



## EXHIBIT 2 – RATE BASE AND CAPITAL

2025 Cost of Service

Lakeland Power Distribution Ltd.  
EB-2024-0039

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## 2.1 RATE BASE

### 2.1.1 RATE

The rate base used for the purpose of calculating the revenue requirement in this Application follows *Chapter 2 Cost of Service Filing Requirements For Electricity Distribution Rate Applications* issued by the Ontario Energy Board ("OEB") on Dec 15, 2022, as directed by the OEB letter issued on April 11, 2024. LPDL's Rate Base is determined by taking the average of the net fixed asset balances at the beginning and the end of the 2025 Test Year, plus a working capital allowance, which is 7.5% of the sum of the cost of power and controllable expenses. The use of a 7.5% rate is consistent with the Board's letter of June 3, 2015 and the Filing Requirements as issued by the OEB. At this time, LPDL has not completed a lead-lag study or equivalent analysis to support a different rate and has submitted this application using the default value of 7.5%.

LPDL was not previously directed by the OEB to undertake a lead/lag study.

Net fixed assets include in-service distribution assets associated with activities that enable the conveyance of electricity for distribution purposes less accumulated depreciation and contributed capital. For the purpose of this Exhibit, distribution assets refer to those assets that are directly related to the distribution system, such as poles, transformers, underground and overhead lines. General Plant refers to assets that support the operation of the distribution system, such as computer hardware, computer software, vehicles, equipment and buildings. Capital Assets include Property, Plant and Equipment ("PP&E") and Intangible Assets; these are referred to as "Capital" or "Fixed Assets" throughout this evidence. The Rate Base calculation excludes any Non-Distribution Assets. LPDL has not applied for, nor received, an Incremental Capital Module ("ICM") or Advanced Capital Module ("ACM") adjustment since its last Cost of Service.

LPDL confirms that capital expenditures are equivalent to in-service additions and does not have any in-service balances previously recorded in DVA's.

LPDL has provided its Rate Base calculations for the years 2019 Board Approved, 2019 – 2023 Actual, 2024 Bridge Year and 2025 Test Year in Table 1 below.

**Table 1- Summary of Rate Base**

Particulars	2019 Board Approved	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Bridge	2025 Test
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
Gross Capital Assets in Service								
Opening Balance	49,928,913	49,928,913	52,472,368	53,796,118	56,089,290	58,683,287	61,465,689	64,150,616
Closing Balance	52,045,929	52,472,368	53,796,118	56,089,290	58,683,287	61,465,689	64,150,616	67,306,301
Average Balance	50,987,422	51,200,641	53,134,243	54,942,704	57,386,288	60,074,488	62,808,153	65,728,459
Accumulated Depreciation								
Opening Balance	(23,613,113)	(23,613,112)	(24,990,283)	(26,218,098)	(27,675,541)	(29,307,872)	(30,803,672)	(32,342,759)
Closing Balance	(24,789,636)	(24,990,283)	(26,218,098)	(27,675,541)	(29,307,872)	(30,803,672)	(32,342,759)	(33,958,817)
Average Balance	(24,201,375)	(24,301,697)	(25,604,190)	(26,946,820)	(28,491,707)	(30,055,772)	(31,573,216)	(33,150,788)
Average Net Book Value	26,786,048	26,898,943	27,530,052	27,995,884	28,894,582	30,018,716	31,234,937	32,577,671
Working Capital	38,528,327	41,412,416	45,915,604	40,570,439	42,327,496	42,438,864	45,098,392	42,178,437
Working Capital Allowance %	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
Working Capital Allowance	2,889,625	3,105,931	3,443,670	3,042,783	3,174,562	3,182,915	3,382,379	3,163,383
Rate Base	29,675,672	30,004,875	30,973,723	31,038,667	32,069,144	33,201,631	34,617,316	35,741,053
% Change		1.11%	3.23%	0.21%	3.32%	3.53%	4.26%	3.25%
Compound Annual Growth Rate % - 2019 to 2025	3.15%							

LPDL calculated its 2025 Test Year Rate Base as \$35.7M, an increase of \$6.1M over the 2019 Board Approved Rate Base of \$29.7M. This increase in Rate Base is attributable to an increase in the Average Net Book Value of Capital Assets of \$5.8M and an increase in the Working Capital Allowance of \$274K. LPDL has shown the steady annual growth % increase to support its overall compound annual growth rate of 3.15% from 2019 Board Approved to 2025 Test Year.

The capital assets trend shows a consistent increase each year from the 2019 Board Approved to 2025 Test Year due to planning and project prioritization by management. Details of these additions are discussed in length in the attached Distribution System Plan (DSP) in Appendix A.

LPDL has provided a summary of its calculations of the Cost of Power and Controllable Costs used in the calculations for determining Working Capital for the years 2019 Board Approved, 2019-2023 Actual, 2024 Bridge Year and 2025 Test Year in Table 2 below.

**Table 2 - Summary of Working Capital**

Expenses for Working Capital	2019 Board Approved	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Bridge	2025 Test
Eligible Distribution Expenses:								
5000-Distribution Expenses - Operation	360,081	370,938	489,384	424,454	375,552	436,101	476,700	500,535
5100-Distribution Expenses - Maintenance	1,473,726	1,339,716	1,642,609	1,619,030	2,062,665	2,016,403	2,189,040	2,310,892
5300-Billing and Collecting	971,160	936,607	1,346,742	871,019	979,184	1,037,652	1,116,150	1,171,958
5400-Community Relations	75,000	38,436	7,183	17,638	6,639	14,519	34,500	36,225
5600-Administrative and General Expenses	2,120,000	2,070,437	1,870,032	1,856,254	2,008,057	2,279,911	2,393,568	2,548,246
6205 - Donations - LEAP	13,000	13,000	13,000	13,000	13,000	19,832	13,000	13,000
6105 - Taxes	56,828	57,787	59,441	59,485	60,426	62,817	65,400	68,670
Less Allocated Depreciation in OM&A	-	105,356	134,206	169,827	210,752	234,230	270,129	303,799
<b>Total Eligible Distribution Expenses</b>	<b>5,069,795</b>	<b>4,721,566</b>	<b>5,294,185</b>	<b>4,691,054</b>	<b>5,294,773</b>	<b>5,633,003</b>	<b>6,018,229</b>	<b>6,345,727</b>
4700-Power Supply Expenses	33,458,532	36,690,851	40,621,419	35,879,385	37,032,723	36,805,861	39,080,163	35,832,710
<b>Total Expenses for Working Capital</b>	<b>38,528,327</b>	<b>41,412,416</b>	<b>45,915,604</b>	<b>40,570,439</b>	<b>42,327,496</b>	<b>42,438,864</b>	<b>45,098,392</b>	<b>42,178,437</b>
Working Capital factor	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
<b>Total Working Capital Allowance</b>	<b>2,889,625</b>	<b>3,105,931</b>	<b>3,443,670</b>	<b>3,042,783</b>	<b>3,174,562</b>	<b>3,182,915</b>	<b>3,382,379</b>	<b>3,163,383</b>

## 2.1.2 RATE BASE VARIANCE ANALYSIS

The following tables and paragraphs provide a narrative on the annual changes that have driven the increase in rate base since LPDL's 2019 Board Approved COS Application.

For purposes of the variance analysis, LPDL's materiality threshold is \$50,000.

### **2019 Board Approved vs 2019 Actual**

**Table 3 - 2019 Rate Base Variances**

Particulars	2019 Board Approved	2019 Actual	Variance	%
Net Capital Assets in Service:				
Opening Balance	26,315,801	26,315,801	0	0.0%
Ending Balance	27,256,293	27,482,085	225,792	0.8%
<b>Average Balance</b>	<b>26,786,047</b>	<b>26,898,943</b>	<b>112,896</b>	<b>0.4%</b>
Working Capital Allowance	2,889,625	3,105,931	216,307	7.5%
<b>Total Rate Base</b>	<b>29,675,672</b>	<b>30,004,875</b>	<b>329,203</b>	<b>1.1%</b>

Total Rate Base for 2019 Actual of \$30,004,875 is \$329,203 or 1.1% higher than the 2019 Board Approved. The main reasons for the variance are:



- Capital expenditures in 2019 were slightly above planned in addition to depreciation being slightly lower. Combination resulted in average balance being \$113K higher than 2019 Board Approved.
- Power Supply Expenses in 2019 were \$3.2M higher than Board Approved which is the main contributor for Working Capital Allowance being \$216K higher than Board Approved.

## 2020 Actual vs 2019 Actual

**Table 4 - 2020-2019 Rate Base Variances**

Particulars	2019 Actual	2020 Actual	Variance	%
Net Capital Assets in Service:				
Opening Balance	26,315,801	27,482,085	1,166,284	4.4%
Ending Balance	27,482,085	27,578,020	95,934	0.3%
<b>Average Balance</b>	<b>26,898,943</b>	<b>27,530,052</b>	<b>631,109</b>	<b>2.3%</b>
Working Capital Allowance	3,105,931	3,443,670	337,739	10.9%
<b>Total Rate Base</b>	<b>30,004,875</b>	<b>30,973,723</b>	<b>968,848</b>	<b>3.2%</b>

Total Rate Base for 2020 Actual of \$30,973,723 was \$969K or 3.2% higher than 2019 Actual. The main reasons for the variance are:

- An increase in the average net fixed assets of \$631K; this increase is not attributable to one specific asset as LPDL primarily invested in its overall voltage conversion projects along with make ready projects related to the Universal Broadband Fund for Fibre to the Home (FTTH).
- Working Capital Allowance variance is mainly attributed to increased bad debt expenses related to COVID along with Power Supply Expenses being \$3.9M higher than 2019.

**2021 Actual vs. 2020 Actual**

**Table 5 - 2021-2020 Rate Base Variances**

Particulars	2020 Actual	2021 Actual	Variance	%
Net Capital Assets in Service:				
Opening Balance	27,482,085	27,578,020	95,934	0.3%
Ending Balance	27,578,020	28,413,748	835,729	3.0%
<b>Average Balance</b>	<b>27,530,052</b>	<b>27,995,884</b>	<b>465,831</b>	<b>1.7%</b>
Working Capital Allowance	3,443,670	3,042,783	(400,887)	-11.6%
<b>Total Rate Base</b>	<b>30,973,723</b>	<b>31,038,667</b>	<b>64,944</b>	<b>0.2%</b>

Total Rate Base in 2021 of \$31,038,667 is \$64,944 or 0.2% higher than 2020. The increase is primarily due to the following reasons:

- Increase in net capital assets was \$466K which is below average for LPDL. Due to the COVID outbreak and rise in 2020 bad debt collections, LPDL made a strategic decision to be cautious with its cash balance and deferred some of its capital projects.
- Working Capital Allowance was 11.6% lower mainly due to large amounts being recorded as bad debt in 2020.

**2022 Actual vs. 2021 Actual**

**Table 6 - 2022-2021 Rate Base Variances**

Particulars	2021 Actual	2022 Actual	Variance	%
Net Capital Assets in Service:				
Opening Balance	27,578,020	28,413,748	835,729	3.0%
Ending Balance	28,413,748	29,375,415	961,666	3.4%
<b>Average Balance</b>	<b>27,995,884</b>	<b>28,894,582</b>	<b>898,698</b>	<b>3.2%</b>
Working Capital Allowance	3,042,783	3,174,562	131,779	4.3%
<b>Total Rate Base</b>	<b>31,038,667</b>	<b>32,069,144</b>	<b>1,030,477</b>	<b>3.3%</b>

Total Rate Base in 2022 of \$32,069,144 is \$1,030,477 or 3.3% greater than 2021. The increase is primarily due to:

- Average net fixed assets increase of \$899K was specifically due to the upgrade to Parry Sound's MS3 44kv distribution station, continued voltage conversion projects and Bell's demand for its FTTH rollout as they were granted funding across LPDL's service territory.
- Power Supply Expenses, which increased by \$1.1M, along with the inflationary increase on general services and materials both largely contributed to the Working Capital Increase of \$132K.

### **2023 Actual vs. 2022 Actual**

**Table 7 - 2023-2022 Rate Base Variances**

Particulars	2022 Actual	2023 Actual	Variance	%
Net Capital Assets in Service:				
Opening Balance	28,413,748	29,375,415	961,666	3.4%
Ending Balance	29,375,415	30,662,017	1,286,602	4.4%
<b>Average Balance</b>	<b>28,894,582</b>	<b>30,018,716</b>	<b>1,124,134</b>	<b>3.9%</b>
Working Capital Allowance	3,174,562	3,182,915	8,353	0.3%
<b>Total Rate Base</b>	<b>32,069,144</b>	<b>33,201,631</b>	<b>1,132,487</b>	<b>3.5%</b>

Total Rate Base in 2023 of \$33,201,631 is \$1,132,487 or 3.5% greater than 2022. The increase is primarily due to:

- An increase in average net fixed assets of \$1,124,134 which is mostly attributed to the rehabilitation of Parry Sound's MS3 distribution station, Parry Sound's MS1 Feeders, continued voltage conversion projects and Bell's significant demand for overhead upgrades needed for their FTTH project.
- Working Capital marginally increased with no main contributing factor.

**2024 Bridge vs. 2023 Actual**

**Table 8 - 2024-2023 Rate Base Variances**

Particulars	2023 Actual	2024 Bridge	Variance	%
Net Capital Assets in Service:				
Opening Balance	29,375,415	30,662,017	1,286,602	4.4%
Ending Balance	30,662,017	31,807,857	1,145,840	3.7%
<b>Average Balance</b>	<b>30,018,716</b>	<b>31,234,937</b>	<b>1,216,221</b>	<b>4.1%</b>
Working Capital Allowance	3,182,915	3,382,379	199,465	6.3%
<b>Total Rate Base</b>	<b>33,201,631</b>	<b>34,617,316</b>	<b>1,415,686</b>	<b>4.3%</b>

Total Rate Base balance projected for 2024 of \$34,617,316 is \$1,415,686 or 4.3% greater than 2023. The increase is primarily due to:

- An increase in average net fixed assets of \$1,216,221 which is mostly attributed to LPDL's ability to focus on its deferred voltage conversion projects over the past 3 years due to Bell's FTTH demand. LPDL also received its bucket truck in 2024 that has been on order for 2 years.
- Working Capital Allowance is forecasted to increase by \$199K largely due to Power Supply Expenses increasing by \$2.3M and inflation on its distribution expenses.

**2025 Test Year vs. 2024 Bridge Year**

**Table 9 - 2025-2024 Rate Base Variance**

Particulars	2024 Bridge	2025 Test	Variance	%
<b>Reporting Basis</b>	<b>MIFRS</b>	<b>MIFRS</b>		
Net Capital Assets in Service:				
Opening Balance	30,662,017	31,807,857	1,145,840	3.7%
Ending Balance	31,807,857	33,347,484	1,539,627	4.8%
<b>Average Balance</b>	<b>31,234,937</b>	<b>32,577,671</b>	<b>1,342,734</b>	<b>4.3%</b>
Working Capital Allowance	3,382,379	3,163,383	(218,996)	-6.5%
<b>Total Rate Base</b>	<b>34,617,316</b>	<b>35,741,053</b>	<b>1,123,736</b>	<b>3.2%</b>

1 Total Rate Base in 2025 Test Year of \$35,741,053 is \$1,123,736 or 3.2% higher than 2024  
2 forecasted Bridge Year.

3 The primary reason for the increase in rate base is due to the average asset balance increasing  
4 by \$1,342,734 due to LPDL's plan to receive its double bucket truck worth \$675K in addition to  
5 its planned voltage conversion upgrades. Capital expenditures are explained further in detail  
6 within the DSP.

7 Working Capital Allowance is expected to decrease by \$219K largely due to the reduction of  
8 Power Supply Expenses as per the Load Forecast in Exhibit 3.

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## 2.2 FIXED ASSET CONTINUITY SCHEDULE

Opening and closing balances of gross assets and accumulated depreciation correspond to the fixed asset continuity schedules provided in OEB Appendix 2-BA and presented below in Table 10 through Table 16. LPDL is showing Work in Progress in its continuity schedule however attests that this amount has been removed for rate base calculations.

LPDL has completed a continuity schedule of its investment in capital assets, the associated accumulated amortization and the net book value for each Capital USoA account for the 2019 - 2023 Actuals, 2024 Bridge Year, and 2025 Test Year and are consistent with Appendix 2-BA as required in the Filing Requirements.

The CCA classes for fixed assets agree with the CCA Class used for tax purposes in LPDL's tax returns.

LPDL attests that the continuity statements reconcile with the calculated depreciation expenses under Exhibit 4 – Operating Costs and have been presented by asset account.

LPDL did not have any Asset Retirement Obligations.

All asset disposals are recorded clearly on the continuity schedules.

Under IFRS, customer contributions are recorded in Account 2440, Deferred Revenue and amortized to Other Revenue over the service life of the related asset. LPDL has included Account 2440 in the continuity schedules to ensure the gross amount is presented as a reduction to rate base.

1 **Table 10 - Fixed Asset Continuity Schedule as at December 31, 2019 - MIFRS**

		Accounting Standard		MFRS						
		Year		2019						
OEB Account <sup>1</sup>	Description <sup>3</sup>	Cost				Accumulated Depreciation				
		Opening Balance <sup>5</sup>	Additions <sup>4</sup>	Disposals <sup>6</sup>	Closing Balance	Opening Balance <sup>8</sup>	Additions	Disposals <sup>9</sup>	Closing Balance	Net Book Value
1609	Capital Contributions Paid				\$ -				\$ -	\$ -
1611	Computer Software (Formally known as Account 1925)	\$ 979,844	\$ 47,649	\$ -	\$ 1,027,493	\$ 920,530	\$ 34,277	\$ -	\$ 954,807	\$ 72,686
1612	Land Rights (Formally known as Account 1906)	\$ 567,931			\$ 567,931	\$ 49,995	\$ 20	\$ -	\$ 50,015	\$ 517,916
1805	Land	\$ 74,305	\$ -	\$ -	\$ 74,305	\$ -	\$ -	\$ -	\$ -	\$ 74,305
1808	Buildings	\$ 2,163,837	\$ -	\$ -	\$ 2,163,837	\$ 713,825	\$ 75,383	\$ -	\$ 789,208	\$ 1,374,629
1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 6,504,751	\$ -	\$ -	\$ 6,504,751	\$ 2,792,246	\$ 126,163	\$ -	\$ 2,918,409	\$ 3,586,343
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 10,824,712	\$ 989,484	\$ -	\$ 11,814,196	\$ 4,464,466	\$ 255,624	\$ -	\$ 4,720,090	\$ 7,094,106
1835	Overhead Conductors & Devices	\$ 6,885,186	\$ 421,370	\$ -	\$ 7,306,556	\$ 2,319,445	\$ 148,455	\$ -	\$ 2,467,900	\$ 4,838,656
1840	Underground Conduit	\$ 4,885,942	\$ 308,753	\$ -	\$ 5,194,695	\$ 2,316,753	\$ 105,607	\$ -	\$ 2,422,360	\$ 2,772,336
1845	Underground Conductors & Devices	\$ 3,891,075	\$ 205,517	\$ -	\$ 4,096,592	\$ 1,242,895	\$ 108,439	\$ -	\$ 1,351,334	\$ 2,745,258
1850	Line Transformers	\$ 11,161,837	\$ 482,014	\$ -	\$ 11,643,851	\$ 4,866,540	\$ 258,114	\$ -	\$ 5,124,654	\$ 6,519,197
1855	Services (Overhead & Underground)	\$ 2,338,316	\$ 345,666	\$ -	\$ 2,683,983	\$ 1,302,096	\$ 34,304	\$ -	\$ 1,336,400	\$ 1,347,583
1860	Meters	\$ 4,157,428	\$ 355,866	\$ -	\$ 4,513,293	\$ 1,922,700	\$ 269,039	\$ -	\$ 2,191,739	\$ 2,321,555
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1905	Land	\$ 303,801	\$ -	\$ -	\$ 303,801	\$ -	\$ -	\$ -	\$ -	\$ 303,801
1908	Buildings & Fixtures	\$ 297,238	\$ 15,561	\$ -	\$ 312,798	\$ 124,515	\$ 11,241	\$ -	\$ 135,755	\$ 177,043
1910	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 284,133	\$ -	\$ -	\$ 284,133	\$ 239,176	\$ 11,004	\$ -	\$ 250,181	\$ 33,952
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 595,344	\$ -	\$ -	\$ 595,344	\$ 567,806	\$ 9,403	\$ -	\$ 577,209	\$ 18,135
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1930	Transportation Equipment	\$ 1,713,356	\$ 253,823	\$ 27,817	\$ 1,939,362	\$ 1,231,290	\$ 105,356	\$ 19,124	\$ 1,317,522	\$ 621,840
1935	Stores Equipment	\$ 75,810	\$ -	\$ -	\$ 75,810	\$ 14,203	\$ 6,485	\$ -	\$ 20,688	\$ 55,122
1940	Tools, Shop & Garage Equipment	\$ 293,455	\$ 45,566	\$ -	\$ 339,021	\$ 240,373	\$ 11,214	\$ -	\$ 251,586	\$ 87,435
1945	Measurement & Testing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1950	Power Operated Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1955	Communications Equipment	\$ 600,244	\$ -	\$ -	\$ 600,244	\$ 599,640	\$ 245	\$ -	\$ 599,885	\$ 359
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1980	System Supervisor Equipment	\$ 339,621	\$ 2,271	\$ -	\$ 341,892	\$ 150,154	\$ 34,076	\$ -	\$ 184,229	\$ 157,662
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2440	Deferred Revenue <sup>7</sup>	\$ 9,009,253	\$ 902,268	\$ -	\$ 9,911,521	\$ 2,465,534	\$ 208,154	\$ -	\$ 2,673,688	\$ 7,237,833
2005	Property Under Finance Lease <sup>7</sup>				\$ -				\$ -	\$ -
	Sub-Total	\$ 49,928,913	\$ 2,571,272	\$ 27,817	\$ 52,472,368	\$ 23,613,112	\$ 1,396,295	\$ 19,124	\$ 24,990,283	\$ 27,482,085
	Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
	Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
	Total PP&E for Rate Base Purposes	\$ 49,928,913	\$ 2,571,272	\$ 27,817	\$ 52,472,368	\$ 23,613,112	\$ 1,396,295	\$ 19,124	\$ 24,990,283	\$ 27,482,085
	Construction Work In Progress				\$ -				\$ -	\$ -
	Total PP&E	\$ 49,928,913	\$ 2,571,272	\$ 27,817	\$ 52,472,368	\$ 23,613,112	\$ 1,396,295	\$ 19,124	\$ 24,990,283	\$ 27,482,085
	Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable <sup>8</sup>									
	Total					\$ 1,396,295				
Less: Fully Allocated Depreciation										
	Transportation					\$ 105,356				
	Stores Equipment					\$ -				
	Deferred Revenue					\$ 208,154				
	Net Depreciation					\$ 1,499,092				



1 **Table 11 - Fixed Asset Continuity Schedule as at December 31, 2020 - MIFRS**

		Accounting Standard		MFRS						
		Year		2020						
OEB Account <sup>1</sup>	Description <sup>2</sup>	Cost				Accumulated Depreciation				Net Book Value
		Opening Balance <sup>3</sup>	Additions <sup>4</sup>	Disposals <sup>5</sup>	Closing Balance	Opening Balance <sup>6</sup>	Additions	Disposals <sup>8</sup>	Closing Balance	
1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -
1611	Computer Software (Formally known as Account 1925)	\$ 1,027,493	\$ 74,557		\$ 1,102,050	-\$ 954,807	-\$ 30,242		-\$ 985,049	\$ 117,001
1612	Land Rights (Formally known as Account 1906)	\$ 567,931			\$ 567,931	-\$ 50,015	-\$ 20		-\$ 50,035	\$ 517,896
1805	Land	\$ 74,305			\$ 74,305	\$ -			\$ -	\$ 74,305
1808	Buildings	\$ 2,163,837			\$ 2,163,837	-\$ 789,208	-\$ 72,475		-\$ 861,683	\$ 1,302,154
1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -			\$ -	\$ -			\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 6,504,751	\$ 8,075		\$ 6,512,826	-\$ 2,918,409	-\$ 126,264		-\$ 3,044,673	\$ 3,468,153
1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 11,814,196	\$ 733,378		\$ 12,547,574	-\$ 4,720,090	-\$ 274,840		-\$ 4,994,930	\$ 7,552,644
1835	Overhead Conductors & Devices	\$ 7,306,556	\$ 284,614		\$ 7,591,170	-\$ 2,467,900	-\$ 154,338		-\$ 2,622,238	\$ 4,968,932
1840	Underground Conduit	\$ 5,194,695	\$ 215,265		\$ 5,409,960	-\$ 2,422,360	-\$ 112,157		-\$ 2,534,517	\$ 2,875,443
1845	Underground Conductors & Devices	\$ 4,096,592	\$ 112,993		\$ 4,209,585	-\$ 1,351,334	-\$ 111,978		-\$ 1,463,312	\$ 2,746,273
1850	Line Transformers	\$ 11,643,851	\$ 294,173		\$ 11,938,024	-\$ 5,124,654	-\$ 267,816		-\$ 5,392,470	\$ 6,545,554
1855	Services (Overhead & Underground)	\$ 2,683,983	\$ 211,553		\$ 2,895,536	-\$ 1,336,400	-\$ 40,495		-\$ 1,376,895	\$ 1,518,641
1860	Meters	\$ 4,513,293	\$ 133,513		\$ 4,646,807	-\$ 2,191,739	-\$ 285,200		-\$ 2,476,939	\$ 2,169,868
1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
1905	Land	\$ 303,801			\$ 303,801	\$ -			\$ -	\$ 303,801
1908	Buildings & Fixtures	\$ 312,798			\$ 312,798	-\$ 135,755	-\$ 12,329		-\$ 148,085	\$ 164,714
1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 284,133			\$ 284,133	-\$ 250,181	-\$ 10,791		-\$ 260,971	\$ 23,161
1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 595,344	\$ 2,518		\$ 597,862	-\$ 577,209	-\$ 6,641		-\$ 583,850	\$ 14,012
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -			\$ -	\$ -			\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -			\$ -	\$ -			\$ -	\$ -
1930	Transportation Equipment	\$ 1,939,362	\$ 40,148	-\$ 248,102	\$ 1,731,408	-\$ 1,317,522	-\$ 118,925	\$ 239,439	-\$ 1,197,008	\$ 534,400
1935	Stores Equipment	\$ 75,810			\$ 75,810	-\$ 20,688	-\$ 6,485		-\$ 27,173	\$ 48,637
1940	Tools, Shop & Garage Equipment	\$ 339,021	\$ 26,308		\$ 365,329	-\$ 251,586	-\$ 14,508		-\$ 266,095	\$ 99,234
1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1950	Power Operated Equipment	\$ -	\$ 203,750		\$ 203,750	\$ -	-\$ 15,281		-\$ 15,281	\$ 188,469
1955	Communications Equipment	\$ 600,244			\$ 600,244	-\$ 599,885	-\$ 94		-\$ 599,980	\$ 265
1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
1980	System Supervisor Equipment	\$ 341,892			\$ 341,892	-\$ 184,229	-\$ 34,189		-\$ 218,419	\$ 123,473
1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
2440	Deferred Revenue <sup>9</sup>	\$ 9,911,521	\$ 768,993		\$ 10,680,514	\$ 2,673,688	\$ 227,815		\$ 2,901,503	-\$ 7,779,011
2005	Property Under Finance Lease <sup>7</sup>	\$ -			\$ -	\$ -			\$ -	\$ -
	Sub-Total	\$ 52,472,368	\$ 1,571,851	-\$ 248,102	\$ 53,796,118	-\$ 24,990,283	-\$ 1,467,255	\$ 239,439	-\$ 26,218,098	\$ 27,578,020
	Less Socialized Renewable Energy Generation Investments (input as negative)	\$ -			\$ -	\$ -			\$ -	\$ -
	Less Other Non Rate-Regulated Utility Assets (input as negative)	\$ -			\$ -	\$ -			\$ -	\$ -
	Total PP&E for Rate Base Purposes	\$ 52,472,368	\$ 1,571,851	-\$ 248,102	\$ 53,796,118	-\$ 24,990,283	-\$ 1,467,255	\$ 239,439	-\$ 26,218,098	\$ 27,578,020
	Construction Work In Progress				\$ -				\$ -	\$ -
	Total PP&E	\$ 52,472,368	\$ 1,571,851	-\$ 248,102	\$ 53,796,118	-\$ 24,990,283	-\$ 1,467,255	\$ 239,439	-\$ 26,218,098	\$ 27,578,020
	Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable <sup>8</sup>									
	Total						-\$ 1,467,255			
						Less: Fully Allocated Depreciation				
	Transportation								-\$ 118,925	
	Stores Equipment								-\$ 15,281	
	Deferred Revenue								\$ 227,815	
						Net Depreciation			-\$ 1,560,864	



1 **Table 12 - Fixed Asset Continuity Schedule as at December 31, 2021 - MIFRS**

		Accounting Standard		MIFRS						
		Year		2021						
		Cost				Accumulated Depreciation				
OEB Account <sup>3</sup>	Description <sup>3</sup>	Opening Balance <sup>3</sup>	Additions <sup>4</sup>	Disposals <sup>5</sup>	Closing Balance	Opening Balance <sup>3</sup>	Additions	Disposals <sup>5</sup>	Closing Balance	Net Book Value
1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -
1611	Computer Software (Formally known as Account 1925)	\$ 1,102,050			\$ 1,102,050	-\$ 985,049	-\$ 34,958		-\$ 1,020,007	\$ 82,043
1612	Land Rights (Formally known as Account 1906)	\$ 567,931			\$ 567,931	-\$ 50,035	-\$ 20		-\$ 50,055	\$ 517,876
1805	Land	\$ 74,305			\$ 74,305	\$ -			\$ -	\$ 74,305
1808	Buildings	\$ 2,163,837			\$ 2,163,837	-\$ 861,683	-\$ 69,219		-\$ 930,902	\$ 1,232,935
1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -			\$ -	\$ -			\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 6,512,826	\$ 95,093		\$ 6,607,919	-\$ 3,044,673	-\$ 127,554		-\$ 3,172,227	\$ 3,435,693
1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 12,547,574	\$ 1,556,476		\$ 14,104,050	-\$ 4,994,930	-\$ 302,914		-\$ 5,297,844	\$ 8,806,206
1835	Overhead Conductors & Devices	\$ 7,591,170	\$ 551,968		\$ 8,143,138	-\$ 2,622,238	-\$ 160,078		-\$ 2,782,316	\$ 5,360,822
1840	Underground Conduit	\$ 5,409,960	\$ 222,929		\$ 5,632,889	-\$ 2,534,517	-\$ 117,635		-\$ 2,652,152	\$ 2,980,737
1845	Underground Conductors & Devices	\$ 4,209,585	\$ 476,789		\$ 4,686,373	-\$ 1,463,312	-\$ 118,531		-\$ 1,581,843	\$ 3,104,530
1850	Line Transformers	\$ 11,938,024	\$ 762,371		\$ 12,700,395	-\$ 5,392,470	-\$ 279,828		-\$ 5,672,299	\$ 7,028,097
1855	Services (Overhead & Underground)	\$ 2,895,536	\$ 70,473		\$ 2,966,009	-\$ 1,376,895	-\$ 43,629		-\$ 1,420,524	\$ 1,545,485
1860	Meters	\$ 4,646,807	\$ 150,967		\$ 4,797,774	-\$ 2,476,939	-\$ 294,439		-\$ 2,771,378	\$ 2,026,396
1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
1905	Land	\$ 303,801			\$ 303,801	\$ -			\$ -	\$ 303,801
1908	Buildings & Fixtures	\$ 312,798			\$ 312,798	-\$ 148,085	-\$ 12,253		-\$ 160,338	\$ 152,460
1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 284,133			\$ 284,133	-\$ 260,971	-\$ 7,245		-\$ 268,216	\$ 15,916
1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 597,862	\$ 1,610		\$ 599,472	-\$ 583,850	-\$ 6,003		-\$ 589,853	\$ 9,619
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -			\$ -	\$ -			\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -			\$ -	\$ -			\$ -	\$ -
1930	Transportation Equipment	\$ 1,731,408	\$ 590,354	-\$ 94,706	\$ 2,227,055	-\$ 1,197,008	-\$ 149,452	\$ 82,823	-\$ 1,263,637	\$ 963,418
1935	Stores Equipment	\$ 75,810			\$ 75,810	-\$ 27,173	-\$ 6,485		-\$ 33,658	\$ 42,152
1940	Tools, Shop & Garage Equipment	\$ 365,329	\$ 47,613		\$ 412,942	-\$ 266,095	-\$ 17,389		-\$ 283,484	\$ 129,458
1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1950	Power Operated Equipment	\$ 203,750			\$ 203,750	-\$ 15,281	-\$ 20,375		-\$ 35,656	\$ 168,094
1955	Communications Equipment	\$ 600,244			\$ 600,244	-\$ 599,980	-\$ 94		-\$ 600,074	\$ 171
1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
1980	System Supervisor Equipment	\$ 341,892			\$ 341,892	-\$ 218,419	-\$ 34,189		-\$ 252,608	\$ 89,284
1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
1995	Contributions & Grants	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -
2440	Deferred Revenue <sup>5</sup>	-\$ 10,680,514	-\$ 2,138,764		-\$ 12,819,278	\$ 2,901,503	\$ 262,024		\$ 3,163,528	\$ 9,655,750
2005	Property Under Finance Lease <sup>7</sup>	\$ -			\$ -	\$ -			\$ -	\$ -
	Sub-Total	\$ 53,796,118	\$ 2,387,878	-\$ 94,706	\$ 56,089,290	-\$ 26,218,098	-\$ 1,540,266	\$ 82,823	-\$ 27,675,541	\$ 28,413,748
	Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
	Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
	Total PP&E for Rate Base Purposes	\$ 53,796,118	\$ 2,387,878	-\$ 94,706	\$ 56,089,290	-\$ 26,218,098	-\$ 1,540,266	\$ 82,823	-\$ 27,675,541	\$ 28,413,748
	Construction Work In Progress				\$ -				\$ -	\$ -
	Total PP&E	\$ 53,796,118	\$ 2,387,878	-\$ 94,706	\$ 56,089,290	-\$ 26,218,098	-\$ 1,540,266	\$ 82,823	-\$ 27,675,541	\$ 28,413,748
	Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable <sup>8</sup>									
	Total						\$ 1,540,266			
						Less: Fully Allocated Depreciation				
	Transportation						\$ 149,452			
	Stores Equipment						\$ 20,375			
	Deferred Revenue						\$ 262,024			
						Net Depreciation	-\$ 1,632,464			

1 **Table 13 - Fixed Asset Continuity Schedule as at December 31, 2022 – MIFRS**

		Accounting Standard		MFRS						
		Year		2022						
OEB Account <sup>1</sup>	Description <sup>1</sup>	Cost				Accumulated Depreciation				Net Book Value
		Opening Balance <sup>2</sup>	Additions <sup>4</sup>	Disposals <sup>3</sup>	Closing Balance	Opening Balance <sup>1</sup>	Additions	Disposals <sup>3</sup>	Closing Balance	
1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -
1611	Computer Software (Formally known as Account 1925)	\$ 1,102,050	\$ 65,472		\$ 1,167,522	-\$ 1,020,007	-\$ 36,516		-\$ 1,056,524	\$ 110,998
1612	Land Rights (Formally known as Account 1906)	\$ 567,931			\$ 567,931	-\$ 50,055	-\$ 20		-\$ 50,075	\$ 517,856
1805	Land	\$ 74,305			\$ 74,305	\$ -			\$ -	\$ 74,305
1808	Buildings	\$ 2,163,837			\$ 2,163,837	-\$ 930,902	-\$ 69,219		-\$ 1,000,121	\$ 1,163,716
1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -			\$ -	\$ -			\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 6,607,919			\$ 6,607,919	-\$ 3,172,227	-\$ 128,742		-\$ 3,300,969	\$ 3,306,950
1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 14,104,050	\$ 2,215,208		\$ 16,319,258	-\$ 5,297,844	-\$ 342,056		-\$ 5,639,900	\$ 10,679,358
1835	Overhead Conductors & Devices	\$ 8,143,138	\$ 377,873		\$ 8,521,011	-\$ 2,782,316	-\$ 169,079		-\$ 2,951,395	\$ 5,569,616
1840	Underground Conduit	\$ 5,632,889	\$ 149,302		\$ 5,782,191	-\$ 2,652,152	-\$ 122,288		-\$ 2,774,440	\$ 3,007,751
1845	Underground Conductors & Devices	\$ 4,686,373	\$ 123,838		\$ 4,810,211	-\$ 1,581,843	-\$ 125,205		-\$ 1,707,048	\$ 3,103,163
1850	Line Transformers	\$ 12,700,395	\$ 590,796		\$ 13,291,191	-\$ 5,672,299	-\$ 297,968		-\$ 5,970,267	\$ 7,320,924
1855	Services (Overhead & Underground)	\$ 2,966,009	\$ 72,919		\$ 3,038,928	-\$ 1,420,524	-\$ 45,222		-\$ 1,465,746	\$ 1,573,182
1860	Meters	\$ 4,797,774	\$ 159,819		\$ 4,957,593	-\$ 2,771,378	-\$ 304,096		-\$ 3,075,473	\$ 1,882,120
1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
1905	Land	\$ 303,801			\$ 303,801	\$ -			\$ -	\$ 303,801
1908	Buildings & Fixtures	\$ 312,798	\$ 7,271		\$ 320,070	-\$ 160,338	-\$ 12,326		-\$ 172,664	\$ 147,406
1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 284,133			\$ 284,133	-\$ 268,216	-\$ 3,661		-\$ 271,877	\$ 12,255
1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 599,472	\$ 39,540		\$ 639,012	-\$ 589,853	-\$ 9,165		-\$ 599,018	\$ 39,994
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -			\$ -	\$ -			\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -			\$ -	\$ -			\$ -	\$ -
1930	Transportation Equipment	\$ 2,227,055	\$ 139,889		\$ 2,366,944	-\$ 1,263,637	-\$ 173,587		-\$ 1,437,224	\$ 929,720
1935	Stores Equipment	\$ 75,810	\$ -		\$ 75,810	-\$ 33,658	-\$ 6,485		-\$ 40,143	\$ 35,667
1940	Tools, Shop & Garage Equipment	\$ 412,942	\$ 45,540		\$ 458,482	-\$ 283,484	-\$ 20,866		-\$ 304,350	\$ 154,133
1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1950	Power Operated Equipment	\$ 203,750	\$ 335,786		\$ 539,536	-\$ 35,656	-\$ 37,164		-\$ 72,821	\$ 466,715
1955	Communications Equipment	\$ 600,244			\$ 600,244	-\$ 600,074	-\$ 94		-\$ 600,168	\$ 77
1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
1980	System Supervisor Equipment	\$ 341,892	\$ 50,000		\$ 391,892	-\$ 252,608	-\$ 36,689		-\$ 289,297	\$ 102,595
1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
2440	Deferred Revenue <sup>5</sup>	-\$ 12,819,278	-\$ 1,779,257		-\$ 14,598,535	\$ 3,163,528	\$ 308,119		\$ 3,471,646	\$ 11,126,888
2005	Property Under Finance Lease <sup>7</sup>	\$ -			\$ -	\$ -			\$ -	\$ -
	Sub-Total	\$ 56,089,290	\$ 2,593,997	\$ -	\$ 58,683,287	-\$ 27,675,541	-\$ 1,632,331	\$ -	-\$ 29,307,872	\$ 29,375,415
	Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
	Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
	Total PP&E for Rate Base Purposes	\$ 56,089,290	\$ 2,593,997	\$ -	\$ 58,683,287	-\$ 27,675,541	-\$ 1,632,331	\$ -	-\$ 29,307,872	\$ 29,375,415
	Construction Work In Progress				\$ -				\$ -	\$ -
	Total PP&E	\$ 56,089,290	\$ 2,593,997	\$ -	\$ 58,683,287	-\$ 27,675,541	-\$ 1,632,331	\$ -	-\$ 29,307,872	\$ 29,375,415
	Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable <sup>8</sup>									
	Total						-\$ 1,632,331			
	Less: Fully Allocated Depreciation									
	Transportation						-\$ 173,587			
	Stores Equipment						\$ 37,164			
	Deferred Revenue						\$ 308,119			
	Net Depreciation						-\$ 1,729,698			

**Table 14 - Fixed Asset Continuity Schedule as at December 31, 2023 - MIFRS**

		Accounting Standard		MIFRS						
		Year		2023						
OEB Account <sup>3</sup>	Description <sup>3</sup>	Cost				Accumulated Depreciation				Net Book Value
		Opening Balance <sup>3</sup>	Additions <sup>4</sup>	Disposals <sup>5</sup>	Closing Balance	Opening Balance <sup>6</sup>	Additions	Disposals <sup>8</sup>	Closing Balance	
1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -
1611	Computer Software (Formally known as Account 1925)	\$ 1,167,522	\$ 85,972		\$ 1,253,494	-\$ 1,056,524	-\$ 46,633		-\$ 1,103,157	\$ 150,337
1612	Land Rights (Formally known as Account 1906)	\$ 567,931			\$ 567,931	-\$ 50,075	-\$ 20		-\$ 50,095	\$ 517,836
1805	Land	\$ 74,305			\$ 74,305	\$ -			\$ -	\$ 74,305
1808	Buildings	\$ 2,163,837			\$ 2,163,837	-\$ 1,000,121	-\$ 69,072		-\$ 1,069,193	\$ 1,094,644
1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -			\$ -	-\$ -			\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 6,607,919	\$ 272,366		\$ 6,880,285	-\$ 3,300,969	-\$ 132,147		-\$ 3,433,116	\$ 3,447,169
1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 16,319,258	\$ 1,677,578		\$ 17,996,836	-\$ 5,639,900	-\$ 385,310		-\$ 6,025,210	\$ 11,971,626
1835	Overhead Conductors & Devices	\$ 8,521,011	\$ 962,924		\$ 9,483,935	-\$ 2,951,395	-\$ 180,252		-\$ 3,131,647	\$ 6,352,288
1840	Underground Conduit	\$ 5,782,191	\$ 202,340		\$ 5,984,531	-\$ 2,774,440	-\$ 126,683		-\$ 2,901,123	\$ 3,083,408
1845	Underground Conductors & Devices	\$ 4,810,211	\$ 238,541		\$ 5,048,752	-\$ 1,707,048	-\$ 129,231		-\$ 1,836,279	\$ 3,212,473
1850	Line Transformers	\$ 13,291,191	\$ 604,310		\$ 13,895,501	-\$ 5,970,267	-\$ 312,910		-\$ 6,283,177	\$ 7,612,324
1855	Services (Overhead & Underground)	\$ 3,038,928	\$ 67,503		\$ 3,106,431	-\$ 1,465,746	-\$ 46,782		-\$ 1,512,528	\$ 1,593,903
1860	Meters	\$ 4,957,593	\$ 232,294		\$ 5,189,887	-\$ 3,075,473	-\$ 317,092		-\$ 3,392,565	\$ 1,797,322
1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
1905	Land	\$ 303,801			\$ 303,801	\$ -			\$ -	\$ 303,801
1908	Buildings & Fixtures	\$ 320,070	\$ 6,971		\$ 327,041	-\$ 172,664	-\$ 8,706		-\$ 181,370	\$ 145,671
1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 284,133			\$ 284,133	-\$ 271,877	-\$ 3,661		-\$ 275,538	\$ 8,594
1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 639,012	\$ 148,940		\$ 787,952	-\$ 599,018	-\$ 25,649		-\$ 624,667	\$ 163,285
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -			\$ -	\$ -			\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -			\$ -	\$ -			\$ -	\$ -
1930	Transportation Equipment	\$ 2,366,944	\$ 299,735	-\$ 239,907	\$ 2,426,772	-\$ 1,437,224	-\$ 180,276	\$ 239,907	-\$ 1,377,594	\$ 1,049,178
1935	Stores Equipment	\$ 75,810			\$ 75,810	-\$ 40,143	-\$ 6,485		-\$ 46,628	\$ 29,182
1940	Tools, Shop & Garage Equipment	\$ 458,482	\$ 10,793		\$ 469,275	-\$ 304,350	-\$ 23,189		-\$ 327,539	\$ 141,737
1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1950	Power Operated Equipment	\$ 539,536			\$ 539,536	-\$ 72,821	-\$ 53,954		-\$ 126,775	\$ 412,761
1955	Communications Equipment	\$ 600,244			\$ 600,244	-\$ 600,168	-\$ 62		-\$ 600,230	\$ 15
1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
1980	System Supervisor Equipment	\$ 391,892	\$ 190,698		\$ 582,590	-\$ 289,297	-\$ 39,922		-\$ 329,219	\$ 253,371
1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
2440	Deferred Revenue <sup>5</sup>	-\$ 14,598,535	-\$ 1,978,654		-\$ 16,577,189	\$ 3,471,646	\$ 352,329		\$ 3,823,975	-\$ 12,753,213
2005	Property Under Finance Lease <sup>7</sup>	\$ -			\$ -	\$ -			\$ -	\$ -
	Sub-Total	\$ 58,683,287	\$ 3,022,309	-\$ 239,907	\$ 61,465,689	-\$ 29,307,872	-\$ 1,735,707	\$ 239,907	-\$ 30,803,672	\$ 30,662,017
	Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
	Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
	Total PP&E for Rate Base Purposes	\$ 58,683,287	\$ 3,022,309	-\$ 239,907	\$ 61,465,689	-\$ 29,307,872	-\$ 1,735,707	\$ 239,907	-\$ 30,803,672	\$ 30,662,017
	Construction Work In Progress				\$ -				\$ -	\$ -
	Total PP&E	\$ 58,683,287	\$ 3,022,309	-\$ 239,907	\$ 61,465,689	-\$ 29,307,872	-\$ 1,735,707	\$ 239,907	-\$ 30,803,672	\$ 30,662,017
	Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable <sup>8</sup>									
	Total						-\$ 1,735,707			
						Less: Fully Allocated Depreciation				
	Transportation								-\$ 180,276	
	Stores Equipment								-\$ 53,954	
	Deferred Revenue								-\$ 352,329	
						Net Depreciation			-\$ 1,853,806	

1 **Table 15 - Fixed Asset Continuity Schedule as at December 31, 2024 Bridge-MIFRS**

		Accounting Standard		MIFRS						
		Year		2024						
OEB Account <sup>3</sup>	Description <sup>3</sup>	Cost				Accumulated Depreciation				
		Opening Balance <sup>5</sup>	Additions <sup>4</sup>	Disposals <sup>6</sup>	Closing Balance	Opening Balance <sup>5</sup>	Additions	Disposals <sup>6</sup>	Closing Balance	Net Book Value
1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -
1611	Computer Software (Formally known as Account 1925)	\$ 1,253,494	\$ 275,000		\$ 1,528,494	-\$ 1,103,157	-\$ 77,465		-\$ 1,180,622	\$ 347,872
1612	Land Rights (Formally known as Account 1906)	\$ 567,931			\$ 567,931	-\$ 50,095	-\$ 20		-\$ 50,115	\$ 517,816
1805	Land	\$ 74,305			\$ 74,305	\$ -			\$ -	\$ 74,305
1808	Buildings	\$ 2,163,837			\$ 2,163,837	-\$ 1,069,193	-\$ 60,746		-\$ 1,129,939	\$ 1,033,898
1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -			\$ -	\$ -			\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 6,880,285	\$ 150,000		\$ 7,030,285	-\$ 3,433,116	-\$ 137,427		-\$ 3,570,543	\$ 3,459,742
1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 17,996,836	\$ 1,000,000		\$ 18,996,836	-\$ 6,025,210	-\$ 415,059		-\$ 6,440,269	\$ 12,556,566
1835	Overhead Conductors & Devices	\$ 9,483,935	\$ 769,000		\$ 10,252,935	-\$ 3,131,647	-\$ 194,685		-\$ 3,326,332	\$ 6,926,603
1840	Underground Conduit	\$ 5,984,531	\$ 111,250		\$ 6,095,781	-\$ 2,901,123	-\$ 130,603		-\$ 3,031,726	\$ 3,064,055
1845	Underground Conductors & Devices	\$ 5,048,752	\$ 111,250		\$ 5,160,002	-\$ 1,836,279	-\$ 133,118		-\$ 1,969,397	\$ 3,190,605
1850	Line Transformers	\$ 13,895,501	\$ 683,500		\$ 14,579,001	-\$ 6,283,177	-\$ 329,004		-\$ 6,612,181	\$ 7,966,820
1855	Services (Overhead & Underground)	\$ 3,106,431	\$ 32,500		\$ 3,138,931	-\$ 1,512,528	-\$ 47,893		-\$ 1,560,421	\$ 1,578,510
1860	Meters	\$ 5,189,887	\$ 132,500		\$ 5,322,387	-\$ 3,392,565	-\$ 305,221		-\$ 3,697,786	\$ 1,624,601
1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
1905	Land	\$ 303,801			\$ 303,801	\$ -			\$ -	\$ 303,801
1908	Buildings & Fixtures	\$ 327,041			\$ 327,041	-\$ 181,370	-\$ 4,506		-\$ 185,876	\$ 141,165
1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 284,133			\$ 284,133	-\$ 275,538	-\$ 3,483		-\$ 279,021	\$ 5,111
1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 787,952	\$ 25,000		\$ 812,952	-\$ 624,667	-\$ 41,022		-\$ 665,689	\$ 147,263
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -			\$ -	\$ -			\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -			\$ -	\$ -			\$ -	\$ -
1930	Transportation Equipment	\$ 2,426,772	\$ 469,673	-\$ 314,746	\$ 2,581,699	-\$ 1,377,594	-\$ 216,175	\$ 299,331	-\$ 1,294,438	\$ 1,287,262
1935	Stores Equipment	\$ 75,810			\$ 75,810	-\$ 46,628	-\$ 6,485		-\$ 53,113	\$ 22,697
1940	Tools, Shop & Garage Equipment	\$ 469,275			\$ 469,275	-\$ 327,539	-\$ 22,725		-\$ 350,264	\$ 119,012
1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1950	Power Operated Equipment	\$ 539,536			\$ 539,536	-\$ 126,775	-\$ 53,954		-\$ 180,729	\$ 358,807
1955	Communications Equipment	\$ 600,244			\$ 600,244	-\$ 600,230	-\$ 15		-\$ 600,245	-\$ 0
1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
1980	System Supervisor Equipment	\$ 582,590	\$ 140,000		\$ 722,590	-\$ 329,219	-\$ 45,007		-\$ 374,226	\$ 348,364
1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
2440	Deferred Revenue <sup>8</sup>	-\$ 16,577,189	\$ 900,000		-\$ 17,477,189	\$ 3,823,975	\$ 386,196		\$ 4,210,171	\$ 13,267,017
2005	Property Under Finance Lease <sup>7</sup>	\$ -			\$ -	\$ -			\$ -	\$ -
	Sub-Total	\$ 61,465,689	\$ 2,999,673	-\$ 314,746	\$ 64,150,616	-\$ 30,803,672	-\$ 1,838,418	\$ 299,331	-\$ 32,342,759	\$ 31,807,857
	Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
	Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
	Total PP&E for Rate Base Purposes	\$ 61,465,689	\$ 2,999,673	-\$ 314,746	\$ 64,150,616	-\$ 30,803,672	-\$ 1,838,418	\$ 299,331	-\$ 32,342,759	\$ 31,807,857
	Construction Work In Progress		\$ 158,698		\$ 158,698				\$ -	\$ 158,698
	Total PP&E	\$ 61,465,689	\$ 3,158,371	-\$ 314,746	\$ 64,309,314	-\$ 30,803,672	-\$ 1,838,418	\$ 299,331	-\$ 32,342,759	\$ 31,966,555
	Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable <sup>9</sup>									
	Total						-\$ 1,838,418			
						Less: Fully Allocated Depreciation				
	Transportation								-\$ 216,175	
	Stores Equipment								-\$ 53,954	
	Deferred Revenue								\$ 386,196	
									Net Depreciation	-\$ 1,954,485



1 **Table 16 - Fixed Asset Continuity Schedule as at December 31, 2025 Test-MIFRS**

		Accounting Standard		MIFRS						
		Year		2025						
OEB Account <sup>1</sup>	Description <sup>2</sup>	Cost				Accumulated Depreciation				Net Book Value
		Opening Balance <sup>3</sup>	Additions <sup>4</sup>	Disposals <sup>5</sup>	Closing Balance	Opening Balance <sup>6</sup>	Additions	Disposals <sup>8</sup>	Closing Balance	
1609	Capital Contributions Paid	\$ -			\$ -	\$ -			\$ -	\$ -
1611	Computer Software (Formally known as Account 1925)	\$ 1,528,494	\$ 250,000		\$ 1,778,494	-\$ 1,180,622	-\$ 117,744		-\$ 1,298,366	\$ 480,128
1612	Land Rights (Formally known as Account 1906)	\$ 567,931			\$ 567,931	-\$ 50,115	-\$ 20		-\$ 50,135	\$ 517,796
1805	Land	\$ 74,305			\$ 74,305	\$ -			\$ -	\$ 74,305
1808	Buildings	\$ 2,163,837			\$ 2,163,837	-\$ 1,129,939	-\$ 60,746		-\$ 1,190,685	\$ 973,152
1810	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -			\$ -	\$ -			\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 7,030,285	\$ 120,000		\$ 7,150,285	-\$ 3,570,543	-\$ 143,860		-\$ 3,714,403	\$ 3,435,882
1825	Storage Battery Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 18,996,836	\$ 882,500		\$ 19,879,336	-\$ 6,440,269	-\$ 435,977		-\$ 6,876,247	\$ 13,003,089
1835	Overhead Conductors & Devices	\$ 10,252,935	\$ 689,000		\$ 10,941,935	-\$ 3,326,332	-\$ 210,067		-\$ 3,536,398	\$ 7,405,536
1840	Underground Conduit	\$ 6,095,781	\$ 186,250		\$ 6,282,031	-\$ 3,031,726	-\$ 134,321		-\$ 3,166,047	\$ 3,115,984
1845	Underground Conductors & Devices	\$ 5,160,002	\$ 186,250		\$ 5,346,252	-\$ 1,969,397	-\$ 136,423		-\$ 2,105,820	\$ 3,240,432
1850	Line Transformers	\$ 14,579,001	\$ 745,000		\$ 15,324,001	-\$ 6,612,181	-\$ 346,861		-\$ 6,959,042	\$ 8,364,959
1855	Services (Overhead & Underground)	\$ 3,138,931	\$ 32,500		\$ 3,171,431	-\$ 1,560,421	-\$ 48,615		-\$ 1,609,036	\$ 1,562,395
1860	Meters	\$ 5,322,387	\$ 182,500		\$ 5,504,887	-\$ 3,697,786	-\$ 259,329		-\$ 3,957,115	\$ 1,547,772
1860	Meters (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
1905	Land	\$ 303,801			\$ 303,801	\$ -			\$ -	\$ 303,801
1908	Buildings & Fixtures	\$ 327,041			\$ 327,041	-\$ 185,876	-\$ 4,506		-\$ 190,382	\$ 136,659
1910	Leasehold Improvements	\$ -			\$ -	\$ -			\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 284,133			\$ 284,133	-\$ 279,021	-\$ 2,229		-\$ 281,250	\$ 2,882
1915	Office Furniture & Equipment (5 years)	\$ -			\$ -	\$ -			\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 812,952			\$ 812,952	-\$ 665,689	-\$ 43,269		-\$ 708,958	\$ 103,994
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -			\$ -	\$ -			\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -			\$ -	\$ -			\$ -	\$ -
1930	Transportation Equipment	\$ 2,581,699	\$ 730,000	-\$ 314,316	\$ 2,997,384	-\$ 1,294,438	-\$ 249,845	\$ 314,316	-\$ 1,229,967	\$ 1,767,416
1935	Stores Equipment	\$ 75,810			\$ 75,810	-\$ 53,113	-\$ 6,485		-\$ 59,598	\$ 16,212
1940	Tools, Shop & Garage Equipment	\$ 469,275			\$ 469,275	-\$ 350,264	-\$ 20,933		-\$ 371,197	\$ 98,079
1945	Measurement & Testing Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1950	Power Operated Equipment	\$ 539,536			\$ 539,536	-\$ 180,729	-\$ 53,954		-\$ 234,683	\$ 304,853
1955	Communications Equipment	\$ 600,244			\$ 600,244	-\$ 600,245			-\$ 600,245	\$ 0
1955	Communication Equipment (Smart Meters)	\$ -			\$ -	\$ -			\$ -	\$ -
1960	Miscellaneous Equipment	\$ -			\$ -	\$ -			\$ -	\$ -
1970	Load Management Controls Customer Premises	\$ -			\$ -	\$ -			\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -			\$ -	\$ -			\$ -	\$ -
1980	System Supervisor Equipment	\$ 722,590	\$ 266,000		\$ 988,590	-\$ 374,226	-\$ 61,385		-\$ 435,611	\$ 552,979
1985	Miscellaneous Fixed Assets	\$ -			\$ -	\$ -			\$ -	\$ -
1990	Other Tangible Property	\$ -			\$ -	\$ -			\$ -	\$ -
1995	Contributions & Grants	\$ -			\$ -	\$ -			\$ -	\$ -
2440	Deferred Revenue <sup>9</sup>	-\$ 17,477,189	-\$ 800,000		-\$ 18,277,189	\$ 4,210,171	\$ 406,196		\$ 4,616,367	\$ 13,660,821
2005	Property Under Finance Lease <sup>7</sup>	\$ -			\$ -	\$ -			\$ -	\$ -
	Sub-Total	\$ 64,150,616	\$ 3,470,000	-\$ 314,316	\$ 67,306,301	-\$ 32,342,759	-\$ 1,930,373	\$ 314,316	-\$ 33,958,817	\$ 33,347,484
	Less Socialized Renewable Energy Generation Investments (input as negative)				\$ -				\$ -	\$ -
	Less Other Non Rate-Regulated Utility Assets (input as negative)				\$ -				\$ -	\$ -
	Total PP&E for Rate Base Purposes	\$ 64,150,616	\$ 3,470,000	-\$ 314,316	\$ 67,306,301	-\$ 32,342,759	-\$ 1,930,373	\$ 314,316	-\$ 33,958,817	\$ 33,347,484
	Construction Work In Progress	\$ 158,698	-\$ 158,698		\$ -				\$ -	\$ -
	Total PP&E	\$ 64,309,314	\$ 3,311,302	-\$ 314,316	\$ 67,306,301	-\$ 32,342,759	-\$ 1,930,373	\$ 314,316	-\$ 33,958,817	\$ 33,347,484
	Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable <sup>8</sup>									
	Total					-\$ 1,930,373				
	Less: Fully Allocated Depreciation									
	Transportation								-\$ 249,845	
	Stores Equipment								-\$ 53,954	
	Deferred Revenue								\$ 406,196	
	Net Depreciation								-\$ 2,032,770	

## 2.3 GROSS ASSETS – PROPERTY PLANT AND EQUIPMENT AND ACCUMULATED DEPRECIATION

### 2.3.1 BREAKDOWN BY FUNCTION

In Table 17 and Table 18 below, LPDL has classified gross assets and accumulated depreciation into the following three categories; Distribution Plant, General Plant and Contributions & Grants.

- Distribution System Plant assets are modifications, additions and/or replacing system assets to ensure the distribution system continues to meet distributor operational objectives while addressing anticipated future customer electricity service requirements.
- General Plant investments are modifications, replacements or additions to a distributor's assets that are not part of its distribution system; including land and buildings; tools and equipment; rolling stock; computer hardware and software used to support day to day business and operational activities.
- Contribution and Grants or Deferred Revenue include all contributions in aid of capital that LPDL has received as per the Distribution System Code.

This table also excludes Work in Progress ("WIP") as this account represents costs related to assets that are not considered in service as of December 31<sup>st</sup> of the applicable fiscal year. Costs are transferred out of WIP and into the appropriate category above once designated in service. These costs are also not included in the rate base calculation until designated in service.

**Table 17 - Gross Assets Breakdown by Category – 2019 to 2025**

Category	2019 Board							
	Approved	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Bridge	2025 Test
Distribution Plant	52,963,868	54,099,810	56,093,373	59,980,439	63,720,195	68,168,748	71,298,748	74,588,748
General Plant	8,341,314	8,284,079	8,383,258	8,928,128	9,561,627	9,874,131	10,329,058	10,994,743
Contributions and Grants	(9,259,253)	(9,911,521)	(10,680,514)	(12,819,278)	(14,598,535)	(16,577,189)	(17,477,189)	(18,277,189)
<b>Total</b>	<b>52,045,929</b>	<b>52,472,368</b>	<b>53,796,117</b>	<b>56,089,290</b>	<b>58,683,287</b>	<b>61,465,690</b>	<b>64,150,617</b>	<b>67,306,302</b>

**Table 18 - Accumulated Depreciation Breakdown by Category – 2019 to 2025**

Category	2019 Board Approved	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Bridge	2025 Test
Distribution Plant	(22,643,006)	(22,717,114)	(24,124,393)	(25,603,190)	(27,174,535)	(28,844,864)	(30,582,881)	(32,359,719)
General Plant	(4,812,644)	(4,946,856)	(4,995,209)	(5,235,879)	(5,604,984)	(5,782,785)	(5,970,050)	(6,215,465)
Contributions and Grants	2,666,014	2,673,688	2,901,503	3,163,528	3,471,646	3,823,975	4,210,171	4,616,367
<b>Total</b>	<b>(24,789,636)</b>	<b>(24,990,282)</b>	<b>(26,218,099)</b>	<b>(27,675,541)</b>	<b>(29,307,873)</b>	<b>(30,803,674)</b>	<b>(32,342,760)</b>	<b>(33,958,817)</b>

Table 19 shows the Net Fixed Assets by Category.

**Table 19 - Net Fixed Assets Breakdown by Category – 2019 to 2025**

Category	2019 Board Approved	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Bridge	2025 Test
Distribution Plant	30,320,863	31,382,696	31,968,980	34,377,249	36,545,660	39,323,884	40,715,866	42,229,028
General Plant	3,528,670	3,337,223	3,388,049	3,692,249	3,956,643	4,091,346	4,359,008	4,779,278
Contributions and Grants	(6,593,239)	(7,237,833)	(7,779,011)	(9,655,750)	(11,126,889)	(12,753,214)	(13,267,018)	(13,660,822)
<b>Total</b>	<b>27,256,293</b>	<b>27,482,086</b>	<b>27,578,019</b>	<b>28,413,749</b>	<b>29,375,415</b>	<b>30,662,016</b>	<b>31,807,857</b>	<b>33,347,485</b>

### 2.3.2 DETAILED BREAKDOWN BY PLANT FUNCTION

Table 20 below displays the detailed breakdown by Major Plant account for each functionalized plant item along with its description with the Board's USoA. LPDL has also included a breakdown of Accumulated Amortization and Net Fixed Assets in the same format below in Table 21 and Table 22.

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**Table 20 - Detailed Gross Assets by Plant Function – 2019 to 2025**

Category	2019 Board Approved	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Bridge	2025 Test
<b>Distribution Plant Assets</b>								
1820 Distribution Station Equipment <50 kV	6,504,751	6,504,751	6,512,826	6,607,919	6,607,919	6,880,285	7,030,285	7,150,285
1830 Poles, Towers & Fixtures	11,408,212	11,814,196	12,547,574	14,104,050	16,319,258	17,996,836	18,996,836	19,879,336
1835 Overhead Conductors & Devices	7,214,186	7,306,556	7,591,170	8,143,138	8,521,011	9,483,935	10,252,935	10,941,935
1840 Underground Conduit	5,021,192	5,194,695	5,409,960	5,632,889	5,782,191	5,984,531	6,095,781	6,282,031
1845 Underground Conductors & Devices	3,993,825	4,096,592	4,209,585	4,686,373	4,810,211	5,048,752	5,160,002	5,346,252
1850 Line Transformers	11,562,337	11,643,851	11,938,024	12,700,395	13,291,191	13,895,501	14,579,001	15,324,001
1855 Services (Overhead & Underground)	2,398,816	2,683,983	2,895,536	2,966,009	3,038,928	3,106,431	3,138,931	3,171,431
1860 Meters	4,445,928	4,513,293	4,646,807	4,797,774	4,957,593	5,189,887	5,322,387	5,504,887
1980 System Supervisor Equipment	414,621	341,892	341,892	341,892	391,892	582,590	722,590	988,590
<b>Total Distribution Plant Assets</b>	<b>52,963,868</b>	<b>54,099,810</b>	<b>56,093,373</b>	<b>59,980,439</b>	<b>63,720,195</b>	<b>68,168,748</b>	<b>71,298,748</b>	<b>74,588,748</b>
<b>General Plant</b>								
1611 Computer Software (Formally known as Account 1925)	1,304,844	1,027,493	1,102,050	1,102,050	1,167,522	1,253,494	1,528,494	1,778,494
1612 Land Rights (Formally known as Account 1906 and 1806)	567,931	567,931	567,931	567,931	567,931	567,931	567,931	567,931
1805 Land	74,305	74,305	74,305	74,305	74,305	74,305	74,305	74,305
1808 Buildings	2,163,837	2,163,837	2,163,837	2,163,837	2,163,837	2,163,837	2,163,837	2,163,837
1905 Land	303,801	303,801	303,801	303,801	303,801	303,801	303,801	303,801
1908 Buildings & Fixtures	347,238	312,798	312,798	312,798	320,070	327,041	327,041	327,041
1915 Office Furniture & Equipment (10 years)	284,133	284,133	284,133	284,133	284,133	284,133	284,133	284,133
1920 Computer Equipment - Hardware	645,344	595,344	597,862	599,472	639,012	787,952	812,952	812,952
1930 Transportation Equipment	1,655,371	1,939,362	1,731,408	2,227,055	2,366,944	2,426,772	2,581,699	2,997,384
1935 Stores Equipment	75,810	75,810	75,810	75,810	75,810	75,810	75,810	75,810
1940 Tools, Shop & Garage Equipment	318,455	339,021	365,329	412,942	458,482	469,275	469,275	469,275
1950 Power Operated Equipment	-	-	203,750	203,750	539,536	539,536	539,536	539,536
1955 Communications Equipment	189,661	189,661	189,661	189,661	189,661	189,661	189,661	189,661
1955 Communication Equipment (Smart Meters)	410,583	410,583	410,583	410,583	410,583	410,583	410,583	410,583
<b>Total General Plant</b>	<b>8,341,314</b>	<b>8,284,079</b>	<b>8,383,258</b>	<b>8,928,128</b>	<b>9,561,627</b>	<b>9,874,131</b>	<b>10,329,058</b>	<b>10,994,743</b>
<b>Contributions and Grants</b>								
2440 Contributions & Grants	(9,259,253)	(9,911,521)	(10,680,514)	(12,819,278)	(14,598,535)	(16,577,189)	(17,477,189)	(18,277,189)
<b>Total Assets</b>	<b>52,045,929</b>	<b>52,472,368</b>	<b>53,796,117</b>	<b>56,089,290</b>	<b>58,683,287</b>	<b>61,465,690</b>	<b>64,150,617</b>	<b>67,306,302</b>

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1 **Table 21 - Detailed Accumulated Depreciation by Plant Function – 2019 to 2025**

Category	2019 Board Approved	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Bridge	2025 Test
<b>Distribution Plant Assets</b>								
1820 Distribution Station Equipment <50 kV	(2,918,409)	(2,918,409)	(3,044,673)	(3,172,227)	(3,300,969)	(3,433,116)	(3,570,543)	(3,714,403)
1830 Poles, Towers & Fixtures	(4,716,691)	(4,720,090)	(4,994,930)	(5,297,844)	(5,639,900)	(6,025,210)	(6,440,269)	(6,876,247)
1835 Overhead Conductors & Devices	(2,466,297)	(2,467,900)	(2,622,238)	(2,782,316)	(2,951,395)	(3,131,647)	(3,326,332)	(3,536,398)
1840 Underground Conduit	(2,420,191)	(2,422,360)	(2,534,517)	(2,652,152)	(2,774,440)	(2,901,123)	(3,031,726)	(3,166,047)
1845 Underground Conductors & Devices	(1,350,192)	(1,351,334)	(1,463,312)	(1,581,843)	(1,707,048)	(1,836,279)	(1,969,397)	(2,105,820)
1850 Line Transformers	(5,123,636)	(5,124,654)	(5,392,470)	(5,672,299)	(5,970,267)	(6,283,177)	(6,612,181)	(6,959,042)
1855 Services (Overhead & Underground)	(1,333,231)	(1,336,400)	(1,376,895)	(1,420,524)	(1,465,746)	(1,512,528)	(1,560,421)	(1,609,036)
1860 Meters	(2,126,494)	(2,191,739)	(2,476,939)	(2,771,378)	(3,075,473)	(3,392,565)	(3,697,786)	(3,957,115)
1980 System Supervisor Equipment	(187,866)	(184,229)	(218,419)	(252,608)	(289,297)	(329,219)	(374,226)	(435,611)
<b>Total Distribution Plant Assets</b>	<b>(22,643,006)</b>	<b>(22,717,114)</b>	<b>(24,124,393)</b>	<b>(25,603,190)</b>	<b>(27,174,535)</b>	<b>(28,844,864)</b>	<b>(30,582,881)</b>	<b>(32,359,719)</b>
<b>General Plant</b>								
1611 Computer Software (Formally known as Account 1925)	(982,542)	(954,807)	(985,049)	(1,020,007)	(1,056,524)	(1,103,157)	(1,180,622)	(1,298,366)
1612 Land Rights (Formally known as Account 1906 and 1806)	(50,015)	(50,015)	(50,035)	(50,055)	(50,075)	(50,095)	(50,115)	(50,135)
1805 Land	-	-	-	-	-	-	-	-
1808 Buildings	(789,208)	(789,208)	(861,683)	(930,902)	(1,000,121)	(1,069,193)	(1,129,939)	(1,190,685)
1905 Land	-	-	-	-	-	-	-	-
1908 Buildings & Fixtures	(136,100)	(135,755)	(148,085)	(160,338)	(172,664)	(181,370)	(185,876)	(190,382)
1915 Office Furniture & Equipment (10 years)	(250,180)	(250,181)	(260,971)	(268,216)	(271,877)	(275,538)	(279,021)	(281,250)
1920 Computer Equipment - Hardware	(645,209)	(577,209)	(583,850)	(589,853)	(599,018)	(624,667)	(665,689)	(708,958)
1930 Transportation Equipment	(1,088,258)	(1,317,522)	(1,197,008)	(1,263,637)	(1,437,224)	(1,377,594)	(1,294,438)	(1,229,967)
1935 Stores Equipment	(20,688)	(20,688)	(27,173)	(33,658)	(40,143)	(46,628)	(53,113)	(59,598)
1940 Tools, Shop & Garage Equipment	(250,559)	(251,586)	(266,095)	(283,484)	(304,350)	(327,539)	(350,264)	(371,197)
1950 Power Operated Equipment	-	-	(15,281)	(35,656)	(72,821)	(126,775)	(180,729)	(234,683)
1955 Communications Equipment	(189,302)	(189,302)	(189,396)	(189,490)	(189,584)	(189,646)	(189,661)	(189,661)
1955 Communication Equipment (Smart Meters)	(410,583)	(410,583)	(410,583)	(410,583)	(410,583)	(410,583)	(410,583)	(410,583)
<b>Total General Plant</b>	<b>(4,812,644)</b>	<b>(4,946,856)</b>	<b>(4,995,209)</b>	<b>(5,235,879)</b>	<b>(5,604,984)</b>	<b>(5,782,785)</b>	<b>(5,970,050)</b>	<b>(6,215,465)</b>
<b>Contributions and Grants</b>								
2440 Contributions & Grants	2,666,014	2,673,688	2,901,503	3,163,528	3,471,646	3,823,975	4,210,171	4,616,367
<b>Total Assets</b>	<b>(24,789,636)</b>	<b>(24,990,282)</b>	<b>(26,218,099)</b>	<b>(27,675,541)</b>	<b>(29,307,873)</b>	<b>(30,803,672)</b>	<b>(32,342,760)</b>	<b>(33,958,817)</b>

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**Table 22 - Detailed Net Fixed Assets by Plant Function – 2019 to 2025**

Category	2019 Board Approved	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Bridge	2025 Test
<b>Distribution Plant Assets</b>								
1820 Distribution Station Equipment <50 kV	3,586,342	3,586,342	3,468,153	3,435,692	3,306,950	3,447,169	3,459,742	3,435,882
1830 Poles, Towers & Fixtures	6,691,521	7,094,106	7,552,644	8,806,206	10,679,358	11,971,626	12,556,566	13,003,089
1835 Overhead Conductors & Devices	4,747,889	4,838,656	4,968,932	5,360,822	5,569,616	6,352,288	6,926,603	7,405,536
1840 Underground Conduit	2,601,001	2,772,336	2,875,443	2,980,737	3,007,751	3,083,408	3,064,055	3,115,984
1845 Underground Conductors & Devices	2,643,633	2,745,258	2,746,273	3,104,530	3,103,163	3,212,473	3,190,605	3,240,432
1850 Line Transformers	6,438,701	6,519,197	6,545,554	7,028,097	7,320,924	7,612,324	7,966,820	8,364,959
1855 Services (Overhead & Underground)	1,065,585	1,347,583	1,518,641	1,545,485	1,573,182	1,593,903	1,578,510	1,562,395
1860 Meters	2,319,434	2,321,555	2,169,868	2,026,396	1,882,120	1,797,322	1,624,601	1,547,772
1980 System Supervisor Equipment	226,755	157,663	123,473	89,284	102,595	253,371	348,364	552,979
<b>Total Distribution Plant Assets</b>	<b>30,320,863</b>	<b>31,382,696</b>	<b>31,968,980</b>	<b>34,377,249</b>	<b>36,545,660</b>	<b>39,323,884</b>	<b>40,715,866</b>	<b>42,229,028</b>
<b>General Plant</b>								
1611 Computer Software (Formally known as Account 1925)	322,302	72,686	117,001	82,043	110,998	150,337	347,872	480,128
1612 Land Rights (Formally known as Account 1906 and 1806)	517,916	517,916	517,896	517,876	517,856	517,836	517,816	517,796
1805 Land	74,305	74,305	74,305	74,305	74,305	74,305	74,305	74,305
1808 Buildings	1,374,629	1,374,629	1,302,154	1,232,935	1,163,716	1,094,644	1,033,898	973,152
1905 Land	303,801	303,801	303,801	303,801	303,801	303,801	303,801	303,801
1908 Buildings & Fixtures	211,138	177,043	164,713	152,460	147,406	145,671	141,165	136,659
1915 Office Furniture & Equipment (10 years)	33,953	33,952	23,162	15,917	12,256	8,595	5,112	2,883
1920 Computer Equipment - Hardware	135	18,135	14,012	9,619	39,994	163,285	147,263	103,994
1930 Transportation Equipment	567,113	621,840	534,400	963,418	929,720	1,049,178	1,287,261	1,767,417
1935 Stores Equipment	55,122	55,122	48,637	42,152	35,667	29,182	22,697	16,212
1940 Tools, Shop & Garage Equipment	67,896	87,435	99,234	129,458	154,132	141,736	119,011	98,078
1950 Power Operated Equipment	-	-	188,469	168,094	466,715	412,761	358,807	304,853
1955 Communications Equipment	359	359	265	171	77	15	0	0
1955 Communication Equipment (Smart Meters)	0	0	0	0	0	0	0	0
<b>Total General Plant</b>	<b>3,528,670</b>	<b>3,337,223</b>	<b>3,388,049</b>	<b>3,692,249</b>	<b>3,956,643</b>	<b>4,091,346</b>	<b>4,359,008</b>	<b>4,779,278</b>
<b>Contributions and Grants</b>								
2440 Contributions & Grants	(6,593,239)	(7,237,833)	(7,779,011)	(9,655,750)	(11,126,889)	(12,753,214)	(13,267,018)	(13,660,822)
<b>Total Assets</b>	<b>27,256,293</b>	<b>27,482,086</b>	<b>27,578,019</b>	<b>28,413,749</b>	<b>29,375,415</b>	<b>30,662,016</b>	<b>31,807,857</b>	<b>33,347,485</b>

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### 2.3.3 VARIANCE ANALYSIS ON GROSS ASSETS

Table 23 below displays the gross asset variance for each USoA along with the overall % change.

**Table 23 - Detailed Gross Asset Variance by Plant Function – 2019 to 2025**

Category	2019 Board Approved	2019 Actual	Variance 2019 Actual to 2019 Board Approved	2020 Actual	Variance 2020 Actual to 2019 Actual	2021 Actual	Variance 2021 Actual to 2020 Actual	2022 Actual	Variance 2022 Actual to 2021 Actual	2023 Actual	Variance 2023 Actual to 2022 Actual	2024 Bridge	Variance 2024 Bridge to 2023 Actual	2025 Test	Variance 2025 Test Year to 2024 Bridge
<b>Distribution Plant Assets</b>															
1820 Distribution Station Equipment <50 kV	6,504,751	6,504,751	-	6,512,826	8,075	6,607,919	95,093	6,607,919	-	6,880,285	272,366	7,030,285	150,000	7,150,285	120,000
1830 Poles, Towers & Fixtures	11,408,212	11,814,196	405,984	12,547,574	733,378	14,104,050	1,556,476	16,319,258	2,215,208	17,996,836	1,677,578	18,996,836	1,000,000	19,879,336	882,500
1835 Overhead Conductors & Devices	7,214,186	7,306,556	92,370	7,591,170	284,614	8,143,138	551,968	8,521,011	377,873	9,483,935	962,924	10,252,935	769,000	10,941,935	689,000
1840 Underground Conduit	5,021,192	5,194,695	173,503	5,409,960	215,265	5,632,889	222,929	5,782,191	149,302	5,984,531	202,340	6,095,781	111,250	6,282,031	186,250
1845 Underground Conductors & Devices	3,993,825	4,096,592	102,767	4,209,585	112,993	4,686,373	476,789	4,810,211	123,838	5,048,752	238,541	5,160,002	111,250	5,346,252	186,250
1850 Line Transformers	11,562,337	11,643,851	81,514	11,938,024	294,173	12,700,395	762,371	13,291,191	590,796	13,895,501	604,310	14,579,001	683,500	15,324,001	745,000
1855 Services (Overhead & Underground)	2,398,816	2,683,983	285,166	2,895,536	211,553	2,966,009	70,473	3,038,928	72,919	3,106,431	67,503	3,138,931	32,500	3,171,431	32,500
1860 Meters	4,445,928	4,513,293	67,366	4,646,807	133,513	4,797,774	150,967	4,957,593	159,819	5,189,887	232,294	5,322,387	132,500	5,504,887	182,500
1980 System Supervisor Equipment	414,621	341,892	(72,729)	341,892	-	341,892	-	391,892	50,000	582,590	190,698	722,590	140,000	988,590	266,000
<b>Total Distribution Plant Assets</b>	<b>52,963,868</b>	<b>54,099,810</b>	<b>1,135,941</b>	<b>56,093,373</b>	<b>1,993,563</b>	<b>59,980,439</b>	<b>3,887,066</b>	<b>63,720,195</b>	<b>3,739,756</b>	<b>68,168,748</b>	<b>4,448,553</b>	<b>71,298,748</b>	<b>3,130,000</b>	<b>74,588,748</b>	<b>3,290,000</b>
<b>General Plant</b>															
1611 Computer Software (Formally known as Account 1925)	1,304,844	1,027,493	(277,351)	1,102,050	74,557	1,102,050	-	1,167,522	65,472	1,253,494	85,972	1,528,494	275,000	1,778,494	250,000
1612 Land Rights (Formally known as Account 1906 and 1806)	567,931	567,931	0	567,931	-	567,931	-	567,931	(0)	567,931	-	567,931	-	567,931	-
1805 Land	74,305	74,305	-	74,305	-	74,305	-	74,305	-	74,305	-	74,305	-	74,305	-
1808 Buildings	2,163,837	2,163,837	(0)	2,163,837	-	2,163,837	-	2,163,837	-	2,163,837	-	2,163,837	-	2,163,837	-
1905 Land	303,801	303,801	-	303,801	-	303,801	-	303,801	(0)	303,801	-	303,801	-	303,801	-
1908 Buildings & Fixtures	347,238	312,798	(34,440)	312,798	-	312,798	-	320,070	7,272	327,041	6,971	327,041	-	327,041	-
1915 Office Furniture & Equipment (10 years)	284,133	284,133	-	284,133	-	284,133	-	284,133	-	284,133	-	284,133	-	284,133	-
1920 Computer Equipment - Hardware	645,344	595,344	(50,000)	597,862	2,518	599,472	1,610	639,012	39,540	787,952	148,940	812,952	25,000	812,952	-
1930 Transportation Equipment	1,655,371	1,939,362	283,991	1,731,408	(207,954)	2,227,055	495,647	2,366,944	139,889	2,426,772	59,828	2,581,699	154,927	2,997,384	415,685
1935 Stores Equipment	75,810	75,810	(0)	75,810	-	75,810	-	75,810	-	75,810	-	75,810	-	75,810	-
1940 Tools, Shop & Garage Equipment	318,455	339,021	20,566	365,329	26,308	412,942	47,613	458,482	45,540	469,275	10,793	469,275	-	469,275	-
1950 Power Operated Equipment	-	-	-	203,750	203,750	539,536	539,536	539,536	539,536	539,536	539,536	539,536	539,536	539,536	539,536
1955 Communications Equipment	189,661	189,661	-	189,661	0	189,661	-	189,661	-	189,661	-	189,661	-	189,661	-
1955 Communication Equipment (Smart Meters)	410,583	410,583	-	410,583	-	410,583	-	410,583	-	410,583	-	410,583	-	410,583	-
<b>Total General Plant</b>	<b>8,341,314</b>	<b>8,284,079</b>	<b>(57,234)</b>	<b>8,383,258</b>	<b>(104,571)</b>	<b>8,928,128</b>	<b>544,870</b>	<b>9,561,627</b>	<b>633,499</b>	<b>9,874,131</b>	<b>312,504</b>	<b>10,329,058</b>	<b>454,927</b>	<b>10,994,743</b>	<b>665,685</b>
<b>Contributions and Grants</b>															
2440 Contributions & Grants	(9,259,253)	(9,911,521)	(652,268)	(10,680,514)	(768,993)	(12,819,278)	(2,138,764)	(14,598,535)	(1,779,257)	(16,577,189)	(1,978,654)	(17,477,189)	(900,000)	(18,277,189)	(800,000)
<b>Total Assets</b>	<b>52,045,929</b>	<b>52,472,368</b>	<b>426,439</b>	<b>53,796,117</b>	<b>1,119,999</b>	<b>56,089,290</b>	<b>2,293,172</b>	<b>58,683,287</b>	<b>2,593,998</b>	<b>61,465,690</b>	<b>2,782,403</b>	<b>64,150,617</b>	<b>2,684,927</b>	<b>67,306,302</b>	<b>3,155,685</b>
<b>% Increase / (Decrease)</b>			<b>(-2%)</b>		<b>2%</b>		<b>4%</b>		<b>5%</b>		<b>5%</b>		<b>4%</b>		<b>5%</b>

As shown in detailed continuity schedules, LPDL has disposed of the sold single bucket truck in the 2024 Bridge Year and plans to dispose and sell the existing double bucket truck in the 2025 Test Year.

Annual variance analyses will now be explained and are provided for only the annual fixed asset additions that were over or (under) LPDL's materiality threshold of \$50,000. For the purposes of the variance analysis, assets are explained at the category level as described above.

## 2019 Actuals vs. 2019 Board Approved

**Table 24 - 2019 Actuals vs. 2019 Board Approved**

Category	2019 Board Approved	2019 Actual	Variance 2019 Actual to 2019 Board Approved
<b>Distribution Plant Assets</b>			
1820 Distribution Station Equipment <50 kV	6,504,751	6,504,751	-
1830 Poles, Towers & Fixtures	11,408,212	11,814,196	405,984
1835 Overhead Conductors & Devices	7,214,186	7,306,556	92,370
1840 Underground Conduit	5,021,192	5,194,695	173,503
1845 Underground Conductors & Devices	3,993,825	4,096,592	102,767
1850 Line Transformers	11,562,337	11,643,851	81,514
1855 Services (Overhead & Underground)	2,398,816	2,683,983	285,166
1860 Meters	4,445,928	4,513,293	67,366
1980 System Supervisor Equipment	414,621	341,892	(72,729)
<b>Total Distribution Plant Assets</b>	<b>52,963,868</b>	<b>54,099,810</b>	<b>1,135,941</b>
<b>General Plant</b>			
1611 Computer Software (Formally known as Account 1925)	1,304,844	1,027,493	(277,351)
1612 Land Rights (Formally known as Account 1906 and 1806)	567,931	567,931	0
1805 Land	74,305	74,305	-
1808 Buildings	2,163,837	2,163,837	(0)
1905 Land	303,801	303,801	-
1908 Buildings & Fixtures	347,238	312,798	(34,440)
1915 Office Furniture & Equipment (10 years)	284,133	284,133	-
1920 Computer Equipment - Hardware	645,344	595,344	(50,000)
1930 Transportation Equipment	1,655,371	1,939,362	283,991
1935 Stores Equipment	75,810	75,810	(0)
1940 Tools, Shop & Garage Equipment	318,455	339,021	20,566
1950 Power Operated Equipment	-	-	-
1955 Communications Equipment	189,661	189,661	-
1955 Communication Equipment (Smart Meters)	410,583	410,583	-
<b>Total General Plant</b>	<b>8,341,314</b>	<b>8,284,079</b>	<b>(57,234)</b>
<b>Contributions and Grants</b>			
2440 Contributions & Grants	(9,259,253)	(9,911,521)	(652,268)
<b>Total Assets</b>	<b>52,045,929</b>	<b>52,472,368</b>	<b>426,439</b>

**Distribution Plant Assets: \$1,135,941**

LPDL's 2019 Actual Distribution Assets were \$1,135,941 higher than the 2019 Board Approved, primarily due to the following reasons:

- LPDL invested \$1,109,383 in System Access projects that were requested from customers. This was significantly higher than 2019 Board Approved and historical prior to 2019.
- Due to the extra effort needed for customer requests, Board Approved projects were deferred while LPDL continued on its overall voltage conversion plan for Parry Sound and Bracebridge service areas.

**General Plant: (\$57,234)**

- Computer software approved was lower than expected for implementation fees, which then has increased annual license fees for ongoing use.
- Transportation variance is due to the planned disposal that did not occur until 2020.

**Contributions and Grants: (\$652,268)**

Account 2440 – Contributions & Grants

LPDL's variance of (\$652,268) is largely due to the expansion upgrade needed at Lofthouse Manufacturing and make ready projects needed for Fibre attachments. LPDL also had several other customer requests that were not anticipated.

**2020 Actual vs. 2019 Actual**

**Table 25 - 2020 Actual vs. 2019 Actual**

Category		2019 Actual	2020 Actual	Variance 2020 Actual to 2019 Actual
<b>Distribution Plant Assets</b>				
1820	Distribution Station Equipment <50 kV	6,504,751	6,512,826	8,075
1830	Poles, Towers & Fixtures	11,814,196	12,547,574	733,378
1835	Overhead Conductors & Devices	7,306,556	7,591,170	284,614
1840	Underground Conduit	5,194,695	5,409,960	215,265
1845	Underground Conductors & Devices	4,096,592	4,209,585	112,993
1850	Line Transformers	11,643,851	11,938,024	294,173
1855	Services (Overhead & Underground)	2,683,983	2,895,536	211,553
1860	Meters	4,513,293	4,646,807	133,513
1980	System Supervisor Equipment	341,892	341,892	-
<b>Total Distribution Plant Assets</b>		<b>54,099,810</b>	<b>56,093,373</b>	<b>1,993,563</b>
<b>General Plant</b>				
1611	Computer Software (Formally known as Account 1925)	1,027,493	1,102,050	74,557
1612	Land Rights (Formally known as Account 1906 and 1806)	567,931	567,931	-
1805	Land	74,305	74,305	-
1808	Buildings	2,163,837	2,163,837	-
1905	Land	303,801	303,801	-
1908	Buildings & Fixtures	312,798	312,798	-
1915	Office Furniture & Equipment (10 years)	284,133	284,133	-
1920	Computer Equipment - Hardware	595,344	597,862	2,518
1930	Transportation Equipment	1,939,362	1,731,408	(207,954)
1935	Stores Equipment	75,810	75,810	-
1940	Tools, Shop & Garage Equipment	339,021	365,329	26,308
1950	Power Operated Equipment	-	203,750	
1955	Communications Equipment	189,661	189,661	0
1955	Communication Equipment (Smart Meters)	410,583	410,583	-
<b>Total General Plant</b>		<b>8,284,079</b>	<b>8,383,258</b>	<b>(104,571)</b>
<b>Contributions and Grants</b>				
2440	<b>Contributions &amp; Grants</b>	<b>(9,911,521)</b>	<b>(10,680,514)</b>	<b>(768,993)</b>
<b>Total Assets</b>		<b>52,472,368</b>	<b>53,796,117</b>	<b>1,119,999</b>

**Distribution Assets: \$1,993,563**

2020 Actual Distribution System Assets were higher than 2019 actual amounts by \$1,993,563.

The increase in gross distribution assets is primarily explained by system access projects.

Customer requests continued to be abnormally high, including the FTTH projects.

Overall, the increase in fixed assets for 2020 was lower than planned due to the uncertainty of the COVID outbreak and LPDL strategically deferred projects.

**General Plant: (\$104,571)**

LPDL invested normally in its General Plant category and disposed of its truck that was originally planned to be disposed of in 2019.

**Contributions and Grants: (\$768,993)**

This is explained by several new customer service requests completed by LPDL, with Bell being the major contributor for its FTTH rollout.

**2021 Actual vs. 2020 Actual**

**Table 26 - 2021 Actual vs. 2020 Actual**

Category	2020 Actual	2021 Actual	Variance 2021 Actual to 2020 Actual
<b>Distribution Plant Assets</b>			
1820 Distribution Station Equipment <50 kV	6,512,826	6,607,919	95,093
1830 Poles, Towers & Fixtures	12,547,574	14,104,050	1,556,476
1835 Overhead Conductors & Devices	7,591,170	8,143,138	551,968
1840 Underground Conduit	5,409,960	5,632,889	222,929
1845 Underground Conductors & Devices	4,209,585	4,686,373	476,789
1850 Line Transformers	11,938,024	12,700,395	762,371
1855 Services (Overhead & Underground)	2,895,536	2,966,009	70,473
1860 Meters	4,646,807	4,797,774	150,967
1980 System Supervisor Equipment	341,892	341,892	-
<b>Total Distribution Plant Assets</b>	<b>56,093,373</b>	<b>59,980,439</b>	<b>3,887,066</b>
<b>General Plant</b>			
1611 Computer Software (Formally known as Account 1925)	1,102,050	1,102,050	-
1612 Land Rights (Formally known as Account 1906 and 1806)	567,931	567,931	-
1805 Land	74,305	74,305	-
1808 Buildings	2,163,837	2,163,837	-
1905 Land	303,801	303,801	-
1908 Buildings & Fixtures	312,798	312,798	-
1915 Office Furniture & Equipment (10 years)	284,133	284,133	-
1920 Computer Equipment - Hardware	597,862	599,472	1,610
1930 Transportation Equipment	1,731,408	2,227,055	495,647
1935 Stores Equipment	75,810	75,810	-
1940 Tools, Shop & Garage Equipment	365,329	412,942	47,613
1950 Power Operated Equipment	203,750	203,750	-
1955 Communications Equipment	189,661	189,661	-
1955 Communication Equipment (Smart Meters)	410,583	410,583	-
<b>Total General Plant</b>	<b>8,383,258</b>	<b>8,928,128</b>	<b>544,870</b>
<b>Contributions and Grants</b>			
2440 Contributions & Grants	(10,680,514)	(12,819,278)	(2,138,764)
<b>Total Assets</b>	<b>53,796,117</b>	<b>56,089,290</b>	<b>2,293,172</b>



**Distribution Assets: \$3,887,066**

2021 Actual Distribution System Assets were higher than 2020 actual amounts by \$3,887,066. The increase is primarily due to the deferral of projects in 2020, due to COVID uncertainty and the abnormally low capital expenditures made.

Customer requests continued to be very high, especially the upgrades needed for Bell FTTH.

LPDL continued to focus on its voltage conversion plan and invested primarily in the Bracebridge and Parry Sound areas.

**General Plant: \$544,870**

The primary reason explaining this variance is LPDL's fleet plan:

- LPDL purchased a new Freightliner M2 Digger and disposed of its replacement.
- LPDL also purchased 3 passenger vehicles to replace 3 older models that were also disposed of.

**Contributions and Grants: (\$2,138,764)**

Again, there were several customer service requests throughout the year, however this is predominantly increasing due to Bell's FTTH rollout.

**2022 Actual vs. 2021 Actual**

**Table 27 - 2022 Actual vs. 2021 Actual**

Category		2021 Actual	2022 Actual	Variance 2022 Actual to 2021 Actual
<b>Distribution Plant Assets</b>				
1820	Distribution Station Equipment <50 kV	6,607,919	6,607,919	-
1830	Poles, Towers & Fixtures	14,104,050	16,319,258	2,215,208
1835	Overhead Conductors & Devices	8,143,138	8,521,011	377,873
1840	Underground Conduit	5,632,889	5,782,191	149,302
1845	Underground Conductors & Devices	4,686,373	4,810,211	123,838
1850	Line Transformers	12,700,395	13,291,191	590,796
1855	Services (Overhead & Underground)	2,966,009	3,038,928	72,919
1860	Meters	4,797,774	4,957,593	159,819
1980	System Supervisor Equipment	341,892	391,892	50,000
<b>Total Distribution Plant Assets</b>		<b>59,980,439</b>	<b>63,720,195</b>	<b>3,739,756</b>
<b>General Plant</b>				
1611	Computer Software (Formally known as Account 1925)	1,102,050	1,167,522	65,472
1612	Land Rights (Formally known as Account 1906 and 1806)	567,931	567,931	(0)
1805	Land	74,305	74,305	-
1808	Buildings	2,163,837	2,163,837	-
1905	Land	303,801	303,801	(0)
1908	Buildings & Fixtures	312,798	320,070	7,272
1915	Office Furniture & Equipment (10 years)	284,133	284,133	
1920	Computer Equipment - Hardware	599,472	639,012	39,540
1930	Transportation Equipment	2,227,055	2,366,944	139,889
1935	Stores Equipment	75,810	75,810	-
1940	Tools, Shop & Garage Equipment	412,942	458,482	45,540
1950	Power Operated Equipment	203,750	539,536	
1955	Communications Equipment	189,661	189,661	-
1955	Communication Equipment (Smart Meters)	410,583	410,583	-
<b>Total General Plant</b>		<b>8,928,128</b>	<b>9,561,627</b>	<b>633,499</b>
<b>Contributions and Grants</b>				
2440	<b>Contributions &amp; Grants</b>	<b>(12,819,278)</b>	<b>(14,598,535)</b>	<b>(1,779,257)</b>
<b>Total Assets</b>		<b>56,089,290</b>	<b>58,683,287</b>	<b>2,593,998</b>

**Distribution Assets: \$3,739,756**

2022 Actual Distribution System Assets were higher than 2021 actual amounts by \$3,739,756.

This is again primarily due to the System Access Customer Requests, primarily Bell FTTH projects. Bell was awarded Universal Broadband Fund funding in LPDL's Bracebridge, Huntsville and Parry Sound service territory.

LPDL continued to focus on voltage conversion projects primarily in the Bracebridge area.

LPDL also invested \$251,541 in Parry Sound's MS1.

**General Plant: \$633,499**

The main contributor to the net increase in General Plant is due to fleet management.

LPDL purchased stringing tension machines to install its own primary conductor on pole line rebuilds to reduce the need for 3<sup>rd</sup> party contractors.

**Contributions and Grants: (\$1,779,257)**

Again, there were several customer service requests throughout the year, however this continues to increase significantly due to Bell's FTTH rollout.

**2023 Actual vs. 2022 Actual**

**Table 28 - 2023 Actual vs. 2022 Actual**

Category	2022 Actual	2023 Actual	Variance 2023 Actual to 2022 Actual
<b>Distribution Plant Assets</b>			
1820 Distribution Station Equipment <50 kV	6,607,919	6,880,285	272,366
1830 Poles, Towers & Fixtures	16,319,258	17,996,836	1,677,578
1835 Overhead Conductors & Devices	8,521,011	9,483,935	962,924
1840 Underground Conduit	5,782,191	5,984,531	202,340
1845 Underground Conductors & Devices	4,810,211	5,048,752	238,541
1850 Line Transformers	13,291,191	13,895,501	604,310
1855 Services (Overhead & Underground)	3,038,928	3,106,431	67,503
1860 Meters	4,957,593	5,189,887	232,294
1980 System Supervisor Equipment	391,892	582,590	190,698
<b>Total Distribution Plant Assets</b>	<b>63,720,195</b>	<b>68,168,748</b>	<b>4,448,553</b>
<b>General Plant</b>			
1611 Computer Software (Formally known as Account 1925)	1,167,522	1,253,494	85,972
1612 Land Rights (Formally known as Account 1906 and 1806)	567,931	567,931	-
1805 Land	74,305	74,305	-
1808 Buildings	2,163,837	2,163,837	-
1905 Land	303,801	303,801	-
1908 Buildings & Fixtures	320,070	327,041	6,971
1915 Office Furniture & Equipment (10 years)	284,133	284,133	-
1920 Computer Equipment - Hardware	639,012	787,952	148,940
1930 Transportation Equipment	2,366,944	2,426,772	59,828
1935 Stores Equipment	75,810	75,810	-
1940 Tools, Shop & Garage Equipment	458,482	469,275	10,793
1950 Power Operated Equipment	539,536	539,536	-
1955 Communications Equipment	189,661	189,661	-
1955 Communication Equipment (Smart Meters)	410,583	410,583	-
<b>Total General Plant</b>	<b>9,561,627</b>	<b>9,874,131</b>	<b>312,504</b>
<b>Contributions and Grants</b>			
2440 Contributions & Grants	(14,598,535)	(16,577,189)	(1,978,654)
<b>Total Assets</b>	<b>58,683,287</b>	<b>61,465,690</b>	<b>2,782,403</b>

**Distribution Assets: \$4,448,553**

2023 Actual Distribution System Assets were higher than 2022 actual amounts by \$4,448,553.

Again, this is largely due to the significant demand from Bell FTTH as LPDL invested over \$1.2M into its distribution system with upgrades needed.

LPDL also invested into its MS1 station in Parry Sound.

**General Plant: \$312,504**

The primary reason for the increase was due to computer hardware and the purchase of the Dell VX Rail to virtually run machines on the servers.

**Contributions and Grants: (\$1,978,654)**

LPDL completed several customer service requests however this variance is primarily due to Bell's continued FTTH rollout to be completed by 2025.

**2024 Bridge vs. 2023 Actual**

**Table 29 - 2024 Bridge vs. 2023 Actual**

Category		2023 Actual	2024 Bridge	Variance 2024 Bridge to 2023 Actual
<b>Distribution Plant Assets</b>				
1820	Distribution Station Equipment <50 kV	6,880,285	7,030,285	150,000
1830	Poles, Towers & Fixtures	17,996,836	18,996,836	1,000,000
1835	Overhead Conductors & Devices	9,483,935	10,252,935	769,000
1840	Underground Conduit	5,984,531	6,095,781	111,250
1845	Underground Conductors & Devices	5,048,752	5,160,002	111,250
1850	Line Transformers	13,895,501	14,579,001	683,500
1855	Services (Overhead & Underground)	3,106,431	3,138,931	32,500
1860	Meters	5,189,887	5,322,387	132,500
1980	System Supervisor Equipment	582,590	722,590	140,000
<b>Total Distribution Plant Assets</b>		<b>68,168,748</b>	<b>71,298,748</b>	<b>3,130,000</b>
<b>General Plant</b>				
1611	Computer Software (Formally known as Account 1925)	1,253,494	1,528,494	275,000
1612	Land Rights (Formally known as Account 1906 and 1806)	567,931	567,931	-
1805	Land	74,305	74,305	-
1808	Buildings	2,163,837	2,163,837	-
1905	Land	303,801	303,801	-
1908	Buildings & Fixtures	327,041	327,041	-
1915	Office Furniture & Equipment (10 years)	284,133	284,133	-
1920	Computer Equipment - Hardware	787,952	812,952	25,000
1930	Transportation Equipment	2,426,772	2,581,699	154,927
1935	Stores Equipment	75,810	75,810	-
1940	Tools, Shop & Garage Equipment	469,275	469,275	-
1950	Power Operated Equipment	539,536	539,536	-
1955	Communications Equipment	189,661	189,661	-
1955	Communication Equipment (Smart Meters)	410,583	410,583	-
<b>Total General Plant</b>		<b>9,874,131</b>	<b>10,329,058</b>	<b>454,927</b>
<b>Contributions and Grants</b>				
2440	<b>Contributions &amp; Grants</b>	<b>(16,577,189)</b>	<b>(17,477,189)</b>	<b>(900,000)</b>
<b>Total Assets</b>		<b>61,465,690</b>	<b>64,150,617</b>	<b>2,684,927</b>

**Distribution Assets: \$3,130,000**

2024 Distribution System Assets are projected to be higher than 2023 actual amounts by \$3,130,000. LPDL continues to support Bell's FTTH requests and has priority to continue upgrading the service to 27.6kV.

**General Plant: \$454,927**

LPDL continues to follow its fleet plan to replace aging assets that are showing increased maintenance issues. LPDL has replaced its single bucket truck and is investing in billing software along with its long-term plan to upgrade its software against cyberattacks.

**Contributions and Grants: (\$900,000)**

LPDL anticipates approximately \$900,000 in customer requests that is based on historical trends in addition to Bell's completion of its FTTH rollout.

**2025 Test vs. 2024 Bridge**

**Table 30 - 2025 Test vs. 2024 Bridge**

Category		2024 Bridge	2025 Test	Variance 2025 Test Year to 2024 Bridge
<b>Distribution Plant Assets</b>				
1820	Distribution Station Equipment <50 kV	7,030,285	7,150,285	120,000
1830	Poles, Towers & Fixtures	18,996,836	19,879,336	882,500
1835	Overhead Conductors & Devices	10,252,935	10,941,935	689,000
1840	Underground Conduit	6,095,781	6,282,031	186,250
1845	Underground Conductors & Devices	5,160,002	5,346,252	186,250
1850	Line Transformers	14,579,001	15,324,001	745,000
1855	Services (Overhead & Underground)	3,138,931	3,171,431	32,500
1860	Meters	5,322,387	5,504,887	182,500
1980	System Supervisor Equipment	722,590	988,590	266,000
<b>Total Distribution Plant Assets</b>		<b>71,298,748</b>	<b>74,588,748</b>	<b>3,290,000</b>
<b>General Plant</b>				
1611	Computer Software (Formally known as Account 1925)	1,528,494	1,778,494	250,000
1612	Land Rights (Formally known as Account 1906 and 1806)	567,931	567,931	-
1805	Land	74,305	74,305	-
1808	Buildings	2,163,837	2,163,837	-
1905	Land	303,801	303,801	-
1908	Buildings & Fixtures	327,041	327,041	-
1915	Office Furniture & Equipment (10 years)	284,133	284,133	-
1920	Computer Equipment - Hardware	812,952	812,952	-
1930	Transportation Equipment	2,581,699	2,997,384	415,685
1935	Stores Equipment	75,810	75,810	-
1940	Tools, Shop & Garage Equipment	469,275	469,275	-
1950	Power Operated Equipment	539,536	539,536	-
1955	Communications Equipment	189,661	189,661	-
1955	Communication Equipment (Smart Meters)	410,583	410,583	-
<b>Total General Plant</b>		<b>10,329,058</b>	<b>10,994,743</b>	<b>665,685</b>
<b>Contributions and Grants</b>				
2440	Contributions & Grants	(17,477,189)	(18,277,189)	(800,000)
				0
<b>Total Assets</b>		<b>64,150,617</b>	<b>67,306,302</b>	<b>3,155,685</b>

**Distribution Assets: \$3,290,000**

The 2025 Distribution System Assets are projected to be higher than 2024 forecasted amounts by \$3,290,000. The increase is principally explained by investments made in System Renewal



1 and System Reliability projects. Again, LPDL plans to make conversion projects a priority and  
2 has a large primary underground project planned on Westvale Drive. Further details of LPDL's  
3 plan can be found in the DSP.

4 **General Plant: \$665,685**

5 LPDL plans to follow its fleet plan and will be purchasing a new double bucket truck to replace  
6 the aging truck from Parry Sound. LPDL also intends to follow its cybersecurity plan, with  
7 anticipated improvements related to its software and firewalls.

8 **Contributions and Grants: (\$800,000)**

9 Again, LPDL anticipates \$800,000 in customer requests based on historical trends with Bell's  
10 FTTH completion by Q3 in 2025.

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## 2.3.4 SUMMARY OF CAPITAL EXPENDITURES

LPDL has included all capital expenditures incurred in the year based on the projects that were undertaken and money that has been spent. Table 31 summarizes the actuals spent from 2019 to 2023, 2024 Bridge Year, 2025 Test Year and forecasted 2026 to 2029.

**Table 31 - Capital Expenditure Summary (2-AB)**

CATEGORY	Historical Period (previous plan <sup>1</sup> & actual)																Forecast Period (planned)						
	2019			2020			2021			2022			2023			2024			2025	2026	2027	2028	2029
	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual	Var	Plan	Actual <sup>2</sup>	Var								
	\$ '000		%	\$ '000		%	\$ '000		%	\$ '000		%	\$ '000		%								
	\$ '000																\$ '000						
System Access	380	1,449	281.3%	450	1,392	209.3%	500	2,728	445.6%	550	2,126	286.5%	750	2,388	218.4%	750	1,600	113.3%	1,130	1,035	1,040	1,045	1,045
System Renewal	1,110	1,254	13.0%	1,360	408	-70.0%	1,385	920	-33.6%	880	1,326	50.7%	1,225	1,416	15.6%	1,230	1,220	-0.8%	1,335	1,300	850	1,210	1,280
System Service	485	410	-15.5%	710	194	-72.7%	515	239	-53.6%	880	288	-67.3%	780	506	-35.1%	750	240	-68.0%	775	1,755	3,105	810	860
General Plant	650	360	-44.6%	385	347	-9.9%	425	640	50.6%	740	633	-14.5%	613	691	12.7%	974	840	-13.8%	1,030	485	565	565	475
TOTAL EXPENDITURE	2,625	3,473	32.3%	2,905	2,341	-19.4%	2,625	4,527	60.2%	3,050	4,373	43.4%	3,368	5,001	48.5%	3,704	3,900	5.3%	4,270	4,575	5,580	3,630	3,660
Capital Contributions	- 250	- 902	260.8%	- 250	- 769	207.6%	- 300	- 2,139	613.0%	- 300	- 1,779	493.0%	- 500	- 1,979	295.8%	- 500	- 900	80.0%	- 800	- 600	- 600	- 600	- 600
NET CAPITAL EXPENDITURES	2,375	2,571	8.3%	2,655	1,572	-40.8%	2,525	2,388	-5.4%	2,750	2,594	-5.7%	2,868	3,022	5.4%	3,204	3,000	-6.4%	3,470	3,975	4,980	3,030	3,060
System O&M	\$ 1,834	\$ 1,711	-6.7%	\$ 1,890	\$ 2,132	12.8%	\$ 2,123	\$ 2,043	-3.7%	\$ 2,016	\$ 2,438	20.9%	\$ 2,510	\$ 2,452	-2.3%	\$ 2,622	\$ 2,666	1.7%	\$ 2,811	\$ 2,952	\$ 3,099	\$ 3,254	\$ 3,417

## 2.3.5 CAPITAL PROJECT SUMMARY

Table 32 provides a detailed list of all capital projects for the years 2019 through 2023 Actual, 2024 Bridge Year and 2025 Test Year. All projects above LPDL's materiality threshold of \$50,000 have been listed individually within the DSP categories where all projects below the threshold have been grouped together as miscellaneous within the appropriate category. LPDL's DSP, found in Appendix A, provides capital project descriptions and justifications for each material project listed below. Table 32 is consistent with Board's Appendix 2-AA

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**Table 32 - Summary of Capital Projects (2-AA)**

Projects	2019	2020	2021	2022	2023	2024 Bridge Year	2025 Test Year	2026	2027	2028	2029
<b>Reporting Basis</b>											
<b>System Access</b>											
Contributed Capital & Customer Request Connection	839,537	685,542	732,765	786,821	852,077	750,000	800,000	700,000	700,000	700,000	700,000
General Service Work / Un-contributed Capital	121,038	166,744	188,687	158,084	163,119	150,000	150,000	150,000	150,000	150,000	150,000
Capital Meter Work	212,289	106,149	136,433	88,890	105,019	380,000	50,000	150,000	150,000	150,000	150,000
Fowler's Expansion - 27.6kV Expansion		1,831	314,832								
Bell Parry Sound FTTH			758,230	418,805							
Bell Bracebridge FTTH				647,857	1,206,014	200,000	100,000				
Bell Huntsville FTTH	269,846	125,646									
Subdivisions	1,180	33	479,343	25,018	58,653	120,000	30,000	35,000	40,000	45,000	45,000
Renewable Generation			95,093								
Speedier Microgrid Project	5,325	306,461	22,053								
Miscellaneous - all system access individual Projects < \$50,000					2,619						
<b>System Access Gross Expenditures</b>	<b>1,449,214</b>	<b>1,392,407</b>	<b>2,727,436</b>	<b>2,125,475</b>	<b>2,387,501</b>	<b>1,600,000</b>	<b>1,130,000</b>	<b>1,035,000</b>	<b>1,040,000</b>	<b>1,045,000</b>	<b>1,045,000</b>
<b>System Access Capital Contributions</b>	<b>902,268</b>	<b>768,993</b>	<b>2,138,764</b>	<b>1,779,257</b>	<b>1,978,654</b>	<b>900,000</b>	<b>800,000</b>	<b>600,000</b>	<b>600,000</b>	<b>600,000</b>	<b>600,000</b>
<b>Sub-Total</b>	<b>546,946</b>	<b>623,414</b>	<b>588,672</b>	<b>346,218</b>	<b>408,847</b>	<b>700,000</b>	<b>330,000</b>	<b>435,000</b>	<b>440,000</b>	<b>445,000</b>	<b>445,000</b>
<b>System Renewal</b>											
Asset Replacement for all Areas Served	288,806	131,136	491,049	406,024	342,373	360,000	250,000	350,000	350,000	350,000	350,000
All Capital Storm Damage/Trouble Call Capital	195,073	127,059	127,878	248,985	134,396	250,000	250,000	250,000	250,000	250,000	250,000
Capital Transformers - Purchase	26,255	-40,835	63,675	-65,805	24,293						
12.5kV Conversion - Parry Sound Rd/Forest St	156,226	4,883	30,067	3,189							
Voltage Conversion - Wellington St, Bracebridge	112,279										
27.6kV Conversion - Toronto/Veldor/Richard	104,024	525									
Replace U/G primary convert to 27.6 Catherine Cres	335,720	23,088									
27.6kV Conversion - Alice/York	1,176	41,766	62,443								
Wakefield & Bowes St. Voltage Conversion	1,300	1,162	30,873	46,532							
Replace Underground Primary Lakeview Dr.	388	15,454		117,005							
12.5kV Conversion - River St PS		102,917	32,849	126,655							
Edward St - Replace deteriorated, leaning poles			79,461								
27.6kV Conversion - Bird Ln/Richard St			749	141,650	68,993						
Woodchester Ave - Rebuild			504	175,648	117,731						
27.6kV Conversion - Shier St to Entrance Dr			199								
27.6kV Conversion - Milton St.					96,554	60,000					
44kV Rebuild - 1964 Muskoka Beach Rd.				124,110	36,195						
12.5kV Conversion - 653-661 Cedar Ln.					49,255						
27.6kV Conversion - Rene Caisse Ln.					52,175						
12.5kV Conversion - Fraserburg Rd.					50,295						
27.6kV Conversion - McMurray St.					59,297	90,000					
27.6kV Conversion - John, Buller, Willis					7,021	40,000					
27.6kV Conversion - Mary & James St				891	57,723	210,000					
Parry Sound MS1 - Renovation					251,541						
27.6kV Conversion - Replace poles & convert Muskoka Rd					1,698		145,000				
27.6kV Conversion - Robert & Kimberley					244	90,000					
King William St - Switchgear/Transformer							100,000				
27.6kV Conversion - Entrance & Alexandra						100,000	120,000				
27.6kV Conversion - Manitoba St. Backlot				1,143	28,030		80,000				
27.6kV Conversion - Ontario/Kimberley/Mahaffy			554			20,000	20,000				
27.6kV Conversion - Anglo & Shier					38,646		80,000				
Westvale Dr - Underground Primary Replacement							290,000				
Magnetawan Pole Replacements - Hwy 520, Sparks St								280,000			
Cascade St - Poles Replacements, Reconductor								330,000			
Lake Dr. HV - Pole replacements								90,000			
Sundridge Pole Replacements - Main St									250,000		
Burks Falls Pole Replacements - Centre St										190,000	
Meadow Heights - Replace U/G Primary & Transformers										420,000	380,000
Huntsville Pole Replacements - Centre St											300,000
Miscellaneous - all system renewal individual Projects < \$50,00	32,731	386									
<b>System Renewal Gross Expenditures</b>	<b>1,253,977</b>	<b>407,542</b>	<b>920,302</b>	<b>1,326,028</b>	<b>1,416,459</b>	<b>1,220,000</b>	<b>1,335,000</b>	<b>1,300,000</b>	<b>850,000</b>	<b>1,210,000</b>	<b>1,280,000</b>
<b>System Renewal Capital Contributions</b>											
<b>Sub-Total</b>	<b>1,253,977</b>	<b>407,542</b>	<b>920,302</b>	<b>1,326,028</b>	<b>1,416,459</b>	<b>1,220,000</b>	<b>1,335,000</b>	<b>1,300,000</b>	<b>850,000</b>	<b>1,210,000</b>	<b>1,280,000</b>

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Lakeland Power Distribution Ltd.  
EB-2024-0039  
2025 Cost of Service  
Exhibit 2 – Rate Base and Capital  
Filed on: October 31, 2024

1

<b>System Service</b>											
Self-Healing Components - SCADA	2,271			50,000	190,698	140,000	266,000	70,000	70,000	250,000	250,000
Asset Service Upgrades for all areas					321,577	50,000	69,000	120,000	120,000	120,000	120,000
27.6kV Conversion - Woodward/Front	193,558	34,908									
Convert Burks Falls Metering Point to IESO	107,818	6,986									
Replace feed to Summer/Peninsula Island	106,187	74									
44kV Rebuild on Isabella and William St to MS3	587	514		231,008	104,782						
27.6kV U/G Expansion - Manitoba St, Bracebridge		151,133	123,217	2,024	21,182						
Barron Dr - Convert to Three-Phase			116,111	5,221							
Bracebridge MS3 - New 27.6kV Substation				6,352	50,000			1,000,000	2,000,000		
PS Conversion#1 (Miller St)								375,000			
PS Conversion#2 (Bay St)									390,000		
Isabella St, New Poles & Upgrade Primary Conductor							440,000	190,000			
Beatty St, Upgrade Primary Conductor									145,000		
Douglas Dr, Kirk Line W - Feeder Extension									380,000		
PS Conversion#3 (James St North)										440,000	
PS Conversion#4 (William St)											490,000
Miscellaneous - all system service individual Projects < \$50,000											
<b>System Service Gross Expenditures</b>	<b>410,420</b>	<b>193,615</b>	<b>239,328</b>	<b>288,253</b>	<b>644,592</b>	<b>240,000</b>	<b>775,000</b>	<b>1,755,000</b>	<b>3,105,000</b>	<b>810,000</b>	<b>860,000</b>
<b>System Service Capital Contributions</b>											
<b>Sub-Total</b>	<b>410,420</b>	<b>193,615</b>	<b>239,328</b>	<b>288,253</b>	<b>644,592</b>	<b>240,000</b>	<b>775,000</b>	<b>1,755,000</b>	<b>3,105,000</b>	<b>810,000</b>	<b>860,000</b>
<b>General Plant</b>											
Transportation Equipment	253,823	40,148	590,354	139,889	299,735	469,673	730,000	150,000	400,000	400,000	300,000
Power Operated Equipment	0	203,750		335,786							
Computer Software	47,649	56,404		54,672	85,972	75,000	150,000	75,000	75,000	75,000	75,000
Buildings - Distribution	12,890			7,271	6,971			150,000			
Computer Equipment - Hardware		2,518	1,610	39,540	148,940	25,000	15,000	15,000	15,000	15,000	15,000
Tools, Shop & Garage Equipment	45,566	26,308	47,613	45,540	10,793	70,000	35,000	45,000	45,000	45,000	45,000
Cybersecurity		18,153		10,800		200,000	100,000	50,000	30,000	30,000	40,000
<b>General Plant Gross Expenditures</b>	<b>359,928</b>	<b>347,281</b>	<b>639,577</b>	<b>633,498</b>	<b>552,411</b>	<b>839,673</b>	<b>1,030,000</b>	<b>485,000</b>	<b>565,000</b>	<b>565,000</b>	<b>475,000</b>
<b>General Plant Capital Contributions</b>											
<b>Sub-Total</b>	<b>359,928</b>	<b>347,281</b>	<b>639,577</b>	<b>633,498</b>	<b>552,411</b>	<b>839,673</b>	<b>1,030,000</b>	<b>485,000</b>	<b>565,000</b>	<b>565,000</b>	<b>475,000</b>
<b>Miscellaneous</b>											
<b>Total</b>	<b>2,571,272</b>	<b>1,571,852</b>	<b>2,387,878</b>	<b>2,593,997</b>	<b>3,022,309</b>	<b>2,999,673</b>	<b>3,470,000</b>	<b>3,975,000</b>	<b>4,960,000</b>	<b>3,030,000</b>	<b>3,060,000</b>
<b>Less Renewable Generation Facility Assets and Other Non-Rate-Regulated Utility Assets (input as negative)</b>											
<b>Total</b>	<b>2,571,272</b>	<b>1,571,852</b>	<b>2,387,878</b>	<b>2,593,997</b>	<b>3,022,309</b>	<b>2,999,673</b>	<b>3,470,000</b>	<b>3,975,000</b>	<b>4,960,000</b>	<b>3,030,000</b>	<b>3,060,000</b>

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## 2.4 DEPRECIATION, AMORTIZATION AND DEPLETION

### 2.4.1 ACCUMULATED DEPRECIATION AND POLICY

LPDL implemented the regulatory accounting changes to its depreciation policy effective January 1, 2012 with reference to the Depreciation Study for Use by Electricity Distributors (the Kinectrics Report) as evidenced in prior COS Applications.

LPDL has used 10 years as a life span for SCADA instead of 20 years as suggested in the Kinectrics Study. LPDL believes that life span is reasonable considering hardware and software for computer systems is ever changing and improvements to these systems are fast paced.

LPDL's capitalization policies and principles are based on International Financial Reporting Standards IAS 16, as well as the guidelines set out by the OEB, where applicable.

LPDL capital items that are not depreciated include Land (Accounts 1805 and 1905) and Construction Work in Progress (CWIP – Account 2055). CWIP is not included for rate making purposes.

The depreciation rates are presented below in Table 33, OEB Appendix 2-BB, which provides a comparison of the Kinectrics range and the chosen useful life from LPDL.

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Table 33 - Service Life Comparison (2-BB)

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	OH 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								
UG	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 (Non-TR) Cross Linked Polyethylene (XLPE) Cables Direct Buried			20	25	30								
	27	Primary Non-TR XLPE Cables in Duct			20	25	30								
	28	Primary TR XLPE Cables Direct Buried			25	30	35								
	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								
UG			Protector		20	35	40								
	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								
S	43	Remote SCADA			15	20	30	1980	System Supervisory Equipment	10	10%	10	10%	Yes	No

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	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/Buck	8	13%	8	13%	No	No	
		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						
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	1950	Power Operated Equipment	10	10%	5	20%	No	No	
		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	10	10%	10	10%	No	No	
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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The depreciation expenses in OEB Appendix 2-C for each year reconciles with the accumulated depreciation balances in the fixed asset continuity schedule from 2019 through the 2025 Test Year found in Appendix 2-BA. The discrepancy for account 1612 Land Rights is related to the approved former PSP accounting treatment that LPDL had adopted. LPDL will deem this account as indefinite with no depreciation starting in 2027.

Year	2019
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		Book Values				Service Lives		Expense			
Account	Description	Opening Book Value of Assets	Less Fully Depreciated <sup>1</sup>	Current Year Additions	Disposals	Net Amount of Assets to be Depreciated	Remaining Life of Assets Existing <sup>2</sup>	Depreciation Rate Assets	Depreciation Expense on Assets <sup>3</sup>	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance <sup>4</sup>
		a	b	c	d	e = a-b+0.5*c-d	f	g = 1/f	h = e/f	i	j = i-h
1609	Capital Contributions Paid					\$ -	-	0.00%	\$ -	\$ -	\$ -
1611	Computer Software (Formally known as Account 1925)	\$ 979,844	\$ 853,877	\$ 47,649	\$ -	\$ 149,792	4.37	22.88%	\$ 34,277	\$ 34,277	\$ -
1612	Land Rights (Formally known as Account 1906)	\$ 567,931	\$ 50,015	\$ -	\$ -	\$ 517,916	9.00	11.11%	\$ 57,546	\$ 20	\$ 57,526
1805	Land	\$ 74,305	\$ -	\$ -	\$ -	\$ 74,305	-	0.00%	\$ -	\$ -	\$ -
1808	Buildings	\$ 2,163,837	\$ 266,733	\$ -	\$ -	\$ 1,897,104	25.17	3.97%	\$ 75,383	\$ 75,383	\$ 0
1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 6,504,751	\$ -	\$ -	\$ -	\$ 6,504,751	51.56	1.94%	\$ 126,163	\$ 126,163	\$ 0
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 10,824,712		\$ 989,484	\$ -	\$ 11,319,454	44.28	2.26%	\$ 255,624	\$ 255,624	\$ 0
1835	Overhead Conductors & Devices	\$ 6,885,186		\$ 421,370	\$ -	\$ 7,095,871	47.80	2.09%	\$ 148,455	\$ 148,455	\$ 0
1840	Underground Conduit	\$ 4,885,942		\$ 308,753	\$ -	\$ 5,040,319	47.73	2.10%	\$ 105,607	\$ 105,607	\$ 0
1845	Underground Conductors & Devices	\$ 3,891,075		\$ 205,517	\$ -	\$ 3,993,833	36.83	2.72%	\$ 108,439	\$ 108,439	\$ 0
1850	Line Transformers	\$ 11,161,837	\$ 71,942	\$ 482,014	\$ -	\$ 11,330,902	43.90	2.28%	\$ 258,114	\$ 258,114	\$ 0
1855	Services (Overhead & Underground)	\$ 2,338,316		\$ 345,666	\$ -	\$ 2,511,149	73.20	1.37%	\$ 34,304	\$ 34,304	\$ 0
1860	Meters	\$ 4,157,428	\$ 49,010	\$ 355,866	\$ -	\$ 4,286,356	15.93	6.28%	\$ 269,039	\$ 269,039	\$ 0
1860	Meters (Smart Meters)	\$ -		\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1905	Land	\$ 303,801		\$ -	\$ -	\$ 303,801	-	0.00%	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 297,238		\$ 15,561	\$ -	\$ 305,018	27.14	3.69%	\$ 11,241	\$ 11,241	\$ 0
1910	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 284,133	\$ 176,228	\$ -	\$ -	\$ 107,906	9.81	10.20%	\$ 11,004	\$ 11,004	\$ 0
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 595,344	\$ 537,111	\$ -	\$ -	\$ 58,233	6.19	16.15%	\$ 9,403	\$ 9,403	\$ 0
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1930	Transportation Equipment	\$ 2,022,398	\$ 1,233,560	\$ 253,823	\$ 27,817	\$ 943,566	8.96	11.17%	\$ 105,356	\$ 105,356	\$ 0
1935	Stores Equipment	\$ 75,810	\$ 10,960	\$ -	\$ -	\$ 64,850	10.00	10.00%	\$ 6,485	\$ 6,485	\$ 0
1940	Tools, Shop & Garage Equipment	\$ 293,455	\$ 205,805	\$ 45,566	\$ -	\$ 110,433	9.85	10.15%	\$ 11,214	\$ 11,214	\$ 0
1945	Measurement & Testing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1950	Power Operated Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1955	Communications Equipment	\$ 600,244	\$ 599,304	\$ -	\$ -	\$ 940	3.83	26.11%	\$ 245	\$ 245	\$ 0
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1980	System Supervisor Equipment	\$ 339,621	\$ -	\$ 2,271	\$ -	\$ 340,757	10.00	10.00%	\$ 34,076	\$ 34,076	\$ 0
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
2440	Deferred Revenue	\$ 9,009,253	\$ -	\$ 902,268	\$ -	\$ 9,460,387	45.45	2.20%	\$ 208,154	\$ 208,154	\$ 0
2005	Property Under Finance Lease					\$ -	-	0.00%	\$ -	\$ -	\$ -
	Total	\$ 50,237,955	\$ 4,054,542	\$ 2,571,272		\$ 47,496,865	\$ 531		\$ 1,453,821	\$ 1,396,295	\$ 57,526



Table 35 - 2020 Depreciation Expense (2-C)

		Year <span style="border: 1px solid black; padding: 0 5px;">2020</span>									
Account	Description	Book Values				Service Lives		Expense			
		Opening Book Value of Assets	Less Fully Depreciated <sup>1</sup>	Current Year Additions	Disposals	Net Amount of Assets to be Depreciated	Remaining Life of Assets Existing <sup>2</sup>	Depreciation Rate Assets	Depreciation Expense on Assets <sup>3</sup>	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance <sup>4</sup>
		a	b	c	d	e = a-b+0.5*c-d	f	g = 1/f	h = e/f	i	j = i-h
1609	Capital Contributions Paid					\$ -		0.00%	\$ -	\$ -	\$ -
1611	Computer Software (Formerly known as Account 1925)	\$ 1,027,493	\$ 924,947	\$ 74,557	\$ -	\$ 139,825	4.62	21.63%	\$ 30,242	\$ 30,242	\$ 0
1612	Land Rights (Formerly known as Account 1906)	\$ 567,931	\$ 50,035	\$ -	\$ -	\$ 517,896	8.00	12.50%	\$ 64,737	\$ 20	\$ 64,717
1805	Land	\$ 74,305	\$ -	\$ -	\$ -	\$ 74,305		0.00%	\$ -	\$ -	\$ -
1808	Buildings	\$ 2,163,837	\$ 309,598	\$ -	\$ -	\$ 1,854,239	25.58	3.91%	\$ 72,475	\$ 72,475	\$ 0
1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 6,504,751		\$ 8,075	\$ -	\$ 6,508,789	51.55	1.94%	\$ 126,264	\$ 126,264	\$ 0
1825	Storage Battery Equipment	\$ -		\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 11,814,196		\$ 733,378	\$ -	\$ 12,180,885	44.32	2.26%	\$ 274,840	\$ 274,840	\$ 0
1835	Overhead Conductors & Devices	\$ 7,306,556		\$ 284,614	\$ -	\$ 7,448,863	48.26	2.07%	\$ 154,338	\$ 154,338	\$ 0
1840	Underground Conduit	\$ 5,194,695		\$ 215,265	\$ -	\$ 5,302,328	47.28	2.12%	\$ 112,157	\$ 112,157	\$ 0
1845	Underground Conductors & Devices	\$ 4,096,592		\$ 112,993	\$ -	\$ 4,153,088	37.09	2.70%	\$ 111,978	\$ 111,978	\$ 0
1850	Line Transformers	\$ 11,643,851	\$ 71,942	\$ 294,173	\$ -	\$ 11,718,995	43.76	2.29%	\$ 267,816	\$ 267,816	\$ 0
1855	Services (Overhead & Underground)	\$ 2,683,983		\$ 211,553	\$ -	\$ 2,789,759	68.89	1.45%	\$ 40,495	\$ 40,495	\$ 0
1860	Meters	\$ 4,513,293	\$ 51,434	\$ 133,513	\$ -	\$ 4,528,616	15.88	6.30%	\$ 285,200	\$ 285,200	\$ 0
1860	Meters (Smart Meters)	\$ -		\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1905	Land	\$ 303,801		\$ -	\$ -	\$ 303,801		0.00%	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 312,798	\$ 1,111	\$ -	\$ -	\$ 311,687	25.28	3.96%	\$ 12,329	\$ 12,329	\$ 0
1910	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 284,133	\$ 176,226	\$ -	\$ -	\$ 107,906	10.00	10.00%	\$ 10,791	\$ 10,791	\$ 0
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 595,344	\$ 565,601	\$ 2,518	\$ -	\$ 31,002	4.67	21.42%	\$ 6,641	\$ 6,641	\$ 0
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1930	Transportation Equipment	\$ 2,496,505	\$ 1,247,997	\$ 40,148	\$ 248,102	\$ 1,516,684	12.75	7.84%	\$ 118,925	\$ 118,925	\$ 0
1935	Stores Equipment	\$ 75,810	\$ 10,960	\$ -	\$ -	\$ 64,850	10.00	10.00%	\$ 6,485	\$ 6,485	\$ 0
1940	Tools, Shop & Garage Equipment	\$ 339,021	\$ 208,379	\$ 26,308	\$ -	\$ 143,796	9.91	10.09%	\$ 14,508	\$ 14,508	\$ 0
1945	Measurement & Testing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1950	Power Operated Equipment	\$ -	\$ -	\$ 203,750	\$ -	\$ 101,875	6.67	15.00%	\$ 15,281	\$ 15,281	\$ 0
1955	Communications Equipment	\$ 600,244	\$ 599,304	\$ -	\$ -	\$ 940	10.00	10.00%	\$ 94	\$ 94	\$ 0
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1980	System Supervisor Equipment	\$ 341,892	\$ -	\$ -	\$ -	\$ 341,892	10.00	10.00%	\$ 34,189	\$ 34,189	\$ 0
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
2440	Deferred Revenue	\$ 9,911,521	\$ -	\$ 768,993	\$ -	\$ 10,296,017	45.19	2.21%	\$ 227,815	\$ 227,815	\$ 0
2005	Property Under Finance Lease	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
	<b>Total</b>	<b>\$ 53,029,511</b>	<b>\$ 4,217,534</b>	<b>\$ 1,571,851</b>	<b>\$ 248,102</b>	<b>\$ 49,846,005</b>	<b>\$ 540</b>		<b>\$ 1,531,972</b>	<b>\$ 1,467,255</b>	<b>\$ 64,717</b>

Table 36 - 2021 Depreciation Expense (2-C)

		Year									
						2021					
		Book Values				Service Lives		Expense			
Account	Description	Opening Book Value of Assets	Less Fully Depreciated <sup>1</sup>	Current Year Additions	Disposals	Net Amount of Assets to be Depreciated	Remaining Life of Assets Existing <sup>2</sup>	Depreciation Rate Assets	Depreciation Expense on Assets <sup>3</sup>	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance <sup>4</sup>
		a	b	c	d	e = a-b+0.5*c-d	f	g = 1/f	h = e/f	i	j = i-h
1609	Capital Contributions Paid					\$ -		0.00%	\$ -	\$ -	\$ -
1611	Computer Software (Formally known as Account 1925)	\$ 1,102,050	\$ 929,572	\$ -	\$ -	\$ 172,479	4.93	20.27%	\$ 34,958	\$ 34,958	\$ -
1612	Land Rights (Formally known as Account 1906)	\$ 567,931	\$ 50,055	\$ -	\$ -	\$ 517,876	7.00	14.29%	\$ 73,982	\$ 20	\$ 73,962
1805	Land	\$ 74,305	\$ -	\$ -	\$ -	\$ 74,305		0.00%	\$ -	\$ -	\$ -
1808	Buildings	\$ 2,163,837	\$ 309,598	\$ -	\$ -	\$ 1,854,239	26.79	3.73%	\$ 69,219	\$ 69,219	\$ -
1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 6,512,826		\$ 95,093	\$ -	\$ 6,560,373	51.43	1.94%	\$ 127,554	\$ 127,554	\$ -
1825	Storage Battery Equipment	\$ -		\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 12,547,574		\$ 1,556,476	\$ -	\$ 13,325,812	43.99	2.27%	\$ 302,914	\$ 302,914	\$ -
1835	Overhead Conductors & Devices	\$ 7,591,170		\$ 551,968	\$ -	\$ 7,867,154	49.15	2.03%	\$ 160,078	\$ 160,078	\$ -
1840	Underground Conduit	\$ 5,409,960		\$ 222,929	\$ -	\$ 5,521,425	46.94	2.13%	\$ 117,635	\$ 117,635	\$ -
1845	Underground Conductors & Devices	\$ 4,209,585		\$ 476,789	\$ -	\$ 4,447,979	37.53	2.66%	\$ 118,531	\$ 118,531	\$ -
1850	Line Transformers	\$ 11,938,024	\$ 71,942	\$ 762,371	\$ -	\$ 12,247,267	43.77	2.28%	\$ 279,828	\$ 279,828	\$ -
1855	Services (Overhead & Underground)	\$ 2,895,536		\$ 70,473	\$ -	\$ 2,930,773	67.18	1.49%	\$ 43,629	\$ 43,629	\$ -
1860	Meters	\$ 4,646,807	\$ 59,168	\$ 150,967	\$ -	\$ 4,663,122	15.84	6.31%	\$ 294,439	\$ 294,439	\$ -
1860	Meters (Smart Meters)	\$ -		\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1905	Land	\$ 303,801		\$ -	\$ -	\$ 303,801		0.00%	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 312,798	\$ 1,111	\$ -	\$ -	\$ 311,687	25.44	3.93%	\$ 12,253	\$ 12,253	\$ -
1910	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 284,133	\$ 242,105	\$ -	\$ -	\$ 42,028	5.80	17.24%	\$ 7,245	\$ 7,245	\$ -
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 597,862	\$ 571,706	\$ 1,610	\$ -	\$ 26,961	4.49	22.26%	\$ 6,003	\$ 6,003	\$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1930	Transportation Equipment	\$ 2,383,258	\$ 1,330,820	\$ 590,354	\$ 94,706	\$ 1,442,321	9.65	10.36%	\$ 149,452	\$ 149,452	\$ -
1935	Stores Equipment	\$ 75,810	\$ 10,960	\$ -	\$ -	\$ 64,850	10.00	10.00%	\$ 6,485	\$ 6,485	\$ -
1940	Tools, Shop & Garage Equipment	\$ 365,329	\$ 222,113	\$ 47,613	\$ -	\$ 167,022	9.61	10.41%	\$ 17,389	\$ 17,389	\$ -
1945	Measurement & Testing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1950	Power Operated Equipment	\$ 203,750	\$ -	\$ -	\$ -	\$ 203,750	10.00	10.00%	\$ 20,375	\$ 20,375	\$ -
1955	Communications Equipment	\$ 600,244	\$ 599,304	\$ -	\$ -	\$ 940	10.00	10.00%	\$ 94	\$ 94	\$ -
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1980	System Supervisor Equipment	\$ 341,892	\$ -	\$ -	\$ -	\$ 341,892	10.00	10.00%	\$ 34,189	\$ 34,189	\$ -
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
2440	Deferred Revenue	\$ 10,680,514	\$ -	\$ 2,138,764	\$ -	\$ 11,749,896	44.84	2.23%	\$ 262,024	\$ 262,024	\$ -
2005	Property Under Finance Lease	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -
	Total	\$ 54,447,967	\$ 4,398,454	\$ 2,387,878		\$ 51,338,159	\$ 534		\$ 1,614,229	\$ 1,540,266	\$ 73,962

Table 37 - 2022 Depreciation Expense (2-C)

		Year		2022									
		Book Values				Service Lives		Expense					
Account	Description	Opening Book Value of Assets	Less Fully Depreciated <sup>1</sup>	Current Year Additions	Disposals	Net Amount of Assets to be Depreciated	Remaining Life of Assets Existing <sup>2</sup>	Depreciation Rate Assets	Depreciation Expense on Assets <sup>3</sup>	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance <sup>4</sup>		
		a	b	c	d	e = a-b+0.5*c-d	f	g = 1/f	h = e/f	i	j = i-h		
1609	Capital Contributions Paid					\$ -		0.00%	\$ -	\$ -	\$ -		
1611	Computer Software (Formally known as Account 1925)	\$ 1,102,050	\$ 974,838	\$ 65,472	\$ -	\$ 159,948	4.38	22.83%	\$ 36,516	\$ 36,516	\$ 0		
1612	Land Rights (Formally known as Account 1906)	\$ 567,931	\$ 50,075	\$ -	\$ -	\$ 517,856	6.00	16.67%	\$ 86,309	\$ 20	\$ 86,289		
1805	Land	\$ 74,305	\$ -	\$ -	\$ -	\$ 74,305		0.00%	\$ -	\$ -	\$ -		
1808	Buildings	\$ 2,163,837	\$ -	\$ -	\$ -	\$ 2,163,837	31.26	3.20%	\$ 69,219	\$ 69,219	\$ 0		
1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1820	Distribution Station Equipment <50 kV	\$ 6,607,919	\$ -	\$ -	\$ -	\$ 6,607,919	51.33	1.95%	\$ 128,742	\$ 128,742	\$ 0		
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1830	Poles, Towers & Fixtures	\$ 14,104,050	\$ -	\$ 2,215,208	\$ -	\$ 15,211,654	44.47	2.25%	\$ 342,056	\$ 342,056	\$ 0		
1835	Overhead Conductors & Devices	\$ 8,143,138	\$ -	\$ 377,873	\$ -	\$ 8,332,074	49.28	2.03%	\$ 169,079	\$ 169,079	\$ 0		
1840	Underground Conduit	\$ 5,632,889	\$ -	\$ 149,302	\$ -	\$ 5,707,540	46.67	2.14%	\$ 122,288	\$ 122,288	\$ 0		
1845	Underground Conductors & Devices	\$ 4,686,373	\$ -	\$ 123,838	\$ -	\$ 4,748,292	37.92	2.64%	\$ 125,205	\$ 125,205	\$ 0		
1850	Line Transformers	\$ 12,700,395	\$ 71,942	\$ 590,796	\$ -	\$ 12,923,851	43.37	2.31%	\$ 297,968	\$ 297,968	\$ 0		
1855	Services (Overhead & Underground)	\$ 2,966,009	\$ -	\$ 72,919	\$ -	\$ 3,002,469	66.39	1.51%	\$ 45,222	\$ 45,222	\$ 0		
1860	Meters	\$ 4,797,774	\$ 60,042	\$ 159,819	\$ -	\$ 4,817,641	15.84	6.31%	\$ 304,096	\$ 304,096	\$ 0		
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1905	Land	\$ 303,801	\$ -	\$ -	\$ -	\$ 303,801		0.00%	\$ -	\$ -	\$ -		
1908	Buildings & Fixtures	\$ 312,798	\$ 48,898	\$ 7,271	\$ -	\$ 267,536	21.71	4.61%	\$ 12,326	\$ 12,326	\$ 0		
1910	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1915	Office Furniture & Equipment (10 years)	\$ 284,133	\$ 247,523	\$ -	\$ -	\$ 36,610	10.00	10.00%	\$ 3,661	\$ 3,661	\$ 0		
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1920	Computer Equipment - Hardware	\$ 599,472	\$ 575,127	\$ 39,540	\$ -	\$ 44,115	4.81	20.78%	\$ 9,165	\$ 9,165	\$ 0		
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1930	Transportation Equipment	\$ 2,878,905	\$ 1,419,175	\$ 139,889	\$ -	\$ 1,529,674	8.81	11.35%	\$ 173,587	\$ 173,587	\$ 0		
1935	Stores Equipment	\$ 75,810	\$ 10,960	\$ -	\$ -	\$ 64,850	10.00	10.00%	\$ 6,485	\$ 6,485	\$ 0		
1940	Tools, Shop & Garage Equipment	\$ 412,942	\$ 231,992	\$ 45,540	\$ -	\$ 203,720	9.76	10.24%	\$ 20,866	\$ 20,866	\$ 0		
1945	Measurement & Testing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1950	Power Operated Equipment	\$ 203,750	\$ -	\$ 335,786	\$ -	\$ 371,643	10.00	10.00%	\$ 37,164	\$ 37,164	\$ 0		
1955	Communications Equipment	\$ 600,244	\$ 599,304	\$ -	\$ -	\$ 940	10.00	10.00%	\$ 94	\$ 94	\$ 0		
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1980	System Supervisor Equipment	\$ 341,892	\$ -	\$ 50,000	\$ -	\$ 366,892	10.00	10.00%	\$ 36,689	\$ 36,689	\$ 0		
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
1995	Contributions & Grants	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
2440	Deferred Revenue	\$ 12,819,278	\$ -	\$ 1,779,257	\$ -	\$ 13,708,906	44.49	2.25%	\$ 308,119	\$ 308,119	\$ 0		
2005	Property Under Finance Lease	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -		
	Total	\$ 56,741,139	\$ 4,289,877	\$ 2,593,997		\$ 53,748,261	\$ 537		\$ 1,718,620	\$ 1,632,331	\$ 86,289		

Table 38 - 2023 Depreciation Expense (2-C)

		Year		2023									
		Book Values				Service Lives		Expense					
Account	Description	Opening Book Value of Assets	Less Fully Depreciated <sup>1</sup>	Current Year Additions	Disposals	Net Amount of Assets to be Depreciated	Remaining Life of Assets Existing <sup>2</sup>	Depreciation Rate Assets	Depreciation Expense on Assets <sup>3</sup>	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance <sup>4</sup>		
		a	b	c	d	e = a-b+0.5*c-d	f	g = 1/f	h = e/f	i	j = i-h		
1609	Capital Contributions Paid					\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1611	Computer Software (Formally known as Account 1925)	\$ 1,167,522	\$ 759,737	\$ 85,972	\$ -	\$ 450,771	9.67	10.35%	\$ 46,633	\$ 46,633	\$ -	\$ 0	
1612	Land Rights (Formally known as Account 1906)	\$ 567,931	\$ 50,095	\$ -	\$ -	\$ 517,836	5.00	20.00%	\$ 103,567	\$ 20	\$ -	\$ 103,547	
1805	Land	\$ 74,305	\$ -	\$ -	\$ -	\$ 74,305		0.00%	\$ -	\$ -	\$ -	\$ -	
1808	Buildings	\$ 2,163,837	\$ 448,849	\$ -	\$ -	\$ 1,714,988	24.83	4.03%	\$ 69,072	\$ 69,072	\$ -	\$ 0	
1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1820	Distribution Station Equipment <50 kV	\$ 6,607,919	\$ -	\$ 272,366	\$ -	\$ 6,744,102	51.03	1.96%	\$ 132,147	\$ 132,147	\$ -	\$ 0	
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1830	Poles, Towers & Fixtures	\$ 16,319,258		\$ 1,677,578	\$ -	\$ 17,158,047	44.53	2.25%	\$ 385,310	\$ 385,310	\$ -	\$ 0	
1835	Overhead Conductors & Devices	\$ 8,521,011		\$ 962,924	\$ -	\$ 9,002,473	49.94	2.00%	\$ 180,252	\$ 180,252	\$ -	\$ 0	
1840	Underground Conduit	\$ 5,782,191		\$ 202,340	\$ -	\$ 5,883,361	46.44	2.15%	\$ 126,683	\$ 126,683	\$ -	\$ 0	
1845	Underground Conductors & Devices	\$ 4,810,211		\$ 238,541	\$ -	\$ 4,929,482	38.14	2.62%	\$ 129,231	\$ 129,231	\$ -	\$ 0	
1850	Line Transformers	\$ 13,291,191	\$ 71,942	\$ 604,310	\$ -	\$ 13,521,404	43.21	2.31%	\$ 312,910	\$ 312,910	\$ -	\$ 0	
1855	Services (Overhead & Underground)	\$ 3,038,928		\$ 67,503	\$ -	\$ 3,072,680	65.68	1.52%	\$ 46,782	\$ 46,782	\$ -	\$ 0	
1860	Meters	\$ 4,957,593	\$ 64,160	\$ 232,294	\$ -	\$ 5,009,580	15.80	6.33%	\$ 317,092	\$ 317,092	\$ -	\$ 0	
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1905	Land	\$ 303,801		\$ -	\$ -	\$ 303,801		0.00%	\$ -	\$ -	\$ -	\$ -	
1908	Buildings & Fixtures	\$ 320,070	\$ 132,540	\$ 6,971	\$ -	\$ 191,015	21.94	4.56%	\$ 8,706	\$ 8,706	\$ -	\$ 0	
1910	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1915	Office Furniture & Equipment (10 years)	\$ 284,133	\$ 247,523	\$ -	\$ -	\$ 36,610	10.00	10.00%	\$ 3,661	\$ 3,661	\$ -	\$ 0	
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equipment - Hardware	\$ 639,012	\$ 575,127	\$ 148,940	\$ -	\$ 138,354	5.39	18.54%	\$ 25,649	\$ 25,649	\$ -	\$ 0	
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1930	Transportation Equipment	\$ 3,258,701	\$ 1,686,743	\$ 299,735	\$ 239,907	\$ 1,961,733	10.88	9.19%	\$ 180,276	\$ 180,276	\$ -	\$ 0	
1935	Stores Equipment	\$ 75,810	\$ 10,960	\$ -	\$ -	\$ 64,850	10.00	10.00%	\$ 6,485	\$ 6,485	\$ -	\$ 0	
1940	Tools, Shop & Garage Equipment	\$ 458,482	\$ 231,992	\$ 10,793	\$ -	\$ 231,887	10.00	10.00%	\$ 23,189	\$ 23,189	\$ -	\$ 0	
1945	Measurement & Testing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1950	Power Operated Equipment	\$ 539,536	\$ -	\$ -	\$ -	\$ 539,536	10.00	10.00%	\$ 53,954	\$ 53,954	\$ -	\$ 0	
1955	Communications Equipment	\$ 600,244	\$ 599,949	\$ -	\$ -	\$ 295	4.76	21.00%	\$ 62	\$ 62	\$ -	\$ 0	
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1980	System Supervisor Equipment	\$ 391,892	\$ 176,033	\$ 190,698	\$ -	\$ 311,208	7.80	12.83%	\$ 39,922	\$ 39,922	\$ -	\$ 0	
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1995	Contributions & Grants	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
2440	Deferred Revenue	\$ 14,598,535	\$ -	\$ 1,978,654	\$ -	\$ 15,587,862	44.24	2.26%	\$ 352,329	\$ 352,329	\$ -	\$ 0	
2005	Property Under Finance Lease	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
Total		\$ 59,575,044	\$ 5,055,649	\$ 3,022,309		\$ 56,270,456	\$ 529		\$ 1,839,255	\$ 1,735,707	\$ -	\$ 103,547	

Table 39 - 2024 Depreciation Expense (2-C)

Year 2024

Account	Description	Book Values				Service Lives		Expense		Depreciation Expense on Assets <sup>3</sup>	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance <sup>4</sup>
		Opening Book Value of Assets	Less Fully Depreciated <sup>1</sup>	Current Year Additions	Disposals	Net Amount of Assets to be Depreciated	Remaining Life of Assets Existing <sup>2</sup>	Depreciation Rate Assets				
		a	b	c	d	e = a-b+0.5*c-d	f	g = 1/f		h = e/f	i	j = i-h
1609	Capital Contributions Paid					\$ -		0.00%		\$ -	\$ -	\$ -
1611	Computer Software (Formally known as Account 1925)	\$ 1,253,494	\$ 1,027,493	\$ 275,000	\$ -	\$ 363,501	4.69	21.31%		\$ 77,465	\$ 77,465	\$ -
1612	Land Rights (Formally known as Account 1906)	\$ 567,931	\$ 50,115	\$ -	\$ -	\$ 517,816	4.00	25.00%		\$ 129,454	\$ 20	\$ 129,434
1805	Land	\$ 74,305	\$ -	\$ -	\$ -	\$ 74,305		0.00%		\$ -	\$ -	\$ -
1808	Buildings	\$ 2,163,837	\$ 448,849	\$ -	\$ -	\$ 1,714,988	28.23	3.54%		\$ 60,746	\$ 60,746	\$ -
1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 6,880,285	\$ -	\$ 150,000	\$ -	\$ 6,955,285	50.61	1.98%		\$ 137,427	\$ 137,427	\$ -
1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 17,996,836	\$ -	\$ 1,000,000	\$ -	\$ 18,496,836	44.56	2.24%		\$ 415,059	\$ 415,059	\$ -
1835	Overhead Conductors & Devices	\$ 9,483,935	\$ -	\$ 769,000	\$ -	\$ 9,868,435	50.69	1.97%		\$ 194,685	\$ 194,685	\$ -
1840	Underground Conduit	\$ 5,984,531	\$ -	\$ 111,250	\$ -	\$ 6,040,156	46.25	2.16%		\$ 130,603	\$ 130,603	\$ -
1845	Underground Conductors & Devices	\$ 5,048,752	\$ -	\$ 111,250	\$ -	\$ 5,104,377	38.34	2.61%		\$ 133,118	\$ 133,118	\$ -
1850	Line Transformers	\$ 13,895,501	\$ 71,942	\$ 683,500	\$ -	\$ 14,165,309	43.06	2.32%		\$ 329,004	\$ 329,004	\$ -
1855	Services (Overhead & Underground)	\$ 3,106,431	\$ -	\$ 32,500	\$ -	\$ 3,122,681	65.20	1.53%		\$ 47,893	\$ 47,893	\$ -
1860	Meters	\$ 5,189,887	\$ 861,768	\$ 132,500	\$ -	\$ 4,394,369	14.40	6.95%		\$ 305,221	\$ 305,221	\$ -
1860	Meters (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1905	Land	\$ 303,801	\$ -	\$ -	\$ -	\$ 303,801		0.00%		\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 327,041	\$ 125,949	\$ -	\$ -	\$ 201,091	44.63	2.24%		\$ 4,506	\$ 4,506	\$ -
1910	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 284,133	\$ 251,081	\$ -	\$ -	\$ 33,052	9.49	10.54%		\$ 3,483	\$ 3,483	\$ -
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 787,952	\$ 595,343	\$ 25,000	\$ -	\$ 205,108	5.00	20.00%		\$ 41,022	\$ 41,022	\$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1930	Transportation Equipment	\$ 3,633,275	\$ 2,249,521	\$ 469,673	\$ 314,746	\$ 1,933,336	8.94	11.18%		\$ 216,175	\$ 216,175	\$ -
1935	Stores Equipment	\$ 75,810	\$ 10,960	\$ -	\$ -	\$ 64,850	10.00	10.00%		\$ 6,485	\$ 6,485	\$ -
1940	Tools, Shop & Garage Equipment	\$ 469,275	\$ 252,052	\$ -	\$ -	\$ 217,223	9.56	10.46%		\$ 22,725	\$ 22,725	\$ -
1945	Measurement & Testing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1950	Power Operated Equipment	\$ 539,536	\$ -	\$ -	\$ -	\$ 539,536	10.00	10.00%		\$ 53,954	\$ 53,954	\$ -
1955	Communications Equipment	\$ 600,244	\$ 600,244	\$ -	\$ -	\$ -	1.00	100.00%		\$ 0	\$ 15	\$ 15
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1980	System Supervisor Equipment	\$ 582,590	\$ 229,015	\$ 140,000	\$ -	\$ 423,575	9.41	10.63%		\$ 45,007	\$ 45,007	\$ -
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
2440	Deferred Revenue	\$ 16,577,189	\$ -	\$ 900,000	\$ -	\$ 17,027,189	44.09	2.27%		\$ 386,196	\$ 386,196	\$ -
2005	Property Under Finance Lease	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%		\$ -	\$ -	\$ -
	<b>Total</b>	<b>\$ 62,672,192</b>	<b>\$ 6,774,334</b>	<b>\$ 2,999,673</b>		<b>\$ 57,712,441</b>	<b>\$ 542</b>			<b>\$ 1,967,837</b>	<b>\$ 1,838,418</b>	<b>\$ 129,419</b>

**Table 40 - 2025 Depreciation Expense (2-C)**

		Year											
		2025											
Account	Description	Book Values				Service Lives		Expense		Depreciation Expense on Assets <sup>3</sup>	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance <sup>4</sup>	
		Opening Book Value of Assets	Less Fully Depreciated <sup>1</sup>	Current Year Additions	Disposals	Net Amount of Assets to be Depreciated	Remaining Life of Assets Existing <sup>2</sup>	Depreciation Rate Assets					
		a	b	c	d	e = a-b+0.5*c-d	f	g = 1/f	h = e/f	i	j = i-h		
1609	Capital Contributions Paid					\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1611	Computer Software (Formally known as Account 1925)	\$ 1,528,494	\$ 1,102,050	\$ 250,000	\$ -	\$ 551,444	4.68	21.35%	\$ 117,744	\$ 117,744	\$ -	\$ 0	
1612	Land Rights (Formally known as Account 1906)	\$ 567,931	\$ 50,135	\$ -	\$ -	\$ 517,796	3.00	33.33%	\$ 172,599	\$ 20	\$ -	\$ 172,579	
1805	Land	\$ 74,305	\$ -	\$ -	\$ -	\$ 74,305		0.00%	\$ -	\$ -	\$ -	\$ -	
1808	Buildings	\$ 2,163,837	\$ 718,549	\$ -	\$ -	\$ 1,445,288	23.79	4.20%	\$ 60,746	\$ 60,746	\$ -	\$ 0	
1810	Leasehold Improvements	\$ -		\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1815	Transformer Station Equipment >50 kV	\$ -		\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1820	Distribution Station Equipment <50 kV	\$ 7,030,285		\$ 120,000	\$ -	\$ 7,090,285	49.29	2.03%	\$ 143,860	\$ 143,860	\$ -	\$ 0	
1825	Storage Battery Equipment	\$ -		\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1830	Poles, Towers & Fixtures	\$ 18,996,836		\$ 882,500	\$ -	\$ 19,438,086	44.59	2.24%	\$ 435,977	\$ 435,977	\$ -	\$ 0	
1835	Overhead Conductors & Devices	\$ 10,252,935		\$ 689,000	\$ -	\$ 10,597,435	50.45	1.98%	\$ 210,067	\$ 210,067	\$ -	\$ 0	
1840	Underground Conduit	\$ 6,095,781		\$ 186,250	\$ -	\$ 6,188,906	46.08	2.17%	\$ 134,321	\$ 134,321	\$ -	\$ 0	
1845	Underground Conductors & Devices	\$ 5,160,002		\$ 186,250	\$ -	\$ 5,253,127	38.51	2.60%	\$ 136,423	\$ 136,423	\$ -	\$ 0	
1850	Line Transformers	\$ 14,579,001	\$ 71,942	\$ 745,000	\$ -	\$ 14,879,559	42.90	2.33%	\$ 346,861	\$ 346,861	\$ -	\$ 0	
1855	Services (Overhead & Underground)	\$ 3,138,931		\$ 32,500	\$ -	\$ 3,155,181	64.90	1.54%	\$ 48,615	\$ 48,615	\$ -	\$ 0	
1860	Meters	\$ 5,322,387	\$ 861,768	\$ 182,500	\$ -	\$ 4,551,869	17.55	5.70%	\$ 259,329	\$ 259,329	\$ -	\$ 0	
1860	Meters (Smart Meters)	\$ -		\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1905	Land	\$ 303,801		\$ -	\$ -	\$ 303,801		0.00%	\$ -	\$ -	\$ -	\$ -	
1908	Buildings & Fixtures	\$ 327,041	\$ 125,949	\$ -	\$ -	\$ 201,091	44.63	2.24%	\$ 4,506	\$ 4,506	\$ -	\$ 0	
1910	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1915	Office Furniture & Equipment (10 years)	\$ 284,133	\$ 251,081	\$ -	\$ -	\$ 33,052	14.83	6.74%	\$ 2,229	\$ 2,229	\$ -	\$ 0	
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equipment - Hardware	\$ 812,952	\$ 597,861	\$ -	\$ -	\$ 215,090	4.97	20.12%	\$ 43,269	\$ 43,269	\$ -	\$ 0	
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1930	Transportation Equipment	\$ 3,788,202	\$ 2,548,852	\$ 730,000	\$ 314,316	\$ 1,918,666	7.68	13.02%	\$ 249,845	\$ 249,845	\$ -	\$ 0	
1935	Stores Equipment	\$ 75,810	\$ 10,960	\$ -	\$ -	\$ 64,850	10.00	10.00%	\$ 6,485	\$ 6,485	\$ -	\$ 0	
1940	Tools, Shop & Garage Equipment	\$ 469,275	\$ 267,822	\$ -	\$ -	\$ 201,453	9.62	10.39%	\$ 20,933	\$ 20,933	\$ -	\$ 0	
1945	Measurement & Testing Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1950	Power Operated Equipment	\$ 539,536	\$ -	\$ -	\$ -	\$ 539,536	10.00	10.00%	\$ 53,954	\$ 53,954	\$ -	\$ 0	
1955	Communications Equipment	\$ 600,244	\$ 600,244	\$ -	\$ -	\$ 0		0.00%	\$ -	\$ -	\$ -	\$ -	
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1960	Miscellaneous Equipment	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1980	System Supervisor Equipment	\$ 722,590	\$ 254,449	\$ 266,000	\$ -	\$ 601,141	9.79	10.21%	\$ 61,385	\$ 61,385	\$ -	\$ 0	
1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
1995	Contributions & Grants	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
2440	Deferred Revenue	\$ 17,477,189	\$ -	\$ 800,000	\$ -	\$ 17,877,189	44.01	2.27%	\$ 406,196	\$ 406,196	\$ -	\$ 0	
2005	Property Under Finance Lease	\$ -	\$ -	\$ -	\$ -	\$ -		0.00%	\$ -	\$ -	\$ -	\$ -	
	Total	\$ 65,357,119	\$ 7,461,664	\$ 3,470,000		\$ 59,944,771	\$ 541		\$ 2,102,952	\$ 1,930,373	\$ 172,579		

#### 2.4.2 CHANGES TO DEPRECIATION POLICY OR ASSET SERVICE LIFE

LPDL confirms that it has not made any changes to its depreciation policy or asset service life since its last rebasing Application (EB-2018-0050).

#### 2.4.3 ASSET RETIREMENT OBLIGATIONS

LPDL confirms that it does not have any asset retirement obligations and therefore has no corresponding depreciation included for the 2025 Test Year.

#### 2.4.4 HALF YEAR RULE

LPDL follows the "half year rule" where capital additions in the 2024 Bridge Year and 2025 Test Year use six months of depreciation expense. LPDL has consistently used this methodology since its COS Application in 2013.



## 2.5 ALLOWANCE FOR WORKING CAPITAL

### 2.5.1 OVERVIEW OF WORKING CAPITAL

As per the letter issued by the Board on June 3, 2015, the Filing Requirements direct applicants to use one of two approaches for the calculation of its allowance for working capital:

- Default prescribed allowance of 7.5%
- Filing a Lead/Lag Study

LPDL has used the 7.5% Allowance Approach; the working capital allowance is calculated to be 7.5% of the sum of CoP and OM&A. LPDL has not conducted a Lead/Lag Study.

The working capital allowance for the 2025 Test Year is based upon 7.5% of the CoP and OM&A. LPDL has also provided the calculation of the working capital allowance for the years 2019-2023, the 2024 Bridge Year and 2025 Test Year in Table 41 below.

**Table 41 - Summary of Working Capital Allowance**

Expenses for Working Capital	2019 Board Approved	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Bridge	2025 Test
<u>Eligible Distribution Expenses:</u>								
5000-Distribution Expenses - Operation	360,081	370,938	489,384	424,454	375,552	436,101	476,700	500,535
5100-Distribution Expenses - Maintenance	1,473,726	1,339,716	1,642,609	1,619,030	2,062,665	2,016,403	2,189,040	2,310,892
5300-Billing and Collecting	971,160	936,607	1,346,742	871,019	979,184	1,037,652	1,116,150	1,171,958
5400-Community Relations	75,000	38,436	7,183	17,638	6,639	14,519	34,500	36,225
5600-Administrative and General Expenses	2,120,000	2,070,437	1,870,032	1,856,254	2,008,057	2,279,911	2,393,568	2,548,246
6205 - Donations - LEAP	13,000	13,000	13,000	13,000	13,000	19,832	13,000	13,000
6105 - Taxes	56,828	57,787	59,441	59,485	60,426	62,817	65,400	68,670
Less Allocated Depreciation in OM&A	-	105,356	134,206	169,827	210,752	234,230	270,129	303,799
<b>Total Eligible Distribution Expenses</b>	<b>5,069,795</b>	<b>4,721,566</b>	<b>5,294,185</b>	<b>4,691,054</b>	<b>5,294,773</b>	<b>5,633,003</b>	<b>6,018,229</b>	<b>6,345,727</b>
4700-Power Supply Expenses	33,458,532	36,690,851	40,621,419	35,879,385	37,032,723	36,805,861	39,080,163	35,832,710
<b>Total Expenses for Working Capital</b>	<b>38,528,327</b>	<b>41,412,416</b>	<b>45,915,604</b>	<b>40,570,439</b>	<b>42,327,496</b>	<b>42,438,864</b>	<b>45,098,392</b>	<b>42,178,437</b>
Working Capital factor	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
<b>Total Working Capital Allowance</b>	<b>2,889,625</b>	<b>3,105,931</b>	<b>3,443,670</b>	<b>3,042,783</b>	<b>3,174,562</b>	<b>3,182,915</b>	<b>3,382,379</b>	<b>3,163,383</b>

## 2.5.2 COST OF POWER CALCULATION

Table 42 below summarizes the Cost of Power ("COP") for the 2025 Test Year that is derived from OEB Appendix 2-ZB. LPDL has calculated the COP for the 2025 Test Year based on the results of the load forecast which is discussed in detail in Exhibit 3. LPDL's load forecast has been adjusted for the impacts of Conservation and Demand Management activities in accordance with the Board's filing requirements.

**Table 42 - 2025 Test Year Cost of Power Calculation**

2025 Test Year - CoP	
4705-Power Purchased	24,829,739
4707-Global Adjustment	8,199,721
4708-Charges-WMS	1,869,685
4714-Charges-NW	2,457,131
4716-Charges-CN	2,068,455
4750-Charges-LV	1,212,279
4751-IESO SME	73,730
Mics A/R or A/P	(4,878,030)
<b>Total</b>	<b>35,832,710</b>

LPDL attests that the COP is determined by the split between RPP and non-RPP Class A and Class B customers based on actual data as well as the most recent RPP prices, UTR's, smart metering and regulatory charges and includes the impact of the most up to date Ontario Electricity Rebate.

## 2.6 DISTRIBUTION SYSTEM PLAN

### 2.6.1 PLANNING

LPDL has included its Distribution System Plan ("DSP") as a standalone document as Appendix A, in accordance with the OEB's Chapter 5 Consolidated Distribution System Plan Filing Requirements released Dec 15, 2022.

LPDL has followed the requirements of Chapter 5 and categorized capital spending by investment categories within the DSP and has consolidated those same investment categories in its capital expenditure plan. The investment categories used include System Access, System Renewal, System Service and General Plant. LPDL has used a planning forecast of five years to support integrated planning, including 2024 Bridge Year, 2025 Test Year, and 2026 to 2029.

LPDL has also provided five historical years of capital projects within the DSP, 2019 through to 2023.

## 2.7 POLICY OPTIONS FOR THE FUNDING OF CAPITAL

LPDL has a discrete capital project within the five-year horizon that would potentially be eligible for this policy option; however, it is too early in the investment planning process to make an adequate business case to meet all of the criteria of an ACM. LPDL is not requesting approval for an ACM mechanism in this rate application.

The subject project is a new substation in Bracebridge to replace the existing 4.16kV substation, Bracebridge MS3. The new station will increase LPDL's ability to switch load throughout the system for regular planned operations and maintenance activities as well as to improve LPDL's response to customer outages. The new substation will also increase the capacity LPDL will need to service new growth load, as well as load growth associated with electrification. Further details and discussions are provided in the DSP attached to this exhibit.

## 2.8 ADDITION OF PREVIOUSLY APPROVED ACM AND LCM PROJECT TO RATE BASE

LPDL has not had any previously approved ACM or ICM projects since its last COS application, therefore this is not applicable.

## 2.9 CAPITALIZATION POLICY

### 2.9.1 OVERVIEW

LPDL's capitalization policies are based on International Financial Reporting Standards ("IFRS"), and guidelines set out by the Ontario Energy Board. LPDL converted to Modified International Financial Reporting Standards ("MIFRS") on January 1, 2015, and as such the capitalization policy in effect for the 2024 Bridge Year and 2025 Test Year is compliant with MIFRS. LPDL confirms that it has not made any changes to its capitalization policy since its last COS application.

### 2.9.2 CAPITALIZATION OF OVERHEAD

LPDL's overhead policy has been reviewed by its external auditors and has been deemed IFRS compliant. Indirect overhead costs, such as general and administration costs that are not directly attributable to an asset, are not, nor have they ever been, capitalized by LPDL. OEB Appendix 2-D was not completed as LPDL does not apply capitalization to overhead other than the specific items identified in Section 2.9.3 below.

### 2.9.3 EMPLOYEE BENEFIT AND FLEET COSTS

LPDL has two types of overhead costs that are capitalized: Employee benefits and fleet costs.

1. Employee benefits costs, referred to as "labour burdens", represent the costs associated with health benefits, vacation, sick, statutory holidays, clothing and safety footwear allocation, WSIB and the employer portion of OMERS, CPP and EI. For employee timesheet hours that are recorded and charged directly to a capital project, LPDL adds a benefit rate per regular labour dollar that allocates the estimated employee benefits costs to the capital project in relation to the labour that was charged there. Under IFRS,

1 these costs are capitalized since they are directly attributable costs of bringing the asset  
2 to the location and to a condition necessary to operate.

- 3 2. Fleet costs include the costs associated with maintaining vehicles, trailers, and other fleet  
4 equipment. These costs include depreciation expense, fuel, repairs, insurance, and other  
5 items of expense necessary to keep the fleet operating in service. LPDL's employees also  
6 track fleet vehicles used, on daily timesheets, which identifies if the fleet is being used for  
7 capital projects or maintenance. Overall fleet costs are then allocated directly to the  
8 capital or maintenance job in relation to labour. Under IFRS, these costs are capitalized  
9 since they are directly attributable costs of bringing the asset to the location and to a  
10 condition necessary to operate.

## 13 2.10 COSTS OF ELIGIBLE INVESTMENTS FOR DISTRIBUTORS

14 Section 2.2.2.7 of the Board's Filing Requirements states: "For any costs incurred to make  
15 investments that are eligible for rate protection as described in Section 79.1 of the OEB Act and  
16 O. Reg. 330/09 under the OEB Act, including any facilities forecast to enter service beyond the  
17 test year, the distributor may seek approval to recover the rate protection component of the  
18 costs."

19 LPDL attests that it has not included any costs or included any Investments to Connect  
20 Qualifying Generation Facilities in its capital costs or in its DSP. LPDL has not completed OEB  
21 Appendices 2-FA through 2-FC.

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## APPENDICES

<b>Appendix A</b>	DSP
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Appendix A

**DSP**

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