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ONTARIO ENERGY BOARD

SENT BY COURIER & E-FILING

Toronto, May 20, 2008

21/5/08
Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
Suite 2700
PO Box 2319
Toronto, ON, M4P 1E4

Dear Ms. Walli:

**RE: Rideau St. Lawrence Distribution Inc. ("RSL")
EB-2007-0762 / Draft Rate Order**

Please disregard the previous filing of today's date, enclosed please find two hard copies (via courier) of the revised Draft Rate Order, submitted on behalf of Rideau St. Lawrence Distribution Inc.

Should you have any questions or concerns, please feel free to contact me.

Yours very truly,



Andrew Taylor

AT/mej

Enclosure

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RIDEAU ST. LAWRENCE DISTRIBUTION INC.

EB-2007-0762

DRAFT RATE ORDER

Rideau St. Lawrence Distribution Inc. respectfully submits the following Draft Rate Order, including a Proposed 2008 Tariff of Rates and Charges as instructed by the Ontario Energy Board in the May 6, 2008 Decision.

Upon completion of the interrogatory and submission requirements in OEB proceeding EB-2007-0762, the OEB addressed the following issues in their decision:

1. Load Forecast
2. Operating, Maintenance and Administrative Expenses
3. Payment in Lieu of Taxes
4. Capital Expenditures and Rate Base
5. Cost of Capital and Capital Structure
6. Cost Allocation and Rate Design
7. Deferral and Variance Accounts
8. Smart Meters

Rideau St. Lawrence Distribution Inc. has recalculated the original rates proposed in the 2008 Electricity Distribution Rate Application. The revised rates have been adjusted as per the direction of the OEB in the following manner:

LOAD FORECAST:

The Board accepted RSL's load forecast and did not request any changes.

OPERATING, MAINTENANCE AND ADMINISTRATIVE EXPENSES:

The Board concluded that RSL's forecast for OM & A expenses were reasonable. The Board accepted RSL's approach to spread the costs of its 2008 application (\$70,000) over three years by including \$23,333 in rates for 2008 as originally submitted. An adjustment for depreciation associated with the delayed capital projects is addressed later in this draft rate order.

PAYMENT IN LIEU OF TAXES (PILs)

The Board directed RSL to reflect the new federal small business income tax rate (reduced to 11%, yielding a combined federal and Ontario small business income tax rate for 2008 of 16.5%) and the new CCA class rates, especially for computer software and hardware.

The following tables provides a comparison between what Rideau St. Lawrence submitted to the Board on November 22, 2007 and the Boards direction dated May 6, 2008 with regards to Payment in Lieu of Taxes (PILs). The changes take into consideration both the change to the combined federal and Ontario small business income tax rate for 2008 to 16.5% and the new CCA rates for computer hardware and software acquired after March 17, 2007.

The change to the Taxable Regulatory Income is also impacted by other changes directed by the Board such as the postponement of capital expenditures for 2007 to 2008, the recalculation of the Cost of Power and the new lower transmission rates, and the reflection of the revision to the deemed capital structure of 53.3 % debt and 46.7% equity.

Original Submission: November 22, 2007:

Income Tax Rates

	<i>Income Range</i>			
	0 to 300,000	300,000 to 400,000	400,000 to 1,128,519	1,128,519 or more
Federal Income Tax	11.500%	11.500%	20.500%	20.500%
Ontario Income Tax	5.500%	5.500%	14.000%	14.000%
Combined Income Tax	17.000%	17.000%	34.500%	34.500%

Payment in Lieu of Taxes (PILs)

	Source or Input	Tax Payable	Inclusion in Revenue Req.	
Regulatory Taxable Income	TxbllIncome	160,962		
Combined Income Tax Rate	TaxRates	17.000%		
Total Income Taxes		27,364		
Investment Tax Credits	-			
Miscellaneous Tax Credits	-			
Total Tax Credits		-		
Income Tax Provision		27,364	32,968	<i>grossed-up for income taxes</i>
Ontario Capital Tax	CapitalTaxes	-	-	<i>not grossed-up</i>
Large Corporations Tax	CapitalTaxes	-	-	<i>grossed-up for income taxes</i>
Total PILs		27,364	32,968	<i>amount for Output</i>

Boards Direction May 6, 2008:

Revised Income Tax Rates

	<i>Income Range</i>			
	0 to 300,000	300,000 to 400,000	400,000 to 1,128,519	1,128,519 or more
Federal Income Tax	11.000%	11.000%	20.500%	20.500%
Ontario Income Tax	5.500%	5.500%	14.000%	14.000%
Combined Income Tax	16.500%	16.500%	34.500%	34.500%

Revised Payment in Lieu of Taxes (PILs) results

	Source or Input	Tax Payable	Inclusion in Revenue Req.	
Regulatory Taxable Income	TxbllIncome	127,303		
Combined Income Tax Rate	TaxRates	16.500%		
Total Income Taxes		21,005		
Investment Tax Credits	-			
Miscellaneous Tax Credits	-			
Total Tax Credits		-		
Income Tax Provision		21,005	25,156	grossed-up for income taxes
Ontario Capital Tax	CapitalTaxes	-	-	not grossed-up
Large Corporations Tax	CapitalTaxes	-	-	grossed-up for income taxes
Total PILs		21,005	25,156	amount for Output

CAPITAL EXPENDITURES AND RATE BASE

The Board's Decision found that RSL's proposed capital expenditures were appropriate. The 2008 rate base and depreciation expense are to be adjusted to reflect the postponement of projects from 2007 to 2008.

The following tables provides a comparison between evidence Rideau St. Lawrence submitted to the Board on November 22, 2007 and the Board's Decision dated May 6, 2008 with regards to projected capital expenditures for both the Bridge and test years, 2007 and 2008 respectively.

The changes reflect the postponement of projects from 2007 to 2008.

Amortization expense has also been adjusted for both the bridge (2007) and test year (2008) as a result of the deferment of these two capital projects.

Original Capital Projects Submitted November 22,

Capital Spending	ServiceYr		
Project	2007	2008	Grand Total
P00001 - 1820	13,000		13,000
P2 - 1830	30,000		30,000
P3 - 1835	30,000		30,000
P4 - 1845	20,000		20,000
P5 - 1850	25,000		25,000
P6 - 1855	20,000		20,000
P7 - 1860	10,000		10,000
P15 - 1835		45,000	45,000
P16 - 1850		20,000	20,000
P21 - 1940		10,000	10,000
P22 - 1995	-16,462		-16,462
P23 - 1930 New 1/2 Ton Utility		25,000	25,000
P25 - 1940 Voltage Monitor	10,000		10,000
P24 - 1860 Interval Meters Project	30,000		30,000
P8 - 1915 Office furniture and Equipment	5,000		5,000
P9 - 1920 PC Upgrades	10,000		10,000
P10 - 1930 Line Truck Chassis2	180,000		180,000
P11 - 1940 Tools	5,000		5,000
P13 - 1820 Wholesale meter Points Upgrade		62,400	62,400
P14 - 1830		45,000	45,000
P17 - 1860 Meters		5,000	5,000
P18 - 1920 Harris/Settlement Servers		35,000	35,000
P19 - 1925 Harris V6 Windows / SQL Upgrade		60,000	60,000
P20 - 1930 Line Truck Box, Equipment	45,000		45,000
P12 - 1806 Storage Facility		40,000	40,000
2007: Grand Total	416,538	347,400	763,938

Revised Capital Projects per Boards Direction May 6, 2008:

Capital Spending	ServiceYr		
Project	2007	2008	Grand Total
P00001 - 1820	13,000		13,000
P2 - 1830	30,000		30,000
P3 - 1835	30,000		30,000
P4 - 1845	20,000		20,000
P5 - 1850	25,000		25,000
P6 - 1855	20,000		20,000
P7 - 1860	10,000		10,000
P15 - 1835		45,000	45,000
P16 - 1850		20,000	20,000
P21 - 1940		10,000	10,000
P22 - 1995	-16,462		-16,462
P23 - 1930 New 1/2 Ton Utility		25,000	25,000
P25 - 1940 Voltage Monitor	10,000		10,000
P24 - 1860 Interval Meters Project		30,000	30,000
P8 - 1915 Office furniture and Equipment	5,000		5,000
P9 - 1920 PC Upgrades	10,000		10,000
P10 - 1930 Line Truck Chassis2		180,000	180,000
P11 - 1940 Tools	5,000		5,000
P13 - 1820 Wholesale meter Points Upgrade		62,400	62,400
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P19 - 1925 Harris V6 Windows / SQL Upgrade		60,000	60,000
P20 - 1930 Line Truck Box, Equipment		45,000	45,000
P12 - 1806 Storage Facility		40,000	40,000
Grand Total	161,538	602,400	763,938

Draft Rate Order
2008 Rate Application
Rideau St. Lawrence Distribution Inc.
File Number: EB-2007-0762

Fixed Asset Continuity Schedule as submitted Nov. 22, 2007:

(Note: only those schedules that have changed are presented here)

ACCOUNT: 1860 1860-Meters

	BRIDGE YEAR			TEST YEAR		
	Gross Cost	Accumulated Amortization	Net Book Value	Gross Cost	Accumulated Amortization	Net Book Value
Opening Balance	355,940	-76,914	279,026	395,940	-91,951	303,988
Additions	40,000		40,000	5,000		5,000
Depreciation 4.0%		-15,038	-15,038		-15,938	-15,938
Retirements & Sales	0	0	0	0	0	0
Other (specify) Fully Depr, still used			0			0
			0			0
			0			0
Closing Balance	395,940	-91,951	303,988	400,940	-107,889	293,051
Average Balance	375,940	-84,433	291,507	398,440	-99,920	298,519
Change in Year	40,000	-15,038	24,962	5,000	-15,938	-10,938

ACCOUNT: 1930 1930-Transportation Equipment

	BRIDGE YEAR			TEST YEAR		
	Gross Cost	Accumulated Amortization	Net Book Value	Gross Cost	Accumulated Amortization	Net Book Value
Opening Balance	0	0	0	225,000	-14,063	210,938
Additions	225,000		225,000	25,000		25,000
Depreciation 12.5%		-14,063	-14,063		-29,688	-29,688
Retirements & Sales	0	0	0	0	0	0
Other (specify) Fully Depr, still used			0			0
			0			0
			0			0
Closing Balance	225,000	-14,063	210,938	250,000	-43,750	206,250
Average Balance	112,500	-7,031	105,469	237,500	-28,906	208,594
Change in Year	225,000	-14,063	210,938	25,000	-29,688	-4,688

ACCOUNT: 1610:2005 TOTAL FIXED ASSETS IN SERVICE

	BRIDGE YEAR			TEST YEAR		
	Gross Cost	Accumulated Amortization	Net Book Value	Gross Cost	Accumulated Amortization	Net Book Value
Opening Balance	4,473,933	-935,940	3,537,993	4,890,472	-1,153,354	3,737,117
Additions	416,538	0	416,538	347,400	0	347,400
Depreciation	0	-217,414	-217,414	0	-253,818	-253,818
Retirements & Sales	0	0	0	-49,989	49,989	0
Other (specify) Fully Depr, still used	0	0	0	49,989	-49,989	0
	0	0	0	0	0	0
	0	0	0	0	0	0
Closing Balance	4,890,472	-1,153,354	3,737,117	5,237,872	-1,407,172	3,830,700
Average Balance	4,682,203	-1,044,647	3,637,555	5,064,172	-1,280,263	3,783,909
Change in Year	416,538	-217,414	199,124	347,400	-253,818	93,582

Revised Fixed Asset Continuity Schedule per Boards direction May 6, 2008:

ACCOUNT: 1860 1860-Meters

	BRIDGE YEAR			TEST YEAR		
	Gross Cost	Accumulated Amortization	Net Book Value	Gross Cost	Accumulated Amortization	Net Book Value
Opening Balance	355,940	-76,914	279,026	365,940	-91,351	274,588
Additions	10,000		10,000	35,000		35,000
Depreciation 4.0%		-14,438	-14,438		-15,338	-15,338
Retirements & Sales	0	0	0	0	0	0
Other (specify) Fully Depr, still used			0			0
			0			0
			0			0
Closing Balance	365,940	-91,351	274,588	400,940	-106,689	294,251
Average Balance	360,940	-84,133	276,807	383,440	-99,020	284,419
Change in Year	10,000	-14,438	-4,438	35,000	-15,338	19,662

FIXED ASSET CONTINUITY SCHEDULE

ACCOUNT: 1930 1930-Transportation Equipment

	BRIDGE YEAR			TEST YEAR		
	Gross Cost	Accumulated Amortization	Net Book Value	Gross Cost	Accumulated Amortization	Net Book Value
Opening Balance	0	0	0	0	0	0
Additions	0		0	250,000		250,000
Depreciation 12.5%		0	0		-15,625	-15,625
Retirements & Sales	0	0	0	0	0	0
Other (specify) Fully Depr, still used			0			0
			0			0
			0			0
Closing Balance	0	0	0	250,000	-15,625	234,375
Average Balance	0	0	0	125,000	-7,813	117,188
Change in Year	0	0	0	250,000	-15,625	234,375

ACCOUNT: 1610:2005 TOTAL FIXED ASSETS IN SERVICE

	BRIDGE YEAR			TEST YEAR		
	Gross Cost	Accumulated Amortization	Net Book Value	Gross Cost	Accumulated Amortization	Net Book Value
Opening Balance	4,473,933	-935,940	3,537,993	4,635,472	-1,138,692	3,496,780
Additions	161,538	0	161,538	602,400	0	602,400
Depreciation	0	-202,751	-202,751	0	-239,155	-239,155
Retirements & Sales	0	0	0	-49,989	49,989	0
Other (specify) Fully Depr, still used	0	0	0	49,989	-49,989	0
	0	0	0	0	0	0
	0	0	0	0	0	0
Closing Balance	4,635,472	-1,138,692	3,496,780	5,237,872	-1,377,847	3,860,025
Average Balance	4,554,703	-1,037,316	3,517,387	4,936,672	-1,258,269	3,678,402
Change in Year	161,538	-202,751	-41,213	602,400	-239,155	363,245

Working Capital

The Board directed RSL to update the cost of power to reflect the price contained in the April 2008 RPP report, \$0.0545/kWh, and revise the working capital calculation using the revised cost of power and the new lower transmission rates.

Cost of Power

The Board directed RSL to update the cost of Power to reflect the price contained in the April 2008 RPP price report.

Cost of Power price submitted November 22, 2007:
\$0.05704/kWh

Cost of Power used in calculating the Draft Rate Order as directed by the Board:
\$0.0545/kWh

CoP Calculation: $118,759,464\text{kWh} \times 1.0764 \times \$0.0545 = \$6,966,881.$

Transmission Rates

The Board directed RSL to use new lower transmission rates as contained in Hydro One's proposed rates. The Board accepted RSL proposed rates resulting in an 11.4% reduction in Network rates and a 7.6% reduction in Connection rates. These reductions have been reflected in the transmission rates used by RSL in its Working Capital Calculation as well as in the rates charged to its customers in the Draft Rate Order.

Changes to the Working Capital can be seen in the following table:

Draft Rate Order
2008 Rate Application
Rideau St. Lawrence Distribution Inc.
File Number: EB-2007-0762

WORKING CAPITAL ALLOWANCE CALCULATION BY ACCOUNT	2008 Test		Allowance for 15% Working Capital		2008 Test		Allowance for 15% Working Capital	
Operation (Working Capital)								
5005-Operation Supervision and Engineering	89,889	15%	13,483		89,889	15%	13,483	
5012-Station Buildings and Fixtures Expense	1,917	15%	288		1,917	15%	288	
5016-Distribution Station Equipment - Operation Labour	1,329	15%	199		1,329	15%	199	
5020-Overhead Distribution Lines and Feeders - Operation Labour	7,922	15%	1,188		7,922	15%	1,188	
5035-Overhead Distribution Transformers- Operation	3,861	15%	579		3,861	15%	579	
5065-Meter Expense	899	15%	135		899	15%	135	
5070-Customer Premises - Operation Labour	324	15%	49		324	15%	49	
5085-Miscellaneous Distribution Expense	60,985	15%	9,148		60,985	15%	9,148	
5095-Overhead Distribution Lines and Feeders - Rental Paid	22,582	15%	3,387		22,582	15%	3,387	
Sub-Total	189,708		28,456		189,708		28,456	
Maintenance (Working Capital)								
5110-Maintenance of Buildings and Fixtures - Distribution Stations	175	15%	26		175	15%	26	
5114-Maintenance of Distribution Station Equipment	70,700	15%	10,605		70,700	15%	10,605	
5120-Maintenance of Poles, Towers and Fixtures	39,343	15%	5,901		39,343	15%	5,901	
5125-Maintenance of Overhead Conductors and Devices	94,356	15%	14,153		94,356	15%	14,153	
5130-Maintenance of Overhead Services	41,393	15%	6,209		41,393	15%	6,209	
5135-Overhead Distribution Lines and Feeders - Right of Way	72,966	15%	10,945		72,966	15%	10,945	
5145-Maintenance of Underground Conduit	480	15%	72		480	15%	72	
5150-Maintenance of Underground Conductors and Devices	12,464	15%	1,870		12,464	15%	1,870	
5155-Maintenance of Underground Services	8,776	15%	1,316		8,776	15%	1,316	
5160-Maintenance of Line Transformers	57,325	15%	8,599		57,325	15%	8,599	
5165-Maintenance of Street Lighting and Signal Systems	-	15%	-		-	15%	-	
5175-Maintenance of Meters	4,008	15%	601		4,008	15%	601	
Sub-Total	401,986		60,298		401,986		60,298	
Billing and Collections								
5310-Meter Reading Expense	53,194	15%	7,979		53,194	15%	7,979	
5315-Customer Billing	264,669	15%	39,700		264,669	15%	39,700	
5320-Collecting	32,388	15%	4,858		32,388	15%	4,858	
5335-Bad Debt Expense	13,325	15%	1,999		13,325	15%	1,999	
Sub-Total	363,576		54,536		363,576		54,536	
Community Relations								
5410-Community Relations - Sundry	254	15%	38		254	15%	38	
Sub-Total	254		38		254		38	
Administrative and General Expenses								
5605-Executive Salaries and Expenses	0	15%	-		0	15%	-	
5615-General Administrative Salaries and Expenses	338,219	15%	50,733		338,219	15%	50,733	
5620-Office Supplies and Expenses	15,909	15%	2,386		15,909	15%	2,386	
5625-Administrative Expense Transferred Credit	19,578	15%	2,937		19,578	15%	2,937	
5630-Outside Services Employed	72,879	15%	10,932		72,879	15%	10,932	
5635-Property Insurance	37,463	15%	5,619		37,463	15%	5,619	
5655-Regulatory Expenses	31,458	15%	4,719		31,458	15%	4,719	
5665-Miscellaneous General Expenses	85,624	15%	12,844		85,624	15%	12,844	
5670-Rent	7,716	15%	1,157		7,716	15%	1,157	
5675-Maintenance of General Plant	22,256	15%	3,338		22,256	15%	3,338	
Sub-Total	631,102		94,665		631,102		94,665	
Taxes Other than Income Taxes:								
6105-Taxes Other than Income Taxes	22,426	15%	3,364		22,426	15%	3,364	
Sub-Total	22,426.00		3,364		22,426.00		3,364	
Cost of Power								
4705-Power Purchased	7,301,929	15%	1,095,289		6,966,881	15%	1,045,032	
4708-Charges-WMS	770,074	15%	115,511		770,074	15%	115,511	
4714-Charges-NW	661,754	15%	99,263		564,748	15%	84,712	
4716-Charges-CN	583,336	15%	87,500		525,187	15%	78,778	
4730-Rural Rate Assistance Expense	12,004	15%	1,801		12,004	15%	1,801	
4750-LV Charges Costs	101,509	15%	15,226		219,402	15%	32,910	
Sub-Total	10,430,606		1,414,591		9,058,296		1,358,744	
WORKING CAPITAL ALLOWANCE TOTAL			1,655,949					1,600,102

COST OF CAPITAL and CAPITAL STRUCTURE

Rideau St. Lawrence has revised its Capital Structure in accordance with the Board's Decision dated May 6, 2008. The direction given was that RSL rates are to be based on a deemed capital structure of 53.3% debt (49.3% long term; 4% short term) and 46.7% equity.

The following tables have been extracted from the model to indicate the required changes has taken place in the rate model being used by RSL resulting in a Regulated Return on Capital of 6.64%: This is consistent with the Board's conclusions for RSL's deemed capital structure and cost of capital contained in the Board's May 6, 2008, Decision.

Submitted November 22, 2007:

Test Year Balances, Fixed Assets in Service:	
Opening Balance	3,737,117
Closing Balance	<u>3,830,700</u>
Average Balance	3,783,909
Working Capital Allowance	1,655,949
Total Rate Base	5,439,857
<i>Regulated Rate of Return</i>	6.83%
Regulated Return On Capital	371,404

Boards Direction May 6, 2008:

Opening Balance	3,496,780
Closing Balance	<u>3,860,025</u>
Average Balance	3,678,402
Working Capital Allowance	1,600,102
Total Rate Base	5,278,504
<i>Regulated Rate of Return</i>	6.64%
Regulated Return On Capital	350,475

The following tables provide the original submitted revenue requirement and the revised amounts:

Service Revenue Requirement	2,267,241
Less: Revenue Offsets	-251,850
Base Revenue Requirement	2,015,392
Directly Allocated CDM	0
Outstanding Base Revenue Requirement	2,015,392

Service Revenue Requirement	2,223,838
Less: Revenue Offsets	-251,850
Base Revenue Requirement	1,971,988
Directly Allocated CDM	0
Outstanding Base Revenue Requirement	1,971,988

PILS net change – Tax rate reduction and lower Income	(\$7,812)
Rate of Return	(20,929)
Reduction in Amortization Expense (1/2 Yr Rule)	(14,663)

Total Reduction in Base Revenue Requirement	\$ (43,404)

Adjusted per Boards Direction May 6, 2008: \$1,971,988

COST ALLOCATION AND RATE DESIGN

The Cost Allocation and Rate Design section of the Decision issued by the Board dealt with the following issues:

- Line Losses
- Low Voltage Costs
- Customer Reclassification
- Revenue to Cost Ratios
- Rate Design
- Retail Transmission Rates

Line Losses

Rideau St. Lawrence has revised its Loss Factor to use a three year average which results in a Distribution Loss Factor of 1.0716 and a Total Loss Factor of 1.0764, as per the Decision.

Low Voltage Costs

LV costs have been adjusted from \$101,509 to \$219,402 as per the Decision. These additional costs have been included and can be seen in the Working Capital section of this document.

Customer Reclassification

The Westport Sewage Treatment Class has been eliminated and that customer reclassified to the GS>50kW class. RSL's original evidence included the elimination of this class and reclassification of the single customer to the GS > 50kW class. No further changes were required.

Revenue to Cost Ratios

Street Light Revenue to Cost ratio has been increased to 56% from of the previously submitted ratio of 49.84% as directed by the Board.

As directed by the Board, the additional revenue from the increase to the Street Lighting class RSL has been used to reduce the revenue collected from the Residential and GS>50kW classes. This adjustment has been calculated on a proportionate basis of revenue prior to the adjustment to achieve a 56% R/C ratio for the Street Light class.

The following table provides the Revenue to Cost ratios for all classes:

Original -Submitted November 22,
2008 RATE APPLICATION

2008 Base Revenue @ 100%	Rev/Cost Ratio per cost allocation model	Proposed Proportion of Revenue	Base Revenue Requirement @ Proposed Proportions	Over /(Under) Contributing	Proposed Revenue/C ost Ratio
1,119,818		57.23%	1,153,409	33,591	103.00%
441,202		20.00%	403,078	(38,124)	91.36%
323,770		19.10%	384,940	61,170	118.89%
113,228		2.80%	56,431	(56,797)	49.84%
3,804		0.15%	3,023	(781)	79.47%
13,570		0.72%	14,511	941	106.93%
2007	2,015,392	100.00%	2,015,392	0	

**Revised: Adjusted for Boards Direction May 6,
2008 RATE APPLICATION**

2008 Base Revenue @ 100%	Rev/Cost Ratio per cost allocation model	Proposed Proportion of Revenue	Base Revenue Requirement @ Proposed Proportions	Over /(Under) Contributing	Proposed Revenue/C ost Ratio
1,095,701		56.971%	1,123,461	27,760	102.53%
431,700		20.000%	394,398	(37,303)	91.36%
316,797		19.013%	374,934	58,137	118.35%
110,789		3.146%	62,039	(48,751)	56.00%
3,722		0.150%	2,958	(764)	79.47%
13,278		0.720%	14,198	920	106.93%
2008:	1,971,988	100.000%	1,971,988	0	

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2008 Rate Application
Rideau St. Lawrence Distribution Inc.
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Rate Design:

RSL was directed to adjust the model by eliminating the smart meter adder, LV charges and transformation allowance from the 2007 rates to achieve a consistent split.

Fixed Variable Rate Design:

Fixed / Variable Split per 2007 Rates

	TOTAL	Residential	GS < 50KW	GS > 50KW	Street Lighting	Sentinel Lighting	Unmetered Scattered Load
Metric for variable rate		kWh	kWh	kW	kW	kW	kWh
Volume		45,379,623	24,085,319	132,103	3,875	279	304,493
Variable rate		\$0.0107	\$0.0051	\$1.6678	\$4.7001	\$4.8396	\$0.0356
Total proceeds from variable charges	859,122	485,562	122,835	220,321	18,215	1,349	10,840
less: LV charges	163,562	64,075	30,903	66,743	1,470	118	252
less: Transformer Allowance recoveries	19,363	11,745	2,557	4,267	465	34	295
Net Revenues from variable charges	676,196	409,742	89,375	149,311	16,279	1,197	10,293
Metric for fixed monthly rate		Customer	Customer	Customer	Connection	Connection	Customer
Volume		4,972	778	64	1,653	34	48
Fixed rate		\$8.78	\$13.36	\$273.58	\$1.17	\$0.62	\$7.80
Total proceeds from fixed charges	886,567	523,850	124,649	210,109	23,210	255	4,493
less: Smart Meter rate adder \$0.26	18,138	15,513	2,426	200			
less: LV charges	0	0	0	0	0	0	0
less: Transformer Allowance recoveries	24,138	14,123	3,406	5,832	645	7	125
Net Revenue from fixed charge	844,291	494,214	118,817	204,078	22,565	248	4,368
Net Distribution Revenue	1,520,487	903,956	208,192	353,389	38,845	1,445	14,661
% variable		45.33%	42.93%	42.25%	41.91%	82.85%	70.21%
% fixed		54.67%	57.07%	57.75%	58.09%	17.15%	29.79%
2008 Revenue Requirement							
Net Distribution Revenue	1,972,043	1,123,492	394,409	374,944	62,040	2,958	14,199
Net Revenues from variable charges	875,406	509,253	169,315	158,418	26,000	2,451	9,969
Net Revenue from fixed charge	1,096,637	614,240	225,093	216,526	36,040	507	4,230
Variable Rate (before LV / Transf. Allow.)		\$0.0112	\$0.0070	\$1.1992	\$6.7090	\$8.7917	\$0.0327
Fixed Rate (before Smart Meters)		\$10.29	\$24.13	\$281.94	\$1.82	\$1.23	\$7.34

Customer Class	Per Cost Allocation		Existing Fixed/Variable Split		Application			Application	
	Minimum	Maximum	Existing Rate	with new Rev. Req	Proposed Fixed Rate	* Resulting Usage Rate	per	Fixed %	Variable %
Residential	\$3.77	\$9.45	\$8.78	\$9.77	\$10.29	0.0112	kWh	54.67%	45.33%
GS < 50KW	\$10.74	\$20.81	\$13.36	\$21.29	\$24.12	0.0070	kWh	57.07%	42.93%
GS > 50KW	\$37.08	\$70.18	\$273.58	\$238.31	\$281.93	1.1992	kW	57.75%	42.25%
Street Lighting	\$0.27	\$4.93	\$1.17	\$1.75	\$1.82	6.7088	kW	58.09%	41.91%
Sentinel Lighting	\$0.19	\$4.76	\$0.62	\$1.14	\$1.23	8.7914	kW	17.15%	82.85%
Unmetered Scattered Load	\$7.99	\$14.32	\$7.80	\$7.22	\$7.34	0.0327	kWh	29.79%	70.21%

Retail Transmission Rates

RSL's proposal to decrease its Network and Connection Rates by an 11.4% and 7.6% respectively, was accepted by the Board.

As discussed earlier in the Working Capital section of this document RSL had proposed decreasing the Network and Connection charges from Hydro One based on their application. This results in an 11.4% decrease in the Network rates and a 7.6% decrease in Connection rates to RSL customers. The rate changes are reflected in the Draft Rate Order which accompanies this document.

	Network			Connection		
ClassName	Existing Rate 2007	Proposed Rate 2008	% Change	Existing Rate 2007	Proposed Rate 2008	% Change
Residential	0.0054	0.0048	-11.4%	0.0049	0.0045	-7.6%
GS <50 kW	0.0049	0.0043	-11.4%	0.0044	0.0041	-7.6%
Scattered Load	0.0049	0.0043	-11.4%	0.0044	0.0041	-7.6%
GS 50 to 4999 kW	2.0169	1.7870	-11.4%	1.7588	1.6251	-7.6%
GS > 50 kw Interval	2.2535	1.9966	-11.4%	1.9603	1.8113	-7.6%
Sentinel Lighting	1.5288	1.3545	-11.4%	1.3881	1.2826	-7.6%
Street Lighting	1.5211	1.3477	-11.4%	1.3597	1.2564	-7.6%

DEFERRAL AND VARIANCE ACCOUNTS

Rideau St. Lawrence has adjusted their calculation for the disposition of their deferral and variance accounts in accordance with the Boards' Decision.

RSL will dispose of accounts 1508 and 1550 over a 2 year period. All other deferral and variance accounts will be addressed at a later date.

The rate rider for the recovery of these two accounts are included in the Draft Rate Order and the calculation is provided below:

Account Number	Dec31/06 Balance	Apr 30/08 Balance	Allocation Basis	Residential	GS < 50 KW	GS > 50 KW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting
1508	13,019	13,776	KWh	5,264	2,794	5,512	35	12	158
1550	46,689	49,547	KWh	18,933	10,049	19,827	127	42	570
Apr30/08	59,709	63,323		24,197	12,842	25,339	162	54	728
				24,197	12,842	25,339	162	54	728
2 YEARS				12,098	6,421	12,670	81	27	364
				0.00027 kWh	0.00027 kWh	0.09591 kW	0.00027 kWh	0.09635 kW	0.09400 kW

SMART METERS

Rideau St. Lawrence has included \$0.26 per metered customer per month in the Service Charge, in its Draft Rate Order as directed in the Boards Decision.

RECONCILIATION OF RATE CLASS REVENUE TO TOTAL REVENUE REQUIREMENT

Total Revenue - Base + Trans + LV						
Rate Class	Number of Customer Connections	Volume kWh	Volume kW	Proposed Fixed Charge \$	Proposed Volumetric Charge	Proposed Revenue at Proposed Rates
Residential	4,972	45,379,623		10.55	0.0136	\$1,245,846
General Service <50kW	778	24,085,319		24.38	0.009	\$444,380
General Service 50kW to 4,999kW	64	47,522,972	132,103	282.19	1.9401	\$473,015
Unmetered Scattered Load	48	304,493		7.34	0.0353	\$14,976
Sentinel Lighting	34	100,826	279	1.23	9.5217	\$3,158
Street Lighting (Connections)	1,653	1,366,231	3,875	1.82	7.5007	\$65,167
Totals	7,549	118,759,464	136,257			\$2,246,542

Base Revenue Requirement	\$1,971,988
Transformer Allowance	\$37,012
Low voltage	\$219,402
Service Revenue Requirement	\$2,228,402

	#meters	Mths	Rate	
Smart Meters	5,814	12	0.26	\$18,140
Grand total				\$2,246,542

RIDEAU ST. LAWRENCE DISTRIBUTION INC.
TARIFF OF RATES AND CHARGES

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

APPLICATION

The application of these rates and charges shall be in accordance with the License of the Distributor and any Codes, Guidelines or Orders of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's License or a Code, Guideline or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

This schedule does not contain any rates and charges relating to the electricity commodity (e.g. the Regulated Price Plan).

EFFECTIVE DATES

DISTRIBUTION RATES – (Date to be determined) 2008 for all consumption or deemed consumption service used on or after that date.

SPECIFIC SERVICE CHARGES – 2008 for all charges incurred by customers on or after that date.

LOSS FACTOR ADJUSTMENT – (Date to be determined) 2008 unless the distributor is not capable of prorating changed loss factors jointly with distribution rates. In that case, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Service Classifications

Residential

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers.

General Service Less Than 50 kW

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly demand is less than, or is forecast to be less than, 50 kW.

General Service 50 to 4999kW

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW.

Unmetered Scattered Load

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption.

Sentinel Lights

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light.

Street Lighting

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times and the required lighting times established in the approved OEB street lighting load shape template.

Rates proposed below include a smart meter rate adder of \$0.26 per month per metered customer.

Table of Proposed Rates

Residential

	UOM	Rate
Service Charge	\$	10.55
Distribution Volumetric Rate	\$/kWh	0.01360
Regulatory Asset Recovery	\$/kWh	0.00027
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0048
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.001
Regulated Price Plan – Administration Charge	\$	0.25

General Service <50 kW

Service Charge	\$	24.38
Distribution Volumetric Rate	\$/kWh	0.0090
Regulatory Asset Recovery	\$/kWh	0.00027
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0043
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0041
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.001
Regulated Price Plan – Administration Charge	\$	0.25

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General Service >50 to 4999 kW

Service Charge	\$	282.19
Distribution Volumetric Rate	\$/kW	1.9401
Regulatory Asset Recovery	\$/kW	0.09591
Retail Transmission Rate – Network Service Rate	\$/kW	1.7870
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6251
Retail Transmission Rate – Network Service Rate - Interval Metered	\$/kW	1.9966
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.8113
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administration Charge	\$	0.25

Unmetered Scattered Load

Service Charge	\$	7.34
Distribution Volumetric Rate	\$/kWh	0.03530
Regulatory Asset Recovery	\$/kWh	0.00027
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0043
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0041
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Regulated Price Plan – Administration Charge	\$	0.25

Sentinel Lighting

Service Charge	\$	1.23
Distribution Volumetric Rate	\$/kWh	9.5217
Regulatory Asset Recovery	\$/kW	0.09635
Retail Transmission Rate – Network Service Rate	\$/kW	1.35450
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.28260
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Regulated Price Plan – Administration Charge	\$	0.25

Street Lighting

Service Charge	\$	1.82
Distribution Volumetric Rate	\$/kWh	7.50070
Regulatory Asset Recovery	\$/kW	0.09400
Retail Transmission Rate – Network Service Rate	\$/kW	1.34770
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.25640
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Regulated Price Plan – Administration Charge	\$	0.25

**RIDEAU ST. LAWRENCE DISTRIBUTION INC.
TARIFF OF RATES AND CHARGES**

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

Specific Service Charges

Customer Administration

Arrears certificate	\$15.00
Statement of account	\$15.00
Pulling postdated cheques	\$15.00
Duplicate invoices for previous billing	\$15.00
Request for other billing information	\$15.00
Easement letter	\$15.00
Income tax letter	\$15.00
Notification charge	\$15.00
Account history	\$15.00
Credit reference/credit check (plus credit agency costs)	\$15.00
Returned cheque charge (plus bank charges)	\$15.00
Charge to certify cheque	\$15.00
Legal letter charge	\$15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$30.00
Special meter reads	\$30.00

Non-Payment of Account

Late Payment – per month	1.50%
Late Payment – per annum	19.56%
Collection of account charge - no disconnection	\$30.00
Collection of account charge - no disconnection - after regular hours	\$165.00
Disconnect/Reconnect at meter - during regular hours	\$65.00
Disconnect/Reconnect at meter - after regular hours	\$185.00
Disconnect/Reconnect at pole - during regular hours	\$185.00
Disconnect/Reconnect at pole - after regular hours	\$415.00
Service call - customer-owned equipment	\$30.00
Service call - after regular hours	\$165.00
Install/Remove load control device - during regular hours	\$65.00
Install/Remove load control device - after regular hours	\$185.00
Temporary service install & remove - overhead - no transformer	\$500.00
Temporary service install & remove - underground - no transformer	\$300.00
Temporary service install & remove - overhead - with transformer	\$1,000.00
Specific Charge for Access to the Power Poles per/pole/year	\$22.35

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Allowances

Transformer Allowance for Ownership – per kW of billing demand/month	\$/kW (0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	(1.00%)

Loss Factors

Total Loss Factor - Secondary Metered Customer > 5,000kW	1.0764
Total Loss Factor - Secondary Metered Customer > 5,000kW	N/A
Total Loss Factor - Primary Metered Customer < 5,000kW	1.0657
Total Loss Factor - Primary Metered Customer > 5,000kW	N/A

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BILL IMPACTS

100 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				8.78			10.55	1.77	20.2%	9.4%
Distribution	kWh	100	0.01070	1.07	100	0.01360	1.36	0.29	27.1%	1.5%
Sub-Total				9.85			11.91	2.06	20.9%	10.9%
Regulatory Asset Recovery	kWh	100	0.00640	0.64	100	0.00027	0.03	-0.61	-95.8%	-3.3%
Retail Transmission - Network	kWh	108	0.00540	0.58	108	0.00480	0.52	-0.07	-11.2%	-0.3%
Retail Transmission - Connection	kWh	108	0.00490	0.53	108	0.00450	0.48	-0.04	-8.2%	-0.2%
Wholesale Market Service	kWh	108	0.00520	0.56	108	0.00520	0.56	-0.00	-0.1%	0.0%
Rural Rate Protection Charge	kWh	108	0.00100	0.11	108	0.00100	0.11	-0.00	-0.1%	0.0%
Debt Retirement Charge	kWh	100	0.00700	0.70	100	0.00700	0.70	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	108	0.05450	5.87	108	0.05450	5.87	-0.00	-0.1%	0.0%
Total Bill				18.84			20.17	1.33	7.1%	7.1%

Residential
250 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				8.78			10.55	1.77	20.2%	5.2%
Distribution	kWh	250	0.01070	2.68	250	0.01360	3.40	0.73	27.1%	2.1%
Sub-Total				11.46			13.95	2.50	21.8%	7.4%
Regulatory Asset Recovery	kWh	250	0.00640	1.60	250	0.00027	0.07	-1.53	-95.8%	-4.5%
Retail Transmission - Network	kWh	269	0.00540	1.45	269	0.00480	1.29	-0.16	-11.2%	-0.5%
Retail Transmission - Connection	kWh	269	0.00490	1.32	269	0.00450	1.21	-0.11	-8.2%	-0.3%
Wholesale Market Service	kWh	269	0.00520	1.40	269	0.00520	1.40	-0.00	-0.1%	0.0%
Rural Rate Protection Charge	kWh	269	0.00100	0.27	269	0.00100	0.27	-0.00	-0.1%	0.0%
Debt Retirement Charge	kWh	250	0.00700	1.75	250	0.00700	1.75	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	269	0.05450	14.68	269	0.05450	14.67	-0.01	-0.1%	0.0%
Total Bill				33.93			34.60	0.68	2.0%	2.0%

Residential
500 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				8.78			10.55	1.77	20.2%	3.0%
Distribution	kWh	500	0.01070	5.35	500	0.01360	6.80	1.45	27.1%	2.5%
Sub-Total				14.13			17.35	3.22	22.8%	5.5%
Regulatory Asset Recovery	kWh	500	0.00640	3.20	500	0.00027	0.14	-3.07	-95.8%	-5.2%
Retail Transmission - Network	kWh	539	0.00540	2.91	538	0.00480	2.58	-0.33	-11.2%	-0.6%
Retail Transmission - Connection	kWh	539	0.00490	2.64	538	0.00450	2.42	-0.22	-8.2%	-0.4%
Wholesale Market Service	kWh	539	0.00520	2.80	538	0.00520	2.80	-0.00	-0.1%	0.0%
Rural Rate Protection Charge	kWh	539	0.00100	0.54	538	0.00100	0.54	-0.00	-0.1%	0.0%
Debt Retirement Charge	kWh	500	0.00700	3.50	500	0.00700	3.50	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	539	0.05450	29.35	538	0.05450	29.33	-0.02	-0.1%	0.0%
Total Bill				59.07			58.66	-0.41	-0.7%	-0.7%

Residential
750 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				8.78			10.55	1.77	20.2%	2.1%
Distribution	kWh	750	0.01070	8.03	750	0.01360	10.20	2.18	27.1%	2.6%
Sub-Total				16.81			20.75	3.95	23.5%	4.7%
Regulatory Asset Recovery	kWh	750	0.00640	4.80	750	0.00027	0.20	-4.60	-95.8%	-5.5%
Retail Transmission - Network	kWh	808	0.00540	4.36	807	0.00480	3.88	-0.49	-11.2%	-0.6%
Retail Transmission - Connection	kWh	808	0.00490	3.96	807	0.00450	3.63	-0.33	-8.2%	-0.4%
Wholesale Market Service	kWh	808	0.00520	4.20	807	0.00520	4.20	-0.00	-0.1%	0.0%
Rural Rate Protection Charge	kWh	808	0.00100	0.81	807	0.00100	0.81	-0.00	-0.1%	0.0%
Debt Retirement Charge	kWh	750	0.00700	5.25	750	0.00700	5.25	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	808	0.05450	44.03	807	0.05450	44.00	-0.03	-0.1%	0.0%
Total Bill				84.22			82.71	-1.50	-1.8%	-1.8%

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Residential

1,000 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				8.78			10.55	1.77	20.2%	1.6%
Distribution	kWh	1,000	0.01070	10.70	1,000	0.01360	13.60	2.90	27.1%	2.7%
Sub-Total				19.48			24.15	4.67	24.0%	4.3%
Regulatory Asset Recovery	kWh	1,000	0.00640	6.40	1,000	0.00027	0.27	-6.13	-95.8%	-5.6%
Retail Transmission - Network	kWh	1,077	0.00540	5.82	1,076	0.00480	5.17	-0.65	-11.2%	-0.6%
Retail Transmission - Connection	kWh	1,077	0.00490	5.28	1,076	0.00450	4.84	-0.43	-8.2%	-0.4%
Wholesale Market Service	kWh	1,077	0.00520	5.60	1,076	0.00520	5.60	-0.00	-0.1%	0.0%
Rural Rate Protection Charge	kWh	1,077	0.00100	1.08	1,076	0.00100	1.08	-0.00	-0.1%	0.0%
Debt Retirement Charge	kWh	1,000	0.00700	7.00	1,000	0.00700	7.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	1,077	0.05450	58.71	1,076	0.05450	58.66	-0.04	-0.1%	0.0%
Total Bill				109.36			106.77	-2.59	-2.4%	-2.4%

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GS < 50KW
1,500 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				13.36			24.38	11.02	82.5%	7.3%
Distribution	kWh	1,500	0.00510	7.65	1,500	0.00900	13.50	5.85	76.5%	3.9%
Sub-Total				21.01			37.88	16.87	80.3%	11.2%
Regulatory Asset Recovery	kWh	1,500	0.00430	6.45	1,500	0.00027	0.41	-6.05	-93.7%	-4.0%
Retail Transmission - Network	kWh	1,616	0.00490	7.92	1,615	0.00430	6.94	-0.97	-12.3%	-0.6%
Retail Transmission - Connection	kWh	1,616	0.00440	7.11	1,615	0.00410	6.62	-0.49	-6.9%	-0.3%
Wholesale Market Service	kWh	1,616	0.00520	8.40	1,615	0.00520	8.40	-0.01	-0.1%	0.0%
Rural Rate Protection Charge	kWh	1,616	0.00100	1.62	1,615	0.00100	1.61	-0.00	-0.1%	0.0%
Debt Retirement Charge	kWh	1,500	0.00700	10.50	1,500	0.00700	10.50	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	1,616	0.05450	88.06	1,615	0.05450	88.00	-0.07	-0.1%	0.0%
Total Bill				151.07			160.35	9.29	6.1%	6.1%

GS < 50KW
2,000 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				13.36			24.38	11.02	82.5%	5.6%
Distribution	kWh	2,000	0.00510	10.20	2,000	0.00900	18.00	7.80	76.5%	4.0%
Sub-Total				23.56			42.38	18.82	79.9%	9.6%
Regulatory Asset Recovery	kWh	2,000	0.00430	8.60	2,000	0.00027	0.54	-8.06	-93.7%	-4.1%
Retail Transmission - Network	kWh	2,154	0.00490	10.56	2,153	0.00430	9.26	-1.30	-12.3%	-0.7%
Retail Transmission - Connection	kWh	2,154	0.00440	9.48	2,153	0.00410	8.83	-0.65	-6.9%	-0.3%
Wholesale Market Service	kWh	2,154	0.00520	11.20	2,153	0.00520	11.19	-0.01	-0.1%	0.0%
Rural Rate Protection Charge	kWh	2,154	0.00100	2.15	2,153	0.00100	2.15	-0.00	-0.1%	0.0%
Debt Retirement Charge	kWh	2,000	0.00700	14.00	2,000	0.00700	14.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	2,154	0.05450	117.41	2,153	0.05450	117.33	-0.09	-0.1%	0.0%
Total Bill				196.97			205.68	8.71	4.4%	4.4%

GS < 50KW
5,000 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				13.36			24.38	11.02	82.5%	2.3%
Distribution	kWh	5,000	0.00510	25.50	5,000	0.00900	45.00	19.50	76.5%	4.1%
Sub-Total				38.86			69.38	30.52	78.5%	6.5%
Regulatory Asset Recovery	kWh	5,000	0.00430	21.50	5,000	0.00027	1.35	-20.15	-93.7%	-4.3%
Retail Transmission - Network	kWh	5,386	0.00490	26.39	5,382	0.00430	23.14	-3.25	-12.3%	-0.7%
Retail Transmission - Connection	kWh	5,386	0.00440	23.70	5,382	0.00410	22.07	-1.63	-6.9%	-0.3%
Wholesale Market Service	kWh	5,386	0.00520	28.01	5,382	0.00520	27.99	-0.02	-0.1%	0.0%
Rural Rate Protection Charge	kWh	5,386	0.00100	5.39	5,382	0.00100	5.38	-0.00	-0.1%	0.0%
Debt Retirement Charge	kWh	5,000	0.00700	35.00	5,000	0.00700	35.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	5,386	0.05450	293.54	5,382	0.05450	293.32	-0.22	-0.1%	0.0%
Total Bill				472.38			477.63	5.25	1.1%	1.1%

GS < 50KW
10,000 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				13.36			24.38	11.02	82.5%	1.2%
Distribution	kWh	10,000	0.00510	51.00	10,000	0.00900	90.00	39.00	76.5%	4.2%
Sub-Total				64.36			114.38	50.02	77.7%	5.4%
Regulatory Asset Recovery	kWh	10,000	0.00430	43.00	10,000	0.00027	2.70	-40.30	-93.7%	-4.3%
Retail Transmission - Network	kWh	10,772	0.00490	52.78	10,764	0.00430	46.29	-6.50	-12.3%	-0.7%
Retail Transmission - Connection	kWh	10,772	0.00440	47.40	10,764	0.00410	44.13	-3.26	-6.9%	-0.4%
Wholesale Market Service	kWh	10,772	0.00520	56.01	10,764	0.00520	55.97	-0.04	-0.1%	0.0%
Rural Rate Protection Charge	kWh	10,772	0.00100	10.77	10,764	0.00100	10.76	-0.01	-0.1%	0.0%
Debt Retirement Charge	kWh	10,000	0.00700	70.00	10,000	0.00700	70.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	10,772	0.05450	587.07	10,764	0.05450	586.64	-0.44	-0.1%	0.0%
Total Bill				931.40			930.87	-0.53	-0.1%	-0.1%

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GS > 50KW

60 kW Consumption
15,000 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				273.58			282.19	8.61	3.1%	0.5%
Distribution	kW	60	1.66780	100.07	60	1.94010	116.41	16.34	16.3%	0.9%
Sub-Total				373.65			398.60	24.95	6.7%	1.4%
Regulatory Asset Recovery	kW	60	1.42640	85.58	60	0.09591	5.75	-79.83	-93.3%	-4.5%
Retail Transmission - Network	kW	60	2.01690	121.01	60	1.78700	107.22	-13.79	-11.4%	-0.8%
Retail Transmission - Connection	kW	60	1.75880	105.53	60	1.62510	97.51	-8.02	-7.6%	-0.5%
Wholesale Market Service	kWh	16,158	0.00520	84.02	16,146	0.00520	83.96	-0.06	-0.1%	0.0%
Rural Rate Protection Charge	kWh	16,158			16,146	0.00100	16.15			
Debt Retirement Charge	kWh	15,000	0.00700	105.00	15,000	0.00700	105.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	16,158	0.05450	880.61	16,146	0.05450	879.96	-0.65	-0.1%	0.0%
Total Bill				1,755.41			1,694.14	-61.27	-3.5%	-3.5%

GS > 50KW

294 kW Consumption
160,117 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				273.58			282.19	8.61	3.1%	0.1%
Distribution	kW	294	1.66780	490.38	294	1.94010	570.45	80.06	16.3%	0.6%
Sub-Total				763.96			852.64	88.67	11.6%	0.6%
Regulatory Asset Recovery	kW	294	1.42640	419.40	294	0.09591	28.20	-391.20	-93.3%	-2.9%
Retail Transmission - Network	kW	294	2.01690	593.03	294	1.78700	525.43	-67.60	-11.4%	-0.5%
Retail Transmission - Connection	kW	294	1.75880	517.14	294	1.62510	477.83	-39.31	-7.6%	-0.3%
Wholesale Market Service	kWh	172,478	0.00520	896.89	172,350	0.00520	896.22	-0.67	-0.1%	0.0%
Rural Rate Protection Charge	kWh	172,478			172,350	0.00100	172.35			
Debt Retirement Charge	kWh	160,117	0.00700	1,120.82	160,117	0.00700	1,120.82	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	172,478	0.05450	9,400.05	172,350	0.05450	9,393.07	-6.98	-0.1%	-0.1%
Total Bill				13,711.29			13,466.56	-244.74	-1.8%	-1.8%

GS > 50KW

500 kW Consumption
100,000 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				273.58			282.19	8.61	3.1%	0.1%
Distribution	kW	500	1.66780	833.90	500	1.94010	970.05	136.15	16.3%	1.3%
Sub-Total				1,107.48			1,252.24	144.76	13.1%	1.3%
Regulatory Asset Recovery	kW	500	1.42640	713.20	500	0.09591	47.96	-665.25	-93.3%	-6.1%
Retail Transmission - Network	kW	500	2.01690	1,008.45	500	1.78700	893.50	-114.95	-11.4%	-1.1%
Retail Transmission - Connection	kW	500	1.75880	879.40	500	1.62510	812.55	-66.85	-7.6%	-0.6%
Wholesale Market Service	kWh	107,720	0.00520	560.14	107,640	0.00520	559.73	-0.42	-0.1%	0.0%
Rural Rate Protection Charge	kWh	107,720			107,640	0.00100	107.64			
Debt Retirement Charge	kWh	100,000	0.00700	700.00	100,000	0.00700	700.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	107,720	0.05450	5,870.74	107,640	0.05450	5,866.38	-4.36	-0.1%	0.0%
Total Bill				10,839.41			10,239.99	-599.42	-5.5%	-5.5%

GS > 50KW

1,000 kW Consumption
200,000 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				273.58			282.19	8.61	3.1%	0.0%
Distribution	kW	1,000	1.66780	1,667.80	1,000	1.94010	1,940.10	272.30	16.3%	1.3%
Sub-Total				1,941.38			2,222.29	280.91	14.5%	1.3%
Regulatory Asset Recovery	kW	1,000	1.42640	1,426.40	1,000	0.09591	95.91	-1,330.49	-93.3%	-6.2%
Retail Transmission - Network	kW	1,000	2.01690	2,016.90	1,000	1.78700	1,787.00	-229.90	-11.4%	-1.1%
Retail Transmission - Connection	kW	1,000	1.75880	1,758.80	1,000	1.62510	1,625.10	-133.70	-7.6%	-0.6%
Wholesale Market Service	kWh	215,440	0.00520	1,120.29	215,280	0.00520	1,119.46	-0.83	-0.1%	0.0%
Rural Rate Protection Charge	kWh	215,440			215,280	0.00100	215.28			
Debt Retirement Charge	kWh	200,000	0.00700	1,400.00	200,000	0.00700	1,400.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	215,440	0.05450	11,741.48	215,280	0.05450	11,732.76	-8.72	-0.1%	0.0%
Total Bill				21,405.25			20,197.80	-1,207.45	-5.6%	-5.6%

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Street Lighting

138 kW Consumption
48,814 kWh Consumption
689 Connections

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge		689	1.17	806.13	689	1.82	1,253.98	447.85	55.6%	8.2%
Distribution	kW	138	4.70010	650.87	138	7.50070	1,038.70	387.83	59.6%	7.1%
Sub-Total				1,457.00			2,292.68	835.68	57.4%	15.4%
Regulatory Asset Recovery	kW	138	0.35410	49.04	138	0.09400	13.02	-36.02	-73.5%	-0.7%
Retail Transmission - Network	kW	138	1.52110	210.64	138	1.34770	186.63	-24.01	-11.4%	-0.4%
Retail Transmission - Connection	kW	138	1.35970	188.29	138	1.25640	173.99	-14.30	-7.6%	-0.3%
Wholesale Market Service	kWh	52,583	0.00520	273.43	52,544	0.00520	273.23	-0.20	-0.1%	0.0%
Rural Rate Protection Charge	kWh	52,583	0.00100	52.58	52,544	0.00100	52.54	-0.04	-0.1%	0.0%
Debt Retirement Charge	kWh	48,814	0.00700	341.70	48,814	0.00700	341.70	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	52,583	0.05450	2,865.75	52,544	0.05450	2,863.63	-2.13	-0.1%	0.0%
Total Bill				5,438.44			6,197.41	758.97	14.0%	14.0%

Sentinel Lighting

0.75 kW Consumption
25 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge		1		0.62			1.23	0.61	98.4%	4.4%
Distribution	kW	1	4.83960	3.63	1	9.52170	7.14	3.51	96.7%	25.1%
Sub-Total				4.25			8.37	4.12	97.0%	29.5%
Regulatory Asset Recovery	kW	1	7.65420	5.74	1	0.09635	0.07	-5.67	-98.7%	-40.5%
Retail Transmission - Network	kW	1	1.52880	1.15	1	1.35450	1.02	-0.13	-11.4%	-0.9%
Retail Transmission - Connection	kW	1	1.38810	1.04	1	1.28260	0.96	-0.08	-7.6%	-0.6%
Wholesale Market Service	kWh	27	0.00520	0.14	27	0.00520	0.14	-0.00	-0.1%	0.0%
Rural Rate Protection Charge	kWh	27	0.00100	0.03	27	0.00100	0.03	-0.00	-0.1%	0.0%
Debt Retirement Charge	kWh	25	0.00700	0.18	25	0.00700	0.18	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	27	0.05450	1.47	27	0.05450	1.47	-0.00	-0.1%	0.0%
Total Bill				13.99			12.23	-1.76	-12.6%	-12.6%

Sentinel Lighting

0.75 kW Consumption
50 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge		1		0.62			1.23	0.61	98.4%	3.9%
Distribution	kW	1	4.83960	3.63	1	9.52170	7.14	3.51	96.7%	22.2%
Sub-Total				4.25			8.37	4.12	97.0%	26.1%
Regulatory Asset Recovery	kW	1	7.65420	5.74	1	0.09635	0.07	-5.67	-98.7%	-35.9%
Retail Transmission - Network	kW	1	1.52880	1.15	1	1.35450	1.02	-0.13	-11.4%	-0.8%
Retail Transmission - Connection	kW	1	1.38810	1.04	1	1.28260	0.96	-0.08	-7.6%	-0.5%
Wholesale Market Service	kWh	54	0.00520	0.28	54	0.00520	0.28	-0.00	-0.1%	0.0%
Rural Rate Protection Charge	kWh	54	0.00100	0.05	54	0.00100	0.05	-0.00	-0.1%	0.0%
Debt Retirement Charge	kWh	50	0.00700	0.35	50	0.00700	0.35	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	54	0.05450	2.94	54	0.05450	2.93	-0.00	-0.1%	0.0%
Total Bill				15.80			14.04	-1.76	-11.1%	-11.1%

Unmetered Scattered Load

0 kW Consumption
800 kWh Consumption

	Metric	2007 BILL			2008 BILL			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				7.80			7.34	-0.46	-5.9%	-0.4%
Distribution	kWh	800	0.03560	28.48	800	0.03530	28.24	-0.24	-0.8%	-0.2%
Sub-Total				36.28			35.58	-0.70	-1.9%	-0.6%
Regulatory Asset Recovery	kWh	800	0.00970	7.76	800	0.00027	0.22	-7.54	-97.2%	-6.9%
Retail Transmission - Network	kWh	800	0.00490	3.92	800	0.00430	3.44	-0.48	-12.2%	-0.4%
Retail Transmission - Connection	kWh	800	0.00440	3.52	800	0.00410	3.28	-0.24	-6.8%	-0.2%
Wholesale Market Service	kWh	862	0.00520	4.48	861	0.00520	4.48	-0.00	-0.1%	0.0%
Rural Rate Protection Charge	kWh	862	0.00100	0.86	861	0.00100	0.86	-0.00	-0.1%	0.0%
Debt Retirement Charge	kWh	800	0.00700	5.60	800	0.00700	5.60	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	862	0.05450	46.97	861	0.05450	46.93	-0.03	-0.1%	0.0%
Total Bill				109.39			100.39	-9.00	-8.2%	-8.2%