



ERIE THAMES POWERLINES

C O R P O R A T I O N

November 18, 2008

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge St.
27TH Floor
Toronto ON, M4P 1E4

**Board File No. EB-2007-0928 Erie Thames Powerlines Corporation – 2008 Rate Rebasing Application,
2008 Draft Rate Order**

Dear Ms. Walli:

Please find attached amendments to Erie Thames Powerlines 2008 Draft Rate Order EB-2007-0928.

The amendments contained in this document are with respect to amendments previously filed on November 13th and amendments regarding comments provided by VECC in its submission.

Pursuant to VECC's Comments on the Draft Rate Order filed by Erie Thames Powerlines on November 10th, and 13th 2008, Erie Thames Powerlines has concluded that VECC is correct in its findings regarding the Retail Transmission Rate Revenue allocator and has corrected this allocation in calculating both the LV rate and 1550 rate rider rates.

VECC has also indicated that the PILS calculation grossed up both the income tax and Capital Taxes while only the Income taxes should be grossed up. ETPL has corrected the PILS calculation as well as its implication on the calculation of revenue sufficiency.

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Finally VECC has raised a concern with the calculation of Revenue at Current Rates. VECC indicated that customer numbers and consumption data are not included for the embedded distribution customers. ETPL agrees with VECC that these customers were not included and has updated the calculation to include them in the determination of Revenue at Current Rates.

However, while updating the calculation of Revenue at Current Rates ETPL has determined that in order to ensure that revenue sufficiency is calculated only on Distribution Revenue data then adjustments for the IRM process in 2007 had to be made to current LV rates. Similarly the amounts embedded in distribution rates for Transformer Allowance in the 2006 EDR would need to be removed from this calculation as well as the IRM adjustments on the Transformer Allowance amounts. ETPL has made these adjustments on Page 38 of 54 of this Draft Rate Order.

Should you require additional information, please do not hesitate to contact the undersigned.

Yours truly,

Original Signed

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IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF an application by Erie Thames
Powerlines Corporation for an order approving or fixing just
and reasonable rates and other charges for the distribution
of electricity to be effective May 1, 2008.

DRAFT RATE ORDER

BACKGROUND

Erie Thames Powerlines Inc. ("Erie Thames" or the "Applicant") filed an application with the Ontario Energy Board (the "Board") on November 30, 2007 pursuant to section 78 of the *Ontario Energy Board Act, 1998* seeking approval for changes to the rates it charges for electricity distribution services to be effective May 1, 2008. Erie Thames is a licensed electricity distributor serving the urban areas of Aylmer, Beachville, Belmont, Burgessville, Embro, Ingersoll, Norwich, Otterville, Port Stanley, Tavistock and Thamesford with approximately 17,000 customers.

Erie Thames is one of over 80 electricity distributors in Ontario that are rate regulated by the Board. In 2006, the Board announced the establishment of a multi-year electricity distribution rate-setting plan for the years 2007-2010. In an effort to assist distributors in preparing their applications, the Board issued the "Filing Requirements for Transmission and Distribution Applications" on November 14, 2006. Chapter 2 of that document outlines the filing requirements for cost of service rate applications based upon a forward test years.

On May 4, 2007, as part of the plan, the Board indicated that Erie Thames would be one of the electricity distributors to have its rates rebased in 2008. The Board assigned the application file number EB-2007-0928. The Board approved two interventions in the proceeding: Energy Probe Research Foundation and the Vulnerable Energy Consumers Coalition.

The Board issued an Interim Order on April 29, 2008 declaring the existing approved rates interim as of May 1, 2008.

The Board issued its Decision and Order on Erie Thames' rate application on October 27th, 2008 and directed Erie Thames to file a Draft Rate Order incorporating the Board's Findings. Erie Thames herein files its Draft Rate Order on November 18, 2008.

ISSUES

Load Forecast

Operating, Maintenance & Administration Expenses

Payments in Lieu of Taxes ("PILS")

Capital Expenditures and Rate Base

Cost of Capital

Smart Meters

Cost Allocation and Rate Design

Deferral and Variance Accounts

Implementation

LOAD FORECAST

Board Findings

The Board is prepared to accept, for the purposes of this rebasing, Erie Thames' proposed load forecast for 2008. The Board notes Erie Thames' undertaking in its reply submission that it would update its customer numbers and would include the startup of the Ethanol Plant.

The Board's acceptance of the load forecast should not be construed as approval of the methodology employed by the Applicant in arriving at its load forecast. Erie Thames has used a methodology that relies upon a single year of weather normalized historic load to determine future load and did not dispute Boards staff's assertion that this approach can result in sub-optimal results. There was not attempt to explain why the data used was the best available or what the provision of multiple years of weather normalized data would entail. The record is not sufficient to make a finding that the methodology is the best chosen in this situation.

Similarly, the record has scant evidence of any forward-looking analysis. A forward test year application should include evidence that the Applicant has considered potential outcomes beyond that of the projection of its empirical knowledge. Evidence on the planned land development and the projected effects of local and provincial conservation and demand management initiatives, irrespective of the degree to which it alters the forecast, would demonstrate that the Applicant has considered key variables and would enhance the credibility of the forecast.

Response

The Residential Customer count was increased from 12,451 to 12,458 and the GS<50 class has been updated from 1388 to 1401. The GS 50-999 class has been increased from 141 to 144.

The Ethanol Plant, which began operation in August, has been included in General Service 3000-4999kW. The GS 3000-4999 class customer count increases from 1 to 2 to include the Ethanol Plant. The table below details the changes applied to customer counts by class.

CUSTOMER COUNT FORECAST TABLE	2008 Test Applied For	2008 Test Decision	Difference
Residential	12451	12458	7
GS<50	1388	1401	13
GS>50 to 999 kW	141	144	3
Greater than 1,000 to 2,999 kW	8	8	-
Greater than 3,000 to 4,999 kW	1	2	1
Large Use	1	1	-
Unmetered Scattered Load	95	95	-
Sentinel Lighting	256	256	-
Street Lighting	2956	2956	-
Embedded Distributor	2	2	
	17,299	17,323	24

As a result of the Board's acceptance of Erie Thames' proposal to create a new rate class for Embedded Distributors, Erie Thames has included 2 customers (Hydro One) in the new rate class as included in the application. The Board accepted the weather normalization forecast provided by Erie Thames. The Table below presents the 2008 Normalized Forecast by customer class utilizing the approved customer counts have been incorporated throughout this Draft Rate Order.

Customer Class		Test Year Normalized Forecast 2008
Residential	Customers	12,458
	Consumption – kWh	123,245,746
General Service < 50kW	Customers	1401
	Consumption – kWh	40,839,870
General Service 50-999kW	Customers	144
	Consumption – kWh	88,113,463
	Demand - kW	367,309
General Service 1000-2999kW	Customers	8
	Consumption – kWh	69,529,869
	Demand - kW	135,587
General Service 3000-4999kW	Customers	2
	Consumption – kWh	29,624,668
	Demand - kW	83,687
Large Use > 5MW	Customers	1
	Consumption – kWh	84,605,665
	Demand - kW	165,609
Streetlighting	Customers	2956
	Consumption – kWh	3,115,492
	Demand - kW	9,432
Sentinel Lighting	Customers	256
	Consumption – kWh	238,372
	Demand - kW	931
Unmetered Scattered Load	Customers	95
	Consumption – kWh	606,271
Embedded Distributor	Customers	2
	Consumption – kWh	20,741,502
	Demand - kW	99,771

The increase in kWh for the Residential class resulted from a proportional increase in load from the increase in customers. The increase in kWh for GS<50, GS 50-999 and GS 3000 – 4999 proportional to the increase in customers. The kW increase for the GS 50-999 class was done on a proportional basis while the kW increase for the GS 3000-4999 class reflected the addition of the Ethanol Plant.

Resulting from these changes to customer counts and load forecasting, as well as the decision to change the rate for commodity charges, is a change to the Cost of Power (“COP”) projections that also flow through to the working capital calculations. Below is a detailed breakdown of the

change in forecasted load between the application and decision as well as the new projected cost of power amounts and the rates used to determine the COP. The COP of Power increases by \$825,010 from \$32,857,823 to \$33,682,833 as a result of the Board's Findings.

Normalized Average Consumption kWh

	2008 Application	2008 Decision	Difference
<u>RESIDENTIAL</u>			
Regular	123,176,496	123,245,746	69,250
GENERAL SERVICE			
Less than 50 kW	40,460,913	40,839,870	378,957
Greater than 50 to 999 kW	86,277,766	88,113,463	1,835,697
Greater than 1,000 to 2,999 kW	69,529,869	69,529,869	0
Greater than 3,000 to 4,999 kW	17,528,668	29,624,668	12,096,000
Large Use	84,605,665	84,605,665	0
Unmetered Scattered Load	606,271	606,271	0
Sentinel Lighting	238,372	238,372	0
Street Lighting	3,115,492	3,115,492	0
Embedded Distributor	20,741,502	20,741,502	0
	446,281,014	460,660,918	14,379,904

Normalized Average Consumption kW

	2008 Application	2008 Decision	Difference
<u>RESIDENTIAL</u>			
Regular			
GENERAL SERVICE			
Less than 50 kW			
Greater than 50 to 999 kW	359,657	367,309	7,652
Greater than 1,000 to 2,999 kW	135,587	135,587	0
Greater than 3,000 to 4,999 kW	35,687	83,687	48,000
Large Use	165,609	165,609	0
Unmetered Scattered Load	0	0	0
Sentinel Lighting	931	931	0
Street Lighting	9,432	9,432	0
Embedded Distributor	99,771	99,771	0
	806,674	862,326	55,652

Cost of Power Projections

Rates 2008

	Network Service	Conncection Service	Wholesale Market	Rural Rate Protection	Commodity
RESIDENTIAL					
Regular	\$0.0038	\$0.0047	\$0.0052	\$0.0010	\$0.0574
GENERAL SERVICE					
Less than 50 kW	\$0.0035	\$0.0044	\$0.0052	\$0.0010	\$0.0574
Greater than 50 to 999 kW	\$1.5967	\$1.5513	\$0.0052	\$0.0010	\$0.0574
Greater than 1,000 to 2,999 kW	\$1.7342	\$1.6682	\$0.0052	\$0.0010	\$0.0574
Greater than 3,000 to 4,999 kW	\$1.8284	\$1.7803	\$0.0052	\$0.0010	\$0.0574
Large Use	\$1.9225	\$1.8923	\$0.0052	\$0.0010	\$0.0574
Unmetered Scattered Load	\$0.0035	\$0.0044	\$0.0052	\$0.0010	\$0.0574
Sentinel Lighting	\$1.2331	\$1.1980	\$0.0052	\$0.0010	\$0.0574
Street Lighting	\$1.2331	\$1.1980	\$0.0052	\$0.0010	\$0.0574
Embedded Distributor	\$2.3200	\$2.2000	\$0.0052	\$0.0010	\$0.0574

Revenues 2008

	Network Service	Conncection Service	Wholesale Market	Rural Rate Protection	Commodity
RESIDENTIAL					
Regular	\$468,333.84	\$579,255.01	\$640,877.88	\$123,245.75	\$7,074,305.84
GENERAL SERVICE					
Less than 50 kW	\$142,939.54	\$179,695.43	\$212,367.32	\$40,839.87	\$2,344,208.52
Greater than 50 to 999 kW	\$586,482.72	\$569,806.88	\$458,190.01	\$88,113.46	\$5,057,712.78
Greater than 1,000 to 2,999 kW	\$235,134.98	\$226,186.23	\$361,555.32	\$69,529.87	\$3,991,014.48
Greater than 3,000 to 4,999 kW	\$153,013.31	\$148,987.97	\$154,048.27	\$29,624.67	\$1,700,455.94
Large Use	\$318,383.30	\$318,383.30	\$439,949.46	\$84,605.67	\$4,856,365.17
Unmetered Scattered Load	\$2,121.95	\$2,667.59	\$3,152.61	\$606.27	\$34,799.96
Sentinel Lighting	\$1,148.02	\$1,115.34	\$1,239.53	\$238.37	\$13,682.55
Street Lighting	\$11,630.60	\$11,299.54	\$16,200.56	\$3,115.49	\$178,829.24
Embedded Distributor	\$231,468.72	\$219,496.20	\$107,855.81	\$20,741.50	\$1,190,562.21
	\$2,150,656.97	\$2,256,893.48	\$2,395,436.77	\$460,660.92	\$26,441,936.70

OPERATING, MAINTENANCE & ADMINISTRATIVE (“OM&A”) EXPENSES

Board Findings

The Board considers the evidence provided in this application to be insufficient in some areas and not persuasive in others, and therefore will not establish rates that would allow for a recovery of the full revenue requirement argued for by Erie Thames. While the Board notes that OM&A costs have not demonstrated increases in the 2006 to 2007 period that are significantly out of line with inflation, the Board finds that Erie Thames has not provided any justification for certain key cost drivers. The Board disagrees with Erie Thames’ treatment of certain corporate cost allocations and with some of the assertions made by Erie Thames pertaining to ratepayer benefits associated with those costs.

In March of 2007 the Board established and communicated to the electrical distribution sector that it would use financial attributes as one group of criteria among other criteria in considering the year in which individual electricity distributors would be rebased. One of the financial criteria specifically considered distributor’s cost levels to identify those with high costs in relation to other distributors. Beginning in November 2006, the Board published on its website multi-year OM&A cost comparison data starting with 2002 to 2005 data. Board staff have provided two updates since then to incorporate an additional year of data for each of 2006 and 2007.

The Board notes that Erie Thames is a high cost distributor in terms of total OM&A per customer when measured against its peers. The Board does not draw any specific conclusions on the appropriateness of Erie Thames’ costs based on its ranking. However, the Board is of the view that Erie Thames ought to have been driven by its ranking to provide a level of detail in the justification of its proposed costs which is commensurate with its relatively high costs per customer profile.

Erie Thames characterizes many of the costs that have been incurred and which were originally presented to substantiate its claimed revenue requirement in previous rate applications as “Board Approved”. It is important to note that it is generally the case that the Board does not approve specific costs or spending. The Board sets rates that are just and reasonable based on a spending plan that underpins a revenue sufficiency or deficiency. The Board does not necessarily or typically either approve activities nor disallow activities when it sets rates. In this decision the Board has determined that certain identified costs cannot justifiably be considered in the calculation of Erie Thames’ revenue requirement. This disallowance of costs is not a disallowance of the activity. It simply means that the costs associated with the activity are not to be borne by the ratepayer.

The paucity of Erie Thames’ pre-filed evidence gave rise to two full rounds of interrogatory and response procedures. While these two procedures illuminated many salient issues there was still an element of discovery that carried over to the applicant’s reply submission. Irrespective of the fact that parties had requested the provision of further information, information that comes to the Board for the first time in a reply submission when it can no longer be tested by the intervenors is of very limited value to the Board.

Erie Thames has provided details on the mechanics of a Master Service Agreement (“MSA”) in support of the reasonableness of costs that are covered by that agreement. In particular, Erie

Thames points to the feature of the agreement that lowers the unit costs per customer by 2% per annum as a mechanism that protects ratepayers from inflation and drives efficiency.

The Board is not persuaded that this feature of the MSA has gained the results that are being purported by Erie Thames. The record is clear that the MSA has the effect of having overall costs rise on a unitized basis in direct relation to increases in customers on a per customer basis. It is not clear to the Board how a negative impact of eliminating any economies of scale that are normally associated with increases in customer bases can be avoided with this feature in place. Additionally, there is no evidence on the record that the initial base costs of 1999 that established the starting point of the agreement were prudently incurred.

To reiterate the Board's observation and concern noted above, Erie Thames has not provided any evidence to substantiate the reasonableness of its relatively high O&M cost per customer. In the absence of such evidence the Board cannot accept Erie Thames' submission that the MSA is effectively driving efficiencies.

Erie Thames Director's Costs Increase

The Board notes that the director's cost increases of \$35,512 result from the addition of four new independent directors to the Erie Thames Board of Directors. Erie Thames submitted that the addition of the independent directors was ...“as a result of the Affiliate Relationships Code for Electricity Distributors and Transmitters (the “ARC”) requirements imposed by the OEB on all distributors and their affiliates”. Erie Thames argued that these costs are reasonable because they were incurred to comply with the express requirements of the regulator. ARC requires that one third of the Board of Directors of the distribution company must be independent; that is, not drawn from an affiliated entity.

The Board accepts the premise that costs incurred to comply with regulatory requirements would typically be seen to be reasonable. However in this case, the addition of four directors was not the only option available to achieve compliance with the ARC. The record indicates that the current Erie Thames Board is made up of eleven directors; the seven that existed prior to 2006, plus the four additional independent directors. The question that arises is; if a compliment of seven directors was deemed by the shareholder to be adequate to oversee the regulated operations of an LDC with roughly 14,000 customers, how is a compliment of eleven now justified? The requirement to have one third of the distribution company Board comprised of independent directors by 2006 has been known since 2001 when the ARC provision for municipal utilities was announced. The Board should have been re-configured between 2001 and 2006, through the replacement of non-independent directors with independent directors. Were this to have been done, the additional costs, sought in this application would have been avoided. In addition, a utility of this size does not require such a large Board.

Where it is the shareholder's interest that results in having the regulated entity's Board containing representatives of the various shareholding affiliated entities, the shareholders ought to bear the additional costs occasioned by that configuration. In this case there is no justification on the record for the size of the Board adopted by Erie Thames. Therefore the Board does not agree that the directors cost increases claimed have been justified and denies the inclusion of the extra \$35,512 from the revenue requirement for 2008.

ETPC Director's Costs

In its responses to interrogatories from Energy Probe, Erie Thames disclosed that the corporate costs of its parent company ETPC were allocated based on revenues of the various affiliates. The projected 2008 allocation of ETPC's costs to Erie Thames is \$104,438 and is included in Erie Thames' applied for revenue requirement.

Energy Probe argued that it is not appropriate for ratepayers to bear the costs of the parent company's Board of Directors in addition to the Board of Directors costs for Erie Thames. Erie Thames did not reply to this aspect of Energy Probe's argument.

The Board agrees with Energy Probe.

The costs of the parent company are shareholder costs to the account of its shareholders and are to be paid for with parent company revenues. In appropriate circumstances, the parent company can receive dividends from the distribution company funded out of its Return on Equity. To expense these costs out of the operating revenues of Erie Thames would be contrary to regulatory principle and inappropriate.

The Board therefore disallows the ETPC's Board of Directors cost of \$104,438 from the applied for revenue requirement.

Increase in Executive Costs

The Board notes both Energy Probe's and VECC's concerns regarding the substantial increases in charges from its parent, ETPC. These increases are driven, to a large degree, by increases in executive services. There was an addition of three positions at the executive level in 2007 driving an approximate \$200,000 increase. Erie Thames pointed out that there is an offsetting amount of savings due to the cessation of outsourcing for services now being provided by the executives. Energy Probe submitted that the reduction in outsourcing costs is \$102,000, leaving a net increase of approximately \$95,000. Energy Probe submitted that Erie Thames had failed to provide sufficient evidence to support the need to pay more for these positions through an affiliate than it had paid to others as outside services. In reply, Erie Thames argued that the addition of permanent executive staff provides ETPC and Erie Thames with more comprehensive in-house resources and also ensures that institutional knowledge is maintained within the ETPC family of companies.

There are two elements of the executive costs issue.

It is not clear from the record as to how the executive costs are to be allocated to Erie Thames. The evidence suggests that the amount allocated is derived through the application of two drivers. First, there appears to be a calculation of some actual time-based data. Additionally, the remainder is derived from some consideration of revenues and assets, which are being used as proxies for cost drivers. There is no evidence that provides a definitive ratio as between these two elements of the allocation arrived at.

The Board has a well established record of its expectations regarding corporate cost allocations. This subject matter was well canvassed in the Applicant's previous cost of service rate application. The Board does not consider the use of revenues or assets as appropriate proxies

for cost allocation. In the Toronto Hydro 2006 rates decision EB-2005-0421 the Board made the following finding:

3.2.10 The Board does not accept THESL's argument that relative revenue generation is an acceptable proxy for attraction of costs. The Board shares the view of most intervenors that actual time based assessment should be utilised whenever possible. There is strong precedent for this approach in the Board's gas decisions. Allocator proxies should only be used as a last resort. Given the nature of the shared service arrangements, in that they are by nature under the same corporate umbrella, processes to track effort by time should be relatively easy to implement.

- Decision with Reasons EB-2005-0421, page 17

The Board considers that reasoning to be applicable in the instant case as well. The Board expects Erie Thames to modify its cost allocation methodology to capture actual cost attraction as opposed to the current method of cost allocations based on revenues or assets. The Board will not disallow costs based on the current allocation methodology but expects that the projected costs of the next cost of service rate application will be based on the modified methodology.

The second element of the executive costs issue relates to reasonableness of the costs. As is the case in many areas of this application the adequacy of the evidence does not match the materiality of the proposed cost. Because this is an affiliate transaction that represents an increase in spending brought on by a shift in the use of the services of the affiliate as opposed outsourcing, there is a need for a comprehensive cost to benefit analysis of the proposal. Erie Thames' reply that ETPC and Erie Thames will have more comprehensive in-house resources and that institutional knowledge will be maintained within the ETPC family of companies is insufficient support given the nature and magnitude of the expense. The Board's focus in setting rates lies with the regulated entity and the customers it serves. The Board is not persuaded that there is any concomitant ratepayer benefit associated with the maintenance of institutional knowledge within the ETPC family of companies. The Board agrees with Energy Probe that the Applicant has not provided adequate evidence to support these additional costs and will not allow the net difference of \$95,000 to be included in the revenue requirement calculation.

Response

As directed by the Board, Erie Thames removed the amounts of \$104,438, \$35,512 and \$95,000 from the Administrative and General Expenses.

SUMMARY OF OPERATING COSTS		2008 Test Filed	2008 Test Decision	Difference
OM&A expenses				
Operation (Working Capital)		\$34,756	\$34,756	\$0
Maintenance (Working Capital)		\$1,461,897	\$1,461,897	\$0
Billing and Collections		\$1,073,487	\$1,073,487	\$0
Community Relations		\$28,879	\$28,879	\$0
Administrative and General Expenses		\$1,829,740	\$1,594,790	-\$234,950
Amortization Expenses		\$935,609	\$935,609	\$0
Cost of Power		\$32,857,823	\$33,705,585	\$847,761
Total Operating Costs		\$38,222,191	\$38,835,003	\$612,811

The filed 2008 Test data is as per updated values detailed in Energy Probe's Supplemental Interrogatory #4.

The reduction in Administrative and General Expenses will have the result of reducing the working capital allowance by \$35,243 ($0.15 * 234,950$).

As noted previously the results of the Board's Findings increase the COP by the amount of \$847,761, which is also an increase to the working capital allowance of \$127,164.

The Board's Findings do not alter the remainder of the operating costs. Therefore, the net result is an increase in the total operating costs of \$612,811, which translates to an increase in working capital of \$91,922.

PAYMENTS IN LIEU OF TAXES (PILS”)

Board Findings

The Board directs Erie Thames to incorporate all known income and capital tax changes into its PILs calculations for 2008. This approach, which has been followed in numerous other applications for 2008 rates, incorporates the most current tax levels which are substantially enacted.

In calculating the PILs provision, the Board directs Erie Thames to reflect in its Draft Rate Order the applicable income tax rate for the company based on the new maximum federal income tax rate (reduced to 19.5%, yielding a combined maximum federal and Ontario income tax rate for 2008 of 33.5%), the change in the Ontario capital tax exemption amount to \$15 million from \$12.5 million, the capital tax rate of 0.225%, and the new CCA class rates.

Interest expense additions and deductions should not be included in the PILs tax calculations, since this does not comply with the Board's method.

Response

Erie Thames has incorporated the applicable tax rates into the submission. The updated calculation for CCA is detailed in Schedule A attached to this Draft Rate Order. The change in regulatory net income is the result of changes to rate base due to updated working capital calculations, change in the interest rate on shareholder debt from 7.25% to 6.10%, and the change in equity return rate from 8.68% to 8.57%. Interest expense additions and deductions have been excluded from the PILS tax calculations as per the decision above that it does not comply with the Board's method. The tax rate was updated to reflect the change in the federal income tax rate to 19.5% yielding a combined federal and provincial tax rate of 20.06%. Ontario Capital tax was calculated using the \$15,000,000 exemption amount and the updated tax rate of 0.225%, the grossed up calculation is based on the income tax portion only and excludes the Ontario Capital tax. The following chart details the changes made in the calculation of Erie Thames' PILS resulting from the Board's Findings. The net result is a reduction of the grossed up PILS amount of \$52,362.

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	2008 Test Applied	2008 Test Decision	Difference
<u>Determination of Taxable Income</u>			
Regulatory Net Income (before tax)	\$897,742	\$889,786	-\$7,956 Change in Return on Capital
Book to Tax Adjustments			
Additions to Accounting Income:			
Depreciation and amortization	\$935,609	\$935,609	\$0
Meals & entertainment / Mileage			
Other Additions	\$792,352		-\$792,352 Exclusion of Addition of Regulated Interest Expense
Total Additions	\$1,727,961	\$935,609	-\$792,352
Deductions from Accounting Income:			
Capital Cost Allowance	\$826,372	\$911,843	\$85,471 Change in CCA
Cumulative eligible capital deductions	\$26,590	\$26,590	\$0
Gain on Disposal	\$58,199	\$58,199	\$0
Other Deductions	\$732,617		-\$732,617 Exclusion of deduction of actual interest Expense
Total Deductions	\$1,643,778	\$996,632	-\$647,146
Regulatory Taxable Income	\$981,925	\$828,763	-\$153,162
Corporate Income Tax Rate	28.77%	19.50%	-9.27% Change in Tax Rates
Ontario Income Tax Rate		14.00%	14.00% Change in Tax Rates
Provincial Small Business Rate		5.50%	5.50% Change in Tax Rates
Provincial Tax Clawback Rate		4.25%	4.25% Change in Tax Rates
Federal Tax		\$161,609	
Provincial Tax		\$116,027	
Provincial Small Business 1st \$500,000		-\$42,500	
Provincial Tax Clawback		\$13,972	
Regulatory Income Tax	\$282,461	\$249,108	-\$33,352
<u>Calculation of Utility Income Taxes</u>			
		\$7,388,786	Fixed Asset Less Exemption
Income Taxes (Line 23)	\$282,461	\$249,108	-\$33,352
Ontario Capital Tax	\$20,391	\$16,625	-\$3,766 Change in Tax Rates to 0.225%
Large Corporation Tax (Line 14, page 2)			\$0
Total Taxes	\$302,852	\$265,733	-\$37,119
Taxes Grossed up for Rate Purposes	\$425,150	\$372,788	-\$52,362
<u>Tax Rates</u>			
Federal Tax	20.50%	19.50%	
Federal Surtax	0.00%	0.00%	
Provincial Tax	5.50%	10.56%	
Total Tax Rate	26.00%	30.06%	

RATE BASE AND CAPITAL EXPENDITURES

Board Findings

The working capital allowance proposed by the Applicant represents more than 25% of the total rate base forecast. This forecast has been calculated by the Applicant using the 15% factor applied to controllable expenses and power supply expenses. Of these two, the power supply expenses alone account for nearly 88% of the working capital allowance claim. Reductions in the OM&A expenses will have the effect of reducing the working capital allowance amount.

In addition, the Board notes that Erie Thames has used a \$57 per megawatt hour forecast in calculating its cost of power component. The most recent forecast cost of power was set by the Board on October 15, 2008, at \$60.30 per megawatt hour. It was previously set by the Board in April 2008, at \$54.50 per megawatt hour. For the purposes of this application the Board will use the average of these two forecasts, which is \$57.40 per megawatt hour. The working capital allowance shall therefore be recalculated to reflect a \$57.40 per megawatt hour cost of power.

Another component of the power supply portion of the working capital allowance calculation relates to the costs incurred by the Company with respect to network and connection transmission services provided by HONI. In its Decision in October 2007, the Board reduced transmission rates by an average of 12%. As an embedded distributor, these reductions will be reflected in charges imposed by HONI arising from its current distribution rate application (EB-2007-0681).

While that application has not been decided at the time of writing this decision, the Board requires the Company to reflect HONI's proposal for its new distribution rates in its forecast. The Company is directed to capture in a variance account any differences between the applied-for rate, and the rate that is ultimately approved by the Board in HONI's distribution rates case.

In its submissions, Energy Probe argued that customer deposits should be applied so as to reduce the amount of working capital allowance. The Board does not agree that it is appropriate to follow this approach. In the Board's view, the customer deposits represent a discrete category of funds which ought not to be intermingled with the Company's working capital.

In accordance with other findings and directions from the Board elsewhere in this Decision, Erie Thames shall recalculate its working capital allowance to also reflect any changes in the approved operating expenses.

Working Capital Allowance Response

Erie Thames has recalculated the working capital allowance to reflect a \$57.40/MW megawatt hour cost of power as directed by the Board. This will result in an increase in the working capital allowance as a result of the increase from \$57/MW. Also contributing to the increase in working capital allowance are the additional customers and throughput that result from the revised customer forecast accepted by the Board.

As directed by the Board, Erie Thames has incorporated the disallowance of certain expenses into the working capital allowance. The table below summarizes the changes to the working capital allowance and the increase of \$88,509 in working capital allowance.

	Amount of Change
Cost of Power	\$127,164
Disallowed Expenses	(\$35,243)
Net Change	\$91,922

A complete listing of the working capital allowance by account showing the applied for amounts and the amounts resulting from the decision is provided in Schedule B to this Draft Order.

Rate Base

Board Findings

The Board made no express findings in respect of the Rate Base.

Response

The changes made to the customer numbers and reflected in the updated consumption data has in turn resulted in changes to Erie Thames' working capital calculations which is summarized above and detailed in Schedule B. While the Board made no express findings with respect to Rate Base, the working capital change also factors in to the calculation of Erie Thames' rate base. The adjustments made to rate base are detailed here below in chart form with the differences as a result of the decision. Also there were corrections that were required to both the average gross asset values and average accumulated depreciation values that ETPL agreed to in Energy Probe supplemental interrogatory # 10 which resulted in no change to the rate base.

RATE BASE SUMMARY	2008 Test Filed	2008 Test Decision	Variance from 2008 Bridge	
	(\$'s)	(\$'s)	(\$'s)	
<u>Gross Asset</u>				
Asset Values at Cost	\$22,388,786	\$21,923,880	-\$464,906	Agreed Correction EP Supplemental #10
<u>Accumulated Depreciation</u>				
Depreciation	-\$5,831,190	-\$5,366,284	\$464,906	Agreed Correction EP Supplemental #10
Net Fixed Asset	\$16,557,596	\$16,557,596	\$0	
<u>Allowance for Working Capital</u>	\$5,597,256	\$5,689,178	\$91,922	Changes from both decrease in OM&A and increase to Customer Forecast
Utility Rate Base	\$22,154,852	\$22,246,774	\$91,922	

Capital Expenditures

Board Findings

The Board finds that the capital expenditure budget proposed for 2008 appears to be in line with historic trends and approves it for inclusion in the calculation of 2008 rates.

The Board finds that the capital expenditure budget proposed for 2008 appears to be in line with historic trends and approves it for inclusion in the calculation of 2008 rates. However, there are weaknesses in the evidence and the Board finds it necessary to deal with these weaknesses here.

Reporting of Net Expenditures

Erie Thames' response to Board staff's interrogatory that explained that the decrease in 2007 capital expenditures was due to the timing for the collection of contributed capital from developers, exposes a transparency issue that affects the discovery process. The smoothing of capital spending is desirable so as to avoid rate shock and it is also indicative of good long term planning.

Capital expenditure reporting that nets out capital contributions without any indication of either the nature of or the quantum of the contributions, causes the Board and intervenors to embark on a more searching and intense analysis and investigation of the financial reports in the application than would otherwise be required.

In the future the Board expects Erie Thames to anticipate the concerns and areas of interest of the Board and the intervenors and to provide its evidence in the most helpful manner possible.

Load Transfers

While the levels of spending associated with Erie Thames' load transfer projects do not represent a significant amount in the context of its application, some very basic information would have been helpful to the Board. In its reply submission, Erie Thames introduced information regarding its work with Hydro One and how the two entities were dealing with load transfers in a manner that was most beneficial to the customer. The Board would have been assisted if Erie Thames had supplied the comparative analysis that resulted in the decision as to which of the two respective service providers would be positioned as the physical distributor post transfer agreement.

Project Justification

The Board notes that Erie Thames' Fixed Asset and Acquisition Policy contains language at section 5.02 that indicates that a business case is required to justify asset purchases above \$50,000 and that financial justification is not required for purchases required for health and safety reasons.

While the Board accepts that the need for health and safety related acquisitions are not necessarily established on a financial analysis basis, the Board does not consider that principle to apply to the replacement of Erie Thames asset base as a whole.

Erie Thames' application contains 3 capital projects in the materiality analysis section that cite health and safety concerns as justification for projects that are essentially life cycle replacement of assets projects. The applicant has not provided any reliability or financial reasoning in support of the projects. The Board expects asset life cycle replacement programs to be justified on a multi-faceted basis that includes reliability, costs and perhaps demonstrable safety concerns. The cataloguing of projects as being driven by safety concerns does not absolve the applicant of the need to supply sufficient supporting rationale for the projects.

Again, the Board accepts the proposed capital spending level in the revenue requirement calculation primarily on the basis that it appears to be in line with the established historic trend but this acceptance should not be construed as the Board accepting the supporting documentation as sufficient, per se.

Asset Management

Board Findings

The record in this area, like many others, expanded as the proceeding moved forward and was still expanding in Erie Thames' reply argument. The Board commented earlier in this Decision on the usefulness of new information coming to light in reply argument.

The Board finds that the record is insufficient to make a determination on the effectiveness of Erie Thames' processes related to asset management and condition assessment. The Board has no reason to believe that it is ineffective, but the objective of this proceeding is to have the Board arrive at definite conclusions; not merely to determine there is no evidence of ill effects to ratepayers.

The Asset Investment Strategy (AIS) Process flow chart provided by Erie Thames may be an adequate internal process management tool but it does not inform the outside observer of any of the decision point criteria that would be used by the process practitioner. Key determinative process points such as "Is need valid" and "Is value created or risk mitigated" only inform as to what is being decided, not how.

The Board will not order the production of a comprehensive plan as argued for by VECC, but does expect Erie Thames to materially improve on the manner in which it demonstrates how it manages its physical assets. The value Erie Thames places on the monitoring information it gathers and how that information translates into action must be shown to be taking place, with real examples involving real assets. It is insufficient to file as evidence abstract flow charts and blank form templates.

Service Reliability

Board Findings

The Board accepts Erie Thames' submissions on its service reliability. The Board has committed to work with the electrical distribution sector toward the establishment of codified service reliability standards. One of the identified barriers to codifying service reliability standards at this time is the disparate recording methodologies that are in place across the sector. In an effort to prepare for the evolution to codified standards the Board encourages Erie Thames to review its recording processes to ensure the data is captured in sufficient granularity to allow cause and effect analysis. It is important that the codification of these standards results in distributors being accountable for just those areas within the management's control to affect change.

Response

Erie Thames acknowledges the Board's Findings and will incorporate such into future filings. As approved by the Board, Erie Thames' capital expenditures have remained the same as provided in the Application.

COST OF CAPITAL

Board Findings

At the outset, the Board wishes to express its concern with apparently inconsistent Interrogatory responses with respect to this issue. In its original application, Erie Thames proposed a 7.25% long-term debt rate, which was the subject of interrogatories posed by Board staff and intervenors. It appears that, in response to Energy Probe Interrogatory No. 19, Erie Thames revealed new third-party debt held by a bank at 5.54%. VECC picked this up in its submission, but Board staff and Energy Probe missed this change because Erie Thames' responses to other interrogatories on Cost of Capital referenced only the 7.25% debt. In fact, in response to Board staff No. 30 (c), Erie Thames stated that it currently had no third-party debt. Erie Thames provided a table in its reply submission (Table 1, page 6) which noted both the existing municipal debt and the "new" third-party debt.

This new third-party debt carries an interest rate of 5.54%, substantially lower than the shareholder debt, which is currently at 7.25%.

The fact that this material amendment surfaced through the discovery process and was not documented consistently has resulted in staff and intervenors being confused by what is Erie Thames' debt situation and what is being proposed for its 2008 rate-setting. Inconsistencies of this nature are unproductive in this process, and the utility must ensure that in future, materials filed with the Board, or as part of proceedings before it, are generously disclosive and, above all, accurate.

As to the appropriate rate to be applied to the debt held by the shareholder, the Board is convinced that the interest rate applying to this debt instrument should be 6.1%, consistent with the Board's deemed long term rate.

It is clear that this debt meets all of the criteria outlined in Section 2.2.1 of the Board Report. This section of the Report is designed to ensure that interest costs for variable rate debt is deemed at a rate that is reasonable, and not subject to strategic adjustments according to the circumstances of the parties, especially where the interest rate applied is high. Interest costs form part of the revenue requirement upon which rates are determined, and it is important that ratepayers are protected from debt arrangements which impose unreasonable costs being recovered in rates. Erie Thames' submission that the municipal debt is not affiliate debt since each municipal shareholder has a 1/7 voting share on ETPC's Board of Directors is not a determinative factor of this finding. The finding is based on what can be considered a reasonable rate irrespective of the legal relationship of the parties.

The shareholder debt instrument is subject to rate renegotiation as to the applicable rate at the instance of the debt holder, and has no fixed rate for a fixed term. In the Board's view, this qualifies this instrument as a variable rate loan, subject to the deeming provision of the Report. The Board accepts the rate of 5.54% for the new third-party debt. The Board has determined a cost of long-term debt of 5.92% as the weighted average of the \$8,038,524 shareholder debt at 6.10% and \$3,781,598 third-party debt at 5.54%.

The table below sets out the Board's updated costs for the various components of the capital structure, which reflects the Board's recently published cost of capital parameters. Erie Thames' weighted average cost of capital for 2008 is 7.10%.

Erie Thames

Board-approved 2008 Capital Structure and Cost of Capital

Capital Component	% of Total Capital Structure	Cost (%)
Short-Term Debt	4.0	4.47%
Long-Term Debt	49.3	5.92%
Equity	46.7	8.57%
Preference Shares	-	
Total	100.0	7.10%

Response

Erie Thames' application incorporates the Board's Findings.

In its original application Erie Thames pointed out in Exhibit 6, Tab 1, Schedule 2, Page 1 that Erie Thames' debt equity split did not match the deemed debt equity structure. At that time Erie Thames was in the process of investigating options for adjusting its Debt Equity split. Also in the initial application in Exhibit 6, Tab 1, Schedule 4, Page 3 Erie Thames listed its calculation used for its Weighted Average Cost of Capital and the cost of debt portion was 53.33% with an effective debt rate of 7.06% (not 7.25%).

Erie Thames concedes that the information in its original Application was not explicit in disclosing the debt calculations used to arrive at its Return on Capital. However in its response to Energy Probe Interrogatory #19 Erie Thames detailed how the debt and return on capital calculations were calculated for the deemed structure. With respect to Board Staff interrogatory #30(c) Erie Thames merely confirmed that it currently had no third party debt and reiterated that third party debt would be obtained to mirror the deemed debt structure.

The Long-Term Debt rate is a combination of the related party debt of \$8,038,524 at the Board deemed rate of 6.10% and the new third party long-term debt of \$3,781,598 at 5.54%. The table below outlines the changes made from the Application from the Board's Findings, including the change in Rate Base noted above in the rate base decision.

	Outstanding Debt	Rate	Service Costs	Effective Debt Rate
Notes Payable to Shareholder	\$8,038,524	6.10%	\$490,350	
Bank Loan (to move to proposed debt equity split)	\$3,781,598	5.54%	\$209,561	
	\$11,820,122		\$699,911	5.92%

	Applied For		Decision		Difference
	Deemed	Percentages	Deemed	Percentages	
Rate Base	\$22,154,852		\$22,246,774		\$91,922
Equity Portion	\$10,339,669	46.67%	\$10,382,569	46.67%	\$42,900
Debt Portion Long Term	\$10,928,988	49.33%	\$10,974,333	49.33%	\$45,345
Debt Portion Short Term	\$886,194	4.00%	\$889,871	4.00%	\$3,677
Equity Return	\$897,483	8.68%	\$889,786	8.57%	-\$7,697
Debt Return Long Term	\$732,617	6.70%	\$649,829	5.92%	-\$82,789
Debt Return Short Term	\$42,271	4.77%	\$39,777	4.47%	-\$2,494
Return on Capital	\$1,672,372		\$1,579,392		-\$92,980

Erie Thames used the deemed debt and equity percentages and rates as directed by the Board. As result of the change in rate base of \$91,922 the amounts for debt and equity were also amended.

The Return on Equity is amended from 8.68% to 8.57% based upon the update of the formulae to determine Return on Equity. The sum of the changes in rates for both debt and equity returns on the updated rate base is a decrease in return on capital of \$92,980.

Smart Meters

Erie Thames is not one of the 13 distributors currently authorized by the Government to undertake smart meter activities and is not named in the combined smart meter proceeding, EB-2007-0063. Erie Thames does not intend to install smart meters until authorized to do so. In response to an interrogatory from VECC, Erie Thames amended its Application to include a proposal to retain the existing approved smart meter rate adder of \$0.26 per month per metered customer, and has stated that no costs associated with smart meters are included in its Application.

In its reply submission, Erie Thames stated that \$30,000 in metering costs for 2008 is for replacing customers' meters with interval meters where the customer has had a load increase to a point that would necessitate reclassification and installation of an interval meter. Such meter changes are not part of a smart meter project. Erie Thames stated that it is replacing conventional meters with conventional meters.

No party opposed Erie Thames' proposal to continue with the existing smart meter rate adder.

Board Findings

The Board approves the continuation of the smart meter rate adder of \$0.26 per month per metered customer.

Response

Erie Thames has incorporated the \$0.26 per metered customer and is detailed in the following table as a breakdown of the fixed charge into the two components of distribution and smart meter charges.

Rate Summary

Rate Class	Fixed Charge		2008
	Distribution	Smart Meters	Total
RESIDENTIAL	\$ 14.13	\$ 0.26	\$ 14.39
Less than 50 kW	\$ 18.87	\$ 0.26	\$ 19.13
Greater than 50 to 999 kW	\$ 205.23	\$ 0.26	\$ 205.49
Greater than 1,000 to 2,999 kW	\$ 2,376.07	\$ 0.26	\$ 2,376.33
Greater than 3,000 to 4,999 kW	\$ 1,399.30	\$ 0.26	\$ 1,399.56
Large Use	\$ 9,704.50	\$ 0.26	\$ 9,704.76
Unmetered Scattered Load	\$ 2.73	\$ -	\$ 2.73
Sentinel Lighting	\$ 5.08	\$ -	\$ 5.08
Street Lighting	\$ 3.70	\$ -	\$ 3.70
Embedded Distributor	\$ 2,211.06	\$ -	\$ 2,211.06

COST ALLOCATION AND RATE DESIGN

Low Voltage Costs

Erie Thames projected a cost of LV Charges from the host distributor HONI of \$516,713, and a set of Low Voltage rate adders that are reproduced in Table 4 of Erie Thames' reply submission. Erie Thames confirmed that the adders were calculated in proportion to the Retail Transmission Revenues from each class, and are intended to be added to the volumetric rates.

Board staff submitted that the calculation had been made using the existing LV rates, and that a better projection of cost would be based on the Sub-Transmission rates in the HONI application (EB-2007-0681) that is before the Board at the present time. There were no other submissions. Erie Thames re-calculated the cost in its reply submission at Table 6, together with an explanation of lower and higher charges and certain charges that will be applied for the first time. The updated cost projection is \$576,651.

Board Findings

The Board is satisfied that the re-calculation of this cost reflected in the Applicant's Reply Submission is appropriate, and directs the Applicant to recalculate the Low Voltage rate adders for inclusion in the volumetric rates accordingly.

Response

The table below provides the detailed calculation of the LV Charges, the consumption is the same as the updated values calculated using the increased customer numbers as per the decision.

Low Voltage Revenue		\$ 576,650.56			
		Low Voltage	Consumption	Rate	
Percentage of RTR Revenues					
RESIDENTIAL	25.67%	\$ 148,003.32	123,245,746	\$	0.0012
Less than 50 kW	7.96%	\$ 45,913.32	40,839,870	\$	0.0011
Greater than 50 to 999 kW	25.25%	\$ 145,589.26	367,309	\$	0.3964
Greater than 1,000 to 2,999 kW	10.02%	\$ 57,792.01	135,587	\$	0.4262
Greater than 3,000 to 4,999 kW	6.60%	\$ 38,067.37	83,687	\$	0.4549
Large Use	14.11%	\$ 81,348.95	165,609	\$	0.4912
Unmetered Scattered Load	0.12%	\$ 681.59	606,271	\$	0.0011
Sentinel Lighting	0.05%	\$ 284.98	931	\$	0.3061
Street Lighting	0.50%	\$ 2,887.10	9,432	\$	0.3061
Embedded Distributor	9.73%	\$ 56,082.67	99,771	\$	0.5621
Total	100.00%	\$ 576,650.56			

The allocation of the low voltage revenue to the rate classes is based on each class's share of Erie Thames' retail transmission revenue. The calculation of these percentages is detailed in the following table.

	Retail Transmission Revenue (Connection Service)	Transmission Revenue Percent
RESIDENTIAL	\$579,255	25.67%
Less than 50 kW	\$179,695	7.96%
Greater than 50 to 999 kW	\$569,807	25.25%
Greater than 1,000 to 2,999 kW	\$226,186	10.02%
Greater than 3,000 to 4,999 kW	\$148,988	6.60%
Large Use	\$318,383	14.11%
Unmetered Scattered Load	\$2,668	0.12%
Sentinel Lighting	\$1,115	0.05%
Street Lighting	\$11,300	0.50%
Embedded Distributor	\$219,496	9.73%
	\$2,256,893	100%

Customer Classification

Erie Thames has requested approval of a new class for embedded distributors. This would replace the current practice which has been to bill the embedded distributor on General Service Rates.

Board Findings

The Board approves the Applicant's proposal.

Response

Erie Thames has included the new Embedded Distributor rate which has 2 customers and was included in its application.

Revenue to Cost Ratios

Board Findings

This aspect of the application has understandably been heavily influenced by the Board's report on cost allocation, Application of Cost Allocation for Electricity Distributors, Report of the Board, EB-2007-0667, dated November 30, 2007. The has adopted a practice in virtually all of the rebasing applications for 2008 rates where utilities have been obliged to move revenue-to-cost ratios to points within the ranges depicted above, wherever practicable, and closer to the range in circumstances where achieving the range would result in what is considered to be an unreasonable rate impact.

An important element in the Board Report on cost allocation was its express reservation about the quality of the data underpinning cost allocation work to date. The report frankly indicated that the Board did not consider all of the data underpinning the report to be so reliable as to

justify the application of the report's findings directly into rate cases. For this reason, among others, the Board established the ranges depicted above.

The Board notes that all of the applicant's proposed revenue to cost ratios fall within the range as provided in the Board report, in fact most are proposed at the 101% level. The Applicant's Informational Filing, noting the existing ratios, showed a number of rate classes that were falling outside of the Policy Range. The Applicant is proposing a rate rebalancing to bring all classes to within the Board established ranges. Street lighting is proposed to be moved to the lower end of the Policy Range. The Board approves the Applicant's proposal.

Response

As per the Board's Decision, Erie Thames will use the proposed revenue to cost ratios. All revenue to cost ratios are 1.01 to 1 except for the streetlighting customer class for which the ratio is 0.7 to 1.

A table summarizing the revenue cost ratios is provided below.

Customer Class	RC Ratio Targets	Erie Thames RC %'s	Revenue Allocation
Residential	80%-120%	101%	56.72%
GS<50kW	80%-120%	101%	10.68%
GS 50-999kW	80%-180%	101%	12.45%
GS 1000-2999	80%-180%	101%	8.17%
GS 3000-4999kW	80%-180%	101%	1.19%
Large Use >5MW	80%-180%	101%	4.17%
Street Light	70%-120%	70%	3.54%
Sentinel Light	70%-120%	101%	0.44%
Unmetered Load	80%-120%	101%	0.16%
Embedded Distributor	80%-180%	101%	2.48%

Rate Design

Board Findings

As is noted above, the Applicant's proposal is consistent with Board policy. However, there are some abiding concerns that the methodology used to arrive at these values may not be as transparent or replicable as might be desired. Accordingly, the Board directs the Applicant to provide a detailed calculation of the monthly charges which reflects the Board findings in this case, including how the Monthly Service Charge incorporates the Smart Meter adder, and how the volumetric rates incorporate the Low Voltage adder. This detailed calculation should be provided coincident with the Applicant's Draft Rate Order.

Response

Erie Thames has provided a detailed calculation of the monthly charges in the table below. The calculation of Distribution Revenue Requirement is detailed in the following table with a resulting value of \$6,578,355 which is a reduction from the applied for amount of \$380,292. This difference is comprised of \$234,950 in disallowed OM&A expenses, \$92,980 in return revenue and \$52,362 in PILS revenue. Distribution Revenue requirement is allocated to rate classes utilizing the approved revenue allocation percentages detailed above. Each rate class has allocated the distribution revenue on a fixed variable split basis consistent with the Application's fixed charges.

The addition of the Ethanol Plant in the GS>3000 rate class created a scenario in which the fixed charges applied for in the application yielded a disproportionate fixed charge. In order to mitigate this disproportionate charge, the fixed charge % applied to the other GS>1000 and Large Use classes was applied to the GS>3000 class as well and a new fixed charge was determined.

Erie Thames calculated the transformer allowance rates consistent with the application. The addition of a new customer that owned its transformation resulted in a change to the transformer allowance recovery amount and the change in the consumption related to the additional customer changed the calculation of the resulting rates. Erie Thames is recovering its transformer allowance costs only from those rate classes that this cost is applicable to.

Finally a rate summary is provided detailing the total distribution rates by each component.

Calculation of Revenue Requirement

	2008 Test Applied For	2008 Test Decision	Difference	
OM&A	\$4,457,218	\$4,222,268	-\$234,950	Change in Allowance for recovery of OM&A
Amortization	\$935,609	\$935,609	\$0	No Change to Amortization
Return	\$1,672,372	\$1,579,392	-\$92,980	Change in Debt rate from 7.25% to 6.10%
PILS	\$425,150	\$372,788	-\$52,362	Changes in Deemed Return on Capital and Tax rates
Revenue Offset	-\$531,702	-\$531,702	\$0	No Change to Revenue offsets
Distribution Revenue Requirement	\$6,958,648	\$6,578,355	-\$380,292	

Distribution Revenue Requirement

\$ 6,578,355.31

Cost allocation results Utilized

RESIDENTIAL	56.72%	\$ 3,731,243.13
Less than 50 kW	10.68%	\$ 702,568.35
Greater than 50 to 999 kW	12.45%	\$ 819,005.24
Greater than 1,000 to 2,999 kW	8.17%	\$ 537,451.63
Greater than 3,000 to 4,999 kW	1.19%	\$ 78,282.43
Large Use	4.17%	\$ 274,317.42
Unmetered Scattered Load	0.16%	\$ 10,525.37
Sentinel Lighting	0.44%	\$ 28,944.76
Street Lighting	3.54%	\$ 232,873.78
Embedded Distributor	2.48%	\$ 163,143.21
Total	100.00%	\$ 6,578,355.31

	Fixed Charge Determination			
	Fixed %	Revenue	Customers	Rate
RESIDENTIAL	56.6%	\$ 2,112,256.74	12,458	\$ 14.13
Less than 50 kW	45.2%	\$ 317,242.44	1,401	\$ 18.87
Greater than 50 to 999 kW	43.3%	\$ 354,637.44	144	\$ 205.23
Greater than 1,000 to 2,999 kW	42.4%	\$ 228,102.72	8	\$ 2,376.07
Greater than 3,000 to 4,999 kW	42.9%	\$ 33,583.16	2	\$ 1,399.30
Large Use	42.5%	\$ 116,454.00	1	\$ 9,704.50
Unmetered Scattered Load	29.6%	\$ 3,112.20	95	\$ 2.73
Sentinel Lighting	53.9%	\$ 15,605.76	256	\$ 5.08
Street Lighting	56.4%	\$ 131,246.40	2,956	\$ 3.70
Embedded Distributor	32.5%	\$ 53,065.44	2	\$ 2,211.06
Total		\$ 3,365,306.30	17,323	

	Variable Charge Determination			
	Variable %	Revenue	Consumption	Rate
RESIDENTIAL	43.4%	\$ 1,618,986.40	123,245,746	\$ 0.0131
Less than 50 kW	54.8%	\$ 385,325.91	40,839,870	\$ 0.0094
Greater than 50 to 999 kW	56.7%	\$ 464,367.80	367,309	\$ 1.2642
Greater than 1,000 to 2,999 kW	57.6%	\$ 309,348.91	135,587	\$ 2.2816
Greater than 3,000 to 4,999 kW	57.1%	\$ 44,699.27	83,687	\$ 0.5341
Large Use	57.5%	\$ 157,863.42	165,609	\$ 0.9532
Unmetered Scattered Load	70.4%	\$ 7,413.17	606,271	\$ 0.0122
Sentinel Lighting	46.1%	\$ 13,339.00	931	\$ 14.3276
Street Lighting	43.6%	\$ 101,627.38	9,432	\$ 10.7747
Embedded Distributor	67.5%	\$ 110,077.77	99,771	\$ 1.1033
Total		\$ 3,213,049.01		

Transformer Allowance Allocation

	Volume	Rate	Transformer Allowance Recovery	Consumption	Rate
RESIDENTIAL					
Less than 50 kW					
Greater than 50 to 999 kW	62,814	\$ 0.60	\$ 37,688.40	367,309	\$ 0.1026
Greater than 1,000 to 2,999 kW	90,333	\$ 0.60	\$ 54,199.80	135,587	\$ 0.3997
Greater than 3,000 to 4,999 kW	83,687	\$ 0.60	\$ 50,212.20	83,687	\$ 0.6000
Large Use	165,609	\$ 0.60	\$ 99,365.40	165,609	\$ 0.6000
Unmetered Scattered Load					
Sentinel Lighting					
Street Lighting					
Embedded Distributor					
Total			\$ 241,465.80		

Rate Summary

Rate Class	Fixed Charge			2008
	Distribution	Low Voltage	Smart Meters	Total
RESIDENTIAL	\$ 14.13	\$ -	\$ 0.26	\$ 14.39
Less than 50 kW	\$ 18.87	\$ -	\$ 0.26	\$ 19.13
Greater than 50 to 999 kW	\$ 205.23	\$ -	\$ 0.26	\$ 205.49
Greater than 1,000 to 2,999 kW	\$ 2,376.07	\$ -	\$ 0.26	\$ 2,376.33
Greater than 3,000 to 4,999 kW	\$ 1,399.30	\$ -	\$ 0.26	\$ 1,399.56
Large Use	\$ 9,704.50	\$ -	\$ 0.26	\$ 9,704.76
Unmetered Scattered Load	\$ 2.73	\$ -	\$ -	\$ 2.73
Sentinel Lighting	\$ 5.08	\$ -	\$ -	\$ 5.08
Street Lighting	\$ 3.70	\$ -	\$ -	\$ 3.70
Embedded Distributor	\$ 2,211.06	\$ -	\$ -	\$ 2,211.06

Rate Class	Variable Charge			2008
	Distribution	Low Voltage	Transformer Allowance	Total
RESIDENTIAL	\$ 0.0131	\$ 0.0012	\$ -	\$ 0.0143
Less than 50 kW	\$ 0.0094	\$ 0.0011	\$ -	\$ 0.0106
Greater than 50 to 999 kW	\$ 1.2642	\$ 0.3964	\$ 0.1026	\$ 1.7632
Greater than 1,000 to 2,999 kW	\$ 2.2816	\$ 0.4262	\$ 0.3997	\$ 3.1075
Greater than 3,000 to 4,999 kW	\$ 0.5341	\$ 0.4549	\$ 0.6000	\$ 1.5890
Large Use	\$ 0.9532	\$ 0.4912	\$ 0.6000	\$ 2.0444
Unmetered Scattered Load	\$ 0.0122	\$ 0.0011	\$ -	\$ 0.0134
Sentinel Lighting	\$ 14.3276	\$ 0.3061	\$ -	\$ 14.6337
Street Lighting	\$ 10.7747	\$ 0.3061	\$ -	\$ 11.0808
Embedded Distributor	\$ 1.1033	\$ 0.5621	\$ -	\$ 1.6654

The Following Table details the revenue requirement collected utilizing the rates calculated above.

Calculation of Revenue Requirement

	2008 Test Applied For	2008 Test Decision	Difference	
OM&A	\$4,457,218	\$4,222,268	-\$234,950	Change in Allowance for recovery of OM&A
Amortization	\$935,609	\$935,609	\$0	No Change to Amortization
Return	\$1,672,372	\$1,579,392	-\$92,980	Change in Debt rate from 7.25% to 6.10%
PILS	\$425,150	\$372,788	-\$52,362	Changes in Deemed Return on Capital and Tax rates
Revenue Offset	-\$531,702	-\$531,702	\$0	No Change to Revenue offsets
LV Revenue	\$516,713	\$576,651	\$59,938	Increase in LV revenue per decision
Smart Meter Revenue	\$43,655	\$43,724	\$69	Change in Customer Numbers
Transformer Allowance	\$212,666	\$241,466	\$28,800	Change driven by addition of Ethanol Plant
Revenue Requirement	\$7,731,682	\$7,440,195	-\$291,486	

The following table utilizes the rates calculated in this rate order and the customer data to reconcile the revenue requirement with the calculation of revenue requirement detailed above.

Revenue Reconciliation

	Customers (Year-End)	Consumption (kWh / KW)	Proposed Fixed Charge	Proposed Variable Charge	Distribution Revenues (\$)
RESIDENTIAL	12458	123,245,746	\$ 14.39	\$ 0.0143	\$ 3,918,115.41
Less than 50 kW	1401	40,839,870	\$ 19.13	\$ 0.0106	\$ 752,852.79
Greater than 50 to 999 kW	144	367,309	\$ 205.49	\$ 1.7632	\$ 1,002,732.18
Greater than 1,000 to 2,999 kW	8	135,587	\$ 2,376.33	\$ 3.1075	\$ 649,468.40
Greater than 3,000 to 4,999 kW	2	83,687	\$ 1,399.56	\$ 1.5890	\$ 166,568.24
Large Use	1	165,609	\$ 9,704.76	\$ 2.0444	\$ 455,034.88
Unmetered Scattered Load	95	606,271	\$ 2.73	\$ 0.0134	\$ 11,206.96
Sentinel Lighting	256	931	\$ 5.08	\$ 14.6337	\$ 29,229.74
Street Lighting	2956	9,432	\$ 3.70	\$ 11.0808	\$ 235,760.88
Embedded Distributor	2	99,771	\$ 2,211.06	\$ 1.6654	\$ 219,225.88
TOTAL	17,323				\$7,440,195.35

The above revenue reconciliation does not tie to cost allocation percentages detailed for the allocation of distribution revenue due to the use of differing methods of allocating costs for Low Voltage Revenue, Smart Meter Fixed and Transformer allowance. The Following table reconciles distribution rate revenue only to the allocation percentage utilized for cost allocation.

Revenue Reconciliation Distribution Revenue Only

	Customers	Consumption	Proposed	Proposed	Distribution	Cost
	(Year-End)	(kWh / KW)	Fixed Charge	Variable Charge	Revenues (\$)	Allocation %
RESIDENTIAL	12458	123,245,746	\$ 14.13	\$ 0.0131	\$ 3,731,243.13	56.72%
Less than 50 kW	1401	40,839,870	\$ 18.87	\$ 0.0094	\$ 702,568.35	10.68%
Greater than 50 to 999 kW	144	367,309	\$ 205.23	\$ 1.2642	\$ 819,005.24	12.45%
Greater than 1,000 to 2,999 kW	8	135,587	\$ 2,376.07	\$ 2.2816	\$ 537,451.63	8.17%
Greater than 3,000 to 4,999 kW	2	83,687	\$ 1,399.30	\$ 0.5341	\$ 78,282.43	1.19%
Large Use	1	165,609	\$ 9,704.50	\$ 0.9532	\$ 274,317.42	4.17%
Unmetered Scattered Load	95	606,271	\$ 2.73	\$ 0.0122	\$ 10,525.37	0.16%
Sentinel Lighting	256	931	\$ 5.08	\$ 14.3276	\$ 28,944.76	0.44%
Street Lighting	2956	9,432	\$ 3.70	\$ 10.7747	\$ 232,873.78	3.54%
Embedded Distributor	2	99,771	\$ 2,211.06	\$ 1.1033	\$ 163,143.21	2.48%
TOTAL	17,323				\$6,578,355.31	100.00%

(e) Line Losses

Board Findings

The Board does not accept Erie Thames' subtraction of the entire HONI distribution system loss of 3.4% to obtain the proposed composite DLF of 1.0355 because Erie Thames is only partially, and not completely, embedded within the HONI distribution system. In the absence of more reliable data, the Board will approve a continuation of the currently approved TLF of 1.0427.

Response

As directed by the Board, Erie Thames has used the Total Loss Factor of 1.0427 in the Bill Impact Analysis and the Tariff of Rates and Charges included with this submission.

Retail Transmission Rates

Board Findings

The Board recognizes that lowering of the RTR-N and RTR-C by a composite of the reduction in the (1) the approved 2008 wholesale transmission rates, and (2) HONI's proposed rates for retail transmission service that apply to embedded distributors would result in greater accuracy. Good ratemaking suggests that to the extent possible and practical, rates and charges at a point in time should reflect the most current information so that any differences captured in variance accounts would be minimized. In this case, the loss of accuracy is relatively minor. Therefore in the interests of practicality, the Board finds that Erie Thames' proposal is acceptable.

Response

As per the Board's Decision, Erie Thames maintained the approach used in the Application.

DEFERRAL AND VARIANCE ACCOUNTS

Board Findings

With one exception, the Board accepts Erie Thames' proposal to withdraw the disposition request of the above listed accounts. In the interests of disposing of balances in a timely manner, the Board directs that account 1550, the LV Variance account, be cleared to ratepayers via a rate rider designed with an expiry date of April 30, 2009.

Response

As directed by the Board, Erie Thames has included a rate rider for the disposition of Account 1550 in the amount of \$370,764. The Board's decision was silent on the allocation of the LV Variance for the calculation of the appropriate rate rider. Erie Thames allocated the disposition of the rate rider using the same methodology as the allocation of LV charges.

Account #	Account Name	Balance Requested Disposition Application	for in	Balance Requested Disposition After Reply Submission	Board Approved
1550	LV Variance	\$370,764		\$0	\$370,764
1580	RSVA, Wholesale Market Service Charges	(\$132,988)		\$0	\$0
1582	RSVA, One Time	\$55,533		\$0	\$0
1584	RSVA, Retail Transmission Network	(\$97,359)		\$0	\$0
1586		(\$242,231)		\$0	\$0
1588	RSVA, Power	\$503,984		\$0	\$0
Total		\$457,702		\$0	\$370,764

In order to collect the rate over the period of 5 months Erie Thames had to first calculate the amount that is to be allocated to be recovered from each rate class. Then Erie Thames had to establish the proper unit rate for the rate rider. The Table below summarizes the methodology used by Erie Thames.

		A	B	A/B=C
1550 LV Deferral Recovery	\$	370,764.00	Five Months Consumption December 1st to May 1st	Rate
Percentage of RTR Revenues				
RESIDENTIAL	25.67%	\$ 95,160.41	51,352,394	\$ 0.0019
Less than 50 kW	7.96%	\$ 29,520.49	17,016,612	\$ 0.0017
Greater than 50 to 999 kW	25.25%	\$ 93,608.26	153,046	\$ 0.6116
Greater than 1,000 to 2,999 kW	10.02%	\$ 37,158.03	56,495	\$ 0.6577
Greater than 3,000 to 4,999 kW	6.60%	\$ 24,475.84	34,870	\$ 0.7019
Large Use	14.11%	\$ 52,304.23	828,045	\$ 0.0632
Unmetered Scattered Load	0.12%	\$ 438.23	252,613	\$ 0.0017
Sentinel Lighting	0.05%	\$ 183.23	388	\$ 0.4723
Street Lighting	0.50%	\$ 1,856.30	3,930	\$ 0.4723
Embedded Distributor	9.73%	\$ 36,058.99	41,571	\$ 0.8674
Total	100.00%	\$ 370,764.00		

IMPLEMENTATION

The Board has made findings in this Decision which change the revenue deficiency and the deferral and variance accounts balances, and therefore the proposed 2008 distribution rates. These are to be reflected in a Draft Rate Order prepared by Erie Thames. This Draft Rate Order is to be developed assuming an effective date of May 1, 2008. The Board will order the new rates to be implemented once it issues its final Rate Order. The Board expects the implementation date to be December 1, 2008.

The Board issued an Interim Rate Order on April 29, 2008 declaring the existing approved rates interim as of May 1, 2008. The current interim rates will remain in effect until the Board issues a final Rate Order.

The Board notes that Erie Thames has calculated a revenue sufficiency for 2008. The Board would like to ensure that ratepayers have the benefit of this sufficiency and will therefore order that the sufficiency, for the period May 1, 2008 to the implementation date, expected to be December 1, 2008, be refunded to ratepayers by means of a rate rider calculated on a volumetric basis. The rate rider shall be designed with an expiry date of April 30, 2009.

The Draft Rate Order submitted by the applicant will reflect the following: a) the Deferred Revenue Recovery rate rider from the previous Board decision EB-2007-0016 dated July 12, 2007; b) a rate rider respecting LV charges; and c) a rate rider respecting the revenue sufficiency for 2008. While these rate riders can be combined for presentation on the bill, the applicant will provide detailed calculations for each. These rate riders will terminate on April 30, 2009.

The Board will accept Erie Thames' suggestion that the cost allocation and rate design changes take effect on a going forward basis only. These changes will therefore be implemented and made effective coincident with the final Rate Order, on December 1, 2008.

In filing its Draft Rate Order, the Board expects Erie Thames to file detailed supporting material, including all relevant calculations showing the impact of this Decision on its proposed revenue requirement, the allocation of the approved revenue requirement to the rate classes, and the determination of the final rates. Erie Thames should also show detailed calculations of the revised retail transmission rates and all rate riders reflecting this Decision. The Draft Rate Order shall also include customer rate impacts.

A Rate Order will be issued after the processes set out below are completed.

1. The Company shall file with the Board, and shall also forward to Energy Probe and VECC, a Draft Rate Order attaching a proposed Tariff of Rates and Charges reflecting the Board's findings in this Decision, within 14 days of the date of this Decision.
2. Energy Probe and VECC may file with the Board and forward to the Company responses to the Company's Draft Rate order within 20 days of the date of this Decision.

3. The Company shall file with the Board and forward to Energy Probe and VECC responses to any comments on its Draft Rate Order within 26 days of the date of this Decision.

Response

Erie Thames has submitted this Draft Rate Order on November 18th, 2008.

Erie Thames has incorporated the findings of the Board and which altered the Revenue Requirement. The Revenue Requirement is reduced by \$291,486 or 3.77% from the 2008 Test Year Applied For Revenue Requirement. This new revenue requirement is incorporated into the determination of the revenue sufficiency described elsewhere.

Erie Thames has included a summary of tables, outlining the required changes as per the Board's decision, on the following pages to show the development of the new Revenue Requirement. The tables present the sequence of the required changes to Total Controllable Expenses, Working Capital Allowance, Return on Capital and the Revenue Requirement. Aspects of this information has been provided elsewhere in this Draft Rate Order but is provided here, for clarity, in its entirety.

The Total Controllable Expenses were adjusted downward by \$234,950 in accordance with the Board's Decision to disallow certain expenses. Return on Capital was reduced by \$92,980 as a result of changes to rate base, the allowed return on equity and the decrease in shareholder's interest expense. PILS costs embedded in rates decreased by \$52,362 due to changes to CCA, tax rates and regulated return. Low Voltage revenue increased by \$59,938 as a result of this decision; Smart Meter revenue increased by \$69 due to the changes required by this decision in the forecasted customer numbers; similarly transformer allowance increased by \$28,800 due to the additional customer owning their own transformation.

The Working Capital Allowance increased by \$127,164 as a result of the Board's decision to increase the cost per megawatt, and the increased customer count. The Working Capital Allowance was reduced by \$35,243 as a result of the reductions in OM&A. The net change to the working capital allowance is an increase of \$91,922.

Calculation of Revenue Requirement

	2008 Test Applied For	2008 Test Decision	Difference
OM&A	\$4,457,218	\$4,222,268	-\$234,950
Amortization	\$935,609	\$935,609	\$0
Return	\$1,672,372	\$1,579,392	-\$92,980
PILS	\$425,150	\$372,788	-\$52,362
Revenue Offset	-\$531,702	-\$531,702	\$0
LV Revenue	\$516,713	\$576,651	\$59,938
Smart Meter Revenue	\$43,655	\$43,724	\$69
Transformer Allowance	\$212,666	\$241,466	\$28,800
Revenue Requirement	\$7,731,682	\$7,440,195	-\$291,486

Rate Rider – EB-2007-0016 – Deferred Revenue

In the Board's decision in EB-2007-0016 Erie Thames was permitted to charge customers a rate rider until August 1, 2009. By virtue of the Board's findings the collection of the rate rider has been accelerated to be completely collected by May 1, 2009. This means the collection that would have occurred over 8 months in accordance with the Board's prior decision will now occur over 5 months and so the rate rider is increased.

At December 1, 2008 it is anticipated that Erie Thames will have \$259,135.02 that remains to be collected. This amount is to be collected over a 5 month period. Erie Thames maintained the same allocation methodology for the rate rider. The Table below provides a summary of the calculation of the rate rider for each customer class.

Amount left to recover as at November 1st 2008	A \$	291,526.90	
November 1st amount divided by 9 remaining months	B \$	32,391.88	A / 9 = B
Monthly Amount multiplied by 8 remaining months for recovery from December 1st to August 1st.	C \$	259,135.02	B X 8 = C

			A	B	A/B=C			
Deferred Revenue Recovery Dollars			\$	259,135.02	Five Months Consumption December 1st to May 1st	New Rate	Previous Rate	Difference
Cost allocation results								
RESIDENTIAL	56.72%	\$	146,981.38	51,352,394	\$ 0.0029	\$ 0.0016	\$	0.0013
Less than 50 kW	10.68%	\$	27,675.62	17,016,612	\$ 0.0016	\$ 0.0014	\$	0.0002
Greater than 50 to 999 kW	12.45%	\$	32,262.31	153,046	\$ 0.2108	\$ 0.1791	\$	0.0317
Greater than 1,000 to 2,999 kW	8.17%	\$	21,171.33	56,495	\$ 0.3747	\$ 0.3929	\$	(0.0182)
Greater than 3,000 to 4,999 kW	1.19%	\$	3,083.71	34,870	\$ 0.0884	\$ 0.1932	\$	(0.1048)
Large Use	4.17%	\$	10,805.93	828,045	\$ 0.0130	\$ 0.1196	\$	(0.1066)
Unmetered Scattered Load	0.16%	\$	414.62	252,613	\$ 0.0016	\$ 0.0025	\$	(0.0009)
Sentinel Lighting	0.44%	\$	1,140.19	388	\$ 2.9393	\$ 0.8168	\$	2.1225
Street Lighting	3.54%	\$	9,173.38	3,930	\$ 2.3342	\$ 0.1817	\$	2.1525
Embedded Distributor	2.48%	\$	6,426.55	41,571	\$ 0.1546	\$ -	\$	0.1546
Total	100.00%	\$	259,135.02					

Rate Rider – LV Deferral Account

As directed by the Board, Erie Thames has included a rate rider for the disposition of Account 1550 in the amount of \$370,764. The Board's decision was silent on the allocation of the LV Variance for the calculation of the appropriate rate rider. Erie Thames allocated the disposition of the rate rider using the same methodology as the allocation of LV charges.

In order to collect the rate over the period of 5 months Erie Thames had to first calculate the amount that is to be allocated to be recovered from each rate class. Then Erie Thames had to establish the proper unit rate for the rate rider.

The Table below summarizes the methodology used by Erie Thames.

		A	B	A/B=C
1550 LV Deferral Recovery	\$	370,764.00	Five Months Consumption December 1st to May 1st	Rate
Percentage of RTR Revenues				
RESIDENTIAL	25.67%	\$ 95,160.41	51,352,394	\$ 0.0019
Less than 50 kW	7.96%	\$ 29,520.49	17,016,612	\$ 0.0017
Greater than 50 to 999 kW	25.25%	\$ 93,608.26	153,046	\$ 0.6116
Greater than 1,000 to 2,999 kW	10.02%	\$ 37,158.03	56,495	\$ 0.6577
Greater than 3,000 to 4,999 kW	6.60%	\$ 24,475.84	34,870	\$ 0.7019
Large Use	14.11%	\$ 52,304.23	828,045	\$ 0.0632
Unmetered Scattered Load	0.12%	\$ 438.23	252,613	\$ 0.0017
Sentinel Lighting	0.05%	\$ 183.23	388	\$ 0.4723
Street Lighting	0.50%	\$ 1,856.30	3,930	\$ 0.4723
Embedded Distributor	9.73%	\$ 36,058.99	41,571	\$ 0.8674
Total	100.00%	\$ 370,764.00		

	Retail Transmission Revenue (Connection Service)	Transmission Revenue Percent
RESIDENTIAL	\$579,255	25.67%
Less than 50 kW	\$179,695	7.96%
Greater than 50 to 999 kW	\$569,807	25.25%
Greater than 1,000 to 2,999 kW	\$226,186	10.02%
Greater than 3,000 to 4,999 kW	\$148,988	6.60%
Large Use	\$318,383	14.11%
Unmetered Scattered Load	\$2,668	0.12%
Sentinel Lighting	\$1,115	0.05%
Street Lighting	\$11,300	0.50%
Embedded Distributor	\$219,496	9.73%
	\$2,256,893	100%

Rate Rider – Revenue Sufficiency

Erie Thames has incorporated the Board's Finding and recalculated a revenue sufficiency of \$720,555 as compared to the requested revenue sufficiency of \$317,071 included in the Application. This revenue sufficiency for the entire year has then been adjusted for the seven months during which Erie Thames continued to charge the existing rates as required by the Board's Interim Order of April 29, 2008. The collected sufficiency then has to be credited back to each customer based upon the 5 month period remaining. The following tables calculate distribution revenue (no LV Revenue, Smart Meter Revenue, Transformer Allowance Revenue, or IRM adjustments to these non-distribution revenues) at existing rates utilizing the updated customer (including the emedded distributor class in the applicable rate class) and load forecast and in turn revenue sufficiency is recalculated.

Rate Class	Rates					Billing Determinants				
	2007					2008				
	Fixed	Variable	LV Variable	IRM Adjust	Dist Variable	Customers	Consumption	Fixed Revenue	Variable Revenue	Total Revenue
Residential	\$13.79	\$0.0137	\$0.0011	\$0.0000	\$0.0126	12,458	123,245,746	\$2,061,550	\$1,547,191	\$3,608,741
GS<50	\$27.42	\$0.0164	\$0.0010	\$0.0000	\$0.0154	1,401	40,839,870	\$460,985	\$628,657	\$1,089,642
GS>50 to 999 kW	\$387.03	\$1.9927	\$0.3648	\$0.0034	\$1.6246	144	367,309	\$668,788	\$596,724	\$1,265,512
GS>1,000 to 2,999 kW	\$6,369.76	\$2.2348	\$0.1903	\$0.0018	\$2.0427	9	147,920	\$687,934	\$302,158	\$990,092
GS>3,000 to 4,999 kW	\$7,138.55	\$2.1705	\$0.4652	\$0.0043	\$1.7011	2	83,687	\$171,325	\$142,356	\$313,681
Large Use	\$14,462.28	\$1.3281	\$0.4905	\$0.0045	\$0.8331	2	190,276	\$347,095	\$158,525	\$505,620
Unmetered Scattered Load	\$6.45	\$0.0372	\$0.0012	\$0.0000	\$0.0360	95	606,271	\$7,353	\$21,831	\$29,184
Sentinel Lights	\$2.08	\$9.8952	\$0.1590	\$0.0015	\$9.7347	256	931	\$6,390	\$9,063	\$15,453
Street Lighting	\$0.52	\$1.8175	\$0.3019	\$0.0028	\$1.5128	2,956	9,432	\$18,445	\$14,269	\$32,714
Embedded Distributor										
						17,323		\$4,429,865	\$3,420,775	\$7,850,640 A

Remove Low Voltage Revenue from Rates
 Fixed Charge Excludes Smart Meter Rate Adder

Transformer allowance Per 2006 Decision	239,863.27	B
IRM increase on Transformer Allowance	2,206.74	C
Total Reduction for Transformer Allowance	242,070.01	B+C=D
Distribution Revenue for Sufficiency Calculation	\$7,608,569.77	A-D

Updated Values as Per VECC Supplemental Interrogatory #44

Determination of Net Utility Income

	Existing Rates	Proposed Rates	Revenue Surplus or Deficiency
Revenue Deficiency		-\$1,030,215	
Distribution Revenue	\$7,608,570	\$7,608,570	\$0
Other Operating Revenue (Net)	\$531,702	\$531,702	\$0
Total Revenue	\$8,140,272	\$7,110,056	-\$1,030,215
Costs and Expenses			\$0
Distribution Costs	\$2,731,912	\$2,731,912	\$0
Operation & Maintenance	\$1,461,897	\$1,461,897	\$0
Depreciation & Amortization	\$935,609	\$935,609	\$0
Property & Capital Taxes	\$45,083	\$45,083	\$0
Interest	\$689,606	\$689,606	\$0
Total Costs and Expenses	\$5,864,107	\$5,864,107	\$0
Utility Income Before Income Taxes	\$2,276,164	\$1,245,949	-\$1,030,215
Income Taxes @ 30.06%	\$665,823	\$356,163	-\$309,660
Utility Income	\$1,610,341	\$889,786	-\$1,339,876

Rate Base	\$22,246,774	\$22,246,774
Equity Portion	46.6700%	46.6700%
Equity Component of Rate Base	\$10,382,569	\$10,382,569
Target Return on Equity	8.57%	8.57%
Return on Rate Base	\$889,786	\$889,786
Revenue Sufficiency	\$720,555	\$0

Calculation of Income Taxes

Utility Income Before Income Taxes	\$2,276,164	\$1,245,949
Additions to Accounting Income	\$935,609	\$935,609
Deductions from Accounting Income	\$996,632	\$996,632
Regulatory Taxable Income	\$2,215,141	\$1,184,926
Income Tax @30.06%	\$665,823	\$356,163
Capital Tax	\$16,625	\$16,625
Total Taxes	\$682,448	\$372,788

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Total Amount of Calculated Revenue Sufficiency Grossed Up for Tax	A \$ (1,030,215.35)
Revenue Sufficiency Monthly Amount	B \$ (85,851.28) A / 12=B
Seven Months May 1st to December 1st of over recovery	C \$ (600,958.95) B X 7=C

	A		B		A/B=C
7 Months of Revenue Sufficiency	\$ (600,958.95)		Five Months Consumption		Rate
			December 1st to May 1st		
Cost allocation results					
RESIDENTIAL	56.72%	\$ (340,863.92)	51,352,394		\$(0.0066)
Less than 50 kW	10.68%	\$ (64,182.42)	17,016,612		\$(0.0038)
Greater than 50 to 999 kW	12.45%	\$ (74,819.39)	153,046		\$(0.4889)
Greater than 1,000 to 2,999 kW	8.17%	\$ (49,098.35)	56,495		\$(0.8691)
Greater than 3,000 to 4,999 kW	1.19%	\$ (7,151.41)	34,870		\$(0.2051)
Large Use	4.17%	\$ (25,059.99)	828,045		\$(0.0303)
Unmetered Scattered Load	0.16%	\$ (961.53)	252,613		\$(0.0038)
Sentinel Lighting	0.44%	\$ (2,644.22)	388		\$(6.8165)
Street Lighting	3.54%	\$ (21,273.95)	3,930		\$(5.4132)
Embedded Distributor	2.48%	\$ (14,903.78)	41,571		\$(0.3585)
Total	100.00%	\$ (600,958.95)			

Rate Rider – Combined

Rate Rider Summary

		Deferred Revenue Rider	1550 Rider	Revenue Sufficiency Rider	Summary Rider Per Bill
RESIDENTIAL	per kWh	\$ 0.0029	\$ 0.0019	\$ (0.0066)	\$ (0.0019)
Less than 50 kW	per kWh	\$ 0.0016	\$ 0.0017	\$ (0.0038)	\$ (0.0004)
Greater than 50 to 999 kW	per kW	\$ 0.2108	\$ 0.6116	\$ (0.4889)	\$ 0.3336
Greater than 1,000 to 2,999 kW	per kW	\$ 0.3747	\$ 0.6577	\$ (0.8691)	\$ 0.1634
Greater than 3,000 to 4,999 kW	per kW	\$ 0.0884	\$ 0.7019	\$ (0.2051)	\$ 0.5853
Large Use	per kW	\$ 0.0130	\$ 0.0632	\$ (0.0303)	\$ 0.0460
Unmetered Scattered Load	per kWh	\$ 0.0016	\$ 0.0017	\$ (0.0038)	\$ (0.0004)
Sentinel Lighting	per kW	\$ 2.9393	\$ 0.4723	\$ (6.8165)	\$ (3.4048)
Street Lighting	per kW	\$ 2.3342	\$ 0.4723	\$ (5.4132)	\$ (2.6067)
Embedded Distributor	per kW	\$ 0.1546	\$ 0.8674	\$ (0.3585)	\$ 0.6635

Customer Impacts

Erie Thames has provided a comparison of current rates and rates resulting from this decision, as well as Customer Rate Impact Analysis both of which can be found in the following schedules. Note that there are no Customer rate impacts for the Embedded Distributor class since this is a new rate class.

		Current	Decision	
		May-08	Dec-08	Difference
RESIDENTIAL	UOM			
Service Charge	\$	\$14.0600	\$14.39	\$0.3292
Distribution Volumetric Rate	\$/kWh	\$0.0137	\$0.0143	\$0.0006
Deferred Revenue Rate Rider	\$/kWh	\$0.0016	\$0.0029	\$0.0013
Account 1550 Rate Rider	\$/kWh	\$0.0000	\$0.0019	\$0.0019
Revenue Sufficiency Rate Rider	\$/kWh	\$0.0000	-\$0.0066	-\$0.0066
Retail Transmission Rate – Network Service Rate	\$/kWh	\$0.0047	\$0.0038	-\$0.0009
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	\$0.0050	\$0.0047	-\$0.0003
Wholesale Market Service Rate	\$/kWh	\$0.0052	\$0.0052	\$0.0000
Rural Rate Protection Charge	\$/kWh	\$0.0010	\$0.0010	\$0.0000
Regulated Price Plan – Administration Charge	\$	\$0.2500	\$0.2500	\$0.0000
		Current	Decision	
		May-08	Dec-08	Difference
Less than 50 kW	UOM			
Service Charge	\$	\$27.6900	\$19.13	-\$8.5600
Distribution Volumetric Rate	\$/kWh	\$0.0164	\$0.0106	-\$0.0058
Deferred Revenue Rate Rider	\$/kWh	\$0.0014	\$0.0016	\$0.0002
Account 1550 Rate Rider	\$/kWh	\$0.0000	\$0.0017	\$0.0017
Revenue Sufficiency Rate Rider	\$/kWh	\$0.0000	-\$0.0038	-\$0.0038
Retail Transmission Rate – Network Service Rate	\$/kWh	\$0.0043	\$0.0035	-\$0.0008
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	\$0.0046	\$0.0044	-\$0.0002
Wholesale Market Service Rate	\$/kWh	\$0.0052	\$0.0052	\$0.0000
Rural Rate Protection Charge	\$/kWh	\$0.0010	\$0.0010	\$0.0000
Regulated Price Plan – Administration Charge	\$	\$0.2500	\$0.2500	\$0.0000
		Current	Decision	
		May-08	Dec-08	Difference
Greater than 50 to 999 kW	UOM			
Service Charge	\$	\$387.3000	\$205.49	-\$181.8100
Distribution Volumetric Rate	\$/kW	\$1.9927	\$1.7632	-\$0.2295
Deferred Revenue Rate Rider	\$/kW	\$0.1791	\$0.2108	\$0.0317
Account 1550 Rate Rider	\$/kW	\$0.0000	\$0.6116	\$0.6116
Revenue Sufficiency Rate Rider	\$/kW	\$0.0000	-\$0.4889	-\$0.4889
Retail Transmission Rate – Network Service Rate	\$/kW	\$1.9561	\$1.5967	-\$0.3594
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	\$1.6359	\$1.5513	-\$0.0846
Wholesale Market Service Rate	\$/kWh	\$0.0052	\$0.0052	\$0.0000
Rural Rate Protection Charge	\$/kWh	\$0.0010	\$0.0010	\$0.0000
Regulated Price Plan – Administration Charge	\$	\$0.2500	\$0.2500	\$0.0000
		Current	Decision	
		May-08	Dec-08	Difference
Greater than 1,000 to 2,999 kW	UOM			
Service Charge	\$	\$6,370.0300	\$2,376.33	-\$3,993.7000
Distribution Volumetric Rate	\$/kW	\$2.2348	\$3.1075	\$0.8727
Deferred Revenue Rate Rider	\$/kW	\$0.3929	\$0.3747	-\$0.0182
Account 1550 Rate Rider	\$/kW	\$0.0000	\$0.6577	\$0.6577
Revenue Sufficiency Rate Rider	\$/kW	\$0.0000	-\$0.8691	-\$0.8691
Retail Transmission Rate – Network Service Rate	\$/kW	\$2.1246	\$1.7342	-\$0.3904
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	\$1.7592	\$1.6682	-\$0.0910
Wholesale Market Service Rate	\$/kWh	\$0.0052	\$0.0052	\$0.0000
Rural Rate Protection Charge	\$/kWh	\$0.0010	\$0.0010	\$0.0000
Regulated Price Plan – Administration Charge	\$	\$0.2500	\$0.2500	\$0.0000
		Current	Decision	
		May-08	Dec-08	Difference
Greater than 3,000 to 4,999 kW	UOM			
Service Charge	\$	\$7,138.8200	\$1,399.56	-\$5,739.2616
Distribution Volumetric Rate	\$/kW	\$2.1705	\$1.5890	-\$0.5815
Deferred Revenue Rate Rider	\$/kW	\$0.1932	\$0.0884	-\$0.1048
Account 1550 Rate Rider	\$/kW	\$0.0000	\$0.7019	\$0.7019
Revenue Sufficiency Rate Rider	\$/kW	\$0.0000	-\$0.2051	-\$0.2051
Retail Transmission Rate – Network Service Rate	\$/kW	\$2.2400	\$1.8284	-\$0.4116
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	\$1.8774	\$1.7803	-\$0.0971
Wholesale Market Service Rate	\$/kWh	\$0.0052	\$0.0052	\$0.0000
Rural Rate Protection Charge	\$/kWh	\$0.0010	\$0.0010	\$0.0000
Regulated Price Plan – Administration Charge	\$	\$0.2500	\$0.2500	\$0.0000

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		Current	Decision	
		May-08	Dec-08	Difference
Large Use	UOM			
Service Charge	\$	\$14,462.5500	\$9,704.76	-\$4,757.7900
Distribution Volumetric Rate	\$/kW	\$1.3281	\$2.0444	\$0.7163
Deferred Revenue Rate Rider	\$/kW	\$0.1196	\$0.0130	-\$0.1066
Account 1550 Rate Rider	\$/kW	\$0.0000	\$0.0632	\$0.0632
Revenue Sufficiency Rate Rider	\$/kW	\$0.0000	-\$0.0303	-\$0.0303
Retail Transmission Rate – Network Service Rate	\$/kW	\$2.3553	\$1.9225	-\$0.4328
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	\$1.9955	\$1.8923	-\$0.1032
Wholesale Market Service Rate	\$/kWh	\$0.0052	\$0.0052	\$0.0000
Rural Rate Protection Charge	\$/kWh	\$0.0010	\$0.0010	\$0.0000
Regulated Price Plan – Administration Charge	\$	\$0.2500	\$0.2500	\$0.0000
		Current	Decision	
Unmetered Scattered Load	UOM	May-08	Dec-08	Difference
Service Charge	\$	\$6.4500	\$2.73	-\$3.7200
Distribution Volumetric Rate	\$/kWh	\$0.0372	\$0.0134	-\$0.0238
Deferred Revenue Rate Rider	\$/kWh	\$0.0025	\$0.0016	-\$0.0009
Account 1550 Rate Rider	\$/kWh	\$0.0000	\$0.0017	\$0.0017
Revenue Sufficiency Rate Rider	\$/kWh	\$0.0000	-\$0.0038	-\$0.0038
Retail Transmission Rate – Network Service Rate	\$/kWh	\$0.0043	\$0.0035	-\$0.0008
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	\$0.0046	\$0.0044	-\$0.0002
Wholesale Market Service Rate	\$/kWh	\$0.0052	\$0.0052	\$0.0000
Rural Rate Protection Charge	\$/kWh	\$0.0010	\$0.0010	\$0.0000
Regulated Price Plan – Administration Charge	\$	\$0.2500	\$0.2500	\$0.0000
		Current	Decision	
Sentinel Lighting	UOM	May-08	Dec-08	Difference
Service Charge	\$	\$2.0800	\$5.08	\$3.0000
Distribution Volumetric Rate	\$/kW	\$9.8952	\$14.6337	\$4.7385
Deferred Revenue Rate Rider	\$/kW	\$0.8168	\$2.9393	\$2.1225
Account 1550 Rate Rider	\$/kW	\$0.0000	\$0.4723	\$0.4723
Revenue Sufficiency Rate Rider	\$/kW	\$0.0000	-\$6.8165	-\$6.8165
Retail Transmission Rate – Network Service Rate	\$/kW	\$1.5107	\$1.2331	-\$0.2776
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	\$1.2633	\$1.1980	-\$0.0653
Wholesale Market Service Rate	\$/kWh	\$0.0052	\$0.0052	\$0.0000
Rural Rate Protection Charge	\$/kWh	\$0.0010	\$0.0010	\$0.0000
Regulated Price Plan – Administration Charge	\$	\$0.2500	\$0.2500	\$0.0000
		Current	Decision	
Street Lighting	UOM	May-08	Dec-08	Difference
Service Charge	\$	\$0.5200	\$3.70	\$3.1800
Distribution Volumetric Rate	\$/kW	\$1.8175	\$11.0808	\$9.2633
Deferred Revenue Rate Rider	\$/kW	\$0.1817	\$2.3342	\$2.1525
Account 1550 Rate Rider	\$/kW	\$0.0000	\$0.4723	\$0.4723
Revenue Sufficiency Rate Rider	\$/kW	\$0.0000	-\$5.4132	-\$5.4132
Retail Transmission Rate – Network Service Rate	\$/kW	\$1.5107	\$1.2331	-\$0.2776
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	\$1.2633	\$1.1980	-\$0.0653
Wholesale Market Service Rate	\$/kWh	\$0.0052	\$0.0052	\$0.0000
Rural Rate Protection Charge	\$/kWh	\$0.0010	\$0.0010	\$0.0000
Regulated Price Plan – Administration Charge	\$	\$0.2500	\$0.2500	\$0.0000
		Current	Decision	
Embedded Distributor	UOM	May-08	Dec-08	Difference
Service Charge	\$	\$0.0000	\$2,211.06	\$2,211.0600
Distribution Volumetric Rate	\$/kW	\$0.0000	\$1.6654	\$1.6654
Deferred Revenue Rate Rider	\$/kW	\$0.0000	\$0.1546	\$0.1546
Account 1550 Rate Rider	\$/kW	\$0.0000	\$0.8674	\$0.8674
Revenue Sufficiency Rate Rider	\$/kW	\$0.0000	-\$0.3585	-\$0.3585
Retail Transmission Rate – Network Service Rate	\$/kW	\$0.0000	\$2.3200	\$2.3200
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	\$0.0000	\$2.2000	\$2.2000
Wholesale Market Service Rate	\$/kWh	\$0.0000	\$0.0052	\$0.0052
Rural Rate Protection Charge	\$/kWh	\$0.0000	\$0.0010	\$0.0010
Regulated Price Plan – Administration Charge	\$	\$0.0000	\$0.2500	\$0.2500

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Residential

100

kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				14.06			14.39	0.33	2.3%	1.4%
Distribution	kWh	100	0.01370	1.37	100	0.01434	1.43	0.06	4.7%	0.3%
Sub-Total				15.43			15.82	0.39	2.5%	1.7%
Deferred Revenue Rider	kWh	100	0.00160	0.16	100	0.00286	0.29	0.13	78.9%	0.5%
Low Voltage Rate Rider	kWh	100	0.00000	0.00	100	0.00185	0.19	0.19		0.8%
Revenue Sufficiency Rate Rider	kWh	100	0.00000	0.00	100	-0.00664	(0.66)	(0.66)		-2.8%
Retail Transmission - Network	kWh	104	0.00390	0.41	104	0.00390	0.41	0.00	0.0%	0.0%
Retail Transmission - Line and	kWh	104	0.00410	0.43	104	0.00410	0.43	0.00	0.0%	0.0%
Wholesale Market Service	kWh	104	0.00520	0.54	104	0.00520	0.54	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	104	0.00100	0.10	104	0.00100	0.10	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	100	0.00700	0.70	100	0.00700	0.70	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	104	0.05470	5.70	104	0.05470	5.70	0.00	0.0%	0.0%
Total Bill				23.47			23.51	0.04	0.2%	0.2%

Residential

250

kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				14.06			14.39	0.33	2.3%	0.9%
Distribution	kWh	250	0.01370	3.43	250	0.01434	3.58	0.16	4.7%	0.4%
Sub-Total				17.49			17.97	0.49	2.8%	1.3%
Deferred Revenue Rider	kWh	250	0.00160	0.40	250	0.00286	0.72	0.32	78.9%	0.8%
Low Voltage Rate Rider	kWh	250	0.00000	0.00	250	0.00185	0.46	0.46		1.2%
Revenue Sufficiency Rate Rider	kWh	250	0.00000	0.00	250	-0.00664	(1.66)	(1.66)		-4.5%
Retail Transmission - Network	kWh	261	0.00390	1.02	261	0.00390	1.02	0.00	0.0%	0.0%
Retail Transmission - Line and	kWh	261	0.00410	1.07	261	0.00410	1.07	0.00	0.0%	0.0%
Wholesale Market Service	kWh	261	0.00520	1.36	261	0.00520	1.36	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	261	0.00100	0.26	261	0.00100	0.26	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	250	0.00700	1.75	250	0.00700	1.75	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	261	0.05470	14.26	261	0.05470	14.26	0.00	0.0%	0.0%
Total Bill				37.60			37.20	(0.39)	-1.0%	-1.1%

Residential

500

kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				14.06			14.39	0.33	2.3%	0.5%
Distribution	kWh	500	0.01370	6.85	500	0.01434	7.17	0.32	4.7%	0.5%
Sub-Total				20.91			21.56	0.65	3.1%	1.1%
Deferred Revenue Rider	kWh	500	0.00160	0.80	500	0.00286	1.43	0.63	78.9%	1.1%
Low Voltage Rate Rider	kWh	500	0.00000	0.00	500	0.00185	0.93	0.93		1.5%
Revenue Sufficiency Rate Rider	kWh	500	0.00000	0.00	500	-0.00664	(3.32)	(3.32)		-5.5%
Retail Transmission - Network	kWh	521	0.00390	2.03	521	0.00390	2.03	0.00	0.0%	0.0%
Retail Transmission - Line and	kWh	521	0.00410	2.14	521	0.00410	2.14	0.00	0.0%	0.0%
Wholesale Market Service	kWh	521	0.00520	2.71	521	0.00520	2.71	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	521	0.00100	0.52	521	0.00100	0.52	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	500	0.00700	3.50	500	0.00700	3.50	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	521	0.05470	28.52	521	0.05470	28.52	0.00	0.0%	0.0%
Total Bill				61.13			60.02	(1.11)	-1.8%	-1.9%

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Residential

750

kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				14.06			14.39	0.33	2.3%	0.4%
Distribution	kWh	750	0.01370	10.28	750	0.01434	10.75	0.48	4.7%	0.6%
Sub-Total				24.34			25.14	0.81	3.3%	1.0%
Deferred Revenue Rider	kWh	750	0.00160	1.20	750	0.00286	2.15	0.95	78.9%	1.1%
Low Voltage Rate Rider	kWh	750	0.00000	0.00	750	0.00185	1.39	1.39		1.7%
Revenue Sufficiency Rate Rider	kWh	750	0.00000	0.00	750	-0.00664	(4.98)	(4.98)		-6.0%
Retail Transmission - Network	kWh	782	0.00390	3.05	782	0.00390	3.05	0.00	0.0%	0.0%
Retail Transmission - Line and	kWh	782	0.00410	3.21	782	0.00410	3.21	0.00	0.0%	0.0%
Wholesale Market Service	kWh	782	0.00520	4.07	782	0.00520	4.07	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	782	0.00100	0.78	782	0.00100	0.78	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	750	0.00700	5.25	750	0.00700	5.25	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	782	0.05470	42.78	782	0.05470	42.78	0.00	0.0%	0.0%
Total Bill				84.67			82.83	(1.83)	-2.2%	-2.2%

Residential

1,000

kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				14.06			14.39	0.33	2.3%	0.3%
Distribution	kWh	1,000	0.01370	13.70	1,000	0.01434	14.34	0.64	4.7%	0.6%
Sub-Total				27.76			28.73	0.97	3.5%	0.9%
Deferred Revenue Rider	kWh	1,000	0.00160	1.60	1,000	0.00286	2.86	1.26	78.9%	1.2%
Low Voltage Rate Rider	kWh	1,000	0.00000	0.00	1,000	0.00185	1.85	1.85		1.8%
Revenue Sufficiency Rate Rider	kWh	1,000	0.00000	0.00	1,000	-0.00664	(6.64)	(6.64)		-6.3%
Retail Transmission - Network	kWh	1,043	0.00390	4.07	1,043	0.00390	4.07	0.00	0.0%	0.0%
Retail Transmission - Line and	kWh	1,043	0.00410	4.28	1,043	0.00410	4.28	0.00	0.0%	0.0%
Wholesale Market Service	kWh	1,043	0.00520	5.42	1,043	0.00520	5.42	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	1,043	0.00100	1.04	1,043	0.00100	1.04	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	1,000	0.00700	7.00	1,000	0.00700	7.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	1,043	0.05470	57.04	1,043	0.05470	57.04	0.00	0.0%	0.0%
Total Bill				108.20			105.65	(2.56)	-2.4%	-2.4%

Residential

1,500

kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				14.06			14.39	0.33	2.3%	0.2%
Distribution	kWh	1,500	0.01370	20.55	1,500	0.01434	21.51	0.96	4.7%	0.6%
Sub-Total				34.61			35.89	1.28	3.7%	0.8%
Deferred Revenue Rider	kWh	1,500	0.00160	2.40	1,500	0.00286	4.29	1.89	78.9%	1.3%
Low Voltage Rate Rider	kWh	1,500	0.00000	0.00	1,500	0.00185	2.78	2.78		1.8%
Revenue Sufficiency Rate Rider	kWh	1,500	0.00000	0.00	1,500	-0.00664	(9.96)	(9.96)		-6.6%
Retail Transmission - Network	kWh	1,564	0.00390	6.10	1,564	0.00390	6.10	0.00	0.0%	0.0%
Retail Transmission - Line and	kWh	1,564	0.00410	6.41	1,564	0.00410	6.41	0.00	0.0%	0.0%
Wholesale Market Service	kWh	1,564	0.00520	8.13	1,564	0.00520	8.13	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	1,564	0.00100	1.56	1,564	0.00100	1.56	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	1,500	0.00700	10.50	1,500	0.00700	10.50	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	1,564	0.05470	85.55	1,564	0.05470	85.55	0.00	0.0%	0.0%
Total Bill				155.27			151.27	(4.00)	-2.6%	-2.6%

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Residential

2,000

kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				14.06			14.39	0.33	2.3%	0.2%
Distribution	kWh	2,000	0.01370	27.40	2,000	0.01434	28.67	1.27	4.7%	0.6%
Sub-Total				41.46			43.06	1.60	3.9%	0.8%
Deferred Revenue Rider	kWh	2,000	0.00160	3.20	2,000	0.00286	5.72	2.52	78.9%	1.3%
Low Voltage Rate Rider	kWh	2,000	0.00000	0.00	2,000	0.00185	3.71	3.71		1.9%
Revenue Sufficiency	kWh	2,000	0.00000	0.00	2,000	-0.00664	(13.28)	(13.28)		-6.7%
Retail Transmission -	kWh	2,085	0.00390	8.13	2,085	0.00390	8.13	0.00	0.0%	0.0%
Retail Transmission -	kWh	2,085	0.00410	8.55	2,085	0.00410	8.55	0.00	0.0%	0.0%
Wholesale Market	kWh	2,085	0.00520	10.84	2,085	0.00520	10.84	0.00	0.0%	0.0%
Rural Rate Protection	kWh	2,085	0.00100	2.09	2,085	0.00100	2.09	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	2,000	0.00700	14.00	2,000	0.00700	14.00	0.00	0.0%	0.0%
Cost of Power	kWh	2,085	0.05470	114.07	2,085	0.05470	114.07	0.00	0.0%	0.0%
Total Bill				202.34			196.90	(5.44)	-2.7%	-2.8%

General Service <50

1,000

kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				27.69			19.13	(8.56)	-30.9%	-7.8%
Distribution	kWh	1,000	0.01640	16.40	1,000	0.01056	10.56	(5.84)	-35.6%	-5.3%
Sub-Total				44.09			29.69	(14.40)	-32.7%	-13.1%
Deferred Revenue Rider	kWh	1,000	0.00140	1.40	1,000	0.00163	1.63	0.23	16.2%	0.2%
Low Voltage Rate Rider	kWh	1,000	0.00000	0.00	1,000	0.00173	1.73	1.73		1.6%
Revenue Sufficiency Rate Rider	kWh	1,000	0.00000	0.00	1,000	-0.00377	(3.77)	(3.77)		-3.4%
Retail Transmission - Network	kWh	1,043	0.00430	4.48	1,043	0.00430	4.48	0.00	0.0%	0.0%
Retail Transmission - Line and	kWh	1,043	0.00520	5.42	1,043	0.00520	5.42	0.00	0.0%	0.0%
Wholesale Market Service	kWh	1,043	0.00520	5.42	1,043	0.00520	5.42	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	1,043	0.00100	1.04	1,043	0.00100	1.04	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	1,000	0.00700	7.00	1,000	0.00700	7.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	1,043	0.05470	57.04	1,043	0.05470	57.04	0.00	0.0%	0.0%
Total Bill				125.90			109.68	(16.21)	-12.9%	-14.8%

General Service <50

2,000

kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				27.69			19.13	(8.56)	-30.9%	-4.3%
Distribution	kWh	2,000	0.01640	32.80	2,000	0.01056	21.12	(11.68)	-35.6%	-5.8%
Sub-Total				60.49			40.25	(20.24)	-33.5%	-10.1%
Deferred Revenue Rider	kWh	2,000	0.00140	2.80	2,000	0.00163	3.25	0.45	16.2%	0.2%
Low Voltage Rate Rider	kWh	2,000	0.00000	0.00	2,000	0.00173	3.47	3.47		1.7%
Revenue Sufficiency Rate Rider	kWh	2,000	0.00000	0.00	2,000	-0.00377	(7.54)	(7.54)		-3.8%
Retail Transmission - Network	kWh	2,085	0.00430	8.97	2,085	0.00430	8.97	0.00	0.0%	0.0%
Retail Transmission - Line and	kWh	2,085	0.00520	10.84	2,085	0.00520	10.84	0.00	0.0%	0.0%
Wholesale Market Service	kWh	2,085	0.00520	10.84	2,085	0.00520	10.84	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	2,085	0.00100	2.09	2,085	0.00100	2.09	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	2,000	0.00700	14.00	2,000	0.00700	14.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	2,085	0.05470	114.07	2,085	0.05470	114.07	0.00	0.0%	0.0%
Total Bill				224.10			200.24	(23.86)	-10.6%	-11.9%

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General Service <50

3,000 kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				27.69			19.13	(8.56)	-30.9%	-2.9%
Distribution	kWh	3,000	0.01640	49.20	3,000	0.01056	31.68	(17.52)	-35.6%	-6.0%
Sub-Total				76.89			50.81	(26.08)	-33.9%	-9.0%
Deferred Revenue Rider	kWh	3,000	0.00140	4.20	3,000	0.00163	4.88	0.68	16.2%	0.2%
Low Voltage Rate Rider	kWh	3,000	0.00000	0.00	3,000	0.00173	5.20	5.20		1.8%
Revenue Sufficiency Rate Rider	kWh	3,000	0.00000	0.00	3,000	-0.00377	(11.32)	(11.32)		-3.9%
Retail Transmission - Network	kWh	3,128	0.00430	13.45	3,128	0.00430	13.45	0.00	0.0%	0.0%
Retail Transmission - Line and	kWh	3,128	0.00520	16.27	3,128	0.00520	16.27	0.00	0.0%	0.0%
Wholesale Market Service	kWh	3,128	0.00520	16.27	3,128	0.00520	16.27	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	3,128	0.00100	3.13	3,128	0.00100	3.13	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	3,000	0.00700	21.00	3,000	0.00700	21.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	3,128	0.05470	171.11	3,128	0.05470	171.11	0.00	0.0%	0.0%
Total Bill				322.31			290.79	(31.51)	-9.8%	-10.8%

General Service <50

5,000 kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				27.69			19.13	(8.56)	-30.9%	-1.8%
Distribution	kWh	5,000	0.01640	82.00	5,000	0.01056	52.80	(29.20)	-35.6%	-6.2%
Sub-Total				109.69			71.93	(37.76)	-34.4%	-8.0%
Deferred Revenue Rider	kWh	5,000	0.00140	7.00	5,000	0.00163	8.13	1.13	16.2%	0.2%
Low Voltage Rate Rider	kWh	5,000	0.00000	0.00	5,000	0.00173	8.67	8.67		1.8%
Revenue Sufficiency Rate Rider	kWh	5,000	0.00000	0.00	5,000	-0.00377	(18.86)	(18.86)		-4.0%
Retail Transmission - Network	kWh	5,214	0.00430	22.42	5,214	0.00430	22.42	0.00	0.0%	0.0%
Retail Transmission - Line and	kWh	5,214	0.00520	27.11	5,214	0.00520	27.11	0.00	0.0%	0.0%
Wholesale Market Service	kWh	5,214	0.00520	27.11	5,214	0.00520	27.11	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	5,214	0.00100	5.21	5,214	0.00100	5.21	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	5,000	0.00700	35.00	5,000	0.00700	35.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	5,214	0.05470	285.18	5,214	0.05470	285.18	0.00	0.0%	0.0%
Total Bill				518.72			471.90	(46.82)	-9.0%	-9.9%

General Service <50

10,000 kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				27.69			19.13	(8.56)	-30.9%	-0.9%
Distribution	kWh	10,000	0.01640	164.00	10,000	0.01056	105.59	(58.41)	-35.6%	-6.3%
Sub-Total				191.69			124.72	(66.97)	-34.9%	-7.2%
Deferred Revenue Rider	kWh	10,000	0.00140	14.00	10,000	0.00163	16.26	2.26	16.2%	0.2%
Low Voltage Rate Rider	kWh	10,000	0.00000	0.00	10,000	0.00173	17.35	17.35		1.9%
Revenue Sufficiency Rate Rider	kWh	10,000	0.00000	0.00	10,000	-0.00377	(37.72)	(37.72)		-4.1%
Retail Transmission - Network	kWh	10,427	0.00430	44.84	10,427	0.00430	44.84	0.00	0.0%	0.0%
Retail Transmission - Line and	kWh	10,427	0.00520	54.22	10,427	0.00520	54.22	0.00	0.0%	0.0%
Wholesale Market Service	kWh	10,427	0.00520	54.22	10,427	0.00520	54.22	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	10,427	0.00100	10.43	10,427	0.00100	10.43	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	10,000	0.00700	70.00	10,000	0.00700	70.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	10,427	0.05470	570.36	10,427	0.05470	570.36	0.00	0.0%	0.0%
Total Bill				1,009.75			924.68	(85.07)	-8.4%	-9.2%

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General Service <50

15,000

kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				27.69			19.13	(8.56)	-30.9%	-0.6%
Distribution	kWh	15,000	0.01640	246.00	15,000	0.01056	158.39	(87.61)	-35.6%	-6.4%
Sub-Total				273.69			177.52	(96.17)	-35.1%	-7.0%
Deferred Revenue Rider	kWh	15,000	0.00140	21.00	15,000	0.00163	24.40	3.40	16.2%	0.2%
Low Voltage Rate Rider	kWh	15,000	0.00000	0.00	15,000	0.00173	26.02	26.02		1.9%
Revenue Sufficiency Rate Rider	kWh	15,000	0.00000	0.00	15,000	-0.00377	(56.58)	(56.58)		-4.1%
Retail Transmission - Network	kWh	15,641	0.00430	67.25	15,641	0.00430	67.25	0.00	0.0%	0.0%
Retail Transmission - Line and	kWh	15,641	0.00520	81.33	15,641	0.00520	81.33	0.00	0.0%	0.0%
Wholesale Market Service	kWh	15,641	0.00520	81.33	15,641	0.00520	81.33	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	15,641	0.00100	15.64	15,641	0.00100	15.64	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	15,000	0.00700	105.00	15,000	0.00700	105.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	15,641	0.05470	855.54	15,641	0.05470	855.54	0.00	0.0%	0.0%
Total Bill				1,500.78			1,377.45	(123.33)	-8.2%	-9.0%

Greater than 50 to 999 kW

60

kW Consumption

15,000

kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				387.30			205.49	(181.81)	-46.9%	-11.5%
Distribution	kW	60	1.99270	119.56	60	1.76322	105.79	(13.77)	-11.5%	-0.9%
Sub-Total				506.86	0		311.28	(195.58)	-38.6%	-12.3%
Deferred Revenue Rider	kW	60	0.17910	10.75	60	0.21080	12.65	1.90	17.7%	0.1%
Low Voltage Rate Rider	kW	60	0.00000	0.00	60	0.61164	36.70	36.70		2.3%
Revenue Sufficiency Rate Rider	kW	60	0.00000	0.00	60	-0.48887	(29.33)	(29.33)		-1.8%
Retail Transmission - Network	kW	63	1.95610	122.38	63	1.59670	99.89	(22.48)	-18.4%	-1.4%
Retail Transmission - Line and	kW	63	1.63590	102.35	63	1.55130	97.05	(5.29)	-5.2%	-0.3%
Wholesale Market Service	kWh	15,641	0.00520	81.33	15,641	0.00520	81.33	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	15,641	0.00100	15.64	15,641	0.00100	15.64	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	15,000	0.00700	105.00	15,000	0.00700	105.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	15,641	0.05470	855.54	15,641	0.05470	855.54	0.00	0.0%	0.0%
Total Bill				1,799.84			1,585.75	(214.09)	-11.9%	-13.5%

Greater than 50 to 999 kW

100

kW Consumption

40,000

kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				387.30			205.49	(181.81)	-46.9%	-5.1%
Distribution	kW	100	1.99270	199.27	100	1.76322	176.32	(22.95)	-11.5%	-0.6%
Sub-Total				586.57	0		381.81	(204.76)	-34.9%	-5.7%
Deferred Revenue Rider	kW	100	0.17910	17.91	100	0.21080	21.08	3.17	17.7%	0.1%
Low Voltage Rate Rider	kW	100	0.00000	0.00	100	0.61164	61.16	61.16		1.7%
Revenue Sufficiency Rate Rider	kW	100	0.00000	0.00	100	-0.48887	(48.89)	(48.89)		-1.4%
Retail Transmission - Network	kW	104	1.95610	203.96	104	1.59670	166.49	(37.47)	-18.4%	-1.1%
Retail Transmission - Line and	kW	104	1.63590	170.58	104	1.55130	161.75	(8.82)	-5.2%	-0.2%
Wholesale Market Service	kWh	41,708	0.00520	216.88	41,708	0.00520	216.88	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	41,708	0.00100	41.71	41,708	0.00100	41.71	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	40,000	0.00700	280.00	40,000	0.00700	280.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	41,708	0.05470	2,281.43	41,708	0.05470	2,281.43	0.00	0.0%	0.0%
Total Bill				3,799.04			3,563.43	(235.61)	-6.2%	-6.6%

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Greater than 50 to 999 kW

500 kW Consumption
100,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				387.30			205.49	(181.81)	-46.9%	-1.8%
Distribution	kW	500	1.99270	996.35	500	1.76322	881.61	(114.74)	-11.5%	-1.2%
Sub-Total				1,383.65	0		1,087.10	(296.55)	-21.4%	-3.0%
Deferred Revenue Rider	kW	500	0.17910	89.55	500	0.21080	105.40	15.85	17.7%	0.2%
Low Voltage Rate Rider	kW	500	0.00000	0.00	500	0.61164	305.82	305.82		3.1%
Revenue Sufficiency Rate Rider	kW	500	0.00000	0.00	500	-0.48887	(244.44)	(244.44)		-2.5%
Retail Transmission - Network	kW	521	1.95610	1,019.81	521	1.59670	832.44	(187.37)	-18.4%	-1.9%
Retail Transmission - Line and	kW	521	1.63590	852.88	521	1.55130	808.77	(44.11)	-5.2%	-0.4%
Wholesale Market Service	kWh	104,270	0.00520	542.20	104,270	0.00520	542.20	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	104,270	0.00100	104.27	104,270	0.00100	104.27	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	100,000	0.00700	700.00	100,000	0.00700	700.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	104,270	0.05470	5,703.57	104,270	0.05470	5,703.57	0.00	0.0%	0.0%
Total Bill				10,395.93			9,945.13	(450.80)	-4.3%	-4.5%

Greater than 50 to 999 kW

1,000 kW Consumption
400,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				387.30			205.49	(181.81)	-46.9%	-0.5%
Distribution	kW	1,000	1.99270	1,992.70	1,000	1.76322	1,763.22	(229.48)	-11.5%	-0.7%
Sub-Total				2,380.00	0		1,968.71	(411.29)	-17.3%	-1.2%
Deferred Revenue Rider	kW	1,000	0.17910	179.10	1,000	0.21080	210.80	31.70	17.7%	0.1%
Low Voltage Rate Rider	kW	1,000	0.00000	0.00	1,000	0.61164	611.64	611.64		1.8%
Revenue Sufficiency Rate Rider	kW	1,000	0.00000	0.00	1,000	-0.48887	(488.87)	(488.87)		-1.4%
Retail Transmission - Network	kW	1,043	1.95610	2,039.63	1,043	1.59670	1,664.88	(374.75)	-18.4%	-1.1%
Retail Transmission - Line and	kW	1,043	1.63590	1,705.75	1,043	1.55130	1,617.54	(88.21)	-5.2%	-0.3%
Wholesale Market Service	kWh	417,080	0.00520	2,168.82	417,080	0.00520	2,168.82	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	417,080	0.00100	417.08	417,080	0.00100	417.08	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	400,000	0.00700	2,800.00	400,000	0.00700	2,800.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	417,080	0.05470	22,814.28	417,080	0.05470	22,814.28	0.00	0.0%	0.0%
Total Bill				34,504.65			33,784.87	(719.78)	-2.1%	-2.1%

Greater than 50 to 999 kW

3,000 kW Consumption
1,000,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				387.30			205.49	(181.81)	-46.9%	-0.2%
Distribution	kW	3,000	1.99270	5,978.10	3,000	1.76322	5,289.65	(688.45)	-11.5%	-0.8%
Sub-Total				6,365.40	0		5,495.14	(870.26)	-13.7%	-1.0%
Deferred Revenue Rider	kW	3,000	0.17910	537.30	3,000	0.21080	632.41	95.11	17.7%	0.1%
Low Voltage Rate Rider	kW	3,000	0.00000	0.00	3,000	0.61164	1,834.91	1,834.91		2.1%
Revenue Sufficiency Rate Rider	kW	3,000	0.00000	0.00	3,000	-0.48887	(1,466.61)	(1,466.61)		-1.7%
Retail Transmission - Network	kW	3,128	1.95610	6,118.88	3,128	1.59670	4,994.64	(1,124.24)	-18.4%	-1.3%
Retail Transmission - Line and	kW	3,128	1.63590	5,117.26	3,128	1.55130	4,852.62	(264.64)	-5.2%	-0.3%
Wholesale Market Service	kWh	1,042,700	0.00520	5,422.04	1,042,700	0.00520	5,422.04	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	1,042,700	0.00100	1,042.70	1,042,700	0.00100	1,042.70	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	1,000,000	0.00700	7,000.00	1,000,000	0.00700	7,000.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	1,042,700	0.05470	57,035.69	1,042,700	0.05470	57,035.69	0.00	0.0%	0.0%
Total Bill				88,639.27			86,843.53	(1,795.73)	-2.0%	-2.1%

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Greater than 1,000 to 2,999 kW

1,700 kW Consumption
700,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				6,370.03			2,376.33	(3,993.70)	-62.7%	-6.3%
Distribution	kW	1,700	2.23480	3,799.16	1,700	3.10753	5,282.80	1,483.64	39.1%	2.3%
Sub-Total				10,169.19	0		7,659.13	(2,510.06)	-24.7%	-4.0%
Deferred Revenue Rider	kW	1,700	0.39290	667.93	1,700	0.37475	637.07	(30.86)	-4.6%	0.0%
Low Voltage Rate Rider	kW	1,700	0.00000	0.00	1,700	0.65773	1,118.14	1,118.14		1.8%
Revenue Sufficiency Rate Rider	kW	1,700	0.00000	0.00	1,700	-0.86908	(1,477.44)	(1,477.44)		-2.3%
Retail Transmission - Network	kW	1,773	2.12460	3,766.04	1,773	1.73420	3,074.03	(692.02)	-18.4%	-1.1%
Retail Transmission - Line and	kW	1,773	1.75920	3,118.34	1,773	1.66820	2,957.03	(161.31)	-5.2%	-0.3%
Wholesale Market Service	kWh	729,890	0.00520	3,795.43	729,890	0.00520	3,795.43	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	729,890	0.00100	729.89	729,890	0.00100	729.89	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	700,000	0.00700	4,900.00	700,000	0.00700	4,900.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	729,890	0.05470	39,924.98	729,890	0.05470	39,924.98	0.00	0.0%	0.0%
Total Bill				67,071.81			63,318.27	(3,753.54)	-5.6%	-5.9%

Greater than 1,000 to 2,999 kW

1,500 kW Consumption
750,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				6,370.03			2,376.33	(3,993.70)	-62.7%	-6.1%
Distribution	kW	1,500	2.23480	3,352.20	1,500	3.10753	4,661.30	1,309.10	39.1%	2.0%
Sub-Total				9,722.23	0		7,037.63	(2,684.60)	-27.6%	-4.1%
Deferred Revenue Rider	kW	1,500	0.39290	589.35	1,500	0.37475	562.12	(27.23)	-4.6%	0.0%
Low Voltage Rate Rider	kW	1,500	0.00000	0.00	1,500	0.65773	986.59	986.59		1.5%
Revenue Sufficiency Rate Rider	kW	1,500	0.00000	0.00	1,500	-0.86908	(1,303.62)	(1,303.62)		-2.0%
Retail Transmission - Network	kW	1,564	2.12460	3,322.98	1,564	1.73420	2,712.38	(610.61)	-18.4%	-0.9%
Retail Transmission - Line and	kW	1,564	1.75920	2,751.48	1,564	1.66820	2,609.15	(142.33)	-5.2%	-0.2%
Wholesale Market Service	kWh	782,025	0.00520	4,066.53	782,025	0.00520	4,066.53	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	782,025	0.00100	782.03	782,025	0.00100	782.03	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	750,000	0.00700	5,250.00	750,000	0.00700	5,250.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	782,025	0.05470	42,776.77	782,025	0.05470	42,776.77	0.00	0.0%	0.0%
Total Bill				69,261.36			65,479.57	(3,781.79)	-5.5%	-5.8%

Greater than 1,000 to 2,999 kW

1,000 kW Consumption
450,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				6,370.03			2,376.33	(3,993.70)	-62.7%	-9.8%
Distribution	kW	1,000	2.23480	2,234.80	1,000	3.10753	3,107.53	872.73	39.1%	2.1%
Sub-Total				8,604.83	0		5,483.86	(3,120.97)	-36.3%	-7.6%
Deferred Revenue Rider	kW	1,000	0.39290	392.90	1,000	0.37475	374.75	(18.15)	-4.6%	0.0%
Low Voltage Rate Rider	kW	1,000	0.00000	0.00	1,000	0.65773	657.73	657.73		1.6%
Revenue Sufficiency Rate Rider	kW	1,000	0.00000	0.00	1,000	-0.86908	(869.08)	(869.08)		-2.1%
Retail Transmission - Network	kW	1,043	2.12460	2,215.32	1,043	1.73420	1,808.25	(407.07)	-18.4%	-1.0%
Retail Transmission - Line and	kW	1,043	1.75920	1,834.32	1,043	1.66820	1,739.43	(94.89)	-5.2%	-0.2%
Wholesale Market Service	kWh	469,215	0.00520	2,439.92	469,215	0.00520	2,439.92	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	469,215	0.00100	469.22	469,215	0.00100	469.22	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	450,000	0.00700	3,150.00	450,000	0.00700	3,150.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	469,215	0.05470	25,666.06	469,215	0.05470	25,666.06	0.00	0.0%	0.0%
Total Bill				44,772.56			40,920.13	(3,852.43)	-8.6%	-9.4%

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Greater than 1,000 to 2,999 kW

1,800 kW Consumption
1,000,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				6,370.03			2,376.33	(3,993.70)	-62.7%	-4.7%
Distribution	kW	1,800	2.23480	4,022.64	1,800	3.10753	5,593.55	1,570.91	39.1%	1.8%
Sub-Total				10,392.67	0		7,969.88	(2,422.79)	-23.3%	-2.8%
Deferred Revenue Rider	kW	1,800	0.39290	707.22	1,800	0.37475	674.55	(32.67)	-4.6%	0.0%
Low Voltage Rate Rider	kW	1,800	0.00000	0.00	1,800	0.65773	1,183.91	1,183.91		1.4%
Revenue Sufficiency Rate	kW	1,800	0.00000	0.00	1,800	-0.86908	(1,564.35)	(1,564.35)		-1.8%
Retail Transmission -	kW	1,877	2.12460	3,987.58	1,877	1.73420	3,254.85	(732.73)	-18.4%	-0.9%
Retail Transmission - Line	kW	1,877	1.75920	3,301.77	1,877	1.66820	3,130.98	(170.79)	-5.2%	-0.2%
Wholesale Market Service	kWh	1,042,700	0.00520	5,422.04	1,042,700	0.00520	5,422.04	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	1,042,700	0.00100	1,042.70	1,042,700	0.00100	1,042.70	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	1,000,000	0.00700	7,000.00	1,000,000	0.00700	7,000.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	1,042,700	0.05470	57,035.69	1,042,700	0.05470	57,035.69	0.00	0.0%	0.0%
Total Bill				88,889.67			85,150.26	(3,739.41)	-4.2%	-4.4%

Greater than 1,000 to 2,999 kW

2,000 kW Consumption
800,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				6,370.03			2,376.33	(3,993.70)	-62.7%	-5.5%
Distribution	kW	2,000	2.23480	4,469.60	2,000	3.10753	6,215.06	1,745.46	39.1%	2.4%
Sub-Total				10,839.63	0		8,591.39	(2,248.24)	-20.7%	-3.1%
Deferred Revenue Rider	kW	2,000	0.39290	785.80	2,000	0.37475	749.50	(36.30)	-4.6%	-0.1%
Low Voltage Rate Rider	kW	2,000	0.00000	0.00	2,000	0.65773	1,315.45	1,315.45		1.8%
Revenue Sufficiency Rate	kW	2,000	0.00000	0.00	2,000	-0.86908	(1,738.16)	(1,738.16)		-2.4%
Retail Transmission -	kW	2,085	2.12460	4,430.64	2,085	1.73420	3,616.50	(814.14)	-18.4%	-1.1%
Retail Transmission - Line	kW	2,085	1.75920	3,668.64	2,085	1.66820	3,478.86	(189.77)	-5.2%	-0.3%
Wholesale Market Service	kWh	834,160	0.00520	4,337.63	834,160	0.00520	4,337.63	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	834,160	0.00100	834.16	834,160	0.00100	834.16	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	800,000	0.00700	5,600.00	800,000	0.00700	5,600.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	834,160	0.05470	45,628.55	834,160	0.05470	45,628.55	0.00	0.0%	0.0%
Total Bill				76,125.05			72,413.89	(3,711.16)	-4.9%	-5.1%

Greater than 3,000 to 4,999 kW

3,000 kW Consumption
800,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				7,138.82			1,399.56	(5,739.26)	-80.4%	-7.6%
Distribution	kW	3,000	2.17050	6,511.50	3,000	1.58900	4,767.01	(1,744.49)	-26.8%	-2.3%
Sub-Total				13,650.32	0		6,166.57	(7,483.75)	-54.8%	-9.9%
Deferred Revenue Rider	kW	3,000	0.19320	579.60	3,000	0.08844	265.31	(314.29)	-54.2%	-0.4%
Low Voltage Rate Rider	kW	3,000	0.00000	0.00	3,000	0.70193	2,105.78	2,105.78		2.8%
Revenue Sufficiency Rate Rider	kW	3,000	0.00000	0.00	3,000	-0.20509	(615.27)	(615.27)		-0.8%
Retail Transmission - Network	kW	3,128	2.24000	7,006.94	3,128	1.82840	5,719.42	(1,287.53)	-18.4%	-1.7%
Retail Transmission - Line and	kW	3,128	1.87740	5,872.69	3,128	1.78030	5,568.96	(303.74)	-5.2%	-0.4%
Wholesale Market Service	kWh	834,160	0.00520	4,337.63	834,160	0.00520	4,337.63	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	834,160	0.00100	834.16	834,160	0.00100	834.16	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	800,000	0.00700	5,600.00	800,000	0.00700	5,600.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	834,160	0.05470	45,628.55	834,160	0.05470	45,628.55	0.00	0.0%	0.0%
Total Bill				83,509.90			75,611.10	(7,898.81)	-9.5%	-10.4%

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Greater than 3,000 to 4,999 kW

3,000 kW Consumption
1,000,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				7,138.82			1,399.56	(5,739.26)	-80.4%	-6.4%
Distribution	kW	3,000	2.17050	6,511.50	3,000	1.58900	4,767.01	(1,744.49)	-26.8%	-1.9%
Sub-Total				13,650.32	0		6,166.57	(7,483.75)	-54.8%	-8.3%
Deferred Revenue Rider	kW	3,000	0.19320	579.60	3,000	0.08844	265.31	(314.29)	-54.2%	-0.4%
Low Voltage Rate Rider	kW	3,000	0.00000	0.00	3,000	0.70193	2,105.78	2,105.78		2.3%
Revenue Sufficiency Rate Rider	kW	3,000	0.00000	0.00	3,000	-0.20509	(615.27)	(615.27)		-0.7%
Retail Transmission - Network	kW	3,128	2.24000	7,006.94	3,128	1.82840	5,719.42	(1,287.53)	-18.4%	-1.4%
Retail Transmission - Line and	kW	3,128	1.87740	5,872.69	3,128	1.78030	5,568.96	(303.74)	-5.2%	-0.3%
Wholesale Market Service	kWh	1,042,700	0.00520	5,422.04	1,042,700	0.00520	5,422.04	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	1,042,700	0.00100	1,042.70	1,042,700	0.00100	1,042.70	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	1,000,000	0.00700	7,000.00	1,000,000	0.00700	7,000.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	1,042,700	0.05470	57,035.69	1,042,700	0.05470	57,035.69	0.00	0.0%	0.0%
Total Bill				97,609.99			89,711.18	(7,898.81)	-8.1%	-8.8%

Greater than 3,000 to 4,999 kW

4,000 kW Consumption
1,200,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				7,138.82			1,399.56	(5,739.26)	-80.4%	-5.2%
Distribution	kW	4,000	2.17050	8,682.00	4,000	1.58900	6,356.01	(2,325.99)	-26.8%	-2.1%
Sub-Total				15,820.82	0		7,755.57	(8,065.25)	-51.0%	-7.3%
Deferred Revenue Rider	kW	4,000	0.19320	772.80	4,000	0.08844	353.74	(419.06)	-54.2%	-0.4%
Low Voltage Rate Rider	kW	4,000	0.00000	0.00	4,000	0.70193	2,807.70	2,807.70		2.6%
Revenue Sufficiency Rate Rider	kW	4,000	0.00000	0.00	4,000	-0.20509	(820.36)	(820.36)		-0.7%
Retail Transmission - Network	kW	4,171	2.24000	9,342.59	4,171	1.82840	7,625.89	(1,716.70)	-18.4%	-1.6%
Retail Transmission - Line and	kW	4,171	1.87740	7,830.26	4,171	1.78030	7,425.28	(404.98)	-5.2%	-0.4%
Wholesale Market Service	kWh	1,251,240	0.00520	6,506.45	1,251,240	0.00520	6,506.45	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	1,251,240	0.00100	1,251.24	1,251,240	0.00100	1,251.24	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	1,200,000	0.00700	8,400.00	1,200,000	0.00700	8,400.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	1,251,240	0.05470	68,442.83	1,251,240	0.05470	68,442.83	0.00	0.0%	0.0%
Total Bill				118,366.99			109,748.33	(8,618.66)	-7.3%	-7.9%

Greater than 3,000 to 4,999 kW

4,000 kW Consumption
1,800,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				7,138.82			1,399.56	(5,739.26)	-80.4%	-3.8%
Distribution	kW	4,000	2.17050	8,682.00	4,000	1.58900	6,356.01	(2,325.99)	-26.8%	-1.5%
Sub-Total				15,820.82	0		7,755.57	(8,065.25)	-51.0%	-5.3%
Deferred Revenue Rider	kW	4,000	0.19320	772.80	4,000	0.08844	353.74	(419.06)	-54.2%	-0.3%
Low Voltage Rate Rider	kW	4,000	0.00000	0.00	4,000	0.70193	2,807.70	2,807.70		1.8%
Revenue Sufficiency Rate Rider	kW	4,000	0.00000	0.00	4,000	-0.20509	(820.36)	(820.36)		-0.5%
Retail Transmission - Network	kW	4,171	2.24000	9,342.59	4,171	1.82840	7,625.89	(1,716.70)	-18.4%	-1.1%
Retail Transmission - Line and	kW	4,171	1.87740	7,830.26	4,171	1.78030	7,425.28	(404.98)	-5.2%	-0.3%
Wholesale Market Service	kWh	1,876,860	0.00520	9,759.67	1,876,860	0.00520	9,759.67	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	1,876,860	0.00100	1,876.86	1,876,860	0.00100	1,876.86	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	1,800,000	0.00700	12,600.00	1,800,000	0.00700	12,600.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	1,876,860	0.05470	102,664.24	1,876,860	0.05470	102,664.24	0.00	0.0%	0.0%
Total Bill				160,667.25			152,048.59	(8,618.66)	-5.4%	-5.7%

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Greater than 3,000 to 4,999 kW

4,000 kW Consumption
1,008,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				7,138.82			1,399.56	(5,739.26)	-80.4%	-6.0%
Distribution	kW	4,000	2.17050	8,682.00	4,000	1.58900	6,356.01	(2,325.99)	-26.8%	-2.4%
Sub-Total				15,820.82	0		7,755.57	(8,065.25)	-51.0%	-8.4%
Deferred Revenue Rider	kW	4,000	0.19320	772.80	4,000	0.08844	353.74	(419.06)	-54.2%	-0.4%
Low Voltage Rate Rider	kW	4,000	0.00000	0.00	4,000	0.70193	2,807.70	2,807.70		2.9%
Revenue Sufficiency Rate Rider	kW	4,000	0.00000	0.00	4,000	-0.20509	(820.36)	(820.36)		-0.9%
Retail Transmission - Network	kW	4,171	2.24000	9,342.59	4,171	1.82840	7,625.89	(1,716.70)	-18.4%	-1.8%
Retail Transmission - Line and	kW	4,171	1.87740	7,830.26	4,171	1.78030	7,425.28	(404.98)	-5.2%	-0.4%
Wholesale Market Service	kWh	1,051,042	0.00520	5,465.42	1,051,042	0.00520	5,465.42	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	1,051,042	0.00100	1,051.04	1,051,042	0.00100	1,051.04	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	1,008,000	0.00700	7,056.00	1,008,000	0.00700	7,056.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	1,051,042	0.05470	57,491.98	1,051,042	0.05470	57,491.98	0.00	0.0%	0.0%
Total Bill				104,830.91			96,212.25	(8,618.66)	-8.2%	-9.0%

Large Use

6,000 kW Consumption
2,800,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				14,462.55			9,704.76	(4,757.79)	-32.9%	-2.0%
Distribution	kW	6,000	1.32810	7,968.60	6,000	2.04444	12,266.64	4,298.04	53.9%	1.8%
Sub-Total				22,431.15	0		21,971.40	(459.75)	-2.0%	-0.2%
Deferred Revenue Rider	kW	6,000	0.11960	717.60	6,000	0.01305	78.30	(639.30)	-89.1%	-0.3%
Low Voltage Rate Rider	kW	6,000	0.00000	0.00	6,000	0.06317	379.00	379.00		0.2%
Revenue Sufficiency Rate Rider	kW	6,000	0.00000	0.00	6,000	-0.03026	(181.58)	(181.58)		-0.1%
Retail Transmission - Network	kW	6,060	2.35530	14,273.12	6,060	1.92250	11,650.35	(2,622.77)	-18.4%	-1.1%
Retail Transmission - Line and	kW	6,060	1.99550	12,092.73	6,060	1.89230	11,467.34	(625.39)	-5.2%	-0.3%
Wholesale Market Service	kWh	2,828,000	0.00520	14,705.60	2,828,000	0.00520	14,705.60	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	2,828,000	0.00100	2,828.00	2,828,000	0.00100	2,828.00	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	2,800,000	0.00700	19,600.00	2,800,000	0.00700	19,600.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	2,828,000	0.05470	154,691.60	2,828,000	0.05470	154,691.60	0.00	0.0%	0.0%
Total Bill				241,339.80			237,190.00	(4,149.80)	-1.7%	-1.7%

Large Use

15,000 kW Consumption
7,000,000 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				14,462.55			9,704.76	(4,757.79)	-32.9%	-0.8%
Distribution	kW	15,000	1.32810	19,921.50	15,000	2.04444	30,666.61	10,745.11	53.9%	1.9%
Sub-Total				34,384.05	0		40,371.37	5,987.32	17.4%	1.0%
Deferred Revenue Rider	kW	15,000	0.11960	1,794.00	15,000	0.01305	195.75	(1,598.25)	-89.1%	-0.3%
Low Voltage Rate Rider	kW	15,000	0.00000	0.00	15,000	0.06317	947.49	947.49		0.2%
Revenue Sufficiency Rate Rider	kW	15,000	0.00000	0.00	15,000	-0.03026	(453.96)	(453.96)		-0.1%
Retail Transmission - Network	kW	15,150	2.35530	35,682.80	15,150	1.92250	29,125.88	(6,556.92)	-18.4%	-1.1%
Retail Transmission - Line and	kW	15,150	1.99550	30,231.83	15,150	1.89230	28,668.35	(1,563.48)	-5.2%	-0.3%
Wholesale Market Service	kWh	7,070,000	0.00520	36,764.00	7,070,000	0.00520	36,764.00	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	7,070,000	0.00100	7,070.00	7,070,000	0.00100	7,070.00	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	7,000,000	0.00700	49,000.00	7,000,000	0.00700	49,000.00	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	7,070,000	0.05470	386,729.00	7,070,000	0.05470	386,729.00	0.00	0.0%	0.0%
Total Bill				581,655.67			578,417.87	(3,237.80)	-0.6%	-0.6%

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Unmetered Scattered Load

600 kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				6.45			2.73	(3.72)	-57.7%	-6.4%
Distribution	kWh	600	0.03720	22.32	600	0.01335	8.01	(14.31)	-64.1%	-24.8%
Sub-Total				28.77			10.74	(18.03)	-62.7%	-31.2%
Deferred Revenue Rider	kWh	600	0.00250	1.50	600	0.00164	0.98	(0.52)	-34.3%	-0.9%
Low Voltage Rate Rider	kWh	600	0.00000	0.00	600	0.00173	1.04	1.04		1.8%
Revenue Sufficiency Rate Rider	kWh	600	0.00000	0.00	600	-0.00381	(2.28)	(2.28)		-4.0%
Retail Transmission - Network	kWh	626	0.00430	2.69	626	0.00350	2.19	(0.50)	-18.6%	-0.9%
Retail Transmission - Line and	kWh	626	0.00460	2.88	626	0.00440	2.75	(0.13)	-4.3%	-0.2%
Wholesale Market Service	kWh	626	0.00520	3.25	626	0.00520	3.25	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	626	0.00100	0.63	626	0.00100	0.63	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	600	0.00700	4.20	600	0.00700	4.20	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	626	0.05470	34.22	626	0.05470	34.22	0.00	0.0%	0.0%
Total Bill				78.14			57.73	(20.41)	-26.1%	-35.4%

Unmetered Scattered Load

532 kWh Consumption

	Metric	Current Rates			2008 Decision Bill			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				6.45			2.73	(3.72)	-57.7%	-7.2%
Distribution	kWh	532	0.03720	19.78	532	0.01335	7.10	(12.68)	-64.1%	-24.6%
Sub-Total				26.23			9.83	(16.40)	-62.5%	-31.9%
Deferred Revenue Rider	kWh	532	0.00250	1.33	532	0.00164	0.87	(0.46)	-34.3%	-0.9%
Low Voltage Rate Rider	kWh	532	0.00000	0.00	532	0.00173	0.92	0.92		1.8%
Revenue Sufficiency Rate Rider	kWh	532	0.00000	0.00	532	-0.00381	(2.02)	(2.02)		-3.9%
Retail Transmission - Network	kWh	555	0.00430	2.38	555	0.00350	1.94	(0.44)	-18.6%	-0.9%
Retail Transmission - Line and	kWh	555	0.00460	2.55	555	0.00440	2.44	(0.11)	-4.3%	-0.2%
Wholesale Market Service	kWh	555	0.00520	2.88	555	0.00520	2.88	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	555	0.00100	0.55	555	0.00100	0.55	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	532	0.00700	3.72	532	0.00700	3.72	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	555	0.05470	30.33	555	0.05470	30.33	0.00	0.0%	0.0%
Total Bill				69.99			51.48	(18.52)	-26.5%	-36.0%

Street Lighting

1 kW Consumption
25 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				0.52			3.70	3.18	611.5%	19.3%
Distribution	kW	1	1.81750	1.82	1	11.08084	11.08	9.26	509.7%	56.2%
Sub-Total				2.34	0		14.78	12.44	532.3%	75.5%
Deferred Revenue Rider	kW	1	0.18170	0.18	1	2.33419	2.33	2.15	1184.6%	13.1%
Low Voltage Rate Rider	kW	1	0.00000	0.00	1	0.47234	0.47	0.47		2.9%
Revenue Sufficiency Rate Rider	kW	1	0.00000	0.00	1	-5.41322	(5.41)	(5.41)		-32.9%
Retail Transmission - Network	kW	1	1.51070	1.58	1	1.23310	1.29	(0.29)	-18.4%	-1.8%
Retail Transmission - Line and	kW	1	1.26330	1.32	1	1.19800	1.25	(0.07)	-5.2%	-0.4%
Wholesale Market Service	kWh	26	0.00520	0.14	26	0.00520	0.14	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	26	0.00100	0.03	26	0.00100	0.03	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	25	0.00700	0.18	25	0.00700	0.18	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	26	0.05470	1.43	26	0.05470	1.43	0.00	0.0%	0.0%
Total Bill				7.17			16.47	9.30	129.6%	56.4%

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Sentinel Lighting

0.75 kW Consumption
25 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				2.08			5.08	3.00	144.2%	17.5%
Distribution	kW	1	9.89520	7.42	1	14.63370	10.98	3.55	47.9%	20.7%
Sub-Total				9.50	0		16.06	6.55	69.0%	38.2%
Deferred Revenue Rider	kW	1	0.81680	0.61	1	2.93928	2.20	1.59	259.9%	9.3%
Low Voltage Rate Rider	kW	1	0.00000	0.00	1	0.47234	0.35	0.35		2.1%
Revenue Sufficiency Rate Rider	kW	1	0.00000	0.00	1	-6.81646	(5.11)	(5.11)		-29.8%
Retail Transmission - Network	kW	1	1.51070	1.18	1	1.23310	0.96	(0.22)	-18.4%	-1.3%
Retail Transmission - Line and	kW	1	1.26330	0.99	1	1.19800	0.94	(0.05)	-5.2%	-0.3%
Wholesale Market Service	kWh	26	0.00520	0.14	26	0.00520	0.14	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	26	0.00100	0.03	26	0.00100	0.03	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	25	0.00700	0.18	25	0.00700	0.18	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	26	0.05470	1.43	26	0.05470	1.43	0.00	0.0%	0.0%
Total Bill				14.05			17.17	3.12	22.2%	18.2%

Sentinel Lighting

0.75 kW Consumption
50 kWh Consumption

	Metric	Current Rates			2008 Decision			IMPACT		
		Volume	Rate \$	Charge \$	Volume	Rate \$	Charge \$	Change \$	Change %	% of Total Bill
Monthly Service Charge				2.08			5.08	3.00	144.2%	15.8%
Distribution	kW	1	9.89520	7.42	1	14.63370	10.98	3.55	47.9%	18.8%
Sub-Total				9.50	0		16.06	6.55	69.0%	34.6%
Deferred Revenue Rider	kW	1	0.81680	0.61	1	2.93928	2.20	1.59	259.9%	8.4%
Low Voltage Rate Rider	kW	1	0.00000	0.00	1	0.47234	0.35	0.35		1.9%
Revenue Sufficiency Rate Rider	kW	1	0.00000	0.00	1	-6.81646	(5.11)	(5.11)		-27.0%
Retail Transmission - Network	kW	1	1.51070	1.18	1	1.23310	0.96	(0.22)	-18.4%	-1.1%
Retail Transmission - Line and	kW	1	1.26330	0.99	1	1.19800	0.94	(0.05)	-5.2%	-0.3%
Wholesale Market Service	kWh	52	0.00520	0.27	52	0.00520	0.27	0.00	0.0%	0.0%
Rural Rate Protection Charge	kWh	52	0.00100	0.05	52	0.00100	0.05	0.00	0.0%	0.0%
Debt Retirement Charge	kWh	50	0.00700	0.35	50	0.00700	0.35	0.00	0.0%	0.0%
Cost of Power Commodity	kWh	52	0.05470	2.85	52	0.05470	2.85	0.00	0.0%	0.0%
Total Bill				15.81			18.93	3.12	19.7%	16.5%

Erie Thames Powerlines Corp.

TARIFF OF RATES AND CHARGES

Effective May 1st, 2008
Implementation December 1st, 2008

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

EB-2007-0928

APPLICATION

- The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Codes, Guidelines or Orders of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.
- No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a e approved 2006 Electricity Distribution Rate Handbook or any other Licence conditions, Codes, Guidelines or Orders of the Board, and amendments thereto as approved by the Board, or as specified herein.
- This schedule does not contain any rates and charges relating to the electricity commodity (e.g. the Regulated Price Plan).

EFFECTIVE DATES

DISTRIBUTION RATES –May 1st, 2008 for all consumption or deemed consumption services used on or after that date.

SPECIFIC SERVICE CHARGES –May 1st, 2008 for all charges incurred by customers on or after that date.

RETAIL SERVICE CHARGES –May 1st, 2008 for all charges incurred by retailers or customers on or after that date.

LOSS FACTOR ADJUSTMENT –May 1st, 2008 unless the distributor is not capable of prorating changed loss factors jointly with distribution rates. In that case, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

SERVICE CLASSIFICATIONS

Residential Customers

This classification refers to the supply of electrical energy to customers residing in residential dwelling units. Further servicing details are available in the distributor's Conditions of Service.

General Service Less Than 50 kW

This classification applies to a non residential account whose average monthly maximum demand is less than or is forecast to be less than, 50 kW, and town houses and condominiums that require centralized bulk metering. Further servicing details are available in the distributor's Conditions of Service.

General Service 50 to 999 kW

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 1,000 kW. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply:

General Service 50 to 999 kW non-interval metered

General Service 50 to 999 kW interval metered

Further servicing details are available in the distributor's Conditions of Service.

General Service 1,000 to 2,999 kW

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 1,000 kW but less than 3,000 kW. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply:

General Service 1,000 to 2,999 kW non-interval metered

General Service 1,000 to 2,999 kW interval metered

Further servicing details are available in the distributor's Conditions of Service.

General Service 3,000 to 4,999 kW

This classification applies to an account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 3,000 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

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Large Use

This classification applies to an account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

Unmetered Scattered Load

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, decorative street lighting, billboards, etc. The level of consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of unmetered load or periodic monitoring of actual consumption. Further servicing details are available in the distributor's Conditions of Service.

Sentinel Lighting

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

Street Lighting

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connection load times the required lighting times established in the approved OEB street lighting load shape template. Street Lighting plant, facilities or equipment owned by the customer are subject to the ESA requirements.

Embedded Distributor

This classification applies to an electricity distributor licensed by the Board, that is provided electricity by means of this distributor's facilities.

MONTHLY RATES AND CHARGES**Residential**

Service Charge	\$	14.39
Distribution Volumetric Rate	\$/kWh	0.0143
Deferred Revenue Recovery Rate Rider – effective until April 30, 2009	\$/kWh	0.0029
Deferral Account 1550 Rate Rider – effective until April 30, 2009	\$/kWh	0.0019
Revenue Sufficiency Rate Rider – effective until April 30, 2009	\$/kWh	-0.0066
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0038
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0047
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	\$	19.13
Distribution Volumetric Rate	\$/kWh	0.0106
Deferred Revenue Recovery Rate Rider – effective until April 30, 2009	\$/kWh	0.0016
Deferral Account 1550 Rate Rider – effective until April 30, 2009	\$/kWh	0.0017
Revenue Sufficiency Rate Rider – effective until April 30, 2009	\$/kWh	-0.0038
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0035
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0044
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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General Service 50 to 999 kW

Service Charge	\$	205.49
Distribution Volumetric Rate	\$/kW	1.7632
Deferred Revenue Recovery Rate Rider– effective until April 30, 2009	\$/kW	0.2108
Deferral Account 1550 Rate Rider – effective until April 30, 2009	\$/kW	0.6116
Revenue Sufficiency Rate Rider – effective until April 30, 2009	\$/kW	-0.4889
Retail Transmission Rate – Network Service Rate	\$/kW	1.5967
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5513
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 1,000 to 2,999 kW

Service Charge	\$	2,376.33
Distribution Volumetric Rate	\$/kW	3.1075
Deferred Revenue Recovery Rate Rider– effective until April 30, 2009	\$/kW	0.3747
Deferral Account 1550 Rate Rider – effective until April 30, 2009	\$/kW	0.6577
Revenue Sufficiency Rate Rider – effective until April 30, 2009	\$/kW	-0.8691
Retail Transmission Rate – Network Service Rate	\$/kW	1.7342
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6682
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 3,000 to 4,999 kW

Service Charge	\$	1,399.56
Distribution Volumetric Rate	\$/kW	1.5890
Deferred Revenue Recovery Rate Rider– effective until April 30, 2009	\$/kW	0.0884
Deferral Account 1550 Rate Rider – effective until April 30, 2009	\$/kW	0.7019
Revenue Sufficiency Rate Rider – effective until April 30, 2009	\$/kW	-0.2051
Retail Transmission Rate – Network Service Rate	\$/kW	1.8284
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7803
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Large Use

Service Charge	\$	9,704.76
Distribution Volumetric Rate	\$/kW	2.0444
Deferred Revenue Recovery Rate Rider– effective until April 30, 2009	\$/kW	0.0130
Deferral Account 1550 Rate Rider – effective until April 30, 2009	\$/kW	0.0632
Revenue Sufficiency Rate Rider – effective until April 30, 2009	\$/kW	-0.0303
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	1.9225
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.8923
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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Unmetered Scattered Load

Service Charge	\$	2.73
Distribution Volumetric Rate	\$/kWh	0.0134
Deferred Revenue Recovery Rate Rider – effective until April 30, 2009	\$/kWh	0.0016
Deferral Account 1550 Rate Rider – effective until April 30, 2009	\$/kWh	0.0017
Revenue Sufficiency Rate Rider – effective until April 30, 2009	\$/kWh	-0.0038
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kWh	0.0035
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kWh	0.0044
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)	\$	5.08
Distribution Volumetric Rate	\$/kW	14.6337
Deferred Revenue Recovery Rate Rider– effective until April 30, 2009	\$/kW	2.9393
Deferral Account 1550 Rate Rider – effective until April 30, 2009	\$/kW	0.4723
Revenue Sufficiency Rate Rider – effective until April 30, 2009	\$/kW	-6.8165
Retail Transmission Rate – Network Service Rate	\$/kW	1.2331
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1980
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)	\$	3.70
Distribution Volumetric Rate	\$/kW	11.0808
Deferred Revenue Recovery Rate Rider– effective until April 30, 2009	\$/kW	2.3342
Deferral Account 1550 Rate Rider – effective until April 30, 2009	\$/kW	0.4723
Revenue Sufficiency Rate Rider – effective until April 30, 2009	\$/kW	-5.4132
Retail Transmission Rate – Network Service Rate	\$/kW	1.2331
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1980
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Embedded Distributor

Service Charge	\$	2,211.06
Distribution Volumetric Rate	\$/kW	1.6654
Deferred Revenue Recovery Rate Rider– effective until April 30, 2009	\$/kW	0.1546
Deferral Account 1550 Rate Rider – effective until April 30, 2009	\$/kW	0.8674
Revenue Sufficiency Rate Rider – effective until April 30, 2009	\$/kW	-0.3585
Retail Transmission Rate – Network Service Rate	\$/kW	2.3200
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.2000
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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Specific Service Charges

Customer Administration		
Arrears certificate	\$	15.00
Easement letter	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Collection of account charge – no disconnection – after regular hours	\$	165.00
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Temporary service install & remove – overhead – no transformer	\$	500.00
Temporary service install & remove – underground – no transformer	\$	300.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
Allowances		
Transformer Allowance for Ownership - per kW of billing demand/month	\$	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

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Retail Service Charges (if applicable)

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year		no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0427
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0322
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045

CAPITAL COST ALLOWANCE

2006 Board Approved

Class	Class Description	UCC Opening Balance	Additions	Dispositio ns	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	CCA	UCC Ending Balance
1	Distribution System - 1988 to 22-Feb-2005	\$14,682,301	\$243,000		\$14,925,301	\$121,500	\$14,803,801	4%	\$592,152	\$14,333,149
2	Distribution System - pre 1988	\$0			\$0		\$0	6%	\$0	\$0
8	General Office/Stores Equip	\$3,531			\$3,531		\$3,531	20%	\$706	\$2,825
10	Computer Hardware/ Vehicles	\$8,012			\$8,012		\$8,012	30%	\$2,404	\$5,608
10.1	Certain Automobiles				\$0		\$0	30%	\$0	\$0
12	Computer Software	\$59,496			\$59,496		\$59,496	100%	\$59,496	\$0
13 1	Lease # 1				\$0		\$0			\$0
13 2	Lease #2				\$0		\$0			\$0
13 3	Lease # 3				\$0		\$0			\$0
13 4	Lease # 4				\$0		\$0			\$0
14	Franchise				\$0		\$0			\$0
	New Electrical Generating Equipment Acq'd after									
17	Feb 27/00 Other Than Bldgs				\$0		\$0			\$0
	Certain Energy-Efficient Electrical Generating									
43.1	Equipment				\$0		\$0			\$0
	Computers & Systems Software acq'd post Mar									
45	22/04				\$0		\$0			\$0
	Data Network Infrastructure Equipment (acq'd									
46	post Mar 22/04)				\$0		\$0			\$0
47	Distribution System - post 22-Feb-2005				\$0		\$0			\$0
98	No CCA				\$0		\$0			\$0
	TOTAL	\$14,753,340	\$243,000	\$0	\$14,996,340	\$121,500	\$14,874,840		\$654,758	\$14,341,582

2006 Actual

Class	Class Description	UCC Opening Balance	Additions	Dispositio ns	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	CCA	UCC Ending Balance
1	Distribution System - 1988 to 22-Feb-2005	\$15,310,017			\$15,310,017	\$0	\$15,310,017	4%	\$612,401	\$14,697,616
2	Distribution System - pre 1988				\$0	\$0	\$0	6%	\$0	\$0
8	General Office/Stores Equip	\$8,642	\$11,820		\$20,462	\$5,910	\$14,552	20%	\$2,910	\$17,551
10	Computer Hardware/ Vehicles	\$5,608	\$0		\$5,608	\$0	\$5,608	30%	\$1,682	\$3,926
10.1	Certain Automobiles				\$0	\$0	\$0	30%	\$0	\$0
12	Computer Software	\$38,143	\$32,677		\$70,820	\$16,339	\$54,482	100%	\$54,482	\$16,339
13 1	Lease # 1				\$0	\$0	\$0		\$0	\$0
13 2	Lease #2				\$0	\$0	\$0		\$0	\$0
13 3	Lease # 3				\$0	\$0	\$0		\$0	\$0
13 4	Lease # 4				\$0	\$0	\$0		\$0	\$0
14	Franchise				\$0	\$0	\$0		\$0	\$0
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs				\$0	\$0	\$0		\$0	\$0
43.1	Certain Energy-Efficient Electrical Generating Equipment				\$0	\$0	\$0		\$0	\$0
45	Computers & Systems Software acq'd post Mar 22/04	\$2,187			\$2,187	\$0	\$2,187	45%	\$984	\$1,203
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)				\$0	\$0	\$0		\$0	\$0
47	Distribution System - post 22-Feb-2005		\$1,860,475		\$1,860,475	\$930,238	\$930,238	8%	\$74,419	\$1,786,056
98	No CCA				\$0	\$0	\$0		\$0	\$0
	TOTAL	\$15,364,597	\$1,904,972	\$0	\$17,269,569	\$952,486	\$16,317,083		\$746,878	\$16,522,690

2007 Bridge

Class	Class Description	UCC Opening Balance	Additions	Dispositio ns	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	CCA	UCC Ending Balance
1	Distribution System - 1988 to 22-Feb-2005	\$16,520,882	\$33,000		\$16,553,882	\$16,500	\$16,537,382	4%	\$661,495	\$15,892,387
2	Distribution System - pre 1988	\$0			\$0	\$0	\$0	6%	\$0	\$0
8	General Office/Stores Equip	\$17,551			\$17,551	\$0	\$17,551	20%	\$3,510	\$14,041
10	Computer Hardware/ Vehicles	\$3,926			\$3,926	\$0	\$3,926	30%	\$1,178	\$2,748
10.1	Certain Automobiles				\$0	\$0	\$0	30%	\$0	\$0
12	Computer Software	\$16,339	\$60,000		\$76,339	\$30,000	\$46,339	100%	\$46,339	\$30,000
13 1	Lease # 1				\$0	\$0	\$0		\$0	\$0
13 2	Lease #2				\$0	\$0	\$0		\$0	\$0
13 3	Lease # 3				\$0	\$0	\$0		\$0	\$0
13 4	Lease # 4				\$0	\$0	\$0		\$0	\$0
14	Franchise				\$0	\$0	\$0		\$0	\$0
	New Electrical Generating Equipment Acq'd after									
17	Feb 27/00 Other Than Bldgs				\$0	\$0	\$0		\$0	\$0
	Certain Energy-Efficient Electrical Generating									
43.1	Equipment				\$0	\$0	\$0		\$0	\$0
	Computers & Systems Software acq'd post Mar									
45	22/04	\$1,203			\$1,203	\$0	\$1,203	45%	\$541	\$662
	Data Network Infrastructure Equipment (acq'd									
46	post Mar 22/04)				\$0	\$0	\$0		\$0	\$0
47	Distribution System - post 22-Feb-2005	\$1,786,056	\$857,333		\$2,643,389	\$428,666	\$2,214,722	8%	\$177,178	\$2,466,210
98	No CCA				\$0	\$0	\$0			
	TOTAL	\$18,345,957	\$950,333	\$0	\$19,296,290	\$475,166	\$18,821,123		\$890,241	\$18,406,048

2008 Test

Class	Class Description	UCC Opening Balance	Additions	Dispositio ns	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}	Reduced UCC	Rate %	CCA	UCC Ending Balance
1	Distribution System - 1988 to 22-Feb-2005	\$15,892,387			\$15,892,387	\$0	\$15,892,387	4%	\$635,695	\$15,256,692
2	Distribution System - pre 1988	\$0			\$0	\$0	\$0	6%	\$0	\$0
8	General Office/Stores Equip	\$14,041			\$14,041	\$0	\$14,041	20%	\$2,808	\$11,233
10	Computer Hardware/ Vehicles	\$2,748			\$2,748	\$0	\$2,748	30%	\$824	\$1,924
10.1	Certain Automobiles				\$0	\$0	\$0	30%	\$0	\$0
12	Computer Software	\$30,000			\$30,000	\$0	\$30,000	100%	\$30,000	\$0
13 1	Lease # 1				\$0	\$0	\$0		\$0	\$0
13 2	Lease #2				\$0	\$0	\$0		\$0	\$0
13 3	Lease # 3				\$0	\$0	\$0		\$0	\$0
13 4	Lease # 4				\$0	\$0	\$0		\$0	\$0
14	Franchise				\$0	\$0	\$0		\$0	\$0
	New Electrical Generating Equipment Acq'd after									
17	Feb 27/00 Other Than Bldgs				\$0	\$0	\$0		\$0	\$0
	Certain Energy-Efficient Electrical Generating									
43.1	Equipment				\$0	\$0	\$0		\$0	\$0
	Computers & Systems Software acq'd post Mar									
45	22/04	\$662			\$662	\$0	\$662	45%	\$298	\$364
	Data Network Infrastructure Equipment (acq'd									
46	post Mar 22/04)				\$0	\$0	\$0		\$0	\$0
47	Distribution System - post 22-Feb-2005	\$2,466,210	\$1,123,000		\$3,589,210	\$561,499	\$3,027,709	8%	\$242,217	\$3,346,993
98	No CCA				\$0	\$0	\$0			
	TOTAL	\$18,406,048	\$1,123,000	\$0	\$19,529,048	\$561,499	\$18,967,547		\$911,843	\$18,617,205

WORKING CAPITAL ALLOWANCE CALCULATION BY ACCOUNT	2008 Test Application	15%	Allowance for Working Capital	2008 Test Decision	15%	Allowance for Working Capital	Change in Working Capital
Operation (Working Capital)							
5005-Operation Supervision and Engineering	\$20,259.00	15%	\$3,038.85	\$20,259.00	15%	\$3,038.85	\$0.00
5010-Load Dispatching		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5012-Station Buildings and Fixtures Expense	\$12,949.00	15%	\$1,942.35	\$12,949.00	15%	\$1,942.35	\$0.00
5014-Transformer Station Equipment - Operation Labour		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5015-Transformer Station Equipment - Operation Supplies and Expenses		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5016-Distribution Station Equipment - Operation Labour		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5017-Distribution Station Equipment - Operation Supplies and Expenses		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5020-Overhead Distribution Lines and Feeders - Operation Labour		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5025-Overhead Distribution Lines & Feeders - Operation Supplies and Expenses	\$329.00	15%	\$49.35	\$329.00	15%	\$49.35	\$0.00
5030-Overhead Sub transmission Feeders - Operation		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5035-Overhead Distribution Transformers- Operation		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5040-Underground Distribution Lines and Feeders - Operation Labour		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5045-Underground Distribution Lines & Feeders - Operation Supplies & Expenses		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5050-Underground Sub transmission Feeders - Operation		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5055-Underground Distribution Transformers - Operation		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5060-Street Lighting and Signal System Expense		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5065-Meter Expense		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5070-Customer Premises - Operation Labour		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5075-Customer Premises - Materials and Expenses		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5085-Miscellaneous Distribution Expense		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5090-Underground Distribution Lines and Feeders - Rental Paid		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5095-Overhead Distribution Lines and Feeders - Rental Paid		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5096-Other Rent		15%	\$182.85	\$1,219.00	15%	\$182.85	\$0.00
Sub-Total	\$34,756.00		\$5,213.40	\$34,756.00		\$5,213.40	\$0.00

Maintenance (Working Capital)

5105-Maintenance Supervision and Engineering	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5110-Maintenance of Buildings and Fixtures - Distribution Stations	15%	\$390,088.00	\$58,513.20	15%	\$390,088.00	\$58,513.20
5112-Maintenance of Transformer Station Equipment	15%	\$51,667.00	\$7,750.05	15%	\$51,667.00	\$7,750.05
5114-Maintenance of Distribution Station Equipment	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5120-Maintenance of Poles, Towers and Fixtures	15%	\$199,567.00	\$29,935.05	15%	\$199,567.00	\$29,935.05
5125-Maintenance of Overhead Conductors and Devices	15%	\$69,602.00	\$10,440.30	15%	\$69,602.00	\$10,440.30
5130-Maintenance of Overhead Services	15%	\$180,674.00	\$27,101.10	15%	\$180,674.00	\$27,101.10
5135-Overhead Distribution Lines and Feeders - Right of Way	15%	\$118,292.00	\$17,743.80	15%	\$118,292.00	\$17,743.80
5145-Maintenance of Underground Conduit	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5150-Maintenance of Underground Conductors and Devices	15%	\$77,680.00	\$11,652.00	15%	\$77,680.00	\$11,652.00
5155-Maintenance of Underground Services	15%	\$74,175.00	\$11,126.25	15%	\$74,175.00	\$11,126.25
5160-Maintenance of Line Transformers	15%	\$122,337.00	\$18,350.55	15%	\$122,337.00	\$18,350.55
5165-Maintenance of Street Lighting and Signal Systems	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5170-Sentinel Lights - Labour	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5172-Sentinel Lights - Materials and Expenses	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5175-Maintenance of Meters	15%	\$177,815.00	\$26,672.25	15%	\$177,815.00	\$26,672.25
5178-Customer Installations Expenses- Leased Property	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5185-Water Heater Rentals - Labour	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5186-Water Heater Rentals - Materials and Expenses	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5190-Water Heater Controls - Labour	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5192-Water Heater Controls - Materials and Expenses	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5195-Maintenance of Other Installations on Customer Premises	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
Sub-Total		\$1,461,897.00	\$219,284.55		\$1,461,897.00	\$219,284.55

Billing and Collections

5305-Supervision	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5310-Meter Reading Expense	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5315-Customer Billing	15%	\$943,739.00	\$141,560.85	15%	\$943,739.00	\$141,560.85
5320-Collecting	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5325-Collecting- Cash Over and Short	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5330-Collection Charges	15%	\$10,669.00	\$1,600.35	15%	\$10,669.00	\$1,600.35
5335-Bad Debt Expense	15%	\$119,078.00	\$17,861.70	15%	\$119,078.00	\$17,861.70
5340-Miscellaneous Customer Accounts Expenses	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
Sub-Total		\$1,073,486.00	\$161,022.90		\$1,073,486.00	\$161,022.90

Community Relations

5405-Supervision	15%	\$27,879.00	\$4,181.85	15%	\$27,879.00	\$4,181.85
5410-Community Relations - Sundry	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5415-Energy Conservation	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5420-Community Safety Program	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5425-Miscellaneous Customer Service and Informational Expenses	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5505-Supervision	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5510-Demonstrating and Selling Expense	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
5515-Advertising Expense	15%	\$1,000.00	\$150.00	15%	\$1,000.00	\$150.00
5520-Miscellaneous Sales Expense	15%	\$0.00	\$0.00	15%	\$0.00	\$0.00
Sub-Total		\$28,879.00	\$4,331.85		\$28,879.00	\$4,331.85

Administrative and General Expenses

5605-Executive Salaries and Expenses	\$119,348.00	15%	\$17,902.20	\$83,836.00	15%	\$12,575.40	-\$5,326.80	Reduction for \$35,000 in Board Cost increase
5610-Management Salaries and Expenses	\$691,640.00	15%	\$103,746.00	\$492,202.00	15%	\$73,830.30	-\$29,915.70	Reduction for \$95,000 and \$104,000 in Executive and holdco Board costs
5615-General Administrative Salaries and Expenses	\$464,550.00	15%	\$69,682.50	\$464,550.00	15%	\$69,682.50	\$0.00	
5620-Office Supplies and Expenses	\$110,848.00	15%	\$16,627.20	\$110,848.00	15%	\$16,627.20	\$0.00	
5625-Administrative Expense Transferred Credit		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00	
5630-Outside Services Employed	\$178,000.00	15%	\$26,700.00	\$178,000.00	15%	\$26,700.00	\$0.00	
5635-Property Insurance	\$51,685.00	15%	\$7,752.75	\$51,685.00	15%	\$7,752.75	\$0.00	
5640-Injuries and Damages		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00	
5645-Employee Pensions and Benefits	-\$208.00	15%	-\$31.20	-\$208.00	15%	-\$31.20	\$0.00	
5650-Franchise Requirements		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00	
5655-Regulatory Expenses	\$40,000.00	15%	\$6,000.00	\$40,000.00	15%	\$6,000.00	\$0.00	
5660-General Advertising Expenses		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00	
5665-Miscellaneous General Expenses	\$65,687.00	15%	\$9,853.05	\$65,687.00	15%	\$9,853.05	\$0.00	
5670-Rent	\$108,190.00	15%	\$16,228.50	\$108,190.00	15%	\$16,228.50	\$0.00	
5675-Maintenance of General Plant		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00	
5680-Electrical Safety Authority Fees		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00	
5685-Independent Market Operator Fees and Penalties		15%	\$0.00	\$0.00	15%	\$0.00	\$0.00	
Sub-Total	\$1,829,740.00		\$274,461.00	\$1,594,790.00		\$239,218.50	-\$35,242.50	

Amortization Expenses

5705-Amortization Expense - Property, Plant, and Equipment	\$935,609.00	0%	\$0.00	\$935,609.00	0%	\$0.00	\$0.00	
5710-Amortization of Limited Term Electric Plant		0%	\$0.00		0%	\$0.00	\$0.00	
5715-Amortization of Intangibles and Other Electric Plant		0%	\$0.00		0%	\$0.00	\$0.00	
5720-Amortization of Electric Plant Acquisition Adjustments		0%	\$0.00		0%	\$0.00	\$0.00	
5725-Miscellaneous Amortization		0%	\$0.00		0%	\$0.00	\$0.00	
5730-Amortization of Unrecovered Plant and Regulatory Study Costs		0%	\$0.00		0%	\$0.00	\$0.00	
5735-Amortization of Deferred Development Costs		0%	\$0.00		0%	\$0.00	\$0.00	
5740-Amortization of Deferred Charges		0%	\$0.00		0%	\$0.00	\$0.00	
Sub-Total	\$935,609.00		\$0.00	\$935,609.00		\$0.00	\$0.00	
6105-Taxes other than Income Taxes	\$28,458.00	15%	\$4,268.70	\$28,458.00	15%	\$4,268.70	\$0.00	

Cost of Power

4705-Power Purchased	\$25,455,869.03	15%	\$3,818,380.36	\$26,441,936.70	15%	\$3,966,290.51	\$147,910.15	Change to COP rate as per decision and inclusion of addition customers
4708-Charges-WMS	\$2,766,942.29	15%	\$415,041.34	\$2,395,436.77	15%	\$359,315.52	-\$55,725.83	Inclusion of additional Customers and change in rates
4710-Cost of Power Adjustments		15%	\$0.00		15%	\$0.00	\$0.00	
4712-Charges-One-Time		15%	\$0.00		15%	\$0.00	\$0.00	
4714-Charges-NW	\$2,429,770.47	15%	\$364,465.57	\$2,150,656.97	15%	\$322,598.55	-\$41,867.02	Inclusion of additional Customers and change in rates
4716-Charges-CN	\$2,205,241.67	15%	\$330,786.25	\$2,256,893.48	15%	\$338,534.02	\$7,747.77	Inclusion of additional Customers and change in rates
4730-Rural Rate Assistance Expense		15%	\$0.00	\$460,660.92	15%	\$69,099.14	\$69,099.14	Inclusion of additional Customers and change in rates
5685-Independent Market Operator Fees and Penalties		15%	\$0.00		15%	\$0.00	\$0.00	
Sub-Total	\$32,857,823.45		\$4,928,673.52	\$33,705,584.85		\$5,055,837.73	\$127,164.21	
WORKING CAPITAL ALLOWANCE TOTAL			\$5,597,255.92			\$5,689,177.63	\$91,921.71	

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