



# Ontario Energy Board

## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Sheet 1 Utility Information Sheet

#### Legend:

Input Cell

Pull-Down Menu Option

Output Cell

Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.

**Name of LDC:** Midland Power Utility Corporation

**Licence Number:** ED-2002-0541

**IRM 2008 EB Number:**  
(if known) EB-2007-0847

**IRM 2007 EB Number:** EB-2007-0554

**EDR 2006 RP Number:** RP-2005-0020

**EDR 2006 EB Number:** EB-2005-0390

**Date of Submission:** 10/29/07

**Last Saved Date:** 03/19/08 9:08 AM

**Model Version:** 3.0

#### Contact Information

**Name:** Phil Marley

**Title:** President & CEO

**Phone Number:** 705-526-9362 ext 204

**E-Mail Address:** pmarley@midlandpuc.on.ca

**Please Note:** In the event of an inconsistency between this model and any element of the December 20, 2006 "Report of the Board on Cost of Capital and 2<sup>nd</sup> Generation Incentive Regulation of Ontario's Electricity Distributors", the Report governs.

#### Comments

#### Copyright

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**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**  
**Midland Power Utility Corporation**  
**EB-2007-0847, EB-2007-0554, EB-2005-0390**  
**October 29, 2007**  
**Sheet 2 - 2007 Rate Classes**

LEGEND

INPUT CELLS

PULL-DOWN

OUTPUT CELLS

Are you changing the descriptions of any of your Service Classifications? ☐ YES ☒ NO  
Service Classifications, including descriptions, can be found on your Board Approved 2007 Tariff of Rates and Charges.

**Instructions:**

(In some instances, rate classifications may differ from service classifications. The following table accounts for those differences.)

Using the pull-down list in column B, choose the classes that match those on your Board-Approved 2007 Tariff of Rates and Charges, are found under sub-heading "Monthly Rates and Charges". (If a Rate Classification needs to be added to the pull-down list, please contact the Board.)

Indicate which Rate Classifications exist using the pull-down menu in column C.

Changes made to the Class names will affect the rest of the model.  
Upon completion, press the update button.

LEGEND

INPUT CELLS

PULL-DOWN MENU

OUTPUT CELLS

	Rate Classifications	Currently in Place
1	Residential	Yes
2	General Service Less Than 50 kW	Yes
3	General Service 50 to 4,999 kW	Yes
4	Unmetered Scattered Load	Yes
5	Sentinel Lighting	Yes
6	Street Lighting	Yes
7	Rate Class 7	No
8	Rate Class 8	No
9	Rate Class 9	No
10	Rate Class 10	No
11	Rate Class 11	No
12	Rate Class 12	No
13	Rate Class 13	No
14	Rate Class 14	No
15	Rate Class 15	No
16	Rate Class 16	No





## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

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### Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges

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## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Midland Power Utility Corporation

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### Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges

#### MONTHLY RATES AND CHARGES

Using the pull-down menu in column H below, indicate whether (Yes) or not (No) the rate riders will be continuing into the 2008-09 rate year

#### Residential

Service Charge	\$	11.37		
Distribution Volumetric Rate	\$/kWh	0.0198		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kWh	0.0060	No	
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0046		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0075		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh			
Wholesale Market Service Rate	\$/kWh	0.0052		
Rural Rate Protection Charge	\$/kWh	0.0010		
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25		

#### General Service Less Than 50 kW

Service Charge	\$	12.61		
Distribution Volumetric Rate	\$/kWh	0.0140		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kWh	0.0032	No	
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0042		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0068		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh			
Wholesale Market Service Rate	\$/kWh	0.0052		
Rural Rate Protection Charge	\$/kWh	0.0010		
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25		

#### General Service 50 to 4,999 kW

Service Charge	\$	14.05		
Distribution Volumetric Rate	\$/kW	2.3148		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kW	0.9044	No	
Retail Transmission Rate – Network Service Rate	\$/kW	1.7293		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.6876		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW			
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW			
Wholesale Market Service Rate	\$/kWh	0.0052		
Rural Rate Protection Charge	\$/kWh	0.0010		
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25		



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Midland Power Utility Corporation

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### Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges

#### Unmetered Scattered Load

Service Charge (per customer)	\$	12.35	
Distribution Volumetric Rate	\$/kWh	0.0140	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	0.0032	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0042	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0068	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

#### Sentinel Lighting

Service Charge (per connection)	\$	1.46	
Distribution Volumetric Rate	\$/kW	2.6254	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	0.7439	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.3108	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.1211	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

#### Street Lighting

Service Charge (per connection)	\$	0.96	
Distribution Volumetric Rate	\$/kW	2.3727	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	0.0670	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.3042	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.0777	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

**Midland Power Utility Corporation**

**October 29, 2007**

**Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges**

## Customer Administration

### Non-Payment of Account

[illegible]

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

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0651
Total Loss Factor – Secondary Metered Customer > 5,000 kW	
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0545
Total Loss Factor – Primary Metered Customer > 5,000 kW	



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Midland Power Utility Corporation

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### Sheet 3 - 2007 Board-Approved Tariff of Rates and Charges



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT

### Midland Power Utility Corporation

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### Sheet 4 - Smart Meter Information

The smart meter plan rate adder is a monthly service charge for metered customers equivalent to an amount of \$0.30 per month per residential customer for utilities that do not have a plan. A different amount applied to utilities who had a smart meter plan that was modified in accordance with the Decision with Reasons RP-2005-0020 / EB-2005-0529

Please identify the customer classes and sub-classes that the smart meter funding incremental adjustment applies to by inserting the smart meter rate adder into column D. For most utilities, the rate adder can be located in the Board-approved 2007 IRM model. Clicking the cursor on the Residential cell should show the formula for the monthly service charge including the smart meter adder. The adder is the same for all metered classes and sub-classes of a distributor.

Leave column F blank, and the model will by default use the existing rate adder in the following calculations. If a new value of the rate rider is required by a subsequent decision, Board staff will enter the appropriate values in column F.

#### Smart Meter Rate Adder

	2007 IRM	2008 IRM
Residential	\$ 0.26	
General Service Less Than 50 kW	\$ 0.26	
General Service 50 to 4,999 kW	\$ 0.26	





# 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

## Midland Power Utility Corporation

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### Sheet 5 - Removal of Smart Meter and CDM

Did the applicant receive Board approval for incremental CDM spending (over and above the 3rd tranche) in 2007?

☐ YES ☒ NO

Class	2007 Monthly Service Charge	2007 Volumetric Rate Charge	Less: 2007 Smart Meter Adder from Monthly Service Charge	Adjusted Monthly Service Charge	Adjusted Volumetric Charge	
	\$	kW / kWh	\$	\$	kW / kWh	
<i>Residential</i>	\$ 11.37	\$ 0.0198	\$ 0.26	\$ 11.11	\$ 0.0198	\$/kWh
<i>General Service Less Than 50 kW</i>	\$ 12.61	\$ 0.0140	\$ 0.26	\$ 12.35	\$ 0.0140	\$/kWh
<i>General Service 50 to 4,999 kW</i>	\$ 14.05	\$ 2.3148	\$ 0.26	\$ 13.79	\$ 2.3148	\$/kW
<i>Unmetered Scattered Load</i>	\$ 12.35	\$ 0.0140	\$ -	\$ 12.35	\$ 0.0140	\$/kWh
<i>Sentinel Lighting</i>	\$ 1.46	\$ 2.6254	\$ -	\$ 1.46	\$ 2.6254	\$/kW
<i>Street Lighting</i>	\$ 0.96	\$ 2.3727	\$ -	\$ 0.96	\$ 2.3727	\$/kW



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

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### Sheet 6 - K-Factor Derivation

#### Capital Structure Transition

##### Size of Utility (Rate Base)

Year	Small [\$0, \$100M)		Med-Small [\$100M, \$250M)		Med-Large [\$250M, \$1B)		Large >=\$1B	
	Debt	Equity	Debt	Equity	Debt	Equity	Debt	Equity
2007	50.0%	50.0%	55.0%	45.0%	60.0%	40.0%	65.0%	35.0%
2008	53.3%	46.7%	57.5%	42.5%	60.0%	40.0%	62.5%	37.5%
2009	56.7%	43.3%	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%
2010	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%	60.0%	40.0%

#### Cost of Capital parameters

ROE	A	9.00%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell E32)
Debt Rate	B	4.79%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell C25)
Rate Base	C	\$ 7,914,515	(Board Approved 2006 EDR Model, Sheet 3-1, Cell F21)
Size of Utility	D	Small	

#### Deemed Capital Structure

	Debt	Equity	
Current	E1 50.0%	50.0%	E2
2008	F1 53.3%	46.7%	F2

Based on C, copies the deemed D/E from row "2007" of the table  
Based on C, copies the deemed D/E from row "2008" of the table

#### Cost of Capital

Current	G	6.895%	= (E1 X B) + (E2 X A)	Weighted Average Cost of capital
2008	H	6.76%	= (F1 X B) + (F2 X A)	

#### Return on Rate Base

Current	I	\$ 545,705.81	= C X G / 100
2008	J	\$ 534,710.17	= C X H / 100

#### Distribution Expenses and Revenue Requirement (before PILs)

Distribution Expenses (other than PILs)	K	\$ 2,429,448	(Board Approved 2006 EDR Model, Sheet 4-1, Cell F15)
Base Revenue Requirement	L	\$ 2,913,848	(Board Approved 2006 EDR Model, Sheet 5-5, Cell F27)
Transformer Allowance Credit	M	\$ 161,825	(Board Approved 2006 EDR Model, Sheet 6-3, Cell "Total" in Row R120)

#### Revenue Requirement (before PILs)

Current	N	\$ 2,975,153.81	= I + K
2008	O	\$ 2,964,158.17	= J + K

#### Target Net Income (EBIT)

Current	\$ 356,153.18	P1 = I - P2
2008	\$ 332,647.07	Q1 = J - Q2

#### Interest Expense

Current	\$ 189,552.63	P2 = C X (B X E1 / 100)
2008	\$ 202,063.11	Q2 = C X (B X F1 / 100)

#### PILs

Tax Rate R 27.92% (Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D14)

Large Corporation Tax Allowance (if applicable) - grossed up	\$ -	S	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D31)
OCT (Rate Base less \$10,000,000 X 0.30%)	\$ 2,694	T	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D30)
PILs Allowance	\$ 168,350	U	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D33)
Taxable Income	Current \$ 427,635	AC	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D11)
	2008 \$ 421,072	AD	= AC + (Q1 - P1) * (R / 100)
Federal Tax (grossed up)	Current \$ 165,643	V	= AC * (R / 100) / (1 - R / 100) 168,337
	2008 \$ 163,101	W	= AD * (R / 100) / (1 - R / 100)

#### Base Revenue Requirement Adjustment (including PILs)

##### Revenue Requirement (less LCT) (LCT is removed as it was removed in from rates in 2007 EDR,

Current	\$ 3,143,491.11	X	= N + V + T
2008	\$ 3,129,953.35	Y	= O + W + T

#### Base Revenue Requirement (plus transformer allowance credit)

(Transformer allowance credit needs to be added onto revenue requirement for full rate recovery - similar to LCT calculation in 2007 EDR)

Current	\$ 3,075,672.80	Z	= L + M
2008	\$ 3,062,135.04	AA1	= Z + (Y - X)
Difference	\$ - 13,537.76	AA2	= AA1 - Z

K-factor -0.4% AB = AA2 / Z



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

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### Sheet 6A - 2008 Fed Tax Adjustment Factor

	2006		2008	Difference
<b>From 2006 PIL's Model</b>				
2006 Regulatory Taxable Income ( <i>K-Factor Cell F69</i> )	427,635	A	427,635	
2006 Corporate Income Tax Rate ( <i>K-Factor Cell C61</i> )	27.92%	B	25.30%	
Corporate PILs/Income Tax Provision for Test Year	119,396	$C = A * B$	108,198	
Income Tax (grossed-up)	165,643	$D = C / (1 - B)$	144,847	-20,796 ← Amount to be adjusted
<b>From 2006 EDR Model</b>				
2006 EDR Base Revenue Requirement From Distribution Rates ( <i>K-Factor Cell C84</i> )	3,062,135	E	3,062,135	
Grossed up taxes as a % of Revenue Requirement	5.400%	$F = D / E$	4.700%	-0.700%
				↑ 2008 Federal Tax Rate Adjustment Factor

This calculates the percentage amount that the distribution rates must be reduced by in order to reflect the change in Federal tax rates. The adjustment is calculated by applying the new 2008 tax rates (cell D9) against the 2006 Regulatory Taxable Income (cell D7).

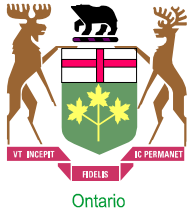


**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**  
**Midland Power Utility Corporation**  
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**October 29, 2007**  
**Sheet 7 - Price Cap Adjustment**

Note: No inputs are required for this worksheet.

Price Escalator (GDP-IPI)	Average annual expected Productivity Gain (X)	(GDP-IPI) - X	K-Factor	2008 Fed Tax Adjust Factor	Total Price Cap Adjustment
2.1%	1.0%	1.1%	-0.4%	-0.7%	0.0%

	Adjusted Monthly Service Charge	Monthly Service Charge with Price Cap Adjustment	Adjusted Volumetric Rate (kW / kWh)	Volumetric Rate with Price Cap Adjustment
<i>Residential</i>	\$ 11.11	\$ 11.11	\$ 0.0198	\$ 0.0198
<i>General Service Less Than 50 kW</i>	\$ 12.35	\$ 12.35	\$ 0.0140	\$ 0.0140
<i>General Service 50 to 4,999 kW</i>	\$ 13.79	\$ 13.79	\$ 2.3148	\$ 2.3148
<i>Unmetered Scattered Load</i>	\$ 12.35	\$ 12.35	\$ 0.0140	\$ 0.0140
<i>Sentinel Lighting</i>	\$ 1.46	\$ 1.46	\$ 2.6254	\$ 2.6254
<i>Street Lighting</i>	\$ 0.96	\$ 0.96	\$ 2.3727	\$ 2.3727



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Midland Power Utility Corporation

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### Sheet 8 - Addback of Smart Meter Rate Adder

Note: No inputs are required for this worksheet.

Class	Monthly Service Charge \$	Add: Smart Meter Rate Adder \$	Adjusted Monthly Service Charge \$	Adjusted Volumetric Charge kW / kWh
<i>Residential</i>	\$ 11.11	\$ 0.26	\$ 11.37	0.0198
<i>General Service Less Than 50 kW</i>	\$ 12.35	\$ 0.26	\$ 12.61	0.0140
<i>General Service 50 to 4,999 kW</i>	\$ 13.79	\$ 0.26	\$ 14.05	2.3148
<i>Unmetered Scattered Load</i>	\$ 12.35	\$ -	\$ 12.35	0.0140
<i>Sentinel Lighting</i>	\$ 1.46	\$ -	\$ 1.46	2.6254
<i>Street Lighting</i>	\$ 0.96	\$ -	\$ 0.96	2.3727



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT**  
**Midland Power Utility Corporation**  
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**October 29, 2007**  
**Sheet 9. - Z-Factor Rate Rider Adjustment**

Is the Applicant seeking Board approval for other rate adjustments?

☐ YES ☒ NO

Z-Factor rate riders being applied for as part of the 2008 IRM rate adjustments should comply with Section 3.5 and Appendix C of the [Report of the Board on Cost of Capital and 2nd Generation Regulation Mechanism for Ontario's Electricity Distributors](#), iss

In columns C and D below, insert the Z-Factor rate riders associated with the rate adjustment. Provide a brief explanation about the nature of the rate adjustment.

Class	Monthly Service Charge Rate Rider \$	Volumetric Charge Rate Rider kW / kWh
<i>Residential</i>	\$ -	\$ -
<i>General Service Less Than 50 kW</i>	\$ -	\$ -
<i>General Service 50 to 4,999 kW</i>	\$ -	\$ -
<i>Unmetered Scattered Load</i>	\$ -	\$ -
<i>Sentinel Lighting</i>	\$ -	\$ -
<i>Street Lighting</i>	\$ -	\$ -



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Midland Power Utility Corporation

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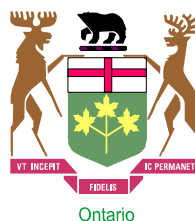
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### Sheet 9A - 2008 RTS Rate Change

Instruction: The applicant may input the % value which will applied equally to to all rate classes or enter individual rates.

Retail Transmission Rates - Network Service Rate Adjustment	(Enter % amount here:)	-18.0%
Retail Transmission Rates - Line and Transformation Connection Service Rate Adjustment		-5.0%

	2007 Tariff Sheet	2008 Proposed	% Change
<b>Residential</b>			
Retail Transmission Rate – Network Service Rate	\$/kWh 0.0046	0.0038	-18.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh 0.0075	0.0071	-5.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh 0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh 0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh 0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh 0.0000	0.0000	0.0000%
<b>General Service Less Than 50 kW</b>			
Retail Transmission Rate – Network Service Rate	\$/kWh 0.0042	0.0034	-18.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh 0.0068	0.0065	-5.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh 0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh 0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh 0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh 0.0000	0.0000	0.0000%
<b>General Service 50 to 4,999 kW</b>			
Retail Transmission Rate – Network Service Rate	\$/kW 1.7293	1.4180	-18.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW 2.6876	2.5532	-5.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW 0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW 0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW 0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW 0.0000	0.0000	0.0000%



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

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### Sheet 9A - 2008 RTS Rate Change

#### Unmetered Scattered Load

Retail Transmission Rate – Network Service Rate	\$/kWh	0.0042	0.0034	-18.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0068	0.0065	-5.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000	0.0000	0.0000%

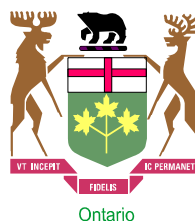
#### Sentinel Lighting

Retail Transmission Rate – Network Service Rate	\$/kW	1.3108	1.0749	-18.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.1211	2.0150	-5.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%

#### Street Lighting

Retail Transmission Rate – Network Service Rate	\$/kW	1.3042	1.0694	-18.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.0777	1.9738	-5.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000	0.0000	0.0000%





## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Midland Power Utility Corporation

EB-2007-0847, EB-2007-0554, EB-2005-0390

October 29, 2007

### Sheet 9A - 2008 RTS Rate Change

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## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

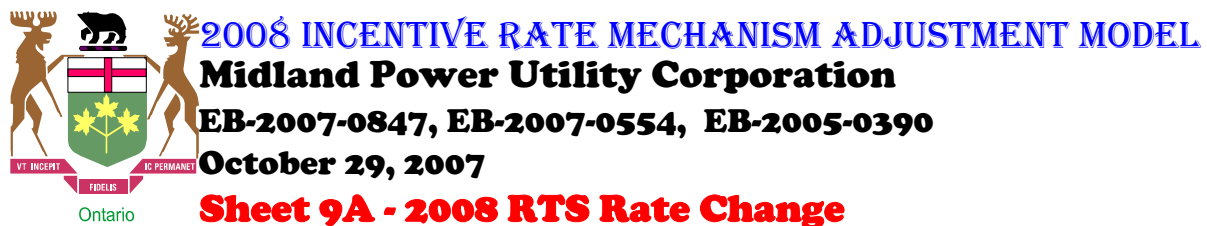
### Midland Power Utility Corporation

EB-2007-0847, EB-2007-0554, EB-2005-0390

October 29, 2007

### Sheet 9A - 2008 RTS Rate Change

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# Midland Power Utility Corporation

## Tariff OF RATES AND CHARGES

Effective May 1, 2008\*

(\*Except as otherwise noted)

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

EB-2007-0554

FOR OEB STAFF USE ONLY

### MONTHLY RATES AND CHARGES

#### Residential

Service Charge	\$	11.37
Distribution Volumetric Rate	\$/kWh	0.0198
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0038
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0071
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

#### General Service Less Than 50 kW

Service Charge	\$	12.61
Distribution Volumetric Rate	\$/kWh	0.0140
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0034
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0065
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

#### General Service 50 to 4,999 kW

Service Charge	\$	14.05
Distribution Volumetric Rate	\$/kW	2.3148
Retail Transmission Rate – Network Service Rate	\$/kW	1.4180
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.5532
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

#### Unmetered Scattered Load

Service Charge (per customer)	\$	12.35
Distribution Volumetric Rate	\$/kWh	0.0140
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0034
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0065
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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## Sentinel Lighting

Service Charge (per connection)	\$	1.46
Distribution Volumetric Rate	\$/kW	2.6254
Retail Transmission Rate – Network Service Rate	\$/kW	1.0749
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.0150
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## Street Lighting

Service Charge (per connection)	\$	0.96
Distribution Volumetric Rate	\$/kW	2.3727
Retail Transmission Rate – Network Service Rate	\$/kW	1.0694
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.9738
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## Specific Service Charges

### Customer Administration

Notification charge	\$	15.00
Account history	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00

### Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
Disconnect/Reconnect at pole - during regular hours	\$	185.00
Disconnect/Reconnect at pole - after regular hours	\$	415.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
Install/Remove load control device - during regular hours	\$	65.00
Install/Remove load control device - after regular hours	\$	185.00
Temporary service install & remove - overhead - no transformer	\$	500.00
Temporary service install & remove - underground - no transformer	\$	300.00

### Allowances

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

## LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0651
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0545

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## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Midland Power Utility Corporation

EB-2007-0847, EB-2007-0554, EB-2005-0390

October 29, 2007

### Sheet 11 - Distribution Rate Change Summary

Note: No inputs are required for this worksheet.

#### Residential

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 11.37	\$ 0.0198
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.12	\$ 0.0002
Add: K-Factor	-\$ 0.04	-\$ 0.0001
Add: Fed Tax Adjustment	-\$ 0.08	-\$ 0.0001
Add: Smart Meters	\$ 0.26	\$ -
<b>Final 2008 Rates</b>	<b>\$ 11.37</b>	<b>\$ 0.0198</b>

#### General Service Less Than 50 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 12.61	\$ 0.0140
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.14	\$ 0.0002
Add: K-Factor	-\$ 0.05	-\$ 0.0001
Add: Fed Tax Adjustment	-\$ 0.09	-\$ 0.0001
Add: Smart Meters	\$ 0.26	\$ -
<b>Final 2008 Rates</b>	<b>\$ 12.61</b>	<b>\$ 0.0140</b>

#### General Service 50 to 4,999 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 14.05	\$ 2.3148
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.15	\$ 0.0255
Add: K-Factor	-\$ 0.06	-\$ 0.0093
Add: Fed Tax Adjustment	-\$ 0.10	-\$ 0.0162
Add: Smart Meters	\$ 0.26	\$ -
<b>Final 2008 Rates</b>	<b>\$ 14.05</b>	<b>\$ 2.3148</b>

#### Unmetered Scattered Load

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 12.35	\$ 0.0140
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.14	\$ 0.0002
Add: K-Factor	-\$ 0.05	-\$ 0.0001
Add: Fed Tax Adjustment	-\$ 0.09	-\$ 0.0001
Add: Smart Meters	\$ -	\$ -
<b>Final 2008 Rates</b>	<b>\$ 12.35</b>	<b>\$ 0.0140</b>



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Midland Power Utility Corporation

EB-2007-0847, EB-2007-0554, EB-2005-0390

October 29, 2007

### Sheet 11 - Distribution Rate Change Summary

#### Sentinel Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 1.46	\$ 2.6254
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.02	\$ 0.0289
Add: K-Factor	-\$ 0.01	-\$ 0.0105
Add: Fed Tax Adjustment	-\$ 0.01	-\$ 0.0184
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 1.46	\$ 2.6254

#### Street Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 0.96	\$ 2.3727
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.01	\$ 0.0261
Add: K-Factor	-\$ 0.00	-\$ 0.0095
Add: Fed Tax Adjustment	-\$ 0.01	-\$ 0.0166
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 0.96	\$ 2.3727



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Midland Power Utility Corporation**

**EB-2007-0847, EB-2007-0554, EB-2005-0390**

**October 29, 2007**

### **Sheet 11 - Distribution Rate Change Summary**





## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Midland Power Utility Corporation**

**EB-2007-0847, EB-2007-0554, EB-2005-0390**

**October 29, 2007**

### **Sheet 11 - Distribution Rate Change Summary**



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Midland Power Utility Corporation

EB-2007-0847, EB-2007-0554, EB-2005-0390

October 29, 2007

### Sheet 12 - Annualized Bill Impact

#### Instructions

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Regulated Price Plan Residential	May-07 Threshold	May-07 \$ / kWh	May-08 Threshold	May-08 \$ / kWh
less than or equal to	600	\$ 0.053	600	\$ 0.053
greater than	> 600	\$ 0.062	> 600	\$ 0.062

Regulated Price Plan Non-Residential	May-07 Threshold	May-07 \$ / kWh	May-08 Threshold	May-08 \$ / kWh
less than or equal to	750	\$ 0.053	750	\$ 0.053
greater than	> 750	\$ 0.062	> 750	\$ 0.062

#### Residential

Consumption	1,000	kWh	0	kW	Loss Factor 1.0651			
	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	600	\$ 0.0530	\$ 31.80	600	\$ 0.0530	\$ 31.80	\$0.00	0.0%
Energy Second Tier (kWh)	465	\$ 0.0620	\$ 28.84	465	\$ 0.0620	\$ 28.84	\$0.00	0.0%
Sub-Total: Energy			\$ 60.64			\$ 60.64	\$0.00	0.0%
Monthly Service Charge	1	\$ 11.37	\$ 11.37	1	\$ 11.37	\$ 11.37	\$0.00	0.0%
Distribution (kWh)	1,000	\$ 0.0198	\$ 19.80	1,000	\$ 0.0198	\$ 19.80	\$0.00	0.0%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%
Regulatory Assets (kWh)	1,000	\$ 0.0060	\$ 6.00	1,000	\$ -	\$ -	-\$6.00	(100.0)%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	1,065	\$ 0.0046	\$ 4.90	1,065	\$ 0.0038	\$ 4.02	-\$0.88	(18.0)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,065	\$ 0.0075	\$ 7.99	1,065	\$ 0.0071	\$ 7.59	-\$0.40	(5.0)%
Sub-Total: Delivery			\$ 50.06			\$ 42.78	-\$7.28	(14.5)%
Wholesale Market Service Rate	1065	\$ 0.0052	\$ 5.54	1065	\$ 0.0052	\$ 5.54	\$0.00	0.0%
Rural Rate Protection Charge	1065	\$ 0.0010	\$ 1.07	1065	\$ 0.0010	\$ 1.07	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 6.85			\$ 6.85	\$0.00	0.0%
Debt Retirement Charge (DRC)	1,000	\$ 0.0070	\$ 7.00	1,000	\$ 0.0070	\$ 7.00	\$0.00	0.0%
Total Bill before Taxes			\$ 124.55			\$ 117.27	-\$7.28	(5.8)%
GST	\$ 124.55	6.00%	\$ 7.47	\$ 117.27	6.00%	\$ 7.04	-\$0.44	(5.8)%
Total Bill after Taxes			\$ 132.02			\$ 124.30	-\$7.72	(5.8)%

#### General Service Less Than 50 kW

Consumption	2,000	kWh	0	kW	Loss Factor 1.0651			
	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	1,380	\$ 0.0620	\$ 85.57	1,380	\$ 0.0620	\$ 85.57	\$0.00	0.0%
Sub-Total: Energy			\$ 125.32			\$ 125.32	\$0.00	0.0%
Monthly Service Charge	1	\$ 12.61	\$ 12.61	1	\$ 12.61	\$ 12.61	\$0.00	0.0%
Distribution (kWh)	2,000	\$ 0.0140	\$ 28.00	2,000	\$ 0.0140	\$ 28.00	\$0.00	0.0%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%
Regulatory Assets (kWh)	2,000	\$ 0.0032	\$ 6.40	2,000	\$ -	\$ -	-\$6.40	(100.0)%
Rate Riders	2,000	\$ -	\$ -	2,000	\$ -	\$ -	\$0.00	0.0%

## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

## Midland Power Utility Corporation

**EB-2007-0847, EB-2007-0554, EB-2005-0390**

**October 29, 2007**

## Sheet 12 - Annualized Bill Impact

## Instructions

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	2,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	2,130	\$ 0.0042	\$ 8.95	2,130	\$ 0.0034	\$ 7.34	-\$1.61	(18.0)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,130	\$ 0.0068	\$ 14.49	2,130	\$ 0.0065	\$ 13.76	-\$0.72	(5.0)%
<b>Sub-Total: Delivery</b>			<b>\$ 70.44</b>			<b>\$ 61.71</b>	<b>-\$8.73</b>	<b>(12.4)%</b>
Wholesale Market Service Rate	2130	\$ 0.0052	\$ 11.08	2130	\$ 0.0052	\$ 11.08	\$0.00	0.0%
Rural Rate Protection Charge	2130	\$ 0.0010	\$ 2.13	2130	\$ 0.0010	\$ 2.13	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
<b>Sub-Total: Regulatory</b>			<b>\$ 13.46</b>			<b>\$ 13.46</b>	<b>\$0.00</b>	<b>0.0%</b>
<b>Debt Retirement Charge (DRC)</b>	2,000	\$ 0.0070	<b>\$ 14.00</b>	2,000	<b>\$ 0.0070</b>	<b>\$ 14.00</b>	<b>\$0.00</b>	<b>0.0%</b>
<b>Total Bill before Taxes</b>			<b>\$ 223.22</b>			<b>\$ 214.49</b>	<b>-\$8.73</b>	<b>(3.9)%</b>
<b>GST</b>	<b>\$ 223.22</b>	<b>6.00%</b>	<b>\$ 13.39</b>	<b>\$ 214.49</b>	<b>6.00%</b>	<b>\$ 12.87</b>	<b>-\$0.52</b>	<b>(3.9)%</b>
<b>Total Bill after Taxes</b>			<b>\$ 236.62</b>			<b>\$ 227.36</b>	<b>-\$9.26</b>	<b>(3.9)%</b>

### **General Service 50 to 4,999 kW**

Consumption		200,000	kWh	5,000	kW	Loss Factor 1.0651		
	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	212,270	\$ 0.0620	\$ 13,160.74	212,270	\$ 0.0620	\$ 13,160.74	\$0.00	0.0%
Sub-Total: Energy			\$ 13,200.49			\$ 13,200.49	\$0.00	0.0%
Monthly Service Charge	1	\$ 14.05	\$ 14.05	1	\$ 14.05	\$ 14.05	\$0.00	0.0%
Distribution (kWh)	200,000	\$ -	\$ -	200,000	\$ -	\$ -	\$0.00	0.0%
Distribution (kW)	5,000	\$ 2.3148	\$ 11,574.00	5,000	\$ 2.3148	\$ 11,574.00	\$0.00	0.0%
Regulatory Assets (kWh)	5,000	\$ 0.9044	\$ 4,522.00	5,000	\$ -	\$ -	-\$4,522.00	(100.0)%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	5,326	\$ 1.7293	\$ 9,209.39	5,326	\$ 1.4180	\$ 7,551.70	-\$1,657.69	(18.0)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,326	\$ 2.6876	\$ 14,312.81	5,326	\$ 2.5532	\$ 13,597.17	-\$715.64	(5.0)%
Sub-Total: Delivery			\$ 39,632.25			\$ 32,736.92	-\$6,895.33	(17.4)%
Wholesale Market Service Rate	213020	\$ 0.0052	\$ 1,107.70	213020	\$ 0.0052	\$ 1,107.70	\$0.00	0.0%
Rural Rate Protection Charge	213020	\$ 0.0010	\$ 213.02	213020	\$ 0.0010	\$ 213.02	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 1,320.97			\$ 1,320.97	\$0.00	0.0%
Debt Retirement Charge (DRC)	200,000	\$ 0.0070	\$ 1,400.00	200,000	\$ 0.0070	\$ 1,400.00	\$0.00	0.0%
Total Bill before Taxes			\$ 55,553.71			\$ 48,658.38	-\$6,895.33	(12.4)%
GST	\$ 55,553.71	6.00%	\$ 3,333.22	\$ 48,658.38	6.00%	\$ 2,919.50	-\$413.72	(12.4)%
Total Bill after Taxes			\$ 58,886.94			\$ 51,577.89	-\$7,309.05	(12.4)%

### Unmetered Scattered Load

Consumption	2,000,000 kWh	5,000 kW	Loss Factor 1.0651
	2007 BILL	2008 BILL	IMPACT



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Midland Power Utility Corporation

EB-2007-0847, EB-2007-0554, EB-2005-0390

October 29, 2007

### Sheet 12 - Annualized Bill Impact

#### Instructions

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	2,129,450	\$ 0.0620	\$ 132,025.90	2,129,450	\$ 0.0620	\$ 132,025.90	\$0.00	0.0%
<b>Sub-Total: Energy</b>			<b>\$ 132,065.65</b>			<b>\$ 132,065.65</b>	<b>\$0.00</b>	<b>0.0%</b>
Monthly Service Charge	1	\$ 12.35	\$ 12.35	1	\$ 12.35	\$ 12.35	\$0.00	0.0%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%
Distribution (kW)	5,000	\$ 0.0140	\$ 70.00	5,000	\$ 0.0140	\$ 70.00	\$0.00	0.0%
Regulatory Assets (kWh)	5,000	\$ 0.0032	\$ 16.00	5,000	\$ -	\$ -	-\$16.00	(100.0)%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	5,326	\$ 0.0042	\$ 22.37	5,326	\$ 0.0034	\$ 18.34	-\$4.03	(18.0)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,326	\$ 0.0068	\$ 36.21	5,326	\$ 0.0065	\$ 34.40	-\$1.81	(5.0)%
<b>Sub-Total: Delivery</b>			<b>\$ 156.93</b>			<b>\$ 135.09</b>	<b>-\$21.84</b>	<b>(13.9)%</b>
Wholesale Market Service Rate	2130200	\$ 0.0052	\$ 11,077.04	2130200	\$ 0.0052	\$ 11,077.04	\$0.00	0.0%
Rural Rate Protection Charge	2130200	\$ 0.0010	\$ 2,130.20	2130200	\$ 0.0010	\$ 2,130.20	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
<b>Sub-Total: Regulatory</b>			<b>\$ 13,207.49</b>			<b>\$ 13,207.49</b>	<b>\$0.00</b>	<b>0.0%</b>
<b>Debt Retirement Charge (DRC)</b>	2,000,000	\$ 0.0070	<b>\$ 14,000.00</b>	2,000,000	\$ 0.0070	<b>\$ 14,000.00</b>	<b>\$0.00</b>	<b>0.0%</b>
<b>Total Bill before Taxes</b>			<b>\$ 159,430.07</b>			<b>\$ 159,408.23</b>	<b>-\$21.84</b>	<b>(0.0)%</b>
GST	\$ 159,430.07	6.00%	\$ 9,565.80	\$ 159,408.23	6.00%	\$ 9,564.49	-\$1.31	(0.0)%
<b>Total Bill after Taxes</b>			<b>\$ 168,995.87</b>			<b>\$ 168,972.73</b>	<b>-\$23.15</b>	<b>(0.0)%</b>

#### Sentinel Lighting

Consumption	2,000,000	kWh	5,000	kW	Loss Factor 1.0651			
	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	2,129,450	\$ 0.0620	\$ 132,025.90	2,129,450	\$ 0.0620	\$ 132,025.90	\$0.00	0.0%
Sub-Total: Energy			\$ 132,065.65			\$ 132,065.65	\$0.00	0.0%
Monthly Service Charge	1	\$ 1.46	\$ 1.46	1	\$ 1.46	\$ 1.46	\$0.00	0.0%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%
Distribution (kW)	5,000	\$ 2.6254	\$ 13,127.00	5,000	\$ 2.6254	\$ 13,127.00	\$0.00	0.0%
Regulatory Assets (kWh)	5,000	\$ 0.7439	\$ 3,719.50	5,000	\$ -	\$ -	-\$3,719.50	(100.0)%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	5,326	\$ 1.3108	\$ 6,980.67	5,326	\$ 1.0749	\$ 5,724.15	-\$1,256.52	(18.0)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,326	\$ 2.1211	\$ 11,295.92	5,326	\$ 2.0150	\$ 10,731.12	-\$564.80	(5.0)%
Sub-Total: Delivery			\$ 35,124.54			\$ 29,583.73	-\$5,540.82	(15.8)%
Wholesale Market Service Rate	2130200	\$ 0.0052	\$ 11,077.04	2130200	\$ 0.0052	\$ 11,077.04	\$0.00	0.0%
Rural Rate Protection Charge	2130200	\$ 0.0010	\$ 2,130.20	2130200	\$ 0.0010	\$ 2,130.20	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
Sub-Total: Regulatory			\$ 13,207.49			\$ 13,207.49	\$0.00	0.0%
Debt Retirement Charge (DRC)	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%
Total Bill before Taxes			\$ 194,397.68			\$ 188,856.87	-\$5,540.82	(2.9)%
GST	\$ 194,397.68	6.00%	\$ 11,663.86	\$ 188,856.87	6.00%	\$ 11,331.41	-\$332.45	(2.9)%



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Midland Power Utility Corporation**

**EB-2007-0847, EB-2007-0554, EB-2005-0390**

**October 29, 2007**

### Sheet 12 - Annualized Bill Impact

#### Instructions

(Remember, green cells are input cells)

1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

<b>Total Bill after Taxes</b>	<b>\$ 206,061.54</b>			<b>\$ 200,188.28</b>	<b>-\$5,873.26</b>	<b>(2.9)%</b>
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#### Street Lighting

<b>Consumption</b>	<b>2,000,000 kWh</b>	<b>5,000 kW</b>	<b>Loss Factor 1.0651</b>
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	2007 BILL			2008 BILL			IMPACT	
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%
Energy Second Tier (kWh)	2,129,450	\$ 0.0620	\$ 132,025.90	2,129,450	\$ 0.0620	\$ 132,025.90	\$0.00	0.0%
<b>Sub-Total: Energy</b>			<b>\$ 132,065.65</b>			<b>\$ 132,065.65</b>	<b>\$0.00</b>	<b>0.0%</b>
Monthly Service Charge	1	\$ 0.96	\$ 0.96	1	\$ 0.96	\$ 0.96	\$0.00	0.0%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%
Distribution (kW)	5,000	\$ 2.3727	\$ 11,863.50	5,000	\$ 2.3727	\$ 11,863.50	\$0.00	0.0%
Regulatory Assets (kWh)	5,000	\$ 0.0670	\$ 335.00	5,000	\$ -	\$ -	-\$335.00	(100.0)%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	5,000	\$ -	\$ -	\$0.00	0.0%
Retail Transmission Rate – Network Service Rate	5,326	\$ 1.3042	\$ 6,945.52	5,326	\$ 1.0694	\$ 5,695.32	-\$1,250.19	(18.0)%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,326	\$ 2.0777	\$ 11,064.79	5,326	\$ 1.9738	\$ 10,511.55	-\$553.24	(5.0)%
<b>Sub-Total: Delivery</b>			<b>\$ 30,209.77</b>			<b>\$ 28,071.34</b>	<b>-\$2,138.43</b>	<b>(7.1)%</b>
Wholesale Market Service Rate	2130200	\$ 0.0052	\$ 11,077.04	2130200	\$ 0.0052	\$ 11,077.04	\$0.00	0.0%
Rural Rate Protection Charge	2130200	\$ 0.0010	\$ 2,130.20	2130200	\$ 0.0010	\$ 2,130.20	\$0.00	0.0%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%
<b>Sub-Total: Regulatory</b>			<b>\$ 13,207.49</b>			<b>\$ 13,207.49</b>	<b>\$0.00</b>	<b>0.0%</b>
<b>Debt Retirement Charge (DRC)</b>	2,000,000	\$ 0.0070	<b>\$ 14,000.00</b>	2,000,000	\$ 0.0070	<b>\$ 14,000.00</b>	<b>\$0.00</b>	<b>0.0%</b>
<b>Total Bill before Taxes</b>			<b>\$ 189,482.91</b>			<b>\$ 187,344.48</b>	<b>-\$2,138.43</b>	<b>(1.1)%</b>
GST	\$ 189,482.91	6.00%	\$ 11,368.97	\$ 187,344.48	6.00%	\$ 11,240.67	-\$128.31	(1.1)%
<b>Total Bill after Taxes</b>			<b>\$ 200,851.88</b>			<b>\$ 198,585.14</b>	<b>-\$2,266.74</b>	<b>(1.1)%</b>



<b>% of Total Bill</b>
25.58%
23.20%
<b>48.78%</b>
9.15%
15.93%
0.00%
0.00%
0.00%
0.00%
0.00%
0.00%
3.23%
6.11%
<b>34.41%</b>
4.46%
0.86%
0.20%
<b>5.51%</b>
<b>5.63%</b>
<b>94.34%</b>
<b>5.66%</b>
<b>100.00%</b>

<b>% of Total Bill</b>
31.98%
68.84%
<b>100.82%</b>
10.14%
22.53%
0.00%
0.00%
0.00%

0.00%
0.00%
5.90%
11.07%
49.64%
8.91%
1.71%
0.20%
10.83%
11.26%
172.55%
10.35%
182.91%

% of Total Bill
31.98%
10587.70%
10619.68%
11.30%
0.00%
9311.18%
0.00%
0.00%
0.00%
0.00%
6075.27%
10938.80%
26336.56%
891.14%
171.37%
0.20%
1062.71%
1126.29%
39145.24%
2348.71%
41493.95%

% of Total Bill
31.98%
106213.66%
106245.64%
9.94%
0.00%
56.31%
0.00%
0.00%
0.00%
0.00%
0.00%
14.76%
27.68%
108.68%
8911.38%
1713.73%
0.20%
10625.31%
11262.87%
128242.50%
7694.55%
135937.05%

% of Total Bill
31.98%
106213.66%
106245.64%
1.17%
0.00%
10560.55%
0.00%
0.00%
0.00%
0.00%
0.00%
4605.02%
8633.09%
23799.84%
8911.38%
1713.73%
0.20%
10625.31%
11262.87%
151933.66%
9116.02%



161049.68%

% of Total Bill
31.98%
106213.66%
106245.64%
0.77%
0.00%
9544.08%
0.00%
0.00%
0.00%
0.00%
0.00%
4581.84%
8456.45%
22583.14%
8911.38%
1713.73%
0.20%
10625.31%
11262.87%
150716.96%
9043.02%
159759.98%



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Midland Power Utility Corporation

EB-2007-0847, EB-2007-0554, EB-2005-0390

October 29, 2007

### Sheet 13 - Bill Impacts by Consumption

Click on the Calculate" button to determine a series of bill impacts for each class at different consumption levels.

*Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption n*

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
<b>Residential</b>	100	0	\$ 23.84	\$ 23.21	-\$ 0.64	-2.7%	-2.7%	-4.9%
	250	0	\$ 41.13	\$ 39.54	-\$ 1.59	-3.9%		
	500	0	\$ 69.95	\$ 66.77	-\$ 3.18	-4.5%		
	600	0	\$ 81.85	\$ 78.03	-\$ 3.82	-4.7%		
	750	0	\$ 100.66	\$ 95.89	-\$ 4.77	-4.7%		
	1,000	0	\$ 132.02	\$ 125.66	-\$ 6.36	-4.8%		
	1,500	0	\$ 194.73	\$ 185.19	-\$ 9.54	-4.9%		
<b>General Service Less Than 50 kW</b>	2,000	0	\$ 236.62	\$ 229.83	-\$ 6.78	-2.9%	-2.9%	-2.9%
	2,500	0	\$ 294.15	\$ 285.67	-\$ 8.48	-2.9%		
	4,000	0	\$ 466.75	\$ 453.19	-\$ 13.57	-2.9%		
	5,000	0	\$ 581.82	\$ 564.86	-\$ 16.96	-2.9%		
	10,000	0	\$ 1,157.17	\$ 1,123.25	-\$ 33.92	-2.9%		
	12,500	0	\$ 1,444.84	\$ 1,402.44	-\$ 42.40	-2.9%		
	15,000	0	\$ 1,732.52	\$ 1,681.64	-\$ 50.88	-2.9%		
<b>General Service 50 to 4,999 kW</b>	15,000	10	\$ 1,360.62	\$ 1,350.76	-\$ 9.85	-0.7%	-0.7%	-0.7%
	40,000	27	\$ 3,614.97	\$ 3,588.69	-\$ 26.28	-0.7%		
	100,000	69	\$ 9,025.42	\$ 8,959.72	-\$ 65.70	-0.7%		
	400,000	274	\$ 36,077.66	\$ 35,814.87	-\$ 262.79	-0.7%		
	1,000,000	685	\$ 90,182.15	\$ 89,525.17	-\$ 656.98	-0.7%		
	1,500,000	1,028	\$ 135,269.22	\$ 134,283.75	-\$ 985.47	-0.7%		
	2,000,000	1,371	\$ 180,356.29	\$ 179,042.33	-\$ 1,313.96	-0.7%		
<b>Unmetered Scattered Load</b>	15,000	10	\$ 1,272.79	\$ 1,272.75	-\$ 0.03	0.0%	0.0%	0.0%
	40,000	27	\$ 3,383.77	\$ 3,383.68	-\$ 0.09	0.0%		
	100,000	69	\$ 8,450.12	\$ 8,449.89	-\$ 0.23	0.0%		
	400,000	274	\$ 33,781.89	\$ 33,780.96	-\$ 0.93	0.0%		
	1,000,000	685	\$ 84,445.42	\$ 84,443.09	-\$ 2.32	0.0%		
	1,500,000	1,028	\$ 126,665.02	\$ 126,661.54	-\$ 3.49	0.0%		
	2,000,000	1,371	\$ 168,884.63	\$ 168,879.98	-\$ 4.65	0.0%		
<b>Sentinel Lighting</b>	15,000	10	\$ 1,337.47	\$ 1,329.37	-\$ 8.11	-0.6%	-0.6%	-0.6%
	40,000	27	\$ 3,575.50	\$ 3,553.88	-\$ 21.62	-0.6%		
	100,000	69	\$ 8,946.76	\$ 8,892.73	-\$ 54.04	-0.6%		
	400,000	274	\$ 35,803.09	\$ 35,586.93	-\$ 216.16	-0.6%		
	1,000,000	685	\$ 89,515.73	\$ 88,975.34	-\$ 540.39	-0.6%		
	1,500,000	1,028	\$ 134,276.26	\$ 133,465.68	-\$ 810.58	-0.6%		
	2,000,000	1,371	\$ 179,036.80	\$ 177,956.02	-\$ 1,080.78	-0.6%		



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Midland Power Utility Corporation**

**EB-2007-0847, EB-2007-0554, EB-2005-0390**

**October 29, 2007**

### **Sheet 13 - Bill Impacts by Consumption**

Click on the Calculate" button to determine a series of bill impacts for each class at different consumption levels.

*Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption n*

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
Street Lighting	15,000	10	\$ 1,326.23	\$ 1,325.50	-\$ 0.73	-0.1%	-0.1%	-0.1%
	40,000	27	\$ 3,546.41	\$ 3,544.46	-\$ 1.95	-0.1%		
	100,000	69	\$ 8,874.84	\$ 8,869.97	-\$ 4.87	-0.1%		
	400,000	274	\$ 35,516.97	\$ 35,497.50	-\$ 19.47	-0.1%		
	1,000,000	685	\$ 88,801.23	\$ 88,752.56	-\$ 48.67	-0.1%		
	1,500,000	1,028	\$ 133,204.78	\$ 133,131.77	-\$ 73.01	-0.1%		
	2,000,000	1,371	\$ 177,608.32	\$ 177,510.98	-\$ 97.34	-0.1%		