC based on LDC identified in application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Monitoring & Targeting	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
Energy Manager	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
Demand Response 3	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Home Assistance Program			
Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Aboriginal Program			
Aboriginal Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Pre-2011 Programs completed in 2011			
Electricity Retrofit Incentive Program	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014 assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported. A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
High Performance New Construction	Results are directly attributed to LDC based on customer data provided to the OPA from Enbridge; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	
Toronto Comprehensive	Program run exclusively in Toronto Hydro-Electric System Limited service territory; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Multifamily Energy Efficiency Rebates	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
Data Centre Incentive Program	Program run exclusively in PowerStream Inc. service territory; Initiative was not evaluated in 2011, assumptions as per 2009 evaluation.		
EnWin Green Suites	Program run exclusively in ENWIN Utilities Ltd. service territory; Initiative was not evaluated in 2011 or 2012, assumptions as per 2010 evaluation.		

Consumer Program Allocation Methodology

Results can be allocated based on average of 2008 & 2009 residential throughput for each LDC (below) when additional information is not available. Source: OEB Yearbook Data 2008 & 2009

Local Distribution Company	Allocation
Algoma Power Inc.	0.2%
Atikokan Hydro Inc.	0.0%
Attawapiskat Power Corporation	0.0%
Bluewater Power Distribution Corporation	0.6%
Brant County Power Inc.	0.2%
Brantford Power Inc.	0.7%
Burlington Hydro Inc.	1.4%
Cambridge and North Dumfries Hydro Inc.	1.0%
Canadian Niagara Power Inc.	0.5%
Centre Wellington Hydro Ltd.	0.1%
Chapleau Public Utilities Corporation	0.0%
COLLUS Power Corporation	0.3%
Cooperative Hydro Embrun Inc.	0.0%
E.L.K. Energy Inc.	0.2%
Enersource Hydro Mississauga Inc.	3.9%
ENTEGRUS	0.6%
ENWIN Utilities Ltd.	1.6%
Erie Thames Powerlines Corporation	0.4%
Espanola Regional Hydro Distribution Corporation	0.1%
Essex Powerlines Corporation	0.7%
Festival Hydro Inc.	0.3%
Fort Albany Power Corporation	0.0%
Fort Frances Power Corporation	0.1%
Greater Sudbury Hydro Inc.	1.0%
Grimsby Power Inc.	0.2%
Guelph Hydro Electric Systems Inc.	0.9%
Haldimand County Hydro Inc.	0.4%
Halton Hills Hydro Inc.	0.5%
Hearst Power Distribution Company Limited	0.1%
Horizon Utilities Corporation	4.0%
Hydro 2000 Inc.	0.0%
Hydro Hawkesbury Inc.	0.1%
Hydro One Brampton Networks Inc.	2.8%
Hydro One Networks Inc.	30.0%
Hydro Ottawa Limited	5.6%
Innisfil Hydro Distribution Systems Limited	0.4%
Kashechewan Power Corporation	0.0%
Kenora Hydro Electric Corporation Ltd.	0.1%
Kingston Hydro Corporation	0.5%
Kitchener-Wilmot Hydro Inc.	1.6%
Lakefront Utilities Inc.	0.2%

Lakeland Power Distribution Ltd.	0.2%
London Hydro Inc.	2.7%
Middlesex Power Distribution Corporation	0.1%
Midland Power Utility Corporation	0.1%
Milton Hydro Distribution Inc.	0.6%
Newmarket - Tay Power Distribution Ltd.	0.7%
Niagara Peninsula Energy Inc.	1.0%
Niagara-on-the-Lake Hydro Inc.	0.2%
Norfolk Power Distribution Inc.	0.3%
North Bay Hydro Distribution Limited	0.5%
Northern Ontario Wires Inc.	0.1%
Oakville Hydro Electricity Distribution Inc.	1.5%
Orangeville Hydro Limited	0.2%
Orillia Power Distribution Corporation	0.3%
Oshawa PUC Networks Inc.	1.2%
Ottawa River Power Corporation	0.2%
Parry Sound Power Corporation	0.1%
Peterborough Distribution Incorporated	0.7%
PowerStream Inc.	6.6%
PUC Distribution Inc.	0.9%
Renfrew Hydro Inc.	0.1%
Rideau St. Lawrence Distribution Inc.	0.1%
Sioux Lookout Hydro Inc.	0.1%
St. Thomas Energy Inc.	0.3%
Thunder Bay Hydro Electricity Distribution Inc.	0.9%
Tillsonburg Hydro Inc.	0.1%
Toronto Hydro-Electric System Limited	12.8%
Veridian Connections Inc.	2.4%
Wasaga Distribution Inc.	0.2%
Waterloo North Hydro Inc.	1.0%
Welland Hydro-Electric System Corp.	0.4%
Wellington North Power Inc.	0.1%
West Coast Huron Energy Inc.	0.1%
Westario Power Inc.	0.5%
Whitby Hydro Electric Corporation	0.9%
Woodstock Hydro Services Inc.	0.3%

Reporting Glossary

Annual: the peak demand or energy savings that occur in a given year (includes resource savings from new program activity and resource savings persisting from previous years).

Cumulative Energy Savings: represents the sum of the annual energy savings that accrue over a defined period (in the context of this report the defined period is 2011 - 2014). This concept does not apply to peak demand savings.

End-User Level: resource savings in this report are measured at the customer level as opposed to the generator level (the difference being line losses).

Free-ridership: the percentage of participants who would have implemented the program measure or practice in the absence of the program.

Incremental: the new resource savings attributable to activity procured in a particular reporting period based on when the savings are considered to 'start'.

Initiative: a Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (i.e. Retrofit, Fridge & Freezer Pickup).

Net-to-Gross Ratio: The ratio of net savings to gross savings, which takes into account factors such as free-ridership and spillover

Net Energy Savings (MWh): energy savings attributable to conservation and demand management activities net of free-riders, etc.

Net Peak Demand Savings (MW): peak demand savings attributable to conservation and demand management activities net of free-riders, etc.

Program: a group of initiatives that target a particular market sector (e.g. Consumer, Industrial).

Realization Rate: A comparison of observed or measured (evaluated) information to original reported savings which is used to adjust the gross savings estimates.

Settlement Account: the grouping of demand response facilities (contributors) into one contractual agreement

Spillover: Reductions in energy consumption and/or demand caused by the presence of the energy efficiency program, beyond the program-related gross savings of the participants. There can be participant and/or non-participant spillover.

Unit: for a specific initiative the relevant type of activity acquired in the market place (i.e. appliances picked up, projects completed, coupons redeemed).

Table 11: Parry Sound Power Corporation Initiative and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement**	Appliances	6	4	6	5	40,848	25,949	42,534	25,495
Appliance Exchange**	Appliances	1	0	1	4	1,109	613	2,106	6,317
HVAC Incentives	Equipment	1	0	1	0	1,109	616	2,179	188
Conservation Instant Coupon Booklet	Items	1	0	0	1	14,549	1,139	5,879	14,013
Bi-Annual Retailer Event	Items	1	1	1	4	23,112	25,108	14,127	60,363
Retailer Co-op	Items	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	0	0	0	6	0	0	0	0
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	0	0	0	0	0
Consumer Program Total		10	6	10	20	80,727	53,426	66,824	106,377
Business Program									
Retrofit	Projects	16	26	24	24	75,629	87,272	86,275	158,704
Direct Install Lighting	Projects	29	30	9	17	92,405	95,857	25,878	63,904
Building Commissioning	Buildings	0	0	0	0	0	0	0	0
New Construction	Buildings	0	0	0	0	0	0	0	0
Energy Audit	Audits	0	0	0	0	0	0	0	0
Small Commercial Demand Response	Devices	0	0	0	0	0	0	0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	0	0	0	0	0	0
Business Program Total		45	56	33	41	168,034	183,128	112,153	222,608
Industrial Program									
Process & System Upgrades	Projects	0	0	0	0	0	0	0	0
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0
Energy Manager	Projects	0	0	0	0	0	0	0	0
Retrofit	Projects	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	0	0	0	0	0	0
Industrial Program Total		0	0	0	0	0	0	0	0
Home Assistance Program									
Home Assistance Program	Homes	0	0	1	0	0	0	11,869	4,581
Home Assistance Program Total		0	0	1	0	0	0	11,869	4,581
Aboriginal Program									
Home Assistance Program	Homes	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
Aboriginal Program Total		0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	0	0	0	0	0	0	0	0
High Performance New Construction	Projects	0	0	0	0	464	188	0	0
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011 Total		0	0	0	0	464	188	0	0
Other									
Program Enabled Savings	Projects	0	0	0	0	0	0	0	0
Time-of-Use Savings	Homes	0	0	0	30	0	0	0	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0
Other Total		0	0	0	30	0	0	0	0
Adjustments to 2011 Verified Results			1	0	0		3,289	0	0
Adjustments to 2012 Verified Results				1	3			1,362	42,343
Adjustments to 2013 Verified Results					1				1,969
Energy Efficiency Total		55	62	44	85	249,224	236,742	190,846	333,566
Demand Response Total		0	0	0	6	0	0	0	0
Adjustments to Previous Years' Verified Results Total		0	1	1	4	0	3,289	1,362	44,313
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		55	63	45	95	249,224	240,031	192,209	377,879

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

*Includes adjustments after Final Reports were issued

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

**Net results substituted for gross results due to unavailability of data

Table 12: Adjustments to Parry Sound Power Corporation Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement	Appliances	0	0	0		0	0	0	
Appliance Exchange	Appliances	0	0	0		0	0	0	
HVAC Incentives	Equipment	0	1	1		1,029	1,362	1,298	
Conservation Instant Coupon Booklet	Items	0	0	0		220	0	18	
Bi-Annual Retailer Event	Items	0	0	0		2,039	0	0	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	0	0	0		0	0	0	
Consumer Program Total		1	1	1		3,289	1,362	1,316	
Business Program									
Retrofit	Projects	0	0	0		0	0	0	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	0	0	0		0	0	0	
Energy Audit	Audits	0	0	0		0	0	0	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Business Program Total		0	0	0		0	0	0	
Industrial Program									
Process & System Upgrades	Projects	0	0	0		0	0	0	
Monitoring & Targeting	Projects	0	0	0		0	0	0	
Energy Manager	Projects	0	0	0		0	0	0	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Industrial Program Total		0	0	0		0	0	0	
Home Assistance Program									
Home Assistance Program	Homes	0	0	0		0	43,606	653	
Home Assistance Program Total		0	0	0		0	43,606	653	
Aboriginal Program									
Home Assistance Program	Homes	0	0	0		0	0	0	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	0		0	0	0	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	0	0	0		0	0	0	
High Performance New Construction	Projects	0	0	0		0	0	0	
Toronto Comprehensive	Projects	0	0	0		0	0	0	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
Pre-2011 Programs completed in 2011 Total		0	0	0		0	0	0	
Other									
Program Enabled Savings	Projects	0	0	0		0	0	0	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
Other Total		0	0	0		0	0	0	
Adjustments to 2011 Verified Results		1				3,289			
Adjustments to 2012 Verified Results			1				44,968		
Adjustments to 2013 Verified Results				1				1,969	
Total Adjustments to Previous Years' Verified Results		1	1	1		3,289	44,968	1,969	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

Table 13: Province-Wide Initiatives and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement**	Appliances	6,750	2,011	3,151	3,579	45,971,627	13,424,518	18,616,239	20,315,770
Appliance Exchange**	Appliances	719	556	2,101	2,238	873,531	974,621	3,746,106	3,990,372
HVAC Incentives	Equipment	53,209	38,346	40,418	48,467	99,413,430	66,929,213	71,225,037	90,274,814
Conservation Instant Coupon Booklet	Items	1,184	231	464	1,442	19,192,453	1,325,898	6,842,244	19,000,254
Bi-Annual Retailer Event	Items	1,504	1,622	1,142	4,626	26,899,265	29,222,072	16,441,329	70,254,471
Retailer Co-op	Items	0	0	0	0	3,917	0	0	0
Residential Demand Response	Devices	10,390	49,038	93,076	117,513	23,597	359,408	390,303	8,379
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	1	29	587	1,813	4,884	259,826	3,699,786
Consumer Program Total		73,757	91,805	140,380	178,452	192,379,633	112,240,615	117,521,084	207,543,846
Business Program									
Retrofit	Projects	34,201	78,965	82,896	98,849	184,070,265	387,817,248	478,410,896	642,515,421
Direct Install Lighting	Projects	22,155	20,469	19,807	24,794	65,777,197	68,896,046	68,140,249	89,528,509
Building Commissioning	Buildings	0	0	0	988	0	0	0	1,513,377
New Construction	Buildings	247	1,596	2,934	11,911	823,434	3,755,869	9,183,826	37,742,970
Energy Audit	Audits	0	1,450	4,283	9,367	0	7,049,351	23,386,108	46,012,517
Small Commercial Demand Response	Devices	55	187	773	2,116	131	1,068	373	319
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	21,390	19,389	23,706	23,380	633,421	281,823	346,659	0
Business Program Total		78,048	122,056	134,399	171,405	251,304,448	467,801,406	579,468,111	817,313,113
Industrial Program									
Process & System Upgrades	Projects	0	0	313	12,287	0	0	2,799,746	90,463,617
Monitoring & Targeting	Projects	0	0	0	102	0	0	0	502,517
Energy Manager	Projects	0	1,034	3,953	5,767	0	7,067,535	24,438,070	44,929,364
Retrofit	Projects	6,372	0	0	0	38,412,408	0	0	0
Demand Response 3	Facilities	176,180	74,056	162,543	166,082	4,243,958	1,784,712	4,309,160	0
Industrial Program Total		182,552	75,090	166,809	184,238	42,656,366	8,852,247	31,546,976	135,895,498
Home Assistance Program									
Home Assistance Program	Homes	4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,658
Home Assistance Program Total		4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,658
Aboriginal Program									
Home Assistance Program	Homes	0	0	267	549	0	0	1,609,393	3,101,207
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
Aboriginal Program Total		0	0	267	549	0	0	1,609,393	3,101,207
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	40,418	0	0	0	223,956,390	0	0	0
High Performance New Construction	Projects	10,197	6,501	772	268	52,371,183	23,803,888	3,522,240	1,377,475
Toronto Comprehensive	Projects	33,467	0	0	802	174,070,574	0	0	7,085,257
Multifamily Energy Efficiency Rebates	Projects	2,553	0	0	0	9,774,792	0	0	0
LDC Custom Programs	Projects	534	0	0	0	649,140	0	0	0
Pre-2011 Programs completed in 2011 Total		87,169	6,501	772	1,070	460,822,079	23,803,888	3,522,240	8,462,733
Other									
Program Enabled Savings	Projects	0	2,177	3,692	5,500	0	525,011	4,075,382	19,035,337
Time-of-Use Savings	Homes	0	0	0	54,795	0	0	0	0
LDC Pilots	Projects	0	0	0	1,170	0	0	0	5,061,522
Other Total		0	2,177	3,692	60,296	0	525,011	4,075,382	19,035,337
Adjustments to 2011 Verified Results			13,266	645	1,601		48,705,294	20,581	6,028
Adjustments to 2012 Verified Results				8,632	13,449			54,301,893	59,098,939
Adjustments to 2013 Verified Results					34,727				206,413,158
Energy Efficiency Total		213,515	156,735	168,583	289,384	942,317,539	616,320,385	753,683,966	1,210,925,694
Demand Response Total		208,015	142,670	280,099	309,091	4,901,107	2,427,011	5,046,495	8,698
Adjustments to Previous Years' Verified Results Total		0	13,266	9,277	49,777	0	48,705,294	54,322,474	265,518,125
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		421,530	312,671	457,958	648,252	947,218,646	667,452,690	813,052,934	1,476,452,516

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

**Net results substituted for gross results due to unavailability of data

Table 14: Adjustments to Province-Wide Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement	Appliances	0	0	0		0	0	0	
Appliance Exchange	Appliances	0	0	0		0	0	0	
HVAC Incentives	Equipment	-8,759	1,091	2,157		-16,241,086	1,952,473	3,873,449	
Conservation Instant Coupon Booklet	Items	15	0	1		255,975	0	20,668	
Bi-Annual Retailer Event	Items	117	0	0		2,373,616	0	0	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	1	1	115		330,093	2,009	701,488	
Consumer Program Total		-8,628	1,092	2,273		-13,281,402	1,954,483	4,595,605	
Business Program									
Retrofit	Projects	4,511	10,114	16,584		22,046,931	58,528,789	108,677,566	
Direct Install Lighting	Projects	541	217	49		1,346,618	781,858	174,460	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	3,287	2,673	4,151		11,323,593	9,884,305	15,992,924	
Energy Audit	Audits	656	488	3,631		2,391,744	2,386,374	19,822,524	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Business Program Total		8,996	13,491	24,414		37,108,886	71,581,326	144,667,473	
Industrial Program									
Process & System Upgrades	Projects	0	0	426		0	0	1,232,785	
Monitoring & Targeting	Projects	0	0	54		0	528,000	639,348	
Energy Manager	Projects	29	1,071	2,687		0	8,968,007	28,893,596	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Industrial Program Total		29	1,071	3,168		0	9,496,007	30,765,729	
Home Assistance Program									
Home Assistance Program	Homes	0	222	791		0	1,316,749	4,321,794	
Home Assistance Program Total		0	222	791		0	1,316,749	4,321,794	
Aboriginal Program									
Home Assistance Program	Homes	0	0	134		0	0	563,715	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	134		0	0	563,715	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	266	0	0		1,049,108	0	0	
High Performance New Construction	Projects	13,072	727	405		23,905,663	5,665,066	1,535,048	
Toronto Comprehensive	Projects	0	1,920	529		0	12,924,335	3,783,965	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
Pre-2011 Programs completed in 2011 Total		13,337	2,647	934		24,954,771	18,589,400	5,319,013	
Other									
Program Enabled Savings	Projects	1,776	3,712	2,020		1,673,712	11,481,687	10,688,564	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
Other Total		1,776	3,712	2,020		1,673,712	11,481,687	10,688,564	
Adjustments to 2011 Verified Results		15,511				50,455,967			
Adjustments to 2012 Verified Results			22,235				114,419,652		
Adjustments to 2013 Verified Results				33,734				200,921,892	
Adjustments to Previous Years' Verified Results Total		15,511	22,235	33,734		50,455,967	114,419,652	200,921,892	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

*Includes adjustments after Final Reports were issued
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

1

Appendix K	LRAMVA Workform – former LPDL and former PSP
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2



LRAMVA Work Form:
Summary Tab

Legend

- User Inputs (Green)
- Auto Populated Cells (White)
- Instructions (Grey)

LDC Name

Lakeland Power Distribution

Application Details

Please fill in the requested information: a) the amounts approved in the previous LRAMVA application, b) details on the current application, and c) documentation of changes if applicable.

A. Previous LRAMVA Application

Previous LRAMVA Application (EB#)	EB-2015-0086
Application of Previous LRAMVA Claim	2016 IRM Application
Period of LRAMVA Claimed in Previous Application	2012
Amount of LRAMVA Claimed in Previous Application	\$ 19,378.00

B. Current LRAMVA Application

Current LRAMVA Application (EB#)		EB-2018-0050	
Application of Current LRAMVA Claim		2019 COS Application	
Period of New LRAMVA in this Application		2013-2016	
Actual Lost Revenues (\$)	A	\$	219,081
Forecast Lost Revenues (\$)	B	\$	130,832
Carrying Charges (\$)	C	\$	3,764
LRAMVA (\$) for Account 1568	A-B+C	\$	92,014

Table 1-a. LRAMVA Totals by Rate Class

Please input the customer rate classes applicable to the LDC and associated billing units (kWh or kW) in Table 1-a below. This will update all tables throughout the workform.

The LRAMVA total by rate class in Table 1-a should be used to inform the determination of rate riders in the Deferral and Variance Account Work Form or IRM Rate Generator Model. Please also ensure that the principal amounts in column E of Table 1-a capture the appropriate years and amounts for the LRAMVA claim.

NOTE: If the LDC has more than 14 customer classes in which CDM savings was allocated, LDCs must contact OEB staff to make adjustments to the workform.

Customer Class	Billing Unit	Principal (\$)	Carrying Charges (\$)	Total LRAMVA (\$)
Residential	kWh	-\$1,866	-\$629	-\$2,495
GS<50 kW	kWh	\$81,559	\$4,377	\$85,936
General Service 50 - 4,999 kW	kW	\$8,855	\$126	\$8,981
Sentinel Lighting	kW	-\$169	-\$10	-\$179
Street Lighting	kW	-\$761	-\$127	-\$888
Unmetered Scattered Load	kWh	\$631	\$28	\$659
Total		\$88,250	\$3,764	\$92,014

Table 1-b. Annual LRAMVA Breakdown by Year and Rate Class

In column C of Table 1-b below, please insert a 'check mark' to indicate the years in which LRAMVA has been claimed. If you inserted a check-mark for a particular year, please delete the amounts associated with the actual and forecast lost revenues for all rate classes for that year, up to and including the total. Any LRAMVA from a prior year that has already been claimed cannot be included in the current LRAMVA disposition, with the exception of the case noted below.

If LDCs are seeking to claim true-up amounts that were previously approved by the OEB, please note that the "Amount Cleared" rows are applicable to the LDC and should be filled out. This may relate to claiming the difference in LRAM approved before the May 19, 2016 Peak Demand Consultation, and the lost revenues that would have been incurred after that consultation, as approved by the OEB. If this is the case, reference to the decision must be noted in the rate application. If this is not the case, LDCs are requested to leave those rows blank.

Depending on the period of LRAMVA to be claimed, LDCs are expected to adjust the totals for carrying charges in row 82 of Table 1-b and the years included in the LRAMVA balance in row 83, as appropriate.

Description	LRAMVA Previously Claimed	Residential	GS<50 kW	General Service 50 - 4,999 kW	Sentinel Lighting	Street Lighting	Unmetered Scattered Load	Total
		kWh	kWh	kW	kW	kW	kWh	
2011 Actuals	<input checked="" type="checkbox"/>							
2011 Forecast								
Amount Cleared								\$0.00
2012 Actuals	<input checked="" type="checkbox"/>							
2012 Forecast								
Amount Cleared								
2013 Actuals	<input type="checkbox"/>	\$7,223.33	\$14,559.14	\$2,650.74	\$0.00	\$0.00	\$0.00	\$24,433.22
2013 Forecast		(\$17,312.00)	(\$5,660.10)	(\$7,341.84)	(\$39.45)	(\$1,230.74)	(\$10.97)	(\$31,595.10)
Amount Cleared								
2014 Actuals	<input type="checkbox"/>	\$12,864.35	\$21,305.31	\$7,131.71	\$0.00	\$0.00	\$0.00	\$41,301.38
2014 Forecast		(\$17,677.75)	(\$5,791.73)	(\$8,810.98)	(\$42.64)	(\$1,259.01)	(\$9.60)	(\$33,591.70)
Amount Cleared								
2015 Actuals	<input type="checkbox"/>	\$20,599.10	\$34,685.82	\$12,709.49	\$0.00	\$999.76	\$332.90	\$69,327.08
2015 Forecast		(\$17,921.58)	(\$5,857.54)	(\$8,934.27)	(\$43.24)	(\$1,276.63)	(\$9.77)	(\$34,043.03)
Amount Cleared								
2016 Actuals		\$25,597.92	\$34,241.58	\$20,536.97	\$0.00	\$3,304.47	\$338.74	\$84,019.68
2016 Forecast		(\$15,239.44)	(\$5,923.36)	(\$9,086.69)	(\$43.97)	(\$1,298.36)	(\$9.94)	(\$31,601.76)
Amount Cleared								
2017 Actuals								\$0.00
2017 Forecast		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Amount Cleared								
2018 Actuals								\$0.00
2018 Forecast		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Amount Cleared								
2019 Actuals		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2019 Forecast		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Amount Cleared								
2020 Actuals		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2020 Forecast		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Amount Cleared								
Carrying Charges		(\$629.05)	\$4,376.65	\$125.77	(\$10.07)	(\$127.37)	\$27.98	\$3,763.91
Total LRAMVA Balance		-\$2,495	\$85,936	\$8,981	-\$179	-\$888	\$659	\$92,014

Note: LDC to make note of assumptions included above, if any



LRAMVA Work Form: Summary Tab

Legend

- User Inputs (Green)
- Auto Populated Cells (White)
- Instructions (Grey)

LDC Name

Lakeland Power Distribution - former Parry Sound

Application Details

Please fill in the requested information: a) the amounts approved in the previous LRAMVA application, b) details on the current application, and c) documentation of changes if applicable.

A. Previous LRAMVA Application

Previous LRAMVA Application (EB#)	
Application of Previous LRAMVA Claim	
Period of LRAMVA Claimed in Previous Application	
Amount of LRAMVA Claimed in Previous Application	\$ -

B. Current LRAMVA Application

Current LRAMVA Application (EB#)		EB-2018-0050
Application of Current LRAMVA Claim		2019 COS
Period of New LRAMVA in this Application		2011-2016
Actual Lost Revenues (\$)	A	\$ 71,416
Forecast Lost Revenues (\$)	B	\$ 47,600
Carrying Charges (\$)	C	\$ 892
LRAMVA (\$) for Account 1568	A-B+C	\$ 24,709

Table 1-a. LRAMVA Totals by Rate Class

Please input the customer rate classes applicable to the LDC and associated billing units (kWh or kW) in Table 1-a below. This will update all tables throughout the workform.

The LRAMVA total by rate class in Table 1-a should be used to inform the determination of rate riders in the Deferral and Variance Account Work Form or IRM Rate Generator Model. Please also ensure that the principal amounts in column E of Table 1-a capture the appropriate years and amounts for the LRAMVA claim.

NOTE: If the LDC has more than 14 customer classes in which CDM savings was allocated, LDCs must contact OEB staff to make adjustments to the workform.

Customer Class	Billing Unit	Principal (\$)	Carrying Charges (\$)	Total LRAMVA (\$)
Residential	kWh	\$5,168	\$53	\$5,221
GS<50 kW	kWh	\$16,668	\$841	\$17,509
General Service 50 - 4,999 kW	kW	\$1,981	-\$2	\$1,978
Sentinel Lighting	kW	\$0	\$0	\$0
Street Lighting	kW	\$0	\$0	\$0
Unmetered Scattered Load	kWh	\$0	\$0	\$0
		\$0	\$0	\$0
		\$0	\$0	\$0
		\$0	\$0	\$0
		\$0	\$0	\$0
		\$0	\$0	\$0
		\$0	\$0	\$0
		\$0	\$0	\$0
		\$0	\$0	\$0
		\$0	\$0	\$0
Total		\$23,817	\$892	\$24,709

Table 1-b. Annual LRAMVA Breakdown by Year and Rate Class

In column C of Table 1-b below, please insert a 'check mark' to indicate the years in which LRAMVA has been claimed. If you inserted a check-mark for a particular year, please delete the amounts associated with the actual and forecast lost revenues for all rate classes for that year, up to and including the total. Any LRAMVA from a prior year that has already been claimed cannot be included in the current LRAMVA disposition, with the exception of the case noted below.

If LDCs are seeking to claim true-up amounts that were previously approved by the OEB, please note that the "Amount Cleared" rows are applicable to the LDC and should be filled out. This may relate to claiming the difference in LRAM approved before the May 19, 2016 Peak Demand Consultation, and the lost revenues that would have been incurred after that consultation, as approved by the OEB. If this is the case, reference to the decision must be noted in the rate application. If this is not the case, LDCs are requested to leave those rows blank.

Depending on the period of LRAMVA to be claimed, LDCs are expected to adjust the totals for carrying charges in row 82 of Table 1-b and the years included in the LRAMVA balance in row 83, as appropriate.

Description	LRAMVA Previously Claimed	Residential	GS<50 kW	General Service 50 - 4,999 kW	Sentinel Lighting	Street Lighting	Unmetered Scattered Load	Total
		kWh	kWh	kW	kW	kW	kWh	
2011 Actuals	<input type="checkbox"/>	\$889.29	\$1,493.35	\$1.87	\$0.00	\$0.00	\$0.00	\$2,384.51
2011 Forecast		(\$3,218.80)	(\$2,424.53)	(\$864.80)	\$0.00	\$0.00	\$0.00	(\$6,508.13)
Amount Cleared								
2012 Actuals	<input type="checkbox"/>	\$2,781.71	\$3,345.03	\$410.46	\$0.00	\$0.00	\$0.00	\$6,537.20
2012 Forecast		(\$4,131.59)	(\$3,077.29)	(\$976.18)	\$0.00	\$0.00	\$0.00	(\$8,185.06)
Amount Cleared								
2013 Actuals	<input type="checkbox"/>	\$3,824.03	\$4,373.39	\$547.89	\$0.00	\$0.00	\$0.00	\$8,745.31
2013 Forecast		(\$4,203.66)	(\$3,123.92)	(\$945.25)	\$0.00	\$0.00	\$0.00	(\$8,272.82)
Amount Cleared								
2014 Actuals	<input type="checkbox"/>	\$6,490.20	\$5,172.88	\$1,140.56	\$0.00	\$0.00	\$0.00	\$12,803.64
2014 Forecast		(\$4,251.70)	(\$3,170.54)	(\$960.38)	\$0.00	\$0.00	\$0.00	(\$8,382.62)
Amount Cleared								
2015 Actuals	<input type="checkbox"/>	\$6,513.40	\$10,202.31	\$2,201.95	\$0.00	\$0.00	\$0.00	\$18,917.66
2015 Forecast		(\$4,299.74)	(\$3,217.17)	(\$972.85)	\$0.00	\$0.00	\$0.00	(\$8,489.76)
Amount Cleared								
2016 Actuals		\$8,281.66	\$10,358.18	\$3,387.92	\$0.00	\$0.00	\$0.00	\$22,027.76
2016 Forecast		(\$3,507.05)	(\$3,263.79)	(\$990.35)	\$0.00	\$0.00	\$0.00	(\$7,761.19)
Amount Cleared								
Carrying Charges		\$53.40	\$841.33	(\$2.46)	\$0.00	\$0.00	\$0.00	\$892.27
Total LRAMVA Balance		\$5,221	\$17,509	\$1,978	\$0	\$0	\$0	\$24,709

Note: LDC to make note of assumptions included above, if any