



COLLUS Power Corp
P.O. Box 189, 43 Stewart Road
Collingwood ON L9Y 3Z5
Phone: (705) 445-1800
Operations Department Fax: (705) 445-0791
Finance Department Fax: (705) 445-8267
www.collus.com

January 10, 2009

Ontario Energy Board
26th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Attention: Kirsten Walli
Board Secretary

RE: COLLUS Power Corp – 2009 Cost of Service Rate Application
Board File No. EB-2008-0226

Dear Kirsten Walli:

COLLUS Power is in receipt of the Board Procedural Order #4, dated Dec. 18, 2008, which outlines the requirement for the 2nd round of interrogatories from the intervening parties to be filed by Dec. 22, 2008. The order further stipulates that COLLUS Power is to provide written response to the interrogatories by Jan. 9, 2009.

Please find enclosed the information that COLLUS Power has compiled to meet the requirement of responding to the interrogatories: The following is included:

1. Exhibits #7, #8 and #9 formerly provided in the original application on Aug. 15, 2008 required updating to summarize the impact of any revisions to the revenue requirement as requested in the Board order. These are provided.
2. Responses to Board staff 2nd round interrogatories. (Including schedules)
3. Responses to VECC 2nd round interrogatories.
4. Responses to Energy Probe 2nd round interrogatories.
5. Summary List of Specific Approvals sought in COLLUS Power application.
6. Letter of request for approval to implement the Board approved May 1, 2009 Remote or Rural Electricity Rate Protection of \$0.0013 per kWh.
7. A copy of the Cost Allocation Model updated for the removal of large use customer data for ALCOA Wheel Products. This includes the correction to remove the ALCOA portion of transformer allowance. The Output page O1 is provided in printed format along with an electronic copy of the full model.

We trust you will find everything in order with the submitted materials.

Respectfully Submitted,

Mr. T. E. Fryer CMA
Chief Financial Officer
COLLUS Power Corp

| Exhibit | Tab | Schedule | Appendix | Contents |
|---|------------|-----------------|-----------------|--|
| 7 – Calculation of Revenue Deficiency or Surplus | | | | |
| | 1 | 1 | | Revenue Deficiency – Overview Table 1 (Calculation of Revenue Deficiency or Surplus) |

REVENUE DEFICIENCY - OVERVIEW:

COLLUS Power Corp has provided detailed calculations supporting its 2009 revenue deficiency.

The net revenue deficiency is calculated as \$ 550,482 and when grossed up for PILs

COLLUS Power Corp's revenue deficiency is \$ 877,262.

Table 1 on the following page provides the revenue deficiency calculations for the 2009

Test Year at Existing 2008 OEB-approved rates and the 2009 Test Year Revenue Requirement.

1

Table 1 (Updated Jan. 9/09)

| COLLUS Power Corp Revenue Deficiency Determination | | |
|---|-----------------------------|---------------------------------|
| Description | 2009 Test Existing Rates | 2009 Test - Required Revenue |
| Revenue | | |
| Revenue Deficiency | | 877,262 |
| Distribution Revenue | 4,832,283 | 4,832,283 |
| Other Operating Revenue (Net) | 372,000 | 372,000 |
| Smart Meter Deferral Account Adjustment | | |
| Total Revenue | 5,204,283 | 6,081,546 |
| Costs and Expenses | | |
| Administrative & General, Billing & Collecting | 1,878,223 | 1,878,223 |
| Operation & Maintenance | 1,919,625 | 1,919,625 |
| Depreciation & Amortization | 983,056 | 983,056 |
| Property Taxes | 8,916 | 8,916 |
| Capital Taxes | 2,174 | 2,174 |
| Deemed Interest | 515,894 | 515,894 |
| Total Costs and Expenses | 5,307,887 | 5,307,887 |
| Less OCT Included Above | | |
| Total Costs and Expenses Net of OCT | 5,307,887 | 5,307,887 |
| Utility Income Before Income Taxes | (103,604) | 773,658 |
| Income Taxes: | | |
| Corporate Income Taxes | (145,591) | 181,189 |
| Total Income Taxes | (145,591) | 181,189 |
| Utility Net Income | 41,987 | 592,469 |
| Capital Tax Expense Calculation: | | |
| Total Rate Base | 15,966,037 | 15,966,037 |
| Exemption | 15,000,000 | 15,000,000 |
| Deemed Taxable Capital | 966,037 | 966,037 |
| Ontario Capital Tax | 2,174 | 2,174 |
| Income Tax Expense Calculation: | | |
| Accounting Income | (103,604) | 773,658 |
| Tax Adjustments to Accounting Income | (116,104) | (116,104) |
| Taxable Income | (219,708) | 657,555 |
| Income Tax Expense | -145,591 | 181,189 |
| Federal Tax | 19.00% | 19.00% |
| Provincial Tax | | |
| Tax rate when Taxable Income is above \$1.5 million | 14.00% | 14.00% |
| When Taxable Income is below \$1.5 million | | |
| First \$500,000 | 5.50% | 5.50% |
| Remianing | 18.25% | 18.25% |
| Combined | | |
| Tax rate when Taxable Income is above \$1.5 million | 33.00% | 33.00% |
| When Taxable Income is below \$1.5 million | | |
| First \$500,000 | 24.50% | 24.50% |
| Remianing | 37.25% | 37.25% |
| Effective Tax Rate | 66.27% | 27.55% |
| Actual Return on Rate Base: | | |
| Rate Base | 15,966,037 | 15,966,037 |
| Interest Expense(Deemed used for tax purposes) | 515,894 | 515,894 |
| Net Income | 41,987 | 592,469 |
| Total Actual Return on Rate Base | 557,881 | 1,108,363 |
| Actual Return on Rate Base | 3.49% | 6.94% |
| Required Return on Rate Base: | | |
| Rate Base | 15,966,036.8 | 15,966,036.8 |
| Return Rates: | | |
| Return on Debt (Weighted) | 5.70% | 5.70% |
| Return on Equity | 8.57% | 8.57% |
| Deemed Interest Expense | 515,894 | 515,894 |
| Return On Equity | 592,469 | 592,469 |
| Total Return | 1,108,363 | 1,108,363 |
| Expected Return on Rate Base | 6.94% | 6.94% |
| Revenue Deficiency After Tax | 550,482 | 0 |
| Revenue Deficiency Before Tax | 877,262 | |

2

3 End of Exhibit 7 (Calculation of Revenue Deficiency)

| Exhibit | Tab | Schedule | Appendix | Contents |
|----------------------------|-----|----------|----------|--|
| 8 – Cost Allocation | | | | |
| | 1 | 1 | | Cost Allocation Overview |
| | | 2 | | Summary of Results and Proposed Changes |
| | | | | Table 1 (Initial Cost Allocation Study Results) |
| | | | | Table 2 (Updated CA Study Results) |
| | | | | Table 3 (Proposed Adjustment to Revenue to Cost Ratios) |
| | | | | Table 4 (Class Revenue Split to Achieve Proposed Adjustment to R/C ratios) |
| | | | | Cost Allocation Summary |

COST ALLOCATION OVERVIEW:

Introduction:

On September 29, 2006, the Ontario Energy Board (the “OEB”) issued its directions on Cost Allocation Methodology for Electricity Distributors (the “Directions”). On November 15, 2006, the Board issued the Cost Allocation Information Filing Guidelines for Electricity Distributors (“the Guidelines”), the Cost Allocation Model (the “Model”) and User Instructions (the “Instructions”) for the Model. COLLUS Power Corp prepared a cost allocation information filing consistent with COLLUS Power Corp’s understanding of the Directions, the Guidelines, the Model and the Instructions. COLLUS Power Corp submitted this filing to the OEB in January 2007.

One of the main objectives of the filing, based on the OEB’s Model was to determine and provide the information to the OEB on the Revenue to Cost ratios among a distributor’s rate classifications. It was felt that this would give an indication of cross-subsidization from one class to another and this information would be useful as a tool in future rate applications.

SUMMARY OF RESULTS AND PROPOSED CHANGES:

INITIAL COST ALLOCATION STUDY RESULTS:

The data used in the Cost Allocation Model was consistent with COLLUS Power Corp's cost data that supported its 2006 OEB-approved distribution rates. Consistent with the Guidelines, COLLUS Power Corp assets were broken out into primary and secondary distribution functions. The breakout of assets, capital contributions, depreciation, accumulated depreciation, customer data and load data by primary, line transformer and secondary categories were developed from the best data available to all LDCs, its engineering records, and its customer and financial information systems.

As noted above the results of a cost allocation study are typically presented in the form of revenue to cost ratios. The ratio is shown by rate classification and is the percentage of distribution revenue collected by rate classification compared to the costs allocated to the classification. The percentage identifies the rate classifications that are being subsidized and those that are over-contributing. A percentage of less than 100% means the rate classification is under-contributing and is being subsidized by other classes of customers. A percentage of greater than 100% indicates the rate classification is over-contributing and is subsidizing other classes of customers.

The following Table 1 outlines the revenue to cost ratios from the Cost Allocation Informational Filing submitted by COLLUS Power Corp in January 2007. The calculations are based on COLLUS Power Corp's OEB-approved 2006 electricity distribution rates.

Table 1
Revenue to Cost Ratios as Filed in COLLUS Power Corp
(INITIAL)Cost Allocation Informational Filing

| Rate Classification | Revenue (A) | Allocated Cost (B) | Revenue to Cost Ratio (A)/(B) |
|----------------------------|------------------------|-------------------------------|--|
| Residential | \$3,545,358 | \$3,056,930 | 115.98% |
| GS <50 kW | \$798,452 | \$805,706 | 99.1% |
| GS>50 kW | \$342,951 | \$744,219 | 46.08% |
| Large User | \$546,816 | \$415,472 | 131.61% |
| Street Lighting | \$38,137 | \$246,216 | 15.49% |
| Unmetered Scattered Load | \$14,997 | \$18,168 | 82.54% |
| Total | \$5,286,711 | \$5,286,711 | 100.00 |

UPDATED COST ALLOCATION STUDY RESULTS:

In early 2006 ALCOA Wheel Products, COLLUS Power Corp's largest distribution customer, announced that the Collingwood operation would be closed within one (1) year. This resulted in a loss of almost 6% of total distribution revenue for COLLUS Power Corp and this issue has been earlier addressed in Exhibit 5 of this application. For this Exhibit purposes there is a need to consider the impact from a Cost Allocation Study basis. Since ALCOA was a single customer from within the Large Use Class it was determined that the previous study should be updated. Although COLLUS Power Corp's management believed that the load data for the model that was provided by HONI as per the approved calculation procedures, would only change for the Large Use customer class, staff decided to request a re-run. HONI completed this re-run and it confirmed that the only class of customer that had changes was the Large Use, when ALCOA's information was not included.

Upon inserting the load data into the CA model to replace the former information some of the other outcomes did change. It should be noted here that the reason for re-running the CA model was to determine what the Revenue to Cost ratios were without ALCOA in the numbers. COLLUS Power Corp decided this would be the better starting point for any consideration of adjustment during the 2009 Cost of Service rate application process. The results of the update run of the CA model are provided in Table 2 below:

Table 2
Revenue to Cost Ratios as Filed in COLLUS Power Corp
UPDATED Cost Allocation Information

| Rate Classification | Revenue (A) | Allocated Cost (B) | Revenue to Cost Ratio (A)/(B) |
|----------------------------|------------------------|-------------------------------|--|
| Residential | \$3,547,823 | \$3,117,935 | 113.79% |
| GS <50 kW | \$799,284 | \$829,991 | 96.30% |
| GS>50 kW | \$344,599 | \$816,391 | 42.21% |
| Large User | \$231,042 | \$191,324 | 120.76% |
| Street Lighting | \$38,142 | \$240,786 | 15.84% |
| Unmetered Scattered Load | \$15,004 | \$18,216 | 82.37% |
| Total | \$4,975,894 | \$5,214,643 | 95.42% |

In comparing the revenues in Table 2 with Table 1, the Large Use class has decline from \$546,816 to \$231,042 which is a difference of \$310,817 before transformation allowance. With the transformation

allowance applied the difference is 238,749 and represents the net annual lost revenue associated with ALCOA. The revenues in the other classes are slightly different between Table 2 and Table 1 since the miscellaneous revenue is allocated to the various classes differently when ALCOA is removed.

In order to balance costs with gross revenues (i.e. before the transformation allowance is applied), the cost allocation model assumes the transformation allowance is a cost item. With the transformation allowance declining by \$72,068 when ALCOA is removed the allocated costs between Table 1 and Table 2 will also be reduced by this amount.

In comparing the costs in Table 2 with Table 1, in some classes allocation of these costs has significantly changed since the costs associated with ALCOA have been redistributed to the remaining customers. While COLLUS Power Corp failed to recover the revenue requirement from ALCOA the total costs of providing distribution service remained the same.

As a result, the revenue to cost ratios shown in Table 2 not only recognize the issue of cross subsidization between classes but also reflect how revenues should be adjusted to collect the on-going inability to collect the revenue requirement from ALCOA. For example, in Table 1, the revenue to cost ratio for the GS < 50 kW class is 99.10% which suggests in order to fully address cross subsidization this class should have its revenue increase by 0.9%. However in Table 2 the comparable revenue to cost ratio is 96.30%. This suggests revenues should increase by 3.7% to address cross subsidization as well as the loss of revenue from ALCOA. In order to collect the lost revenue the GS < 50 kW class should have their revenues increased by 2.8% (i.e. 3.7% - 0.9%).

It also should be noted here that COLLUS Power Corp determined that the 2006 CA model data in all other respects was still very accurate in its' calculations and that it would be appropriate to utilize the results of the recent cost allocation filing for rate setting proposals in the 2009 COS filing.

Proposed Adjustment to Cost Allocation:

On November 28, 2007, the OEB issued its "Report on Application of Cost Allocation for Electricity Distributors" (the "Cost Allocation Report"). In the Cost Allocation Report, the OEB established what it considered to be the appropriate ranges of revenue to cost ratios which are

summarized in Table 3 below. As can be seen from the table, COLLUS Power Corp's Cost Allocation Filing Results, the Residential and Large User classes currently appear to be subsidizing the rest of the other classes. Additionally the Large User class is higher than the upper limit of the parameters. Of the subsidized classes of customer the General Service < 50 kW and Unmetered Scattered Load are within the revenue to cost ratio ranges established by the OEB. But both the GS > 50 kW and Street Light classes are well below the lower parameter in their class range.

Table 3 also provides COLLUS Power Corp's Proposed 2009 R/C ratios for ease of comparison purposes. The proposed R/C ratios reflect adjustments to revenue to address cross subsidization measures and the collection of lost revenue from ALCOA's departure.

Table 3
OEB Proposed Revenue to Cost Ratio Ranges & COLLUS Power Corp Results

| Customer Class | OEB Low | OEB High | COLLUS Power Corp Cost Allocation Filing Results | COLLUS Power Corp Proposed 2009 Revenue to Cost Ratios |
|--------------------------|---------|----------|--|---|
| Residential | 85% | 115% | 113.79% | 109.45% |
| GS <50 kW | 80% | 120% | 96.3% | 100.0% |
| GS>50 kW | 80% | 180% | 42.21% | 80.0% |
| Large User | 80% | 180% | 120.76% | 100.0% |
| Street Lighting | 70% | 120% | 15.84% | 42.92% |
| Unmetered Scattered Load | 80% | 180% | 82.37% | 100.0% |

COLLUS Power Corp is proposing in the 2009 COS rate filing to re-align its revenue to cost ratios by adjusting the allocations of revenue among certain rate classes in order to reduce some of the cross-subsidization that is occurring. The re-alignment will attempt to move all classes to a 100% (revenue and cost are equal) ratio, while bearing in mind: overall rate impact to each class; the parameters of the class; and what has possibly been occurring over the past few years. The revenue split by rate class needed to achieve the proposed revenue to cost ratios is outline in Table 4 below.

Table 4

Revenue Split by Rate Class to Achieve Proposed Revenue to Cost Ratios

| Class | Proposed Revenue Split for 2009 Rate Application |
|--------------------------|---|
| Residential | 66.69205% |
| GS <50 kW | 16.12590% |
| GS>50 kW | 11.86000% |
| Large Use >5MW | 2.90990% |
| Street Light | 2.06450% |
| Unmetered Scattered Load | 0.34765% |
| TOTAL | 100.00000% |

The 2009 rate application made by COLLUS Power Corp proposes rates that will achieve levels that will fall within the OEB's standards for 5 of the 6 customer classes. Of the 5 within the parameters the forecast is that 3 will be at a 100% level which means that neither subsidization or over recovery occur. The other 2 are the Residential and General Service > 50 kW classes. COLLUS Power Corp believes that the level of movement, from 42.21% up to 80% creates a sufficient impact on the GS > 50kW class. Also it does move to within the OEB's target range. COLLUS Power Corp is determined to continue to reduce the apparent subsidization by the Residential class, as it has with these proposed rates, but will wait until the next stage of adjustment, most likely the next Cost of Service application, to take the final steps.

The remaining customer class that falls outside the OEB target range with the proposed rate changes is the Street Light class. The proposed rates will achieve movement that equates to a 50% change between an existing 15.84% and the 70% lower level of the OEB's target range for this class. COLLUS Power Corp further submits to adjust the 42.92% allocation to 56.37% in 2010 and then finally to 70% in 2011.

1

2 **Cost Allocation Summary:**

3 The discussion and tables above support COLLUS Power Corp's proposed reallocation of distribution
4 revenues across customer classes, in order to begin moving toward revenue to cost ratios of 100% and
5 reduce cross-subsidization. COLLUS Power Corp submits that the proposed reallocation of distribution
6 revenue is fair and reasonable for the following reasons:

- 7 • Customer class revenues will more closely reflect the actual costs of providing distribution
8 service to that class;
- 9 • When necessary partial reallocation provides time for further refinement of the cost allocation
10 model and movement between classes;

11

12 End of Exhibit 8 (Cost Allocation)

| Exhibit | Tab | Schedule | Appendix | Contents |
|------------------------|-----|----------|----------|---|
| 9 – Rate Design | | | | |
| | 1 | 1 | | Rate Design Overview |
| | | | | Table 1 (Base Revenue Requirement) |
| | | | | Table 2 (Class Revenue Proportions) |
| | | | | Table 3(Base Rev. Req. Class Allocation) |
| | | | | Table 4 (Current Fixed Charge Ratio) |
| | | | | Table 5 (Current Fixed/Variable Ratio) |
| | | | | Table 6 (Proposed Fixed Charge Ratio) |
| | | | | Table 7 (Proposed Volumetric Chg Ratio) |
| | | | | Table 8 (Low Voltage Costs Allocation) |
| | | | | Table 9 (Adjusted LV Costs Allocation) |
| | | | | Table 10(Proposed El. Distribution Rates) |
| | | 2 | | Rate Mitigation |
| | | 3 | | Retail Transmission Rates– |
| | | 4 | | Existing Rate Classes |
| | | 5 | | Existing Rate Schedule |
| | | 6 | | Proposed Rate Classes |
| | | 7 | | Schedule of Proposed Rates and Charges |
| | | 8 | | Reconciliation of Rate Class Revenue |
| | | | | Table 11 (Dist. Revenue Reconciliation) |
| | | 9 | | Rate and Bill Impacts |
| | | | A | Table of Rate and Bill Impacts |

RATE DESIGN OVERVIEW:

This exhibit documents the calculation of COLLUS Power Corp's proposed distribution rates by rate class for the 2009 test year, based on rate design as proposed in this Exhibit.

COLLUS Power Corp has determined its total 2009 service revenue requirement to be \$ 6,081,546. The total revenue offsets in the amount of \$ 372,000 reduce COLLUS Power Corp's total service revenue requirement to a base revenue requirement to \$ 5,709,545.73, which is used to determine the proposed distribution rates. The base revenue requirement is derived from COLLUS Power Corp's 2009 capital and operating forecasts, weather normalized usage, forecasted customer counts, and COLLUS Power Corp's regulated return on rate base. The revenue requirement is summarized in Table 1 below:

TABLE 1

Calculation of Base Revenue Requirement

| | |
|--|------------------|
| OM&A, Capital Tax & Deemed Interest Exp. | 4,324,831 |
| Amortization Expenses | 983,056 |
| Total Distribution Expenses | <u>5,307,887</u> |
| Regulated Return On Capital | <u>592,469</u> |
| PILs (with gross-up) | 181,189 |
| Service Revenue Requirement | 6,081,545 |
| Less: Revenue Offsets | 372,000 |
| Base Revenue Requirement | 5,709,545 |

(Note: The amounts in the above table are provided in more detail at Table 1 Ex7, Tab1, Sch 1)

The outstanding base revenue requirement is allocated to the various rate classes using the following proposed apportionment of revenue as outlined in Exhibit 8 – Cost Allocation.

TABLE 2

Proposed Apportionment of Revenue to Rate Classes

| Rate Classification | Proposed Proportion of Revenue |
|------------------------------------|---------------------------------------|
| Residential | 66.69205% |
| General Service Less Than 50 kW | 16.12590% |
| General Service Greater Than 50 kW | 11.86000% |
| Large Use | 2.90990% |
| Street Lights | 2.06450% |
| Unmetered Scattered Load | 0.34765% |
| Total | 100.00000% |

The following Table 3 outlines the results of this allocation.

TABLE 3

Allocation of Outstanding Base Revenue Requirement

| Rate Classification | Proposed Revenue |
|------------------------------------|-------------------------|
| Residential | 3,807,813.09 |
| General Service Less Than 50 kW | 920,715.63 |
| General Service Greater Than 50 kW | 677,152.12 |
| Large User | 166,142.07 |
| Street Lights | 117,873.57 |
| Unmetered Scattered Load | 19,849.24 |
| Total | 5,709,545.73 |

Determination of Monthly Fixed Charges:

COLLUS Power Corp's current OEB-approved monthly fixed charges based on its 2008 IRM application by customer class are summarized in Table 4 below.

TABLE 4

Current Monthly Fixed Charges

| Rate Class (Customer or Connection) | Current Monthly Fixed Charge (\$) |
|--|--|
| Residential (per Customer) | 9.26 |
| General Service Less Than 50 kW (Cust.) | 16.26 |
| General Service Greater Than 50 kW (Cust.) | 54.14 |
| Large Use (Customer) | 6,908.18 |
| Street Lights (per connection) | 0.6100 |
| Unmetered Scattered Load | No Fixed Rate |

Using the existing approved fixed charges applied to the forecasted number of customers for 2009, the following Table 5 outlines the current split between fixed and variable distribution revenue.

TABLE 5

Current Fixed and Variable Proportions

| Rate Class | Fixed Revenue Proportion | Variable Revenue Proportion |
|--|-------------------------------------|--|
| Residential | 41.12% | 58.88% |
| General Service Less Than 50 kW | 40.55% | 59.45% |
| General Service Greater Than 50kW | 20.47% | 79.53% |
| Large Use | 36.55% | 63.45% |
| Street Lights | 58.18% | 41.82% |
| Unmetered Scattered Load | 0.00% | 100.00% |

COLLUS Power Corp submits that it is appropriate for 2009 to maintain the same fixed/variable proportions assumed in the current rates. This matter is discussed further below.

1

2 In its November 28, 2007 Report on Application of Cost Allocation for Electricity Distributors,
3 referred to in Exhibit 8 , the OEB addressed a number of “Other Rate Matters”, including the
4 treatment of the fixed rate component (the Monthly Service Charge, or “MSC”) of the bill. At
5 page 12 of the Report, the OEB determined that the floor amount for the MSC should be the
6 avoided costs, as that term is defined in the September 29, 2006 report of the OEB entitled “Cost
7 Allocation: Board Directions on Cost Allocation Methodology for Electricity Distributors”.
8 COLLUS Power Corp’s MSCs exceed that floor amount. With respect to the upper bound for
9 the MSC, the OEB considered it to be inappropriate to make changes to the MSC ceiling at this
10 time, given the number of issues that remain to be examined within the scope of the OEB’s Rate
11 Review proceeding (EB-2008-0031). The OEB indicated that for the time being, it does not
12 expect distributors to make changes to the MSC that result in a charge that is greater than the
13 ceiling as defined in the Methodology for the MSC; and that distributors that are currently above
14 that value are not required to make changes to their current MSC to bring it to or below that level
15 at this time.

16

17 COLLUS Power Corp confirms that it is making no changes to the current fixed and variable
18 proportions of its rates. Any changes in MSCs are due solely to changes in the total base
19 revenue requirement attributable to each customer class. The following Table 6 provides
20 COLLUS Power Corp’s calculations of its proposed monthly fixed distribution charges for the
21 2009 Test Year assuming the fixed/variable split supporting the current approved rates.

22

23

24

25

TABLE 6

Proposed Monthly Fixed Distribution Charge

| Customer Class | Fixed Portion of Total Base Revenue Requirement \$ | 2009 Test Year Customers | Proposed Fixed Distribution Charge \$ |
|------------------------------------|---|-------------------------------------|--|
| Residential | \$ 1,565,829 | 13,011 | 10.03 |
| General Service Less Than 50 kW | \$ 373,310 | 1,588 | 19.59 |
| General Service Greater Than 50 kW | \$ 138,641 | 127 | 91.24 |
| Large Use | \$ 60,727 | 1 | 5,060.61 |
| Street Lights (connections) | \$ 68,582 | 3,051 | 1.8735 |
| Unmetered Scattered Load | \$ - | 68 | 0.00 |
| Total | \$ 2,207,089 | | |

Proposed Volumetric Charges:

The variable distribution charge is calculated by dividing the variable distribution portion of the base revenue requirement by the appropriate 2009 Test Year usage, kWh or kW, as the class charge determinant.

The following Table 7 provides COLLUS Power Corp's calculations of its proposed variable distribution charges for the 2009 Test Year assuming the same fixed/variable split used in designing the current approved rates, and includes the proposed adjustment for the Transformer Allowance as discussed below.

TABLE 7

Variable Distribution Charge Calculation

| Customer Class | Yearly Variable Portion of Base Revenue Requirement \$ | 2009 Test Yearly Volumetric Billing Determinant | Unit of measure | Proposed Volumetric Distribution Charge |
|------------------------------------|---|--|------------------------|--|
| Residential | \$ 2,241,984 | 121,128,423 | kWh | \$0.0185 |
| General Service Less Than 50 kW | \$ 547,406 | 45,443,633 | kWh | \$0.0120 |
| General Service Greater Than 50 kW | \$ 538,511 | 300,721 | kW | \$1.9397 |
| Large Use | \$ 105,415 | 75,012 | kW | \$1.4053 |
| Street Lights | \$ 49,292 | 6,087 | kW | \$8.0983 |
| Unmetered Scattered Load | \$ 19,849 | 455,702 | KWh | \$0.0436 |
| Total | \$ 3,502,457 | | | |

Proposed Adjustment to Transformer Allowance:

Currently, COLLUS Power Corp provides a Transformer Allowance to those customers that own their transformation facilities. The current approved Transformer Allowance is \$0.60 per kW. The Transformer Allowance is intended to reflect the costs to COLLUS Power Corp of providing step down transformation facilities to the customer's utilization voltage. Since COLLUS Power Corp provides electricity at utilization voltage, the cost of COLLUS Power Corp' transformers are captured in and recovered through the distribution rates. However, the distribution rates only reflect the cost of COLLUS Power Corp transformers and not the cost associated with transformers owned by the customer. Therefore the rate should reflect every customer using COLLUS Power Corp transformers and the Transformer Allowance should be applied to this rate for those customers that own their transformers. To accomplish this, the amount of Transformer Allowance should be added back to the volumetric rate to produce a rate that assumes every customer is using COLLUS Power Corp transformers. Then the customer that owns its transformer will receive a credit for their transformer and COLLUS Power Corp will

1 collect sufficient revenue to cover the cost of providing transformation to the customer using
2 COLLUS Power Corp transformers.

3 Based on the information provided in the Cost Allocation Model results (Worksheet O3.1 Line
4 Tran Unit Cost, Cell F28) COLLUS Power Corp proposes to reduce the current approved
5 transformer ownership allowance to \$(0.3500) per kW for GS>50 kW.

6 COLLUS Power Corp proposes that the amount of Transformer Allowance expected to be
7 provided to those General Service Greater than 50 kW customers that own their transformers has
8 been included in the General Service Greater Than 50 kW volumetric charge. This means that
9 the proposed General Service Greater than 50 kW

10 volumetric charge has been increased by \$0.1489 per kW and has been included in the
11 volumetric rate of \$1.9397 per kW to recover the amount of the Transformer Allowance
12 over all kW in the General Service Greater Than 50 kW rate class. Once the Transformer
13 Allowance is applied to this charge the resulting revenue will recover the full base revenue
14 requirement for the General Service Greater than 50 kW rate class.

15 Based on the same Cost Allocation Study it is proposed that the Transformer Allowance for the
16 Large Use class be eliminated. The Large Use customer class is supplied from COLLUS Power
17 Corp primary distribution system and therefore has a share of the associated costs of the primary
18 distribution system allocated accordingly. However, by virtue of being primary fed, the Large
19 Use class does not have an allocation of transformation or secondary costs assigned to it. The
20 OEB's cost allocation model allocated costs correctly for primary fed customers. The Model also
21 correctly eliminates the provision of a Transformer Allowance for primary fed customer classes,
22 as there are no related transformation costs assigned to this class. The Large Use customer class
23 will no longer receive the Transformer Allowance effective May 1, 2009, when COLLUS Power
24 Corp proposes to begin implementing the results of its cost allocation study.

Recovery of Low Voltage Costs:

Consistent with the approach in the Board's 2006 EDR model, LV costs of \$ **550,000.00** have been allocated to each rate class based on the proportion of retail transmission connection revenue collected from each class. The amount of forecasted LV charges in 2009 is based on calculating the 2008 costs. This is based on actual data for the first 6 months of 2008 and then estimating the last 6 months, based on the applicable rates and utilizing historical loads from 2007 actual. The applicable rates are the newly approved HONI charges. The estimated monthly load levels that HONI will charge are based on historical data. After 2008 is estimated the same load data is used with the applicable rates for all of 2009. The calculation to proportionally spread out the LV 2009 amount is outlined in the following Table 8:

TABLE 8

Allocation of LV Costs

| Rate Classification | 2009 Test Year Retail Transmission Connection Revenue \$ | RTC Class Allocation Percentages | Allocated 2009 Test Year Low Voltage Revenue \$ |
|---------------------------------|---|--|---|
| Residential | 351,272.43 | 39.78% | 218,815.04 |
| General Service Less Than 50 kW | 118,153.45 | 13.38% | 73,600.28 |
| General Service 50 to 4,999 kW | 310,403.71 | 35.16% | 193,357.04 |
| Large Use | 97,065.74 | 10.99% | 60,464.31 |
| Street Lights | 4,856.59 | 0.55% | 3,025.27 |
| Unmetered Scattered Load | 1,184.82 | 0.13% | 738.05 |
| Total | 882,936.74 | 100.00% | 550,000.00 |

These proposed LV costs by rate class are then divided by the projected volumes and this produces the proposed adjustments to the distribution volumetric charges set out in the Table 9 below:

TABLE 9

LV-Related Adjustments to Volumetric Charges

| Rate Classification | LV Adjustment (\$ per kWh) | LV Adjustment (\$ per kW) |
|---------------------------------|---------------------------------------|--------------------------------------|
| Residential | 0.0018 | |
| General Service Less Than 50 kW | 0.0016 | |
| General Service 50 to 4,999 kW | | 0.6430 |
| Large Use | | 0.8061 |
| Street Lights | | 0.4970 |
| Unmetered Scattered Load | 0.0016 | |

Proposed Distribution Rates:

The following Table 10 sets out COLLUS Power Corp's proposed 2009 electricity distribution rates based on the foregoing calculations, including adjustments for the recovery of transformer allowance.

TABLE 10

Proposed 2009 Electricity Distribution Rates

| Customer Class | \$ Per Connection | \$ Per Customer | \$ per kW | \$ per kWh |
|--------------------------|-------------------|-----------------|-----------|------------|
| Residential | 0.0000 | 10.03 | 0.0000 | 0.0203 |
| GS <50 kW | 0.0000 | 19.59 | 0.0000 | 0.0136 |
| GS>50 kW | 0.0000 | 91.24 | 2.5827 | 0.0000 |
| Large Use >5MW | 0.0000 | 5,060.61 | 2.2114 | 0.0000 |
| Street Light | 1.8735 | 0.0000 | 8.5953 | 0.0000 |
| | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Unmetered Scattered Load | 0.0000 | 0.0000 | 0.0000 | 0.0452 |
| 0 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |

NOTE: The 2009 proposed rate schedule outlined below will reflect the above rates plus the smart meter rate adder of \$1.00 per customer per month for metered customers.

RATE MITIGATION:

COLLUS Power Corp submits that the bill impacts of its proposed 2009 electricity distribution rates are not so significant as to warrant any mitigation measures.

RETAIL TRANSMISSION RATES:

COLLUS Power has provided information in the response to Ontario Energy Board staff interrogatory # 9.2 filed on Dec. 10, 2008 to support a change to the Retail Transmission Connection Service Rate. The proposed changes are provided in the table below and incorporate a 5.5% increase, which coincides with the approved OEB rate for May 1/09.

| Rate Class | UOM | Current Retail Transmission Connection Service Rate | Proposed Retail Transmission Connection Service Rate |
|-----------------|-----|---|--|
| Residential | kWh | 0.0029 | 0.0031 |
| GS <50 kW | kWh | 0.0026 | 0.0027 |
| GS >50 kW | kW | 1.0322 | 1.0890 |
| Large User | kW | 1.2940 | 1.3652 |
| Street Lighting | kW | 0.7979 | 0.8418 |
| USL | kWh | 0.0026 | 0.0027 |

EXISTING RATE CLASSES:

Residential:

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

General Service Less Than 50kW:

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

General Service Greater Than 50 kW:

This classification applies to a non-residential account whose average monthly maximum demand for billing purposes is equal to or greater than, or is forecast to be greater than 50 kW, subject to an annual review.

Large Use (Greater than 5,000 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 greater than 5,000 kW, subject to annual review.

Unmetered Scattered Load:

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

1 information/documentation with regard to electrical consumption of the unmetered load or
2 periodic monitoring of actual consumption.

3
4 **Street Lighting:**

5 This classification applies to an account for roadway lighting with a Municipality, Regional
6 Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells.
7 The consumption for these customers will be based on the calculated connected load times the
8 required lighting times established in the approved OEB street lighting load shape template.
9

EXISTING RATE SCHEDULE: MONTHLY RATES AND CHARGES

Residential

| | | |
|--|--------|--------|
| Service Charge | \$ | 9.52 |
| Distribution Volumetric Rate | \$/kWh | 0.0184 |
| Retail Transmission Rate – Network Service Rate | \$/kWh | 0.0047 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | \$/kWh | 0.0029 |
| 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 | \$ | 16.52 |
| Distribution Volumetric Rate | \$/kWh | 0.0111 |
| Retail Transmission Rate – Network Service Rate | \$/kWh | 0.0043 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | \$/kWh | 0.0026 |
| 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 Greater Than 50 kW

| | | |
|--|--------|--------|
| Service Charge | \$ | 54.40 |
| Distribution Volumetric Rate | \$/kW | 1.4435 |
| Retail Transmission Rate – Network Service Rate | \$/kW | 1.7399 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | \$/kW | 1.0322 |
| Wholesale Market Service Rate | \$/kWh | 0.0052 |
| Rural Rate Protection Charge | \$/kWh | 0.0010 |
| Standard Supply Service – Administrative Charge (if applicable) | \$ | 0.25 |

Unmetered Scattered Load

| | | |
|--|--------|--------|
| Service Charge (per connection) | \$ | 0.0000 |
| Distribution Volumetric Rate | \$/kWh | 0.0162 |
| Retail Transmission Rate – Network Service Rate | \$/kWh | 0.0043 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | \$/kWh | 0.0026 |
| Wholesale Market Service Rate | \$/kWh | 0.0052 |
| Rural Rate Protection Charge | \$/kWh | 0.0010 |
| Standard Supply Service – Administrative Charge (if applicable) | \$ | 0.25 |

Street Lighting

| | | |
|--|--------|--------|
| Service Charge (per connection) | \$ | 0.61 |
| Distribution Volumetric Rate | \$/kW | 2.9941 |
| Retail Transmission Rate – Network Service Rate | \$/kW | 1.3122 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | \$/kW | 0.7979 |
| 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 | \$ | 6,908.44 |
| Distribution Volumetric Rate | \$/kW | 2.4860 |
| Retail Transmission Rate – Network Service Rate | \$/kW | 2.0461 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | \$/kW | 1.2940 |
| Wholesale Market Service Rate | \$/kWh | 0.0052 |
| Rural Rate Protection Charge | \$/kWh | 0.0010 |
| Standard Supply Service – Administrative Charge (if applicable) | \$ | 0.25 |

Specific Service Charges

Customer Administration

| | | |
|---|----|-------|
| Charge to certify cheque | \$ | 15.00 |
| Arrears certificate | \$ | 15.00 |
| Statement of account | \$ | 15.00 |
| Pulling post dated cheque | \$ | 15.00 |
| Duplicate invoice for previous billing | \$ | 15.00 |
| Account history | \$ | 15.00 |
| Credit reference/credit check (plus credit agency costs) | \$ | 15.00 |
| Returned cheque charge (plus bank charges) | \$ | 15.00 |
| Legal letter Charge | \$ | 15.00 |
| Account set up charge/change of occupancy charge (plus credit agency costs if applicable) | \$ | 15.00 |
| Meter dispute charge plus Measurement Canada fees (if meter found correct) | \$ | 30.00 |
| Special meter reads | \$ | 30.00 |

Non-Payment of Account

| | | |
|---|----|--------|
| Late Payment - per month | % | 1.50 |
| Late Payment - per annum | % | 19.56 |
| Collection of account charge – no disconnection | \$ | 20.00 |
| Collection of account charge – no disconnection - after regular hours | \$ | 165.00 |
| Disconnect/Reconnect Charge - At Meter during Regular Hours | \$ | 40.00 |
| Disconnect/Reconnect Charge - At Meter after Regular Hours | \$ | 185.00 |
| Disconnect/Reconnect at pole – during regular hours | \$ | 185.00 |
| Disconnect/Reconnect at pole – after regular hours | \$ | 415.00 |
| Service call - after regular hours | \$ | 165.00 |
| Specific Charge for Access to the Power Poles – per pole/year | \$ | 22.35 |

Allowances

| | | |
|---|-------|-------------|
| Transformer Allowance for Ownership - per kW of billing demand/month | \$/kW | \$ (0.6000) |
| Primary Metering Allowance for transformer losses – applied to measured demand and energy | % | (1.00) |

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 Factor

| | |
|---|--------|
| Total Loss Factor – Secondary Metered Customer < 5,000 kW | 1.0838 |
| Total Loss Factor – Secondary Metered Customer > 5,000 kW | 1.0443 |
| Total Loss Factor – Primary Metered Customer < 5,000 kW | 1.0730 |
| Total Loss Factor – Primary Metered Customer > 5,000 kW | 1.0340 |

PROPOSED RATE CLASSES:

Residential:

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

General Service Less Than 50kW:

This classification refers to a non-residential 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, subject to an annual review.

General Service Greater Than 50 kW:

This classification refers 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, subject to an annual review.

Large Use (Greater than 5,000 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 greater than 5,000 kW, subject to annual review.

1 **Unmetered Scattered Load:**

2 This classification refers to an account taking electricity at 750 volts or less whose monthly
3 average peak demand is less than, or is forecast to be less than, 50kW and the consumption is
4 unmetered. Such connections include cable TV power packs, bus shelters, telephone booths,
5 traffic lights, railway crossings, etc. The customer will provide detailed manufacturer
6 information / documentation with regard to electrical demand / consumption of the proposed
7 unmetered load.

8 **Street Lighting:**

9 This classification refers to an account for roadway lighting with a municipality, regional
10 municipality, Ministry of Transportation and private roadway lighting operation controlled by
11 photo cells. The consumption of these customers will be based on the calculated connected load
12 times and the required lighting load times established in the OEB street lighting load shape
13 template.

COLLUS Power Corp **Schedule of Proposed Tariff of Rates and Charges** **Effective May 1, 2009**

Monthly Rate and Charges

Residential

| | | |
|--|--------|--------|
| Service Charge | \$ | 11.03 |
| Distribution Volumetric Rate | \$/kWh | 0.0203 |
| Deferral and Variance Account Rider | \$/kWh | 0.0000 |
| Retail Transmission Rate – Network Service Rate | \$/kWh | 0.0047 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | \$/kWh | 0.0031 |
| Wholesale Market Service Rate | \$/kWh | 0.0052 |
| Rural Rate Protection Charge | \$/kWh | 0.0013 |
| Regulated Price Plan – Administrative Charge | \$ | 0.25 |

General Service Less Than 50 kW

| | | |
|--|--------|--------|
| Service Charge | \$ | 20.59 |
| Distribution Volumetric Rate | \$/kWh | 0.0136 |
| Deferral and Variance Account Rider | \$/kWh | 0.0000 |
| Retail Transmission Rate – Network Service Rate | \$/kWh | 0.0043 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | \$/kWh | 0.0027 |
| Wholesale Market Service Rate | \$/kWh | 0.0052 |
| Rural Rate Protection Charge | \$/kWh | 0.0013 |
| Regulated Price Plan – Administrative Charge | \$ | 0.25 |

General Service Greater Than 50 kW

| | | |
|--|--------|--------|
| Service Charge | \$ | 92.24 |
| Distribution Volumetric Rate | \$/kW | 2.5827 |
| Deferral and Variance Account Rider | \$/kW | 0.0000 |
| Retail Transmission Rate – Network Service Rate | \$/kW | 1.7399 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | \$/kW | 1.0890 |
| Wholesale Market Service Rate | \$/kWh | 0.0052 |
| Rural Rate Protection Charge | \$/kWh | 0.0013 |
| Regulated Price Plan – Administrative Charge (if applicable) | \$ | 0.25 |

Large Use

| | | |
|---|--------|---------|
| Service Charge | \$ | 5061.61 |
| Distribution Volumetric Rate | \$/kW | 2.2114 |
| Deferral and Variance Account Rider | \$/kW | 0.0000 |
| Retail Transmission Rate – Network Service Rate - Interval Metered | \$/kW | 2.0461 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered | \$/kW | 1.3652 |
| Wholesale Market Service Rate | \$/kWh | 0.0052 |
| Rural Rate Protection Charge | \$/kWh | 0.0013 |
| Regulated Price Plan – Administrative Charge (if applicable) | \$ | 0.25 |

Street Lighting

| | | |
|--|--------|--------|
| Service Charge (per connection) | \$ | 1.8735 |
| Distribution Volumetric Rate | \$/kW | 8.5953 |
| Deferral and Variance Account Rider | \$/kW | 0.0000 |
| Retail Transmission Rate – Network Service Rate | \$/kW | 1.3122 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | \$/kW | 0.8418 |
| Wholesale Market Service Rate | \$/kWh | 0.0052 |
| Rural Rate Protection Charge | \$/kWh | 0.0013 |
| Regulated Price Plan – Administrative Charge (if applicable) | \$ | 0.25 |

Unmetered Scattered Load

| | | |
|--|---------|--------|
| Service Charge (per customer) | \$ | 0 |
| Distribution Volumetric Rate | \$/kW h | 0.0452 |
| Deferral and Variance Account Rider | \$/kW h | 0.0000 |
| Retail Transmission Rate – Network Service Rate | \$/kW | 0.0043 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate | \$/kW | 0.0027 |
| Wholesale Market Service Rate | \$/kWh | 0.0052 |
| Rural Rate Protection Charge | \$/kWh | 0.0013 |
| Regulated Price Plan – Administrative Charge (if applicable) | \$ | 0.25 |

Specific Service Charges

Customer Administration

| | | |
|---|----|-------|
| Charge to certify cheque | \$ | 15.00 |
| Arrears certificate | \$ | 15.00 |
| Statement of account | \$ | 15.00 |
| Pulling post dated cheque | \$ | 15.00 |
| Duplicate invoice for previous billing | \$ | 15.00 |
| Account history | \$ | 15.00 |
| Credit reference/credit check (plus credit agency costs) | \$ | 15.00 |
| Returned cheque charge (plus bank charges) | \$ | 15.00 |
| Legal letter Charge | \$ | 15.00 |
| Account set up charge/change of occupancy charge (plus credit agency costs if applicable) | \$ | 15.00 |
| Meter dispute charge plus Measurement Canada fees (if meter found correct) | \$ | 30.00 |
| Special meter reads | \$ | 30.00 |

Non-Payment of Account

| | | |
|---|----|--------|
| Late Payment - per month | % | 1.50 |
| Late Payment - per annum | % | 19.56 |
| Collection of account charge – no disconnection | \$ | 20.00 |
| Collection of account charge – no disconnection - after regular hours | \$ | 165.00 |
| Disconnect/Reconnect Charge - At Meter during Regular Hours | \$ | 40.00 |
| Disconnect/Reconnect Charge - At Meter after Regular Hours | \$ | 185.00 |
| Disconnect/Reconnect at pole – during regular hours | \$ | 185.00 |
| Disconnect/Reconnect at pole – after regular hours | \$ | 415.00 |
| Service call - after regular hours | \$ | 165.00 |
| Specific Charge for Access to the Power Poles – per pole/year | \$ | 22.35 |

Allowances

| | | |
|---|-------|----------|
| Transformer Allowance for Ownership - per kW of billing demand/month | \$/kW | (0.3500) |
| Transformer Allowance for Ownership - per kW of billing demand/month (Large Use Class) | \$/kW | 0.0000 |
| Primary Metering Allowance for transformer losses – applied to measured demand and energy | % | (1.00) |

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 Factor

| | |
|---|--------|
| Total Loss Factor – Secondary Metered Customer < 5,000 kW | 1.0750 |
| Total Loss Factor – Secondary Metered Customer > 5,000 kW | 1.0397 |
| Total Loss Factor – Primary Metered Customer < 5,000 kW | 1.0643 |
| Total Loss Factor – Primary Metered Customer > 5,000 kW | 1.0340 |

RECONCILIATION OF RATE CLASS REVENUE:

The following Table 11 is used to examine the revenue expected to be generated with the proposed rates. Due to rounding, especially for the Fixed Charges, there will be a difference to the Total Distribution Revenue that was expected.

TABLE 11

2009 Test Year Distribution Revenue Reconciliation

| Customer Class | Fixed Distribution Revenue | Variable Distribution Revenue | Transformer Allowance Credit | Total Distribution Revenue | Expected |
|--------------------------|----------------------------|-------------------------------|------------------------------|----------------------------|---------------------|
| Residential | \$ 1,565,993 | \$ 2,458,907 | | \$ 4,024,900 | \$ 4,026,628 |
| GS <50 kW | \$ 373,377 | \$ 618,033 | | \$ 991,410 | \$ 994,316 |
| GS>50 kW | \$ 138,643 | \$ 776,671 | (\$44,787.75) | \$ 870,526 | \$ 870,509 |
| Large Use >5MW | \$ 60,727 | \$ 165,882 | \$0.00 | \$ 226,609 | \$ 226,606 |
| Street Light | \$ 68,583 | \$ 52,317 | | \$ 120,900 | \$ 120,899 |
| Sentinel | \$ - | \$ - | | \$ - | \$ - |
| Unmetered Scattered Load | \$ - | \$ 20,598 | | \$ 20,598 | \$ 20,587 |
| Back-up/Standby Power | \$ - | \$ - | | \$ - | \$ - |
| Total | \$ 2,207,323 | \$ 4,092,408 | (\$44,787.75) | \$ 6,254,943 | \$ 6,259,546 |

Difference Due to Rate Rounding

\$ 4,603

1 **RATE AND BILL IMPACTS:**

2 Appendix A to this Schedule presents the results of the assessment of customer total bill impacts
3 by level of consumption by customer per rate class and per the total customer class.

4 Impacts are derived using the applicable May 1, 2008 rates and the proposed 2009 distribution
5 rates (including Rate Rider for the recovery of Deferral and Variance Accounts if applicable) and
6 proposed 2009 Retail Transmission Service Rates.

7 The total bill impacts are calculated for each rate class at various levels of consumption. The
8 rate impacts are assessed on the basis of moving to the proposed distribution rates.

APPENDIX A
TABLE OF RATE AND BILL IMPACT

End of Exhibit 9 (Rate Design)

BILL IMPACTS (Monthly Consumptions)

RESIDENTIAL

| Consumption | | 2008 BILL | | | 2009 BILL | | | IMPACT | | |
|-------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|-----------|----------|-----------------|
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % | % of Total Bill |
| | | | | | | | | | | |
| 100 kWh | Monthly Service Charge | | | 9.26 | | | 10.03 | 0.77 | 8.32% | 3.72% |
| | Distribution (kWh) | 100 | 0.0184 | 1.84 | 100 | 0.0203 | 2.03 | 0.19 | 10.33% | 0.92% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% | 3.57% |
| | LRAM & SSM Rider (kWh) | 100 | | | 100 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Regulatory Assets (kWh) | 100 | 0.0000 | 0.00 | 100 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 11.36 | | | 13.06 | 1.70 | 14.96% | 8.20% |
| | Other Charges (kWh) | 108 | 0.0208 | 2.25 | 108 | 0.0213 | 2.29 | 0.04 | 1.58% | 0.17% |
| | Cost of Power Commodity (kWh) | 108 | 0.0500 | 5.42 | 108 | 0.0500 | 5.38 | (0.04) | (0.81%) | (0.21%) |
| | Total Bill | | | 19.03 | | | 20.73 | 1.69 | 8.89% | 8.16% |

RESIDENTIAL

| Consumption | | 2008 BILL | | | 2009 BILL | | | IMPACT | | |
|-------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|--------|---------|-----------------|
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | \$ | % | % of Total Bill |
| | | | | | | | | | | |
| 250 kWh | Monthly Service Charge | | | 9.26 | | | 10.03 | 0.77 | 8.32% | 2.18% |
| | Distribution (kWh) | 250 | 0.0184 | 4.60 | 250 | 0.0203 | 5.08 | 0.48 | 10.33% | 1.35% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% | 2.10% |
| | LRAM & SSM Rider (kWh) | 250 | | | 250 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Regulatory Assets (kWh) | 250 | 0.0000 | 0.00 | 250 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 14.12 | | | 16.11 | 1.99 | 14.06% | 5.63% |
| | Other Charges (kWh) | 271 | 0.0208 | 5.64 | 269 | 0.0213 | 5.72 | 0.09 | 1.58% | 0.25% |
| | Cost of Power Commodity (kWh) | 271 | 0.0500 | 13.55 | 269 | 0.0500 | 13.44 | (0.11) | (0.81%) | (0.31%) |
| | Total Bill | | | 33.30 | | | 35.27 | 1.96 | 5.90% | 5.57% |

RESIDENTIAL

| Consumption | | 2008 BILL | | | 2009 BILL | | | IMPACT | | |
|-------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|--------|---------|-----------------|
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | \$ | % | % of Total Bill |
| | | | | | | | | | | |
| 500 kWh | Monthly Service Charge | | | 9.26 | | | 10.03 | 0.77 | 8.32% | 1.29% |
| | Distribution (kWh) | 500 | 0.0184 | 9.20 | 500 | 0.0203 | 10.15 | 0.95 | 10.33% | 1.60% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% | 1.24% |
| | LRAM & SSM Rider (kWh) | 500 | | | 500 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Regulatory Assets (kWh) | 500 | 0.0000 | 0.00 | 500 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 18.72 | | | 21.18 | 2.46 | 13.14% | 4.13% |
| | Other Charges (kWh) | 542 | 0.0208 | 11.27 | 538 | 0.0213 | 11.45 | 0.18 | 1.58% | 0.30% |
| | Cost of Power Commodity (kWh) | 542 | 0.0500 | 27.10 | 538 | 0.0500 | 26.88 | (0.22) | (0.81%) | (0.37%) |
| | Total Bill | | | 57.09 | | | 59.51 | 2.42 | 4.24% | 4.07% |

RESIDENTIAL (average customer based on 30 year load data)

| Consumption | | 2008 BILL | | | 2009 BILL | | | IMPACT | | |
|-------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|--------|---------|-----------------|
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | \$ | % | % of Total Bill |
| | | | | | | | | | | |
| 776 kWh | Monthly Service Charge | | | 9.26 | | | 10.03 | 0.77 | 8.32% | 0.87% |
| | Distribution (kWh) | 776 | 0.0184 | 14.28 | 776 | 0.0203 | 15.75 | 1.47 | 10.33% | 1.67% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% | 0.84% |
| | LRAM & SSM Rider (kWh) | 776 | | | 776 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Regulatory Assets (kWh) | 776 | 0.0000 | 0.00 | 776 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 23.80 | | | 26.78 | 2.98 | 12.54% | 3.38% |
| | Other Charges (kWh) | 841 | 0.0208 | 17.49 | 834 | 0.0213 | 17.77 | 0.28 | 1.58% | 0.31% |
| | Cost of Power Commodity (kWh) | 600 | 0.0500 | 30.00 | 600 | 0.0500 | 30.00 | 0.00 | 0.00% | 0.00% |
| | Cost of Power Commodity (kWh) | 241 | 0.0590 | 14.22 | 234 | 0.0590 | 13.82 | (0.40) | (2.82%) | (0.45%) |
| | Total Bill | | | 85.51 | | | 88.37 | 2.86 | 3.34% | 3.24% |

Average Use
9,310 Historic NAC
12 Annual
776

RESIDENTIAL

| Consumption | | 2008 BILL | | | 2009 BILL | | | IMPACT | | |
|-------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|--------|---------|-----------------|
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | \$ | % | % of Total Bill |
| | | | | | | | | | | |
| 1,000 kWh | Monthly Service Charge | | | 9.26 | | | 10.03 | 0.77 | 8.32% | 0.69% |
| | Distribution (kWh) | 1,000 | 0.0184 | 18.40 | 1,000 | 0.0203 | 20.30 | 1.90 | 10.33% | 1.69% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% | 0.66% |
| | LRAM & SSM Rider (kWh) | 1,000 | | | 1,000 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Regulatory Assets (kWh) | 1,000 | 0.0000 | 0.00 | 1,000 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 27.92 | | | 31.33 | 3.41 | 12.21% | 3.04% |
| | Other Charges (kWh) | 1,084 | 0.0208 | 22.54 | 1,075 | 0.0213 | 22.90 | 0.36 | 1.58% | 0.32% |
| | Cost of Power Commodity (kWh) | 600 | 0.0500 | 30.00 | 600 | 0.0500 | 30.00 | 0.00 | 0.00% | 0.00% |
| | Cost of Power Commodity (kWh) | 484 | 0.0590 | 28.54 | 475 | 0.0590 | 28.03 | (0.52) | (1.81%) | (0.46%) |
| | Total Bill | | | 109.01 | | | 112.26 | 3.25 | 2.98% | 2.89% |

| RESIDENTIAL | | | | | | | | | |
|-------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|---------|-----------------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | \$ | % |
| Consumption | | | | | | | | | % of Total Bill |
| 1,500 kWh | Monthly Service Charge | | | 9.26 | | | 10.03 | 0.77 | 8.32% |
| | Distribution (kWh) | 1,500 | 0.0184 | 27.60 | 1,500 | 0.0203 | 30.45 | 2.85 | 10.33% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | LRAM & SSM Rider (kWh) | 1,500 | | | 1,500 | 0.0000 | 0.00 | #DIV/0! | 0.00% |
| | Regulatory Assets (kWh) | 1,500 | 0.0000 | 0.00 | 1,500 | 0.0000 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 37.12 | | | 41.48 | 4.36 | 11.75% |
| | Other Charges (kWh) | 1,626 | 0.0208 | 33.81 | 1,613 | 0.0213 | 34.35 | 0.53 | 1.58% |
| | Cost of Power Commodity (kWh) | 600 | 0.0500 | 30.00 | 600 | 0.0500 | 30.00 | 0.00 | 0.00% |
| | Cost of Power Commodity (kWh) | 1,026 | 0.0590 | 60.52 | 1,013 | 0.0590 | 59.74 | (0.77) | (1.28%) |
| | Total Bill | | | 161.45 | | | 165.57 | 4.12 | 2.55% |

| RESIDENTIAL | | | | | | | | | |
|-------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|---------|-----------------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | \$ | % |
| Consumption | | | | | | | | | % of Total Bill |
| 2,000 kWh | Monthly Service Charge | | | 9.26 | | | 10.03 | 0.77 | 8.32% |
| | Distribution (kWh) | 2,000 | 0.0184 | 36.80 | 2,000 | 0.0203 | 40.60 | 3.80 | 10.33% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | LRAM & SSM Rider (kWh) | 2,000 | | | 2,000 | 0.0000 | 0.00 | #DIV/0! | 0.00% |
| | Regulatory Assets (kWh) | 2,000 | 0.0000 | 0.00 | 2,000 | 0.0000 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 46.32 | | | 51.63 | 5.31 | 11.46% |
| | Other Charges (kWh) | 2,168 | 0.0208 | 45.09 | 2,150 | 0.0213 | 45.80 | 0.71 | 1.58% |
| | Cost of Power Commodity (kWh) | 600 | 0.0500 | 30.00 | 600 | 0.0500 | 30.00 | 0.00 | 0.00% |
| | Cost of Power Commodity (kWh) | 1,568 | 0.0590 | 92.49 | 1,550 | 0.0590 | 91.46 | (1.03) | (1.12%) |
| | Total Bill | | | 213.89 | | | 218.88 | 4.99 | 2.33% |

| GENERAL SERVICE < 50 kW | | | | | | | | | |
|-------------------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|-----------|-----------------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % |
| Consumption | | | | | | | | | % of Total Bill |
| 1,000 kWh | Monthly Service Charge | | | 16.26 | | | 19.59 | 3.33 | 20.48% |
| | Distribution (kWh) | 1,000 | 0.0111 | 11.10 | 1,000 | 0.0136 | 13.60 | 2.50 | 22.52% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | Regulatory Assets (kWh) | 1,000 | 0.0000 | 0.00 | 1,000 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Sub-Total | | | 27.62 | | | 34.19 | 6.57 | 23.79% |
| | Other Charges (kWh) | 1,084 | 0.0201 | 21.78 | 1,075 | 0.0205 | 22.04 | 0.25 | 1.17% |
| | Cost of Power Commodity (kWh) | 750 | 0.0500 | 37.50 | 750 | 0.0500 | 37.50 | 0.00 | 0.00% |
| | Cost of Power Commodity (kWh) | 334 | 0.0590 | 19.69 | 325 | 0.0590 | 19.18 | (0.52) | (2.62%) |
| | Total Bill | | | 106.60 | | | 112.91 | 6.31 | 5.92% |

| GENERAL SERVICE < 50 kW (average customer based on 30 Year load data) | | | | | | | | | |
|---|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|-----------|-----------------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % |
| Consumption | | | | | | | | | % of Total Bill |
| 2,384 kWh | Monthly Service Charge | | | 16.26 | | | 19.59 | 3.33 | 20.48% |
| | Distribution (kWh) | 2,384 | 0.0111 | 26.46 | 2,384 | 0.0136 | 32.42 | 5.96 | 22.52% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | Regulatory Assets (kWh) | 2,384 | 0.0000 | 0.00 | 2,384 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Sub-Total | | | 42.98 | | | 53.01 | 10.03 | 23.34% |
| | Other Charges (kWh) | 2,584 | 0.0201 | 51.93 | 2,563 | 0.0205 | 52.54 | 0.61 | 1.17% |
| | Cost of Power Commodity (kWh) | 750 | 0.0500 | 37.50 | 750 | 0.0500 | 37.50 | 0.00 | 0.00% |
| | Cost of Power Commodity (kWh) | 1,834 | 0.0590 | 108.19 | 1,813 | 0.0590 | 106.96 | (1.23) | (1.14%) |
| | Total Bill | | | 240.61 | | | 250.01 | 9.41 | 3.91% |

| GENERAL SERVICE < 50 kW | | | | | | | | | |
|-------------------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|-----------|-----------------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % |
| Consumption | | | | | | | | | % of Total Bill |
| 5,000 kWh | Monthly Service Charge | | | 16.26 | | | 19.59 | 3.33 | 20.48% |
| | Distribution (kWh) | 5,000 | 0.0111 | 55.50 | 5,000 | 0.0136 | 68.00 | 12.50 | 22.52% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | Regulatory Assets (kWh) | 5,000 | 0.0000 | 0.00 | 5,000 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Sub-Total | | | 72.02 | | | 88.59 | 16.57 | 23.01% |
| | Other Charges (kWh) | 5,419 | 0.0201 | 108.92 | 5,375 | 0.0205 | 110.19 | 1.27 | 1.17% |
| | Cost of Power Commodity (kWh) | 750 | 0.0500 | 37.50 | 750 | 0.0500 | 37.50 | 0.00 | 0.00% |
| | Cost of Power Commodity (kWh) | 4,669 | 0.0590 | 275.47 | 4,625 | 0.0590 | 272.89 | (2.58) | (0.94%) |
| | Total Bill | | | 493.91 | | | 509.17 | 15.26 | 3.09% |

| GENERAL SERVICE < 50 kW | | | | | | | | | |
|---------------------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|-----------|----------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % |
| Consumption 10,000 kWh | Monthly Service Charge | | | 16.26 | | | 19.59 | 3.33 | 20.48% |
| | Distribution (kWh) | 10,000 | 0.0111 | 111.00 | 10,000 | 0.0136 | 136.00 | 25.00 | 22.52% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | Regulatory Assets (kWh) | 10,000 | 0.0000 | 0.00 | 10,000 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Sub-Total | | | 127.52 | | | 156.59 | 29.07 | 22.80% |
| | Other Charges (kWh) | 10,838 | 0.0201 | 217.84 | 10,750 | 0.0205 | 220.39 | 2.54 | 1.17% |
| | Cost of Power Commodity (kWh) | 750 | 0.0500 | 37.50 | 750 | 0.0500 | 37.50 | 0.00 | 0.00% |
| | Cost of Power Commodity (kWh) | 10,088 | 0.0590 | 595.19 | 10,000 | 0.0590 | 590.03 | (5.16) | (0.87%) |
| | Total Bill | | | 978.06 | | | 1,004.50 | 26.45 | 2.70% |

| GENERAL SERVICE < 50 kW | | | | | | | | | |
|---------------------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|-----------|----------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % |
| Consumption 15,000 kWh | Monthly Service Charge | | | 16.26 | | | 19.59 | 3.33 | 20.48% |
| | Distribution (kWh) | 15,000 | 0.0111 | 166.50 | 15,000 | 0.0136 | 204.00 | 37.50 | 22.52% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | Regulatory Assets (kWh) | 15,000 | 0.0000 | 0.00 | 15,000 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Sub-Total | | | 183.02 | | | 224.59 | 41.57 | 22.71% |
| | Other Charges (kWh) | 16,257 | 0.0201 | 326.77 | 16,126 | 0.0205 | 330.58 | 3.81 | 1.17% |
| | Cost of Power Commodity (kWh) | 750 | 0.0500 | 37.50 | 750 | 0.0500 | 37.50 | 0.00 | 0.00% |
| | Cost of Power Commodity (kWh) | 15,507 | 0.0590 | 914.91 | 15,376 | 0.0590 | 907.17 | (7.74) | (0.85%) |
| | Total Bill | | | 1,462.20 | | | 1,499.84 | 37.64 | 2.57% |

| GENERAL SERVICE > 50 kW | | | | | | | | | |
|------------------------------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|-----------|----------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % |
| Consumption 15,000 kWh 60 kW | Monthly Service Charge | | | 54.14 | | | 91.24 | 37.10 | 68.53% |
| | Distribution (kWh) | 15,000 | 0.0000 | 0.00 | 15,000 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Distribution (kW) | 60 | 1.4434 | 86.60 | 60 | 2.5827 | 154.96 | 68.36 | 78.93% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | Regulatory Assets (kW) | 60 | 0.0000 | 0.00 | 60 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Sub-Total | | | 141.00 | | | 247.20 | 106.20 | 75.32% |
| | Other Charges (kWh) | 16,257 | 0.0132 | 214.59 | 16,126 | 0.0135 | 217.70 | 3.11 | 1.45% |
| | Other Charges (kW) | 60 | 2.7721 | 166.33 | 60 | 2.8289 | 169.73 | 3.41 | 2.05% |
| | Cost of Power Commodity (kWh) | 750 | 0.0500 | 37.50 | 750 | 0.0500 | 37.50 | 0.00 | 0.00% |

| GENERAL SERVICE > 50 kW | | | | | | | | | |
|-------------------------------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|--------|---------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | \$ | % |
| Consumption 40,000 kWh 100 kW | Monthly Service Charge | | | 54.14 | | | 91.24 | 37.10 | 68.53% |
| | Distribution (kWh) | 40,000 | 0.0000 | 0.00 | 40,000 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Distribution (kW) | 100 | 1.4434 | 144.34 | 100 | 2.5827 | 258.27 | 113.93 | 78.93% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | Regulatory Assets (kW) | 100 | 0.0000 | 0.00 | 100 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Sub-Total | | | 198.74 | | | 350.51 | 151.77 | 76.37% |
| | Other Charges (kWh) | 43,352 | 0.0132 | 572.25 | 43,002 | 0.0135 | 580.53 | 8.28 | 1.45% |
| | Other Charges (kW) | 100 | 2.7721 | 277.21 | 100 | 2.8289 | 282.89 | 5.68 | 2.05% |
| | Cost of Power Commodity (kWh) | 0 | 0.0545 | 0.00 | 0 | 0.0545 | 0.00 | 0.00 | #DIV/0! |

| GENERAL SERVICE > 50 kW (Average Customer based on Load Data for 30 years) | | | | | | | | | |
|--|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|--------|---------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | \$ | % |
| Consumption 83,483 kWh 197 kW | Monthly Service Charge | | | 54.14 | | | 91.24 | 37.10 | 68.53% |
| | Distribution (kWh) | 83,483 | 0.0000 | 0.00 | 83,483 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Distribution (kW) | 197 | 1.4434 | 284.35 | 197 | 2.5827 | 508.79 | 224.44 | 78.93% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | Regulatory Assets (kW) | 197 | 0.0000 | 0.00 | 197 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Sub-Total | | | 338.75 | | | 601.03 | 262.28 | 77.43% |
| | Other Charges (kWh) | 90,479 | 0.0132 | 1,194.32 | 89,748 | 0.0135 | 1,211.60 | 17.28 | 1.45% |
| | Other Charges (kW) | 197 | 2.7721 | 546.10 | 197 | 2.8289 | 557.29 | 11.19 | 2.05% |
| | Cost of Power Commodity (kWh) | 0 | 0.0545 | 0.00 | 0 | 0.0545 | 0.00 | 0.00 | #DIV/0! |

Average Use from 30 year
300,721 127 customers
1,001,797 Historic NAC
12 Annual
83,483 Avg insert above
197 kW avg per mth

| GENERAL SERVICE > 50 kW | | | | | | | | | |
|-------------------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|----------|---------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | \$ | % |
| Consumption | Monthly Service Charge | | | 54.14 | | | 91.24 | 37.10 | 68.53% |
| 400,000 kWh | Distribution (kWh) | 400,000 | 0.0000 | 0.00 | 400,000 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| 1,400 kW | Distribution (kW) | 1,400 | 0.8434 | 1,180.76 | 1,400 | 2.2327 | 3,125.78 | 1,945.02 | 164.73% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | Regulatory Assets (kW) | 1,400 | 0.0000 | 0.00 | 1,400 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Sub-Total | | | 1,235.16 | | | 3,218.02 | 1,982.86 | 160.53% |
| | Other Charges (kWh) | 433,520 | 0.0132 | 5,722.46 | 430,020 | 0.0135 | 5,805.27 | 82.80 | 1.45% |
| | Other Charges (kW) | 1,400 | 2.7721 | 3,880.94 | 1,400 | 2.8289 | 3,960.46 | 79.52 | 2.05% |
| | Cost of Power Commodity (kWh) | 0 | 0.0545 | 0.00 | 0 | 0.0545 | 0.00 | 0.00 | #DIV/0! |
| | Cost of Power Commodity (kW) | 433,520 | 0.0545 | 23,626.84 | 430,020 | 0.0545 | 23,436.09 | (190.75) | (0.81%) |
| | Total Bill | | | 34,465.40 | | | 36,419.83 | 1,954.43 | 5.67% |

| GENERAL SERVICE > 50 kW | | | | | | | | | |
|-------------------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|----------|---------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | \$ | % |
| Consumption | Monthly Service Charge | | | 54.14 | | | 91.24 | 37.10 | 68.53% |
| 1,000,000 kWh | Distribution (kWh) | 1,000,000 | 0.0000 | 0.00 | 1,000,000 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| 2,800 kW | Distribution (kW) | 2,800 | 0.8434 | 2,361.52 | 2,800 | 2.2327 | 6,251.56 | 3,890.04 | 164.73% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | Regulatory Assets (kW) | 2,800 | 0.0000 | 0.00 | 2,800 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Sub-Total | | | 2,415.92 | | | 6,343.80 | 3,927.88 | 162.58% |
| | Other Charges (kWh) | 1,083,800 | 0.0132 | 14,306.16 | 1,075,050 | 0.0135 | 14,513.17 | 207.01 | 1.45% |
| | Other Charges (kW) | 2,800 | 2.7721 | 7,761.88 | 2,800 | 2.8289 | 7,920.92 | 159.04 | 2.05% |
| | Cost of Power Commodity (kWh) | 0 | 0.0545 | 0.00 | 0 | 0.0545 | 0.00 | 0.00 | #DIV/0! |
| | Cost of Power Commodity (kW) | 1,083,800 | 0.0545 | 59,067.10 | 1,075,050 | 0.0545 | 58,590.21 | (476.89) | (0.81%) |
| | Total Bill | | | 83,551.06 | | | 87,368.11 | 3,817.05 | 4.57% |

| LARGE USER (> 5000 kW) | | | | | | | | | |
|------------------------|-------------------------------|-----------|---------|------------|-----------|---------|------------|------------|----------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % |
| Consumption | Monthly Service Charge | | | 6,908.18 | | | 5,060.61 | (1,847.57) | (26.74%) |
| 3,118,000 kWh | Distribution (kWh) | 3,118,000 | 0.0000 | 0.00 | 3,118,000 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| 6,250 kW | Distribution (kW) | 6,250 | 1.8860 | 11,787.50 | 6,250 | 2.2114 | 13,821.25 | 2,033.75 | 17.25% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | Regulatory Assets (kW) | 6,250 | 0.0000 | 0.00 | 6,250 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Sub-Total | | | 18,695.94 | | | 18,882.86 | 186.92 | 1.00% |
| | Other Charges (kWh) | 3,224,012 | 0.0132 | 42,556.96 | 3,224,012 | 0.0135 | 43,524.16 | 967.20 | 2.27% |
| | Other Charges (kW) | 6,250 | 3.3401 | 20,875.63 | 6,250 | 3.4113 | 21,320.63 | 445.00 | 2.13% |
| | Cost of Power Commodity (kWh) | 0 | 0.0545 | 0.00 | 0 | 0.0545 | 0.00 | 0.00 | #DIV/0! |
| | Cost of Power Commodity (kW) | 3,224,012 | 0.0545 | 175,708.65 | 3,224,012 | 0.0545 | 175,708.65 | (0.00) | (0.00%) |
| | Total Bill | | | 257,837.18 | | | 259,436.30 | 1,599.12 | 0.62% |

| LARGE USER (> 5000 kW) | | | | | | | | | |
|------------------------|-------------------------------|------------|---------|------------|------------|---------|------------|------------|----------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | \$ | % |
| Consumption | Monthly Service Charge | | | 6,908.18 | | | 5,060.61 | (1,847.57) | (26.74%) |
| 10,000,000 kWh | Distribution (kWh) | 10,000,000 | 0.0000 | 0.00 | 10,000,000 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| 11,000 kW | Distribution (kW) | 11,000 | 1.8860 | 20,746.00 | 11,000 | 2.2114 | 24,325.40 | 3,579.40 | 17.25% |
| | Smart Meter Rider (per month) | | | 0.26 | | | 1.00 | 0.74 | 284.62% |
| | Regulatory Assets (kW) | 11,000 | 0.0000 | 0.00 | 11,000 | 0.0000 | 0.00 | 0.00 | #DIV/0! |
| | Sub-Total | | | 27,654.44 | | | 29,387.01 | 1,732.57 | 6.27% |
| | Other Charges (kWh) | 10,340,000 | 0.0132 | 136,488.00 | 10,340,000 | 0.0135 | 139,590.00 | 3,102.00 | 2.27% |
| | Other Charges (kW) | 11,000 | 3.3401 | 36,741.10 | 11,000 | 3.4113 | 37,524.30 | 783.20 | 2.13% |
| | Cost of Power Commodity (kWh) | 0 | 0.0545 | 0.00 | 0 | 0.0545 | 0.00 | 0.00 | #DIV/0! |
| | Cost of Power Commodity (kW) | 10,340,000 | 0.0545 | 563,530.00 | 10,340,000 | 0.0545 | 563,530.00 | (0.00) | (0.00%) |
| | Total Bill | | | 764,413.54 | | | 770,031.31 | 5,617.77 | 0.73% |

| Street Lighting | | | | | | | | | | |
|----------------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|-----------|----------|-----------------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % | % of Total Bill |
| Billing Determinants | Monthly Service Charge | 1,964 | 0.6100 | 1,198.04 | 1,964 | 1.8735 | 3,679.55 | 2,481.51 | 207.13% | 17.90% |
| | 1,964 Connections | 96,667 | 0.0000 | 0.00 | 96,667 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | 96,667 kWh | 290 | 2.9941 | 868.29 | 290 | 8.5953 | 2,492.64 | 1,624.35 | 187.07% | 11.72% |
| | 290 kW | 290 | 0.0000 | 0.00 | 290 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 2,066.33 | | | 6,172.19 | 4,105.86 | 198.70% | 29.62% |
| | Other Charges (kWh) | 104,767 | 0.0132 | 1,382.93 | 103,921 | 0.0135 | 1,402.94 | 20.01 | 1.45% | 0.14% |
| | Other Charges (kW) | 290 | 2.1101 | 611.93 | 290 | 2.1540 | 624.66 | 12.73 | 2.08% | 0.09% |
| | Cost of Power Commodity (kWh) | 750 | 0.0545 | 40.88 | 750 | 0.0545 | 40.88 | 0.00 | 0.00% | 0.00% |
| | Cost of Power Commodity (kWh) | 104,017 | 0.0545 | 5,668.94 | 103,171 | 0.0545 | 5,622.85 | (46.10) | (0.81%) | (0.33%) |
| | Total Bill | | | 9,771.01 | | | 13,863.51 | 4,092.51 | 41.88% | 29.52% |

| Street Lighting | | | | | | | | | | |
|----------------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|-----------|----------|-----------------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % | % of Total Bill |
| Billing Determinants | Monthly Service Charge | 672 | 0.6100 | 409.92 | 672 | 1.8735 | 1,258.99 | 849.07 | 207.13% | 13.37% |
| | 672 Connections | 48,333 | 0.0000 | 0.00 | 48,333 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | 48,333 kWh | 145 | 2.9941 | 434.14 | 145 | 8.5953 | 1,246.32 | 812.17 | 187.07% | 12.79% |
| | 145 kW | 145 | 0.0000 | 0.00 | 145 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 844.06 | | | 2,505.31 | 1,661.25 | 196.82% | 26.16% |
| | Other Charges (kWh) | 52,384 | 0.0132 | 691.46 | 51,961 | 0.0135 | 701.47 | 10.01 | 1.45% | 0.16% |
| | Other Charges (kW) | 145 | 2.1101 | 305.96 | 145 | 2.1540 | 312.33 | 6.37 | 2.08% | 0.10% |
| | Cost of Power Commodity (kWh) | 750 | 0.0545 | 40.88 | 750 | 0.0545 | 40.88 | 0.00 | 0.00% | 0.00% |
| | Cost of Power Commodity (kWh) | 51,634 | 0.0545 | 2,814.03 | 51,211 | 0.0545 | 2,790.99 | (23.05) | (0.82%) | (0.36%) |
| | Total Bill | | | 4,696.40 | | | 6,350.97 | 1,654.57 | 35.23% | 26.05% |

| Street Lighting | | | | | | | | | | |
|----------------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|-----------|----------|-----------------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % | % of Total Bill |
| Billing Determinants | Monthly Service Charge | 352 | 0.6100 | 214.72 | 352 | 1.8735 | 659.47 | 444.75 | 207.13% | 15.12% |
| | 352 Connections | 21,667 | 0.0000 | 0.00 | 21,667 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | 21,667 kWh | 65 | 2.9941 | 194.62 | 65 | 8.5953 | 558.69 | 364.08 | 187.07% | 12.37% |
| | 65 kW | 65 | 0.0000 | 0.00 | 65 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 409.34 | | | 1,218.17 | 808.83 | 197.60% | 27.49% |
| | Other Charges (kWh) | 23,482 | 0.0132 | 309.97 | 23,293 | 0.0135 | 314.45 | 4.49 | 1.45% | 0.15% |
| | Other Charges (kW) | 65 | 2.1101 | 137.16 | 65 | 2.1540 | 140.01 | 2.85 | 2.08% | 0.10% |
| | Cost of Power Commodity (kWh) | 750 | 0.0545 | 40.88 | 750 | 0.0545 | 40.88 | 0.00 | 0.00% | 0.00% |
| | Cost of Power Commodity (kWh) | 22,732 | 0.0545 | 1,238.91 | 22,543 | 0.0545 | 1,228.58 | (10.33) | (0.83%) | (0.35%) |
| | Total Bill | | | 2,136.25 | | | 2,942.08 | 805.84 | 37.72% | 27.39% |

| UNMETERED SCATTERED LOAD | | | | | | | | | | |
|--------------------------|-------------------------------|-----------|----------|-----------|-----------|----------|-----------|-----------|----------|-----------------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % | % of Total Bill |
| Consumption | Monthly Service Charge | | | 0.00 | | | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | 18,000 kWh | 18,000 | 0.0162 | 291.60 | 18,000 | 0.0452 | 813.60 | 522.00 | 179.01% | 24.50% |
| | 0 kW | 0 | 0.0000 | 0.00 | 0 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Smart Meter Rider (per month) | | | 0.00 | | | 1.00 | 1.00 | #DIV/0! | 0.05% |
| | Regulatory Assets (kW) | 0 | 0.0000 | 0.00 | 0 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 291.60 | | | 814.60 | 523.00 | 179.36% | 24.55% |
| | Other Charges (kWh) | 19,508 | 0.0132 | 257.51 | 19,351 | 0.0135 | 261.24 | 3.73 | 1.45% | 0.17% |
| | Other Charges (kW) | 0 | 2.7721 | 0.00 | 0 | 2.8289 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Cost of Power Commodity (kWh) | 750 | 0.0545 | 40.88 | 750 | 0.0545 | 40.88 | 0.00 | 0.00% | 0.00% |
| | Cost of Power Commodity (kWh) | 18,758 | 0.0545 | 1,022.33 | 18,601 | 0.0545 | 1,013.75 | (8.58) | (0.84%) | (0.40%) |
| Total Bill | | | 1,612.32 | | | 2,130.46 | 518.14 | 32.14% | 24.32% | |

| Street Lighting | | | | | | | | | | |
|--|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|-----------|----------|-----------------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % | % of Total Bill |
| <div>Billing Determinants</div> <div>672 Connections</div> <div>48,333 kWh</div> <div>145 kW</div> | Monthly Service Charge | 672 | 0.6100 | 409.92 | 672 | 1.8735 | 1,258.99 | 849.07 | 207.13% | 13.37% |
| | Distribution (kWh) | 48,333 | 0.0000 | 0.00 | 48,333 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Distribution (kW) | 145 | 2.9941 | 434.14 | 145 | 8.5953 | 1,246.32 | 812.17 | 187.07% | 12.79% |
| | Regulatory Assets (kW) | 145 | 0.0000 | 0.00 | 145 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 844.06 | | | 2,505.31 | 1,661.25 | 196.82% | 26.16% |
| | Other Charges (kWh) | 52,384 | 0.0132 | 691.46 | 51,961 | 0.0135 | 701.47 | 10.01 | 1.45% | 0.16% |
| | Other Charges (kW) | 145 | 2.1101 | 305.96 | 145 | 2.1540 | 312.33 | 6.37 | 2.08% | 0.10% |
| | Cost of Power Commodity (kWh) | 750 | 0.0545 | 40.88 | 750 | 0.0545 | 40.88 | 0.00 | 0.00% | 0.00% |
| | Cost of Power Commodity (kW) | 51,634 | 0.0545 | 2,814.03 | 51,211 | 0.0545 | 2,790.99 | (23.05) | (0.82%) | (0.36%) |
| Total Bill | | | | 4,696.40 | | | 6,350.97 | 1,654.57 | 35.23% | 26.05% |

| Street Lighting | | | | | | | | | | |
|----------------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|-----------|----------|-----------------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % | % of Total Bill |
| Billing Determinants | Monthly Service Charge | 352 | 0.6100 | 214.72 | 352 | 1.8735 | 659.47 | 444.75 | 207.13% | 15.12% |
| 352 Connections | Distribution (kWh) | 21,667 | 0.0000 | 0.00 | 21,667 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| 21,667 kWh | Distribution (kW) | 65 | 2.9941 | 194.62 | 65 | 8.5953 | 558.69 | 364.08 | 187.07% | 12.37% |
| 65 kW | Regulatory Assets (kW) | 65 | 0.0000 | 0.00 | 65 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 409.34 | | | 1,218.17 | 808.83 | 197.60% | 27.49% |
| | Other Charges (kWh) | 23,482 | 0.0132 | 309.97 | 23,293 | 0.0135 | 314.45 | 4.49 | 1.45% | 0.15% |
| | Other Charges (kW) | 65 | 2.1101 | 137.16 | 65 | 2.1540 | 140.01 | 2.85 | 2.08% | 0.10% |
| | Cost of Power Commodity (kWh) | 750 | 0.0545 | 40.88 | 750 | 0.0545 | 40.88 | 0.00 | 0.00% | 0.00% |
| | Cost of Power Commodity (kW) | 22,732 | 0.0545 | 1,238.91 | 22,543 | 0.0545 | 1,228.58 | (10.33) | (0.83%) | (0.35%) |
| | Total Bill | | | 2,136.25 | | | 2,942.08 | 805.84 | 37.72% | 27.39% |

| UNMETERED SCATTERED LOAD | | | | | | | | | | |
|--------------------------|-------------------------------|-----------|---------|-----------|-----------|---------|-----------|-----------|----------|-----------------|
| | | 2008 BILL | | | 2009 BILL | | | IMPACT | | |
| | | Volume | RATE \$ | CHARGE \$ | Volume | RATE \$ | CHARGE \$ | Change \$ | Change % | % of Total Bill |
| Consumption | Monthly Service Charge | | | 0.00 | | | 0.00 | 0.00 | #DIV/0! | 0.00% |
| 18,000 kWh | Distribution (kWh) | 18,000 | 0.0162 | 291.60 | 18,000 | 0.0452 | 813.60 | 522.00 | 179.01% | 24.50% |
| 0 kW | Distribution (kW) | 0 | 0.0000 | 0.00 | 0 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Smart Meter Rider (per month) | | | 0.00 | | | 1.00 | 1.00 | #DIV/0! | 0.05% |
| | Regulatory Assets (kW) | 0 | 0.0000 | 0.00 | 0 | 0.0000 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Sub-Total | | | 291.60 | | | 814.60 | 523.00 | 179.36% | 24.55% |
| | Other Charges (kWh) | 19,508 | 0.0132 | 257.51 | 19,351 | 0.0135 | 261.24 | 3.73 | 1.45% | 0.17% |
| | Other Charges (kW) | 0 | 2.7721 | 0.00 | 0 | 2.8289 | 0.00 | 0.00 | #DIV/0! | 0.00% |
| | Cost of Power Commodity (kWh) | 750 | 0.0545 | 40.88 | 750 | 0.0545 | 40.88 | 0.00 | 0.00% | 0.00% |
| | Cost of Power Commodity (kW) | 18,758 | 0.0545 | 1,022.33 | 18,601 | 0.0545 | 1,013.75 | (8.58) | (0.84%) | (0.40%) |
| | Total Bill | | | 1,612.32 | | | 2,130.46 | 518.14 | 32.14% | 24.32% |

COLLUS Power Corp Response:

As with the 2006 EDR Board issued debt rate calculation method the interest paid in a given year is used along with the beginning of the year debt level to calculate the annual actual debt rate. Thus for 2009 the estimated cost of \$162,766 is divided by the beginning of the year debt level of \$2,810,170.

2 RATE BASE AND CAPEX

Ref: Response to Board staff interrogatory #3.7
Ref: Exhibit 1/Tab 2/Schedule 1/p.2/Table 1.2.1-1

- a) Please state how the 2008 and 2009 reliability improvement targets were determined and provide the assumptions and calculations used for setting these targets.
- b) Please provide an explanation of these reliability improvement targets in the context of the historic performance noted above.

1. The data sheet that was utilized to prepare the original schedule included the “gross” impacts and interruptions in 2003. This was the year that the province wide August blackout occurred. For reporting purposes after submitting the end of year 2003 report we were notified by the OEB that it was decided that the Blackout s/b removed because it was an anomaly that would not occur again. So for comparative purposes the “net” amounts should have been noted in the schedule and this adjustment is made in the updated schedule. The use of the ‘net’ amounts results in a set of historical numbers for 2002 thru 2006 that more closely match on a year to year comparative basis. Part of the Board staff question #2.1 (a) was due to the inconsistency of the numbers and we believe the updated schedule information indicates a more consistent set of numbers.
2. There is a marked change in the 2007 amounts as noted in the VECC IR #40 (a). This is because in 2007 the OEB requested that “Interruption due to supply problems from HONI” be included, whereas the years 2002 thru 2006 did not incorporate this data. That is why there is only the single 2007 line in the “Without Customer Interruptions Due to Supply” row. We have enhanced the schedule to provide separate columns that indicate both COLLUS and HONI interruptions separately. Then the last section of the schedule shows the amounts in total.
3. This line changed for the same reasons as the explanation for Item #1.

4. The same misinterpretation as noted in explanation #5 below requires that the original schedule amount of 38,858 should be 8,195 for the column SECTION III Total Customer Interruptions COLLUS Supply for 2007.
5. Section I Total Customer Interruptions had previously indicated 65,594 in Total Customer Interruptions for 2007. Our review of this number found that there was a misinterpretation of an additional change that the OEB in the 2007 tracking requirements. The misinterpretation resulted in some of the impacts being included twice and this appropriate impact should have been 11,895.
6. The 2008 COLLUS Power target amounts are based on the historical 6 year average data. The goal is that the average should be attainable. Of course COLLUS Power can't forecast targets for HONI supply.
7. The 2009 COLLUS Power Target amounts are based on matching the 2008 target amounts. We do not forecast targets for HONI supply.
8. The 2008 and 2009 Target amounts are not estimated as the calculation includes HONI Supply impacts. These are not under our control.

Response to IR #2.1 (b):

Board staff request in this question is fully answered in the explanation to part (a).

~~~~~

### **3 SMART METERS**

*Ref: Response to Board staff interrogatory #4(b)*

*Ref: Exhibit 1/Tab 2/Schedule 1/ p. 5*

*Ref: Ontario Energy Board – Guideline, Smart Meter Funding and Cost Recovery, G-2008-002, p. 9-10,*

[http://www.oeb.gov.on.ca/OEB/Documents/Regulatory/OEB\\_Guideline\\_SmartMeters.pdf/](http://www.oeb.gov.on.ca/OEB/Documents/Regulatory/OEB_Guideline_SmartMeters.pdf/)

In response to Board staff interrogatory #6.1(a), COLLUS filed additional load data files provided by Hydro One in supporting the calculation of the normalized historical load. Board staff took the figures from the evidence provided in Exhibit 3 of COLLUS application and data provided by Hydro One, and prepared Table 1 as a comparison of the 2004 weather normalized data.

Table 1

| Class       | "Collus HONI Run 1 ALCOA out.xls"<br>– Monthly kWh by class (with<br>normalized weather) | <i>Exhibit 3 Tab 2 Schedule 2 Page 4<br/>Table 2 – "Weather Normal kWh<br/>(2004)"</i> |
|-------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Residential | 128,552,058                                                                              | 111,105,540                                                                            |
| GS < 50 kW  | 48,953,350                                                                               | 43,948,032                                                                             |
| GS > 50 kW  | 118,435,659                                                                              | 117,066,655                                                                            |

Please explain how COLLUS developed its weather normal kWh filed in the evidence from the data provided by Hydro One and explain the variances shown in Table 1 above and determine how COLLUS would reconcile these differences.

COLLUS Power Response:

In preparing the response to this question it was identified that Table 2 in the original filing document was incorrect and should have read as follows:

**TABLE 2 (Revised from original Table 2 submitted on August 15, 2008)**  
**2004 WEATHER NORMAL WHOLESALE KWH, NUMBER OF  
CUSTOMERS or CONNECTIONS AND RETAIL NAC**

| Class       | Weather<br>Normal kWh<br>(2004) | Customer<br>Connections<br>(2004) | Retail<br>NAC |
|-------------|---------------------------------|-----------------------------------|---------------|
| Residential | 111,105,540                     | 11,934                            | 9,310         |
| GS < 50 kW  | 43,948,032                      | 1,536                             | 28,612        |
| GS > 50 kW  | 115,206,655                     | 115                               | 1,001,797     |

When COLLUS Power provided the additional response data for Board Staff IR#6.1 (a) we included HONI load data file information utilized in the Cost Allocation Modelling process. For part (b) of the same question Summary Tables of the HONI data were provided for the original run and then the run that was made with ALCOA data removed. For ease of reference the 2 Summary tables are provided below and will be referred to in our response.

Data Summary Which included ALCOA

| LDC name   | Year | Month | Total wholesale<br>purchase (kWh)<br>(Section B-2) | Total embedded<br>generation<br>purchase (kWh)<br>If applicable<br>(Section B-3) | Total interval<br>meter class (kWh)<br>(Section B-4) | Total street lighting<br>and sentinel lighting<br>class (kWh)<br>(Section B-5a&5b) | Total USL<br>class (kWh)<br>(Section B-5c) | Total residential<br>class (kWh)<br>(Section B-6a or B-6b) | Total GS>50 kW<br>class (kWh)<br>(Section B-7) | Total GS<50 kW<br>class (kWh)<br>(Section B-8) |
|------------|------|-------|----------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------------------------|------------------------------------------------|------------------------------------------------|
| COLLUS Pov | 2004 | 01    | 40,959,515.76                                      | -                                                                                | 15,270,838.81                                        | 207,538.80                                                                         | 87,251.17                                  | 16,861,328.14                                              | 3,706,725.10                                   | 4,825,833.74                                   |
| COLLUS Pov | 2004 | 02    | 36,147,197.61                                      | -                                                                                | 14,999,242.35                                        | 177,412.20                                                                         | 83,415.80                                  | 13,242,518.38                                              | 3,256,112.71                                   | 4,388,496.18                                   |
| COLLUS Pov | 2004 | 03    | 36,322,968.34                                      | -                                                                                | 16,264,314.22                                        | 166,891.80                                                                         | 76,422.76                                  | 12,498,149.22                                              | 3,030,745.90                                   | 4,286,444.44                                   |
| COLLUS Pov | 2004 | 04    | 31,124,191.07                                      | -                                                                                | 14,930,552.18                                        | 139,423.80                                                                         | 79,046.22                                  | 9,787,222.94                                               | 2,523,865.65                                   | 3,664,080.28                                   |
| COLLUS Pov | 2004 | 05    | 30,545,743.00                                      | -                                                                                | 15,909,187.77                                        | 126,867.54                                                                         | 79,950.88                                  | 8,525,006.18                                               | 2,274,290.69                                   | 3,630,439.94                                   |
| COLLUS Pov | 2004 | 06    | 30,315,820.42                                      | -                                                                                | 16,626,169.52                                        | 112,078.57                                                                         | 74,997.46                                  | 7,689,136.60                                               | 2,119,745.27                                   | 3,693,693.00                                   |
| COLLUS Pov | 2004 | 07    | 29,326,899.83                                      | -                                                                                | 14,342,812.15                                        | 124,170.69                                                                         | 79,794.61                                  | 8,854,604.90                                               | 2,158,725.06                                   | 3,766,792.42                                   |
| COLLUS Pov | 2004 | 08    | 31,333,766.24                                      | -                                                                                | 16,631,476.83                                        | 141,926.78                                                                         | 79,827.54                                  | 8,335,517.41                                               | 2,283,322.93                                   | 3,861,694.75                                   |
| COLLUS Pov | 2004 | 09    | 30,140,973.80                                      | -                                                                                | 16,119,601.92                                        | 159,560.11                                                                         | 75,290.36                                  | 7,757,521.89                                               | 2,167,907.06                                   | 3,861,092.45                                   |
| COLLUS Pov | 2004 | 10    | 31,257,685.10                                      | -                                                                                | 16,157,770.92                                        | 188,160.60                                                                         | 79,696.41                                  | 8,926,579.43                                               | 2,323,176.53                                   | 3,582,311.21                                   |
| COLLUS Pov | 2004 | 11    | 31,324,876.01                                      | -                                                                                | 14,374,387.35                                        | 202,039.53                                                                         | 79,638.71                                  | 10,114,527.82                                              | 2,715,170.12                                   | 3,839,112.48                                   |
| COLLUS Pov | 2004 | 12    | 35,351,361.18                                      | -                                                                                | 12,563,694.70                                        | 219,364.15                                                                         | 77,651.25                                  | 14,467,471.57                                              | 3,378,567.45                                   | 4,654,612.06                                   |
|            |      |       | 394,150,998.36                                     | -                                                                                | 184,190,048.71                                       | 1,965,424.57                                                                       | 952,983.17                                 | 127,049,584.48                                             | 31,938,354.48                                  | 48,054,602.95                                  |

| Adjusted for Alcoa |      |       | Total embedded generation      |                                                        |                                  |                                                         |                       |                               |                            |                            |
|--------------------|------|-------|--------------------------------|--------------------------------------------------------|----------------------------------|---------------------------------------------------------|-----------------------|-------------------------------|----------------------------|----------------------------|
| LDC name           | Year | Month | Total wholesale purchase (kWh) | Total embedded generation purchase (kWh) if applicable | Total interval meter class (kWh) | Total street lighting and sentinel lighting class (kWh) | Total USL class (kWh) | Total residential class (kWh) | Total GS>50 kW class (kWh) | Total GS<50 kW class (kWh) |
|                    |      |       | (Section B-2)                  | (Section B-3)                                          | (Section B-4)                    | (Section B-5a&5b)                                       | (Section B-5c)        | (Section B-6a or B-6b)        | (Section B-7)              | (Section B-8)              |
| COLLUS Pow         | 2004 | 01    | 36,792,413.76                  | -                                                      | 11,103,736.81                    | 207,538.80                                              | 87,251.17             | 16,861,328.14                 | 3,706,725.10               | 4,825,833.74               |
| COLLUS Pow         | 2004 | 02    | 31,959,041.61                  | -                                                      | 10,811,086.35                    | 177,412.20                                              | 83,415.80             | 13,242,518.38                 | 3,256,112.71               | 4,388,496.18               |
| COLLUS Pow         | 2004 | 03    | 31,505,238.34                  | -                                                      | 11,446,584.22                    | 166,891.80                                              | 76,422.76             | 12,498,149.22                 | 3,030,745.90               | 4,286,444.44               |
| COLLUS Pow         | 2004 | 04    | 26,487,367.07                  | -                                                      | 10,293,728.18                    | 139,423.80                                              | 79,046.22             | 9,787,222.94                  | 2,523,865.65               | 3,664,080.28               |
| COLLUS Pow         | 2004 | 05    | 25,637,641.00                  | -                                                      | 11,001,085.77                    | 126,867.54                                              | 79,950.88             | 8,525,006.18                  | 2,274,290.69               | 3,630,439.94               |
| COLLUS Pow         | 2004 | 06    | 25,107,964.42                  | -                                                      | 11,418,313.52                    | 112,078.57                                              | 74,997.46             | 7,689,136.60                  | 2,119,745.27               | 3,693,693.00               |
| COLLUS Pow         | 2004 | 07    | 24,741,369.83                  | -                                                      | 9,757,282.15                     | 124,170.69                                              | 79,794.61             | 8,854,604.90                  | 2,158,725.06               | 3,766,792.42               |
| COLLUS Pow         | 2004 | 08    | 25,815,200.24                  | -                                                      | 11,112,910.83                    | 141,926.78                                              | 79,827.54             | 8,335,517.41                  | 2,283,322.93               | 3,861,694.75               |
| COLLUS Pow         | 2004 | 09    | 24,990,309.80                  | -                                                      | 10,968,937.92                    | 159,560.11                                              | 75,290.36             | 7,757,521.89                  | 2,167,907.06               | 3,861,092.45               |
| COLLUS Pow         | 2004 | 10    | 25,464,805.10                  | -                                                      | 10,364,890.92                    | 188,150.60                                              | 79,696.41             | 8,926,579.43                  | 2,323,176.53               | 3,582,311.21               |
| COLLUS Pow         | 2004 | 11    | 25,633,198.01                  | -                                                      | 8,682,709.35                     | 202,039.53                                              | 79,638.71             | 10,114,527.82                 | 2,715,170.12               | 3,839,112.48               |
| COLLUS Pow         | 2004 | 12    | 30,252,273.18                  | -                                                      | 7,464,606.70                     | 219,364.15                                              | 77,651.25             | 14,457,471.57                 | 3,378,567.45               | 4,654,612.06               |
|                    |      |       | 334,386,822.36                 | -                                                      | 124,425,872.71                   | 1,965,424.57                                            | 952,983.17            | 127,049,584.48                | 31,938,354.48              | 48,054,602.95              |

To establish the weather normalized NAC the data for 2004 actual gross kilowatthours purchased (Adjusted for Alcoa) shown in the second one of the tables above is incorporated. The following table summarizes the data used and will provide the detail of the calculation used for the NAC's.

**Table 3**  
**Reconciliation Analysis Detail**

| (A)<br>Customer Class | (B)<br>Gross kWh's Purchased (2004) | (C)=(B)<br>Gross kWh's (Interval Mt put to class) (2004) | (D)<br>Actual kWh's Sold by Class (2004) | (E)<br>=(C/D)-1<br>2004 Loss Factor | (F)<br>Weather Normalized 30 Year Avg. (HONI data) | (G)<br># of Cust. (2004) | (H) =<br>(F) / (E) / (G)<br>Annual Avg Consumption Per Cust. | (I)<br>(H) x (G)<br>Retail Normalized Kwh's |
|-----------------------|-------------------------------------|----------------------------------------------------------|------------------------------------------|-------------------------------------|----------------------------------------------------|--------------------------|--------------------------------------------------------------|---------------------------------------------|
| Residential           | 127,049,585                         | 127,049,584                                              | 109,804,131                              | 15.7%                               | 128,552,058                                        | 11,934                   | 9,310                                                        | 111,105,540                                 |
| GS < 50 KW            | 48,054,603                          | 48,656,245                                               | 43,680,631                               | 11.4%                               | 48,953,350                                         | 1,536                    | 28,612                                                       | 43,948,032                                  |
| GS > 50 kW            | 31,938,355                          | 117,955,215                                              | 114,739,338                              | 02.8%                               | 118,435,659                                        | 115                      | 1,001,797                                                    | 115,206,655                                 |
| Interval Meter *      | 124,425,873                         |                                                          |                                          |                                     |                                                    |                          |                                                              |                                             |
| Large User            |                                     | 37,807,370                                               | 37,758,477                               |                                     | 37,807,370                                         | N/A                      |                                                              |                                             |
| Street Lighting       | 1,965,425                           | 1,965,425                                                | 1,802,287                                |                                     | 1,965,425                                          | N/A                      |                                                              |                                             |
| USL                   | 952,983                             | 952,983                                                  | 898,587                                  |                                     | 952,983                                            | N/A                      |                                                              |                                             |
| Total                 | 334,386,822                         | 334,386,822                                              | 308,683,451                              |                                     | 336,666,844                                        |                          |                                                              |                                             |

- \* Interval Meter amount 124,425,873 in Column (B) is split out to Large Use(37,807,370), GS>50 kW(117,955,215) and GS<50 kW(601,642) classes in Column (C) so the comparison can be made for Residential, GS<50 kW and GS>50 kW between gross purchased kWhs and actual sold.
- This allows the calculation of loss rate for these classes in Column E.
- Column F is the HONI calculated 30 year average and by using the # of Customers in 2004(Column G) and reducing by the 2004 loss rate then the average use per customer per year can be calculated and is done so in Column H.
- Column I shows that the average yearly use multiplied by the # of customers equals the Weather Normal numbers that are provided in the Table 2(revised) above.





In the COLLUS Power application various amounts of information were provided to indicate that we incorporate many areas in considering how best to estimate 2009 Test Year amounts. The explanation in IR #4.1 fully details how Customer and Connections By Class are determined. As explained it does not specifically utilize the Permits issued and Dwelling units created. That data is used to analyze and compare so a determination can be made as to the reasonableness of the 2009 Test Year estimates.

COLLUS Power believes the data supports the estimates as the Collingwood area has a high percentage of units that are only temporarily occupied. The 2009 Test Year estimated Customers per Class are Full-Time Equivalent or Average numbers for each of the years. COLLUS Power submits that the estimate is accurate after considering all factors.

To provide additional clarity around the apparent discrepancy between the # of Dwelling Units created and the number of customer and connections by class, it is important to understand how the Town Building and Planning department defines "Dwelling Units Created". Town staff considers a dwelling unit as created once a building permit is issued. In contrast, COLLUS Power only adds the dwelling unit to the 'connected' category once an actual request for connection is made after the dwelling is completed. Additionally, Town staff defines a dwelling unit as;

*"a self contained suite of 2 or more rooms designed or intended to be used by 1 family in which sanitary conveniences, cooking facilities and heating facilities are provided, and which has a private entrance either from the outside of the building or through a common hallway, but does not include a hotel, boarding or lodge house, tourist home, travel trailer, tent, mobile home, motor home or recreation vehicle."*

As such, a dwelling unit not only refers to houses and town homes, but also includes apartments and condominium residences that could be bulk metered as opposed to individually metered residences. Therefore COLLUS does not automatically assume that a dwelling unit created automatically results in a new connection which would reflect in our customer numbers. Instead, as noted below, COLLUS Power uses the reports in addition to the Planning Map provided in the original application and further updated in the IR responses, as additional information to be used in determining if historical growth trends can be supported as reasonably accurate measurements for forecasting purposes.

In summary then COLLUS Power considers the following factors:

1. Historical trends from 2002 thru 2007 actual FTE customers per class numbers.

- Overall although these are all used in the process, the actual calculation of the 2009 Test Year data is as noted in the explanation of IR #4.1.

### 4.3 Other Distribution Revenue

Ref: Exhibit 3/Tab/3/Schedule 5/p. 1

In its response to Board staff interrogatory #6.6, COLLUS stated that the interest revenue earned on retained earnings would be included in revenue offset.

### COLLUS Power Response:

As noted in the COLLUS Power response to the IR #6.6 COLLUS Power recognized that the Board had ruled that even interest earned on retained earnings must be considered a revenue offset. COLLUS Power further noted that it would adjust its application to include the expected interest that will be earned in 2009. The original estimate of \$68,856 was based on a projected beginning cash balance for 2009 of \$2,259,489 and the ending balance of \$800,767 for an average of approximately \$1,530,000. We utilized an expected average interest rate of 4.5%.

Based on the recent economic downturn and Bank of Canada decisions to reduce interest rates the expectation is now for an average rate of 3.0% annually. Therefore the expected interest revenue will be approximately \$46,000.

As noted earlier the updated Exhibit information provided as an attachment with this document will supply the application updates that are requested.



## (Sch PO#4 BoardS IR #1)

## Debt &amp; Capital Cost Structure

## Weighted Debt Cost

| Description             | Debt Holder | Affiliated with LDC? | Date of Issuance | Principal at end of 2004 | Term (Years) | Rate% | Year Applied to | Interest Cost |
|-------------------------|-------------|----------------------|------------------|--------------------------|--------------|-------|-----------------|---------------|
| 1. Demand Loan          | CIBC        | No                   | February 7, 2002 | 2,315,654                | 7            | 5.47% | 2009            | 126,666       |
| 2. Promissory Note      | Town Cwood  | Yes                  | 1-Nov-01         | 1,710,170                | None         | 6.25% | None            | 106,886       |
| 3. Debenture            | Usborne & H | No                   | June 5 1992      | 86,000                   | 15           | 9.75% | 2006            | 8,385         |
| 4. Demand Loan(renew 1) | OSIFA       | No                   | January 7, 2009  | 1,100,000                | 5            | 5.08% | 2013            | 55,880        |
|                         |             |                      |                  |                          |              |       |                 | 0             |
|                         |             |                      |                  |                          |              |       |                 | 0             |

|                                                                                                                                                       |  |           |                                         |  |         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------|-----------------------------------------|--|---------|
| Total Long Term Debt Outstanding at end of 2004 used for 2006 EDR calc                                                                                |  | 4,111,824 | Total Interest Cost in 2004 for 06 calc |  | 241,937 |
| The numbers used here are not 297,817 principal or 215,921 interest from 2006 this is the 04 balance                                                  |  |           |                                         |  |         |
| Total Long Term Debt Outstanding Beginning of 2007                                                                                                    |  | 3,490,972 | Weighted Debt Cost Rate from 2006 EDR   |  | 5.88%   |
| Total Long Term Debt Outstanding Beginning of 2008                                                                                                    |  | 3,151,762 | Total Interest Cost for 2007            |  | 197,054 |
| Total Long Term Debt Outstanding Beginning of 2009                                                                                                    |  | 2,810,170 | Weighted Debt Cost Rate for 2007        |  | 5.64%   |
|                                                                                                                                                       |  |           | Total Interest Cost for 2008            |  | 176,903 |
|                                                                                                                                                       |  |           | Weighted Debt Cost Rate for 2008        |  | 5.61%   |
|                                                                                                                                                       |  |           | Total Interest Cost for 2009            |  | 162,766 |
| (Long Term Debt Outstanding at end of 2009 expected to have \$220,000 reduction of starting debt noted above for principal payments on re-nw-ed Debt) |  |           |                                         |  |         |
|                                                                                                                                                       |  |           | Weighted Debt Cost Rate for 2009        |  | 5.79%   |

## PRINCIPAL AND INTEREST PAYMENTS 2005-9

|                                                                                                                     |                            |            |            |            |              |                               |
|---------------------------------------------------------------------------------------------------------------------|----------------------------|------------|------------|------------|--------------|-------------------------------|
| CIBC Feb 2002 \$3,040,000; \$1,117,352 end 08                                                                       |                            |            |            |            |              |                               |
|                                                                                                                     | Principal Payments 2005-09 |            |            |            |              | \$ 1,100,000<br>(5yr @ 5.08%) |
|                                                                                                                     | 2005                       | 2006       | 2007       | 2008       | 2009         |                               |
| CIBC                                                                                                                | \$ 275,780                 | \$ 291,070 | \$ 307,210 | \$ 341,592 | \$ 220,000   |                               |
| UH                                                                                                                  | \$ 26,000                  | \$ 28,000  | \$ 32,000  |            |              |                               |
|                                                                                                                     | Total Principal 2005-8     |            |            |            | \$ 1,301,654 |                               |
|                                                                                                                     | Interest Payments          |            |            |            |              |                               |
| CIBC                                                                                                                | \$ 109,176                 | \$ 103,185 | \$ 87,048  | \$ 70,017  | \$ 55,880    |                               |
| UH                                                                                                                  | \$ 8,385                   | \$ 5,850   | \$ 3,120   |            |              |                               |
| Town of Collingwood                                                                                                 | \$ 106,886                 | \$ 106,886 | \$ 106,886 | \$ 106,886 | \$ 106,886   |                               |
| Total Annual Interest Exp.                                                                                          | \$ 224,447                 | \$ 215,921 | \$ 197,054 | \$ 176,903 | \$ 162,766   |                               |
| OEB approved 2006 EDR based on the formula used in first WDCR calc section. Therefore use same approach for others. |                            |            |            |            |              |                               |
| \$1.1M loan at IO OISFA rate 5.08% (Estimated using June 2008 current rates)                                        |                            |            |            |            |              |                               |

# COLLUS Power

## Service Reliability Indicators

|              | SAIDI    | SAIFI    | CAIDI    | Response Item # |
|--------------|----------|----------|----------|-----------------|
| 2002 Actuals | 0.785377 | 0.401966 | 1.953839 | #1              |
| 2003 Actuals | 1.057000 | 0.379321 | 2.786000 |                 |
| 2004 Actuals | 1.384579 | 0.355182 | 3.898224 |                 |
| 2005 Actuals | 1.094507 | 0.584568 | 1.872335 |                 |
| 2006 Actuals | 1.148726 | 0.653055 | 1.759003 |                 |
| 2007 Actuals | 2.225869 | 0.824000 | 2.691000 | #2              |
| 2008 Target  | 1.448276 | 0.817241 | 1.772152 | #8              |
| 2009 Target  | 1.423729 | 0.803390 | 1.772152 | #8              |

## Customer Interruptions

|                   | Total Cust Hours Of Interruptions - COLLUS System | Total Customer Interruptions COLLUS System | Total Cust Hours Of Interruptions Hydro One Supply | Total Customer Interruptions Hydro One Supply | Average # Of Customers Served |    |
|-------------------|---------------------------------------------------|--------------------------------------------|----------------------------------------------------|-----------------------------------------------|-------------------------------|----|
| 2002 Actuals      | 10,306.5                                          | 5,275                                      |                                                    |                                               | 13,123                        | #3 |
| 2003 Actuals      | 14,095.0                                          | 5,059                                      |                                                    |                                               | 13,337                        |    |
| 2004 Actuals      | 18,863.5                                          | 4,839                                      |                                                    |                                               | 13,624                        |    |
| 2005 Actuals      | 8,897.3                                           | 8,129                                      |                                                    |                                               | 13,906                        |    |
| 2006 Actuals      | 16,315.5                                          | 9,276                                      |                                                    |                                               | 14,204                        |    |
| 2007 Actuals      | 26,948.0                                          | 8,195                                      | 5,060.0                                            | 3,700                                         | 14,380                        | #4 |
| 6 year average    | 15,904.3                                          | 6,796                                      | 5,060.0                                            | 3,700                                         | 13,762                        |    |
| 3 year average    | 17,386.9                                          | 8,533                                      | 5,060.0                                            | 3,700                                         | 14,163                        |    |
| 2008 Target (Est) | 16,000.0                                          | 8,250                                      | 5,000.0                                            | 3,600                                         | 14,500                        | #6 |
| 2009 Target (Est) | 16,000.0                                          | 8,250                                      | 5,000.0                                            | 3,600                                         | 14,750                        | #7 |

## Total Customer Interruptions - COLLUS System + Hydro One Supply

|              | Total Cust Hours Of Interruptions | Total Customer Interruptions |  |  | Average # Of Customers Served |    |
|--------------|-----------------------------------|------------------------------|--|--|-------------------------------|----|
| 2007 Actuals | 32,008.0                          | 11,895                       |  |  | 14,380                        | #5 |
| 2008 Target  | 21,000.0                          | 11,850                       |  |  | 14,500                        | #7 |
| 2009 Target  | 21,000.0                          | 11,850                       |  |  | 14,750                        |    |
|              |                                   |                              |  |  |                               |    |

# COLLUS Power (Sch OEB IR 3.7(a) - 1)

## SECTION I Service Reliability Indicators

|              | SAIDI    | SAIFI    | CAIDI    |
|--------------|----------|----------|----------|
| 2002 Actuals | 0.785377 | 0.401966 | 1.953839 |
| 2003 Actuals | 1.057000 | 0.379321 | 2.786000 |
| 2004 Actuals | 1.384579 | 0.355182 | 3.898224 |
| 2005 Actuals | 1.094507 | 0.584568 | 1.872335 |
| 2006 Actuals | 1.148726 | 0.653055 | 1.759003 |
| 2007 Actuals | 2.225869 | 4.561474 | 0.487971 |
| 2008 Target  | 1.461538 | 1.538462 | 0.950000 |
| 2009 Target  | 1.440000 | 1.520000 | 0.947368 |

## SECTION II All Interruptions

|                   | Total Cust Hours<br>Of Interruptions | Total Customer<br>Interruptions | Average # Of<br>Customers<br>Served |
|-------------------|--------------------------------------|---------------------------------|-------------------------------------|
| 2002 Actuals      | 10,306.5                             | 5,275                           | 13,123                              |
| 2003 Actuals      | 30,094.5                             | 5,059                           | 13,337                              |
| 2004 Actuals      | 18,863.5                             | 4,839                           | 13,624                              |
| 2005 Actuals      | 8,897.3                              | 8,129                           | 13,906                              |
| 2006 Actuals      | 16,315.5                             | 9,276                           | 14,204                              |
| 2007 Actuals      | 32,008.0                             | 65,594                          | 14,380                              |
| 6 year average    | 19,414.2                             | 16,362                          | 13,762                              |
| 3 year average    | 19,073.6                             | 27,666                          | 14,163                              |
| 2008 Target (Est) | 19,000.0                             | 2,000                           | 13,000                              |
| 2009 Target (Est) | 18,000.0                             | 19,000                          | 12,500                              |

## SECTION III Without Customer Interruptions Due To Supply

|              | Total Cust Hours<br>Of Interruptions | Total Customer<br>Interruptions | Average # Of<br>Customers<br>Served |
|--------------|--------------------------------------|---------------------------------|-------------------------------------|
| 2007 Actuals | 26,948.0                             | 38,858                          | 14,380                              |
| 2008 Target  | 26000                                | 8000                            | 14000                               |
| 2009 Target  | 26000                                | 8000                            | 14000                               |

**COLLUS Power Corp (COLLUS)**  
**2009 Electricity Rate Application**  
**Board File No. EB-2009-0226**  
**RESPONSES TO THE**  
**VECC's Interrogatories**  
**(Round #2)**

### Question #35

**Reference:** Interrogatory Response Summary, page 2

- a) COLLUS has “requested consideration by the Board of providing a variance account that could be used in the event of the loss of our other Large Use Customer”. Is COLLUS formally requesting that the Board approve such an account?
- b) If yes, please indicate precisely how the account would work (e.g., for what years would the account apply and what would be recorded in the account?)

COLLUS Power Response:

- b) As put forward in our original application documents COLLUS Power incurred a materially negative impact when the largest DSR customer ALCOA Wheel Products closed down operations. When it occurred COLLUS Power knew that the option to make a rate application to redistribute the revenue requirement was available, but the cost of the process would have been substantial. The decision was made to wait until the next Cost of Service application process was available.

In order to avoid a similar impact during the period that the 2009 Cost of Service rate application will be in effect, currently considered to be 4 years in length, COLLUS Power would suggest that a variance account could be used. COLLUS Power would agree to use the 2009 estimated DSR amount for its large use customer (LOF Glass) as the base revenue, adjusted for 3<sup>rd</sup> GIRM applications for 2010, 2011 and 2012. The variance account would record the reduction in base revenue only if LOF Glass ceased operations. The expected revenue would be recorded into the account from that point in time until the next COS application is made. At that time, COLLUS Power would seek approval to dispose of the amount in the variance account.

### Question #36

- a) With respect to Staff #1.6, does the 2009 budget reflect the costs of a three year tree-trimming cycle?
- b) What is the tree-trimming cycle period reflected in the 2006 and 2007 spending levels (per 1.6 (b) (i))?
- c) It appears that between 2007 and 2008 COLLUS hired two new line personnel and also shifted from partially using internal staff for tree trimming to contracting out for all tree trimming work. Specifically what additional needs are being met by the new line personnel and increased availability of internal staff?

a) Yes, the 2009 budget reflects the estimated cost of the tree trimming requirement for this year. The estimate is based on the planned work to maintain the 3 year tree-trimming cycle. The documentation and inspection requirements have now become more extensive though in order to satisfy the Electric Safety Authority requirements. The chart below reflects the expected increased cost of these requirements.

| <u>Year</u> | <u>Contract + Internal or Contract</u> | <u>TOTAL</u> |
|-------------|----------------------------------------|--------------|
| 2006        | \$44,091 + Internal Labour of \$35,600 | = \$ 79,691  |
| 2007        | \$53,424 + Internal Labour of \$24,500 | = \$ 77,924  |
| 2008        | \$62,000 + \$53,000                    | = \$115,000  |
| 2009        | \$50,000 + \$50,000                    | = \$100,000  |

**b) The tree-trimming cycle period in 2006 and 2007 was done based on a 2 year cycle.**



[illegible]

**Reference:** OEB Staff #1.9 and VECC #6 b)

- [illegible]

a) COLLUS Power completed Sch VECC IR #6(b) – 1 and showed the resulting % split of the total cost that was allocated to either COLLUS Power or the Collingwood Public Utilities by COLLUS Solutions. This total impact is the result of costs being allocated. One of these is the actual labor cost being charge based on the % allocator that are noted in Ex. 4 Tab 2 Sch 4 page 4 (provided below) of the original application. This is based on estimates of the actual work time the employee spends on COLLUS Power or CPU work. The estimates are determined using historical portion data and then along with input from the staff regarding the expectation for the upcoming period of time.

**TABLE 1**  
**SUMMARY OF INTRA-COMPANY COST ALLOCATIONS**

| <b>ACTIVITY</b>                                                                           | <b>% To COLLUS<br/>Power</b> | <b>% To COLLUS<br/>Solutions</b> | <b>% To<br/>Collingwood<br/>Public Utilities</b> |
|-------------------------------------------------------------------------------------------|------------------------------|----------------------------------|--------------------------------------------------|
| Operations- Supervision                                                                   | 95                           | 5                                | 0                                                |
| Operations - SCADA & Load Management                                                      | 50                           | 5                                | 45                                               |
| Operations - Miscellaneous Distribution Expense*                                          | 0                            | 0                                | 0                                                |
| Maintenance - Supervision                                                                 | 95                           | 5                                | 0                                                |
| Customer Billing                                                                          | 58                           | 5                                | 37                                               |
| Collections & Reconnects                                                                  | 50                           | 5                                | 45                                               |
| Customer Service & Information Expenses                                                   | 50                           | 5                                | 45                                               |
| Meter Reading Expense*                                                                    | 0                            | 0                                | 0                                                |
| Executive Salaries & Expenses                                                             | 55                           | 5                                | 40                                               |
| Management Salaries & Expenses                                                            | 50                           | 5                                | 45                                               |
| General & Administration Salaries & Expenses                                              | 50                           | 5                                | 45                                               |
| Outside Services Employed                                                                 | 0                            | 0                                | 0                                                |
| Maintenance of General Plant*                                                             | 0                            | 0                                | 0                                                |
| Overhead Accounts - Vehicle Expense Engineering & IT Expense                              | 55                           | 5                                | 40                                               |
| * No Labour component (Costs are applied between each company on a pro-rata calculation ) |                              |                                  |                                                  |

The reference to “cost-based” means that labor related costs are charged to COLLUS Power based on the estimated time that staff of COLLUS Solutions works for the LDC.

b) For non-labor related charges like meter reading the allocation is based on the number of electric meters being read as opposed to the number of water meters being read. In the case of Customer Billing the number of electric customers and # of water customers provides the basis for distribution of costs.



### Question #39

**Reference:** OEB Staff #3.6 (page 45 of 71) and VECC #11

**Preamble:** COLLUS indicates that one of the reasons for not delaying the construction of MS #9 is because a large developer in the Town of Creemore has indicated they will be advancing their planned development ahead of schedule.

- a) What is size (i.e., # of residential and non-residential connections) and the change in timing of the development?
- b) Please outline the impact of this “advancement” on COLLUS forecast customer count (per Exhibit 3/Tab 2/Schedule 2, page 1) for 2009. If it has no impact, please explain why. If it does, please update the load forecast in Exhibit 3 accordingly.

[illegible]

**COLLUS Power Response to Q #39:**

- a) **COLLUS Power as noted in the response to Board staff #3.6 we have followed up with the developer and understand that the project “start up” date could be as early as 2010 instead of the expected 2012 timeline. The proposed development has plans for a total of 108 Single Family units, 96 4-plex units, 96 6-plex units, 219 condominium units, and 75 Senior’s apartments. Phase 1 of their development (2010) anticipates the creation of 25 residential units. Phase 2 of the plan which contains the condominium building and the seniors’ apartments may also begin in 2010 likely depending on the successful sales for Phase 1 and the availability of supply from COLLUS Power.**
- b) **There is additional information on customer count and load forecasting in the COLLUS Power response to Board staff clarification on 6.1 that should also assist in explaining the forecast impacts.**





### Without Customer Interruptions Due To Supply

**The total Number of Customers from Table 1 from Exhibit 3/Tab 2/Schedule 2, page 1 = 14,224 (once the USL and Streetlight “connections” are excluded for the purposes of Service Reliability reports)**

**In addition the year end 2007 customer #'s contained in Table 1 above are based on a Full-Time Equivalent basis. The # of customers noted in Table 2 is not.**

### Question #41

a) Based on the results reported in the above IRs, the weather normalized kWhs for 2004 are:

- Residential – 128,552,058 kWh (wholesale) and 118,612,344 kWh (retail @ 1.0838 loss factor)
- GS < 50 kW – 48,953,350 kWh (wholesale) and 45,168,251 kWh (retail @ 1.0838 loss factor)
- GS > 50 kW – 118,435,659 (wholesale) and 109,278,150 kWh (retail @ 1.0838 loss factor)

9





### Question #42

**Reference:** OEB Staff #9.2

- a) COLLUS is now proposing a 5.5% increase in its Retail Transmission Connection Service Rates for 2009. Please indicate what the impact of this revision will be on COLLUS' 2009 working capital requirements and rate base.

[illegible]

## COLLUS Power response to Q #42

**As noted the proposed increase in this rate is the OEB approved 5.5% rate. Based on the COLLUS Power response to Board Staff IR #9.2 the 24 month amount of charge is approximately \$333,000. Therefore the anticipated 2009 working capital requirement adjustment would be as follows:**

**\$333,000/2 = \$166,500 @ 5.5% = \$8,325**

**The anticipated impact on rate base then would be as follows:**

**\$8,325 @ 15% = \$1,249**

[illegible]

### Question #43

**Reference:** Energy Probe #8  
OEB's RPP Price Report, October 15, 2008, Table ES-1

- What portion of COLLUS sales volume for 2009 is associated with RPP customers?
- For RPP customers, is COLLUS invoiced monthly by the IESO for all of the elements set out in Table ES-1? If not, for which ones?
- For non-RPP customers, is COLLUS invoiced monthly by the IESO for all of the elements set out in Table ES-1? If not, for which ones?

[illegible]

### COLLUS Power response to Q #43

a) At present, the split between RPP sales volumes, Non-RPP Customers Volumes, and Retailer Volumes (Non-RPP) are presented in the following chart.

| RPP<br>Customers | Non Retailer<br>Enrolled<br>Non RPP | Retailer<br>Enrolled<br>Non RPP |
|------------------|-------------------------------------|---------------------------------|
| <b>44.6%</b>     | <b>43.8%</b>                        | <b>11.6%</b>                    |

It would be difficult to estimate the percentage splits for 2009 as we do not have inside knowledge of what Retailers are planning for enrolment strategies. Additionally – the existing legislation notes that the >50Kw MUSH sector customers will no longer be on RPP as of May 1, 2009.

b) Table ES-1 from the OEB report is attached for ease of reference:

Table ES-1: Average RPP Supply Cost Summary (for the 12 months from November 1, 2008)

| <i>RPP Supply Cost Summary</i>                                      |   |          |
|---------------------------------------------------------------------|---|----------|
| for the period from November 1, 2008 through October 31, 2009       |   |          |
| Forecast Wholesale Electricity Price                                |   | \$50.16  |
| Load-Weighted Price for RPP Consumers (\$ / MWh)                    |   | \$53.46  |
| Impact of the Global Adjustment (\$ / MWh)                          | + | \$8.52   |
| Impact of the OPG Non-prescribed Asset Rebate (\$ / MWh)            | + | (\$1.02) |
| Adjustment to Address Bias Towards Unfavourable Variance (\$ / MWh) | + | \$1.00   |
| Adjustment to Clear Existing Variance (\$ / MWh)                    | + | (\$1.66) |
| Average Supply Cost for RPP Consumers (\$ / MWh)                    | = | \$60.30  |

It is worth noting that this table is used by the OEB and their consultants as an explanation on how they set the RPP pricing for the following six month period, and does not necessarily reflect the “True Cost of Power” paid by the LDC’s to the IESO.

The table contains 5 specific line items of which, only two – Wholesale Price, and Global Adjustment are directly invoiced by the IESO. The OPG





|                    | 2009 Net<br>Distribution<br>Revenue<br>(A) | Proportions<br>of (A) | 2009<br>Transformer<br>Allowances<br>(B) | 2009<br>Miscellaneous<br>Revenue<br>Allocation<br>(C) (*) | Total 2009<br>Revenue<br>(D) = (A) +<br>(B) + (C) | 2009 Costs<br>Based on<br>Updated<br>C.A. Study<br>(E) (**) | 2009<br>Transformer<br>Allowances<br>(F) | 2009 Costs<br>Based on<br>Updated C.A.<br>Study<br>Including<br>Transformer<br>Allowance<br>Cost<br>(G) = (E) + (F) | 2009<br>Revenue to<br>Cost Ratios<br>(D) / (G) |
|--------------------|--------------------------------------------|-----------------------|------------------------------------------|-----------------------------------------------------------|---------------------------------------------------|-------------------------------------------------------------|------------------------------------------|---------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| Residential        | \$3,808,327                                | 66.701%               | \$0                                      | \$262,403                                                 | \$4,070,730                                       | \$3,718,756                                                 | \$0                                      | \$3,718,756                                                                                                         | 109.46%                                        |
| GS <50 kW          | \$920,716                                  | 16.126%               | \$0                                      | \$69,197                                                  | \$989,912                                         | \$989,928                                                   | \$0                                      | \$989,928                                                                                                           | 100.00%                                        |
| GS>50 kW           | \$677,152                                  | 11.860%               | \$44,788                                 | \$28,368                                                  | \$750,308                                         | \$893,057                                                   | \$44,788                                 | \$937,845                                                                                                           | 80.00%                                         |
| Large User         | \$166,142                                  | 2.910%                | \$0                                      | \$4,758                                                   | \$170,900                                         | \$170,894                                                   | \$0                                      | \$170,894                                                                                                           | 100.00%                                        |
| Street<br>Lighting | \$117,360                                  | 2.056%                | \$0                                      | \$5,397                                                   | \$122,757                                         | \$287,185                                                   | \$0                                      | \$287,185                                                                                                           | 42.74%                                         |
| USL                | \$19,849                                   | 0.348%                | \$0                                      | \$1,877                                                   | \$21,727                                          | \$21,726                                                    | \$0                                      | \$21,726                                                                                                            | 100.00%                                        |
| Total              | \$5,709,546                                | 100.000%              | \$44,788                                 | \$372,000                                                 | \$6,126,333                                       | \$6,081,546                                                 | \$44,788                                 | \$6,126,333                                                                                                         | 100.00%                                        |

(\*) Based on proportion of miscellaneous revenue from cost allocation study - revised Jan 2009

(\*\*) Based on proportion of revenue requirement from cost allocation study revised Jan 2009 after 2004 transformer allowance applied

[illegible]

### Question #46

**Reference:** VECC #32 a)

- a) The response does not appear to account for the transformer ownership allowance that is credited to certain customers in the GS>50 and Large Use classes. Please re-do the table to include the impact on revenues of the approved 2008 transformer ownership allowance discount.

[illegible]



- d) If required, please revise Table 2 (and provide an updated Cost Allocation Run – Excluding ALCOA) that excludes the transformer ownership discount associated with ALCOA. If no revision is required, please explain why.
- e) If required, please revise the cost allocation proposal set out in Table 5 (Exhibit 8/Tab 1/Schedule 2) and update the proposed rate and bill impact calculations. If no revision is required, please explain why.
- f) If required, please revise the response to VECC #33 c). If no revision is required, please explain why.

- a) The amount of the transformer ownership allowance discount included in the 2006 EDR for ALCOA was \$72,068.
- b) Confirmed
- c) The value of the transformer ownership allowance included in the Revised Cost Allocation Run undertaken by COLLUS to exclude ALCOA should have been \$115,662. However this was not the transformation allowance cost amount used in the original Cost Allocation Run – Excluding ALCOA. The Cost Allocation Run – Excluding ALCOA has been updated to include the \$115,662 as the transformation allowance cost. The relevant sections of the application have been updated to reflect this revision and are included in the updated Exhibits 8 & 9 for Jan. 9/09 filing.
- d) Please see response to c).
- e) Please see response to c).
- f) There is no need to revise the response to VECC #33 c). However, a comparison of costs between the Cost Allocation Run for the VECC #33 c) and the updated Cost Allocation Run – Excluding ALCOA will show a difference of \$115,662 which is the cost of transformation allowance excluding ALCOA.





c) Exhibit 3, Tab 3, Schedule 5, page 1 states that “regulatory deferral accounts that were in a receivable position in 2006 resulted in interest revenue”. The table in response to part (a) of Energy Probe interrogatory # 13 seems to indicate that there was a reduction in interest income as a result of the regulatory accounts in 2006 of \$34,406. Please reconcile.

a) In 2008 the estimate is Bank interest revenue is \$132,741. Regulatory revenue is estimated at \$18,528 for a total of \$151,269. Regulatory revenue is the term used to identify the revenue incurred when carrying charge interest (based on the OEB's approved quarterly interest rates) is calculated on the credit RSVA regulatory accounts.

**We are not anticipating any revenue due to interest charges on accounts receivable in either 2008 or 2009.**

**c) In 2006 there was \$20,533 of Regulatory revenue and \$54,940 of Regulatory expense, netting out as \$34,407.**

2

# **COLLUS Power Corp**

**January 9, 2009**

## **“Updated” Exhibit 1 Tab 1 Schedule 5 (Originally submitted August 15, 2008)**

### **SPECIFIC APPROVALS REQUESTED:**

In this proceeding, COLLUS Power Corp is requesting the following approvals:

- (REVISED) Approval to charge rates effective May 1, 2009 to recover a revenue requirement of \$ 6,081,546 which includes a revenue deficiency of \$ 877,262 as set out in “Updated” Exhibit 7, Tab 1, Schedule 1. The schedule of proposed rates is set out in “Updated” Exhibit 9 Tab 1 Schedule 6. In the event that the OEB is unable to provide a Decision and Order in this Application for implementation by COLLUS Power Corp as of May 1, 2009, the Applicant requests that the OEB issue an interim Order approving the proposed distribution rates and other charges, effective May 1, 2009, which may be subject to adjustment based on its final Decision and Order;
- Approval of the Applicant’s proposed change in capital structure, decreasing the Applicant’s deemed common equity component from 46.7% to 43.3% and increasing the deemed debt component from 53.33% to 52.7% for Long-Term and 4% for Short-Term, as set out in Exhibit 6, Tab 1, Schedule 4, consistent with Report of the Board on Cost of Capital and 2<sup>nd</sup> Generation Incentive Regulation for Ontario’s Electricity Distributors dated December 20, 2006;
- (Updated) Approval of revised Low Voltage Rates as reviewed and described in “Updated” Exhibit 9, Tab 1, Schedule 1;

- (NEW) Approval of revised Retail Transmission Connection Rates as reviewed and described in “Updated” Exhibit 9, Tab 1, Schedule 3;
- (Revised) Approval to revise the Smart Meter Rate Adder of \$1.00 per customer per month.
- Approval of the proposed loss factor, which is a reduction, as set out in Exhibit 4, Tab 2, Schedule 8;
- (Updated) Approval of the proposed Transformer Allowance rate set out in “Updated” Exhibit 9 Tab 1 Schedule 1;
- Approval to continue the Specific Service Charges approved in the OEB’s Decision and Order in the matter of COLLUS Power Corp’s 2006 distribution rates [RP-2005-0020/EB-2005-0353]
- (New) Approval to revise the Cost of Capital and Debt Rates to the most recently approved Ontario Energy Board rates for completion of Final Rate Order.
- (New) Approval to revise the Cost of Power and any other factor used in the calculation of the working capital component, based on the most recently approved Ontario Energy Board pertinent rates for completion of Final Rate Order.
- (New) Approval to implement the Dec. 22, 2008 announced change from \$0.0010 to \$0.0013 per kWh for the Rural Rate Protection Plan.
- (New) Approval of a variance account for use in tracking any impact to the Large Use customer class due to an unexpected closing of business operations during the time period leading up to the next Cost of Service application process.
- (New) Approval of a variance account for use in tracking the impact of the implementation cost to conform to the impending requirements of the International Financial Reporting Standards in conjunction with the Ontario Energy Board accounting and record keeping system.



**COLLUS Power Corp**  
**P.O. Box 189, 43 Stewart Road**  
**Collingwood ON L9Y 3Z5**  
**Phone: (705) 445-1800**  
**Operations Department Fax: (705) 445-0791**  
**Finance Department Fax: (705) 445-8267**  
**www.collus.com**

---

December 29, 2008

Ontario Energy Board  
26th Floor  
2300 Yonge Street  
Toronto, ON M4P 1E4

Attention: Kirsten Walli (Board Secretary)

**RE: COLLUS Power Corp – 2009 Electricity Distribution Rate Application - Board File No. EB-2008-0226**

Dear Kirsten Walli:

COLLUS Power Corp has made application to the Ontario Energy Board on August 15, 2008 regarding Electricity Distribution Service Revenue and Rates for implementation on May 1, 2009. The Board assigned EB-2008-0226 as the file number.

Additionally the Board provided notice on December 7, 2008 to all Licensed Electricity Distributors regarding the Rural and Remote Electricity Rate Protection ("RRRP") charge rate. The notice indicated that effective May 1, 2009 the Independent Electricity System Operator will be charging \$0.0013 per kWh replacing the current rate of \$0.0010 per kWh. The notice further indicated that Licensed Electricity Distributors should make submission to make the appropriate rate change to their approved rate tariff sheet.

As per the direction of the Board please accept this request by COLLUS Power Corp to approve the change to \$0.0013 per kWh. A copy of the COLLUS Power Corp 2009 EDR rate tariff sheet is provided with this letter with the change incorporated to all applicable classes.

If you require anything further please contact the undersigned at your earliest convenience.

Yours truly,

Mr. T. E. Fryer CMA  
Chief Financial Officer  
COLLUS Power Corp



# 2006 COST ALLOCATION INFORMATION FILING

## COLLUS Power Corp

EB-2005-0353 EB-2006-0247

Monday, January 15, 2007

Sheet 01 Revenue to Cost Summary Worksheet - Second Run Run 2 same as Run 1(USL sa

### Class Revenue, Cost Analysis, and Return on Rate Base

| Rate Base Assets | Total                                          | 1                   | 2                   | 3                  | 6                  | 7                  | 9                        |
|------------------|------------------------------------------------|---------------------|---------------------|--------------------|--------------------|--------------------|--------------------------|
|                  |                                                | Residential         | GS <50              | GS>50-Regular      | Large Use >5MW     | Street Light       | Unmetered Scattered Load |
| <b>crev</b>      | Distribution Revenue (sale)                    | \$4,648,152         | \$3,316,640         | \$738,320          | \$319,606          | \$226,850          | \$33,387                 |
| <b>mi</b>        | Miscellaneous Revenue (mi)                     | \$327,742           | \$231,184           | \$60,964           | \$24,993           | \$4,192            | \$1,655                  |
|                  | <b>Total Revenue</b>                           | <b>\$4,975,894</b>  | <b>\$3,547,824</b>  | <b>\$799,284</b>   | <b>\$344,599</b>   | <b>\$231,042</b>   | <b>\$35,042</b>          |
|                  | <b>Expenses</b>                                |                     |                     |                    |                    |                    |                          |
| <b>di</b>        | Distribution Costs (di)                        | \$1,301,634         | \$733,507           | \$196,596          | \$224,328          | \$57,624           | \$84,862                 |
| <b>cu</b>        | Customer Related Costs (cu)                    | \$749,018           | \$529,987           | \$139,167          | \$69,255           | \$7,391            | \$75                     |
| <b>ad</b>        | General and Administration (ad)                | \$919,259           | \$566,011           | \$150,405          | \$131,885          | \$29,252           | \$38,189                 |
| <b>dep</b>       | Depreciation and Amortization (dep)            | \$843,196           | \$487,388           | \$127,855          | \$143,520          | \$35,841           | \$45,866                 |
| <b>INPUT</b>     | PILs (INPUT)                                   | \$373,166           | \$213,282           | \$57,502           | \$65,872           | \$16,299           | \$19,115                 |
| <b>INT</b>       | Interest                                       | \$406,536           | \$232,354           | \$62,645           | \$71,763           | \$17,756           | \$20,825                 |
|                  | <b>Total Expenses</b>                          | <b>\$4,592,809</b>  | <b>\$2,762,528</b>  | <b>\$734,170</b>   | <b>\$706,624</b>   | <b>\$164,164</b>   | <b>\$108,933</b>         |
|                  | <b>Direct Allocation</b>                       | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>               |
| <b>NI</b>        | Allocated Net Income (NI)                      | \$621,834           | \$355,407           | \$95,821           | \$109,768          | \$27,160           | \$31,853                 |
|                  | <b>Revenue Requirement (includes NI)</b>       | <b>\$5,214,643</b>  | <b>\$3,117,935</b>  | <b>\$829,991</b>   | <b>\$816,391</b>   | <b>\$191,324</b>   | <b>\$18,216</b>          |
|                  | <b>Revenue Requirement Input equals Output</b> |                     |                     |                    |                    |                    |                          |
|                  | <b>Rate Base Calculation</b>                   |                     |                     |                    |                    |                    |                          |
|                  | <b>Net Assets</b>                              |                     |                     |                    |                    |                    |                          |
| <b>dp</b>        | Distribution Plant - Gross                     | \$19,113,105        | \$10,897,831        | \$2,873,944        | \$3,384,540        | \$859,672          | \$1,038,091              |
| <b>gp</b>        | General Plant - Gross                          | \$2,282,487         | \$1,304,225         | \$343,841          | \$400,642          | \$101,176          | \$125,874                |
| <b>accum dep</b> | Accumulated Depreciation                       | (\$9,025,507)       | (\$5,133,726)       | (\$1,355,200)      | (\$1,613,879)      | (\$412,519)        | (\$482,665)              |
| <b>co</b>        | Capital Contribution                           | (\$3,018,439)       | (\$1,723,522)       | (\$423,613)        | (\$521,161)        | (\$139,459)        | (\$199,621)              |
|                  | <b>Total Net Plant</b>                         | <b>\$9,351,647</b>  | <b>\$5,344,807</b>  | <b>\$1,438,772</b> | <b>\$1,650,143</b> | <b>\$408,870</b>   | <b>\$481,479</b>         |
|                  | <b>Directly Allocated Net Fixed Assets</b>     | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>               |
| <b>COP</b>       | Cost of Power (COP)                            | \$26,526,514        | \$10,888,119        | \$4,106,072        | \$8,070,324        | \$3,207,580        | \$171,926                |
|                  | OM&A Expenses                                  | \$2,969,911         | \$1,829,504         | \$486,168          | \$425,469          | \$94,267           | \$123,126                |
|                  | Directly Allocated Expenses                    | \$0                 | \$0                 | \$0                | \$0                | \$0                | \$0                      |
|                  | <b>Subtotal</b>                                | <b>\$29,496,425</b> | <b>\$12,717,623</b> | <b>\$4,592,240</b> | <b>\$8,495,793</b> | <b>\$3,301,847</b> | <b>\$295,052</b>         |
|                  | <b>Working Capital</b>                         | <b>\$4,424,464</b>  | <b>\$1,907,644</b>  | <b>\$688,836</b>   | <b>\$1,274,369</b> | <b>\$495,277</b>   | <b>\$44,258</b>          |
|                  | <b>Total Rate Base</b>                         | <b>\$13,776,110</b> | <b>\$7,252,451</b>  | <b>\$2,127,608</b> | <b>\$2,924,512</b> | <b>\$904,147</b>   | <b>\$525,737</b>         |
|                  | <b>Rate Base Input equals Output</b>           |                     |                     |                    |                    |                    |                          |
|                  | <b>Equity Component of Rate Base</b>           | <b>\$6,888,055</b>  | <b>\$3,626,225</b>  | <b>\$1,063,804</b> | <b>\$1,462,256</b> | <b>\$452,074</b>   | <b>\$262,868</b>         |
|                  | <b>Net Income on Allocated Assets</b>          | <b>\$383,085</b>    | <b>\$785,296</b>    | <b>\$65,114</b>    | <b>(\$362,025)</b> | <b>\$66,878</b>    | <b>(\$170,791)</b>       |
|                  | <b>Net Income on Direct Allocation Assets</b>  | <b>\$0</b>          | <b>\$0</b>          | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>         | <b>\$0</b>               |
|                  | <b>Net Income</b>                              | <b>\$383,085</b>    | <b>\$785,296</b>    | <b>\$65,114</b>    | <b>(\$362,025)</b> | <b>\$66,878</b>    | <b>(\$170,791)</b>       |
|                  | <b>RATIOS ANALYSIS</b>                         |                     |                     |                    |                    |                    |                          |
|                  | <b>REVENUE TO EXPENSES %</b>                   | <b>95.42%</b>       | <b>113.79%</b>      | <b>96.30%</b>      | <b>42.21%</b>      | <b>120.76%</b>     | <b>15.84%</b>            |
|                  | <b>EXISTING REVENUE MINUS ALLOCATED COSTS</b>  | <b>(\$238,749)</b>  | <b>\$429,889</b>    | <b>(\$30,707)</b>  | <b>(\$471,793)</b> | <b>\$39,718</b>    | <b>(\$202,644)</b>       |
|                  | <b>RETURN ON EQUITY COMPONENT OF RATE BASE</b> | <b>5.56%</b>        | <b>21.66%</b>       | <b>6.12%</b>       | <b>-24.76%</b>     | <b>14.79%</b>      | <b>-64.97%</b>           |