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January 12, 2009

BY EMAIL & BY COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge St, Suite 2701
Toronto ON M4P 1E4

Dear Ms. Walli:

Board File No. EB-2008-0237
Niagara-on-the-Lake Hydro Inc. – 2009 Rates Rebasing Application
Argument of Energy Probe

Pursuant to Procedural Order No. 4, issued by the Board on January 5, 2009, please find attached two hard copies of the Argument of Energy Probe Research Foundation (Energy Probe) in the EB-2008-0237 proceeding. An electronic version of this communication will be forwarded in PDF format.

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

Yours truly,

David S. MacIntosh
Case Manager

cc: Jim Huntingdon, Niagara-on-the-Lake Hydro Inc. (By email)
Randy Aiken, Aiken & Associates (By email)
Intervenors of Record (By email)

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EB-2008-0237

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

AND IN THE MATTER OF an application by **Niagara-on-the-Lake Hydro Inc**. for an order approving just and reasonable rates and other charges for electricity distribution of electricity to be effective May 1, 2009.

ENERGY PROBE RESEARCH FOUNDATION
("ENERGY PROBE")

ARGUMENT

January 12, 2009

NIAGARA-ON-THE-LAKE HYDRO INC.
2009 RATES

EB-2008-0237

ARGUMENT OF ENERGY PROBE RESEARCH FOUNDATION

INTRODUCTION

This is the Argument of the Energy Probe Research Foundation ("Energy Probe") related to the setting of 2009 rates for Niagara-on-the-Lake Hydro Inc. ("NOTL") effective May 1, 2009.

This Argument has been structured to reflect the major components of the NOTL evidence. Where readily available, Energy Probe has attempted to provide the impact of its submissions on the revenue requirement of NOTL. However, in order to minimize intervenor time and costs, a comprehensive impact analysis has not been undertaken. If the Board accepts any or all of the Energy Probe submissions, it is assumed that the direct and indirect impacts will be determined by NOTL and reviewed by intervenors and Board Staff through the associated draft rate order. An example of a comprehensive impact analysis would include the direct impact on rate base of a reduction in $10,000 in OM&A expenses and a $25,000 reduction in capital expenditures. Depreciation expense would also be directly impacted by the capital expenditure change. The indirect impacts would include the change in total cost of capital and taxes (due to CCA, interest and OM&A expense changes).

RATE BASE

a) Working Capital

Energy Probe accepts the approach taken by NOTL to calculate the working capital allowance component of rate base, with the adjustments noted below. However, Energy Probe continues to believe that the 15% methodology may be overstating the required allowance for working capital and recommends that the Board direct NOTL to prepare a working cash (lead lag) study for its next rebasing application.

i) Cost of Power

Energy Probe submits that the cost of power component of the working capital allowance should be updated to reflect the most recent cost of power forecast presented to the Board. It should also be updated to reflect the forecast of network and connection transmission services provided by Hydro One Networks. Since the rates for these services are currently being reviewed in a rates proceeding, Energy Probe submits that a variance account should be used to capture any differences between the rates used to calculate the working capital allowance in this proceeding and the rates ultimately approved by the Board. This approach would follow the methodology approved by the Board in the EB-2007-0693 Decision for Wellington North Hydro Inc.

ii) Property Tax

NOTL indicates that it has followed the methodology from the 2006 EDR Handbook in the calculation of the working capital allowance by including the cost of power and controllable expenses in its calculation (Exhibit 2, Tab 1, Schedule 1, page 1). However, NOTL has also included property taxes in the calculation, as shown in Exhibit 2, Tab 4, Schedule 1, page 4.

Property taxes are included in account 6105 in this table. A review of Appendix A in the 2006 EDR Handbook clearly shows that account 6105 is **NOT** included in the calculation of the working capital allowance. Energy Probe submits that the calculation of the working capital allowance should be adjusted by the removal of the property tax expense.

b) Capital Expenditures in 2008 & 2009

The following table shows the gross capital expenditures, contributed capital and net capital expenditures for 2006 through 2009. The dollar figures are taken from the tables found in Exhibit 2, Tab 2, Schedule 1.

$'s	2006	2007	2008	2009
Gross Expenditures	2,783,763	1,671,660	1,440,000	2,027,496
Contributions & Grants	998,564	304,697	150,000	150,000
Net Expenditures	1,785,199	1,366,963	1,290,000	1,877,496
Contributions/Gross	35.9%	18.2%	10.4%	7.4%

The final line in the above table shows the level of contributions and grants relative to the gross capital expenditures. The forecast level of contributions and grants in both 2008 and 2009 are substantially below the levels recorded in 2006 and 2007.

Tables 2, 3, 4, and 5 in Exhibit 2, Tab 3, Schedule 1 provide further detail regarding the decrease forecast for contributions and grants. Table 2 shows that in 2006 contributions and grants ($998,564) were approximately 2.6 times the level of NOTL contributed capital customer projects ($379,850). Table 3 shows that in 2007 contributions and grants ($304,697) were approximately 2.5 times the level of NOTL contributed capital customer projects ($123,890).

Tables 4 and 5, however show that this ratio for both 2008 and 2009 has been forecast at only 1.0, with $150,000 forecast as both the level of contributions and grants in both years and $150,000 of NOTL contributed capital customer projects.

Energy Probe submits that the level of contributions and grants should be increased in both 2008 and 2009. Energy Probe further submits that the level forecast of $150,000 in both 2008 and 2009 should be doubled to $300,000 in each year. This would represent a ratio of 2.0, which is still significantly lower than the levels recorded in either 2006 or 2007. Moreover, this would place the figures for both 2008 and 2009 more in line with the contribution and grants figure of $304,697 recorded in 2007 when the NOTL contributed capital customer projects totaled $123,890, which is close to the forecast of $150,000 for each of 2008 and 2009.

NOTL has not provided any evidence to justify the reduction in the level of contributions and grants for either the bridge or test year forecasts, relative to the level of contributed capital customer projects.

This adjustment would have the impact of lowering the opening rate base balance for the test year by approximately $150,000 and lowering the closing balance by approximately $300,000 (adjusted for depreciation). The impact would be a reduction in rate base of more than $200,000. There would also be impacts on the depreciation expense, cost of capital and taxes that would flow from this adjustment.

This adjustment would decrease the increase in the net book value component of rate base in 2009 from the forecasted level of $545,819, shown in Table 1 of Exhibit 2, tab 1, Schedule 2. Even with this figure being reduced by more than $200,000, the increase in net book value would continue to be substantially higher than the increase that took place in 2007 or the projected increase for 2008.

c) Other Adjustments to Rate Base

In response to Energy Probe interrogatories # 5, 6 and 8, NOTL has identified a number of omission oversights on their part related to the disposition of assets. Some of the assets identified for disposal in 2008 and 2009 are fully depreciated, so their removal from the on the net fixed asset calculation would have no impact on the calculation of rate base or the 2009 deficiency, since theses assets would no longer be attracting any depreciation expense.

However, NOTL did identify an impact on the 2009 revenue requirement related to the disposal of meters in both 2008 and 2009. In particular, NOTL has estimated the disposal of $20,000 of meters in 2008 with a current net book value of $8,000. In 2009, NOTL has identified a further disposal of $20,000 of meters, with a current net book value of $14,400.

In the response to Energy Probe interrogatory # 8 NOTL has estimated that the impact of the meter disposals in 2008 and 2009 would be a small reduction in the 2009 revenue deficiency of $863. Energy Probe believes that this figure may be understated. The depreciation expense alone in 2009 should be more than this figure. The depreciation

rate applicable to meters is 4.0%, applied to the gross value of the meters. Since neither the 2008 or 2009 meter disposals are close to being fully depreciated, the depreciation reduction in 2009 would be 4.0% of $20,000, or $800 for the 2008 disposals. The depreciation reduction in 2009 would be half of this amount, or $400 for the 2009 disposals. The reduction in rate base would be approximately $11,200 (the average of the decrease in the 2009 opening balance of $8,000 and the decrease in the closing balance of $22,400). At an average capital cost of 7.46% (Exhibit 6, Tab 1, Schedule 2), the reduction in the return on capital would be more than $800. The total of these revenue requirement reductions is $2,000. There would be some impact on income taxes due to a reduction in the CCA and interest expense in the calculation of the regulatory taxable income that would offset some of this reduction, but it would not be a significant amount.

Energy Probe submits that NOTL should adjust its revenue requirement to reflect the full impact of the disposal of these assets and show how the impact has been estimated in their draft rate order.

OM&A EXPENSES

a) 2009 Rate Rebasing Costs

NOTL is forecasting that the costs associated with the 2009 rates rebasing application of $100,000 (Exhibit 4, Tab 2, Schedule 2, pages 5-6). Further, NOTL has included one-third of this cost in the revenue requirement for 2009. This was based on the assumption that the rates being applied for in this proceeding would form the basis of rates in 2009 through 2011.

The estimated $100,000 cost is described in the NOTL evidence as "very uncertain" and included an expected oral technical conference or oral hearing process, as well as potential legal fees. Energy Probe notes that neither an oral technical conference nor hearing was required for this hearing. As a result there should a significant reduction in the costs associated with the 2009 rates rebasing from the $100,000 forecast. Given that an oral component can add substantially to the costs of a proceeding for interveners and legal counsel, it would seem reasonable to reduce the costs from the forecasted level of

$100,000 to $80,000. This reduction of $20,000 would appear reasonable given the time involved for intervenors and legal counsel in preparing for and attending a technical conference and/or an oral hearing. Energy Probe notes that NOTL would also incur less costs as a result of not having an oral component to the proceeding.

In the July 14, 2008 Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors, the Board determined that the plan term for the 3rd generation IR would be fixed as the rebasing year plus three years, for a total of four years. Therefore Energy Probe submits that the costs included in the 2009 revenue requirement should be one-fourth of the total 2009 rates rebasing costs, rather than the one-third as proposed by NOTL.

The net impact of the Energy Probe submissions is a reduction in the 2009 rates rebasing related costs included in the 2009 revenue requirement from $33,333 (Board Staff Interrogatory # 1.2, pages 5-7) to $20,000 (one-quarter of $80,000).

b) NOTL Energy Inc. Management Fees

NOTL Energy Inc. ("NEI") is the holding company of NOTL Hydro Inc. NOTL Hydro pays a management fee of $20,000 to the holding company. The services provided by the holding company are described as primarily consisting of Board of Director costs and annual audit fees (Board Staff Interrogatory # 1.2, pages 5-6). NOTL Hydro indicates in that response that the NEI Board provides invaluable guidance to NOTL Hydro and as such this cost is a legitimate corporate cost. The only reason this cost exists is because the *"independent auditor brought to our attention the need to disperse our Holding Company's (NEI) annual costs between Energy Services Niagara Inc. (ESNI) and Niagara-on-the-Lake Hydro Inc."*.

Energy Probe does not agree with the NOTL submission that these costs are legitimate corporate costs to be added to the revenue requirement of NOTL. As the Board found in the Erie Thames Decision for 2008 rates (EB-2007-0928) dated October 27, 2008, it is not appropriate for ratepayers to bear the costs of the parent company's Board of

Directors in addition to the Board of Directors of the regulated utility. In particular the Board found:

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

Energy Probe submits that this rationale applies equally to the audit costs of the parent company as it does to the Board of Director costs for the parent company. Therefore, Energy Probe submits that the $20,000 in management fees should be removed from the 2009 revenue requirement.

c) Overall Increase in OM&A Costs

NOTL is proposing an increase in overall OM&A costs in 2009 of $110,172 or 6.3% over the 2008 forecasted levels. These figures can be determined from the figures provided in Table 2 of the response to Board Staff Interrogatory # 1.2. The increase forecast for 2008 is only 2.1% as compared to 2007, following an increase of more than 11% over the 2006 actual level.

The reductions proposed by Energy Probe in (a) and (b) above total $33,333. This reduction would reduce the total OM&A cost in 2009 to $1,831,328 and would represent an increase of 4.4% over the 2008 level. Energy Probe submits that this is a reasonable outcome for the overall OM&A costs.

d) Shared Services

NOTL has provided a detailed explanation of the methodology used to price the services provided to its Energy Services affiliate in the response to Board Staff interrogatory # 1.12. This response indicates that the price paid by the affiliate for the services received from NOTL are cost based and include markups on labour, trucks, material, contractor and accounts payable.

However, it is not clear to Energy Probe if the costs allocated to the services provided to the affiliate have been calculated on a fully allocated basis. Many of services provided to the affiliate, such as billing for water services, printing water bills, repair and maintenance of sentinel lights, street lights and the installation work orders/customer service/collecting/account inquiries/etc. associated with gas and electric water heaters are likely to involve the use of computers, software, tools, office equipment and other assets. It is unclear whether the costs associated with these assets (depreciation and cost of capital) are included in the cost based prices charged for these services. It is also unclear, for example, whether the 10% mark up on trucks includes an allocation of depreciation on the vehicles, repair and maintenance costs and operating costs.

Energy Probe submits that in its next rates rebasing application, the Applicant should provide a detailed fully allocated costing to ensure that ratepayers are not paying for assets that are used to provide services to an affiliate.

Similarly, it is unclear whether the OM&A costs associated with providing these services, which would make up a considerable portion, if not all, of the $186,750 in 2009 costs identified in the response to Board Staff interrogatory # 1.12 are included in the controllable expenses used in the calculation of the working capital allowance. Fifteen percent of $186,750 would represent move than $28,000 being added to rate base. It is unclear to Energy Probe whether or not these costs are included in the working capital allowance calculation or if they are offset by the revenues received before this calculation is done. Energy Probe believes it would be useful if NOTL could explain whether or not any of these costs are included in the calculation of the working capital allowance in its reply argument. If some costs are included, Energy Probe submits that they should be removed from the calculation. These are not costs incurred in the provision of regulated services and ratepayers should not be expected to pay for a higher revenue requirement because of the costs incurred to provide service to an affiliate.

DEPRECIATION & AMORTIZATION

a) Computer Hardware – Account 1921

Table 1 in Exhibit 4, Tab 2, Schedule 6 shows an amortization period of 3 years for account 1921 (computer equipment – hardware post March 22, 2004). However, a review of the tables provided in response to Energy Probe interrogatory # 15a appear to show a depreciation period of 5 years for this account.

Energy Probe submits that the correct depreciation period for this account is 5 years, as shown in Appendix B "Amortization Rates" in the 2006 Electricity Distribution Rate Handbook. Energy Probe invites NOTL to respond to the use of a 3 year amortization period shown in Exhibit 4, Tab 2, Schedule 6. If this is simply an error in the table, then no adjustment is necessary. However, if the amortization is based on 3 years rather than 5 years, then Energy Probe submits that the Board should direct NOTL to reduce the depreciation expense for this account to reflect a 5 year amortization period.

b) Computer Software – Account 1925

NOTL appears to be depreciating computer software over a three year period (Energy Probe Interrogatory # 15a and Exhibit 4, Tab 2, Schedule 6). Energy Probe submits that the depreciation expense should be based on a five year period.

The 2006 EDR Handbook does not include a specific rate that is to be used for account 1925. However, the only other IT account is account 1920 for computer hardware and the depreciation rate is 20%, based on a five year life for assets in this account.

Energy Probe has reviewed a number of 2008 cost of service applications and has found that the distributors appear to have used a 20% depreciation rate for all IT assets, including computer software. Energy Probe believes that a consistent approach should be applied across distributors and therefore recommends the use of a 20% (five year life) for computer software.

Based on the calculations provided in the response to Energy Probe interrogatory # 15a changing the amortization period from three years to five (changing the depreciation rate from 33.3% to 20%) would reduce the 2009 depreciation expense for this account from $63,017 to approximately $37,810, for a reduction of $25,207. This reduction in the revenue requirement would be partially offset by the increase in the return on equity and debt costs associated with the resulting increase in the remaining net book value and resulting rate base associated with the lower accumulated depreciation value.

TAXES

Energy Probe submits that NOTL should calculate its income and capital taxes using the most recent information available, including tax rates that are applicable to 2009.

a) Capital Tax

Energy Probe agrees with the methodology used by NOTL to forecast the capital tax in 2009 (Exhibit 4, Tab 3, Schedule 1, page 2). In addition, Energy Probe accepts both the tax rate of 0.225% and the exemption level of $15 million used by NOTL in this calculation for 2009.

Energy Probe submits that if the rate base is changed as a result of the Board's Decision, then the capital tax calculation should also be updated to reflect the approved level of rate base.

b) Income Tax

i) Change in Regulatory Assets

NOTL originally included the change in regulatory assets as an addition to accounting income in the calculation of income taxes (Exhibit 4, tab 3, Schedule 1, page 1). In the response to Board Staff Interrogatory # 6.1, NOTL acknowledges an error was made in including the change in regulatory assets in the calculation of income taxes and has removed them. Energy Probe submits that this is the correct approach, and reflects Board Decisions for 2008 EDR applications.

ii) Tax Rates

NOTL used a total tax rate of 33.00% in the calculation of income taxes in 2009 (Exhibit 4, Tab 3, Schedule 1, page 2). This rate included a federal tax rate of 19.00% and a provincial tax rate of 14.00%.

This calculation did not reflect the provincial small business income tax rate of 5.50% that is applied to the first $500,000 of taxable income, the general tax rate of 14.0% for taxable income in excess of $500,000 and the claw back rate of 4.25% that is applicable to taxable income above $500,000 up to $1,500,000. NOTL recalculated the income taxes using these rates in the response to Energy Probe Interrogatory # 19c. Energy Probe submits that NOTL should use the above noted provincial income tax rates and associated taxable income thresholds in the calculation of income taxes.

It would appear, however, that the response to Board Staff Interrogatory # 6.2 is not correct. In particular, the table shows a reduction in the corporate tax from the August 6 application to the recalculation for both 2008 and 2009. However, the numbers presented there are not comparable and do not present a correct comparison in the tax reduction that results from the use of the provincial small business deduction. The August 6 application figures are taken from Exhibit 4, Tab 3, Schedule 1, page 1 and are for the regulatory income tax only and do **NOT** include the Ontario capital tax component, whereas the recalculated figures include both income tax and capital tax as shown in Table 1 of the Attachment – Critical Evidence Changes to NOTL's letter to the Board dated November 17, 2008. The following table provides the corrected comparison of the change in the income tax rates. This table includes both regulatory income tax and the Ontario Capital Tax.

	Per August 6 Application	Recalculation	Difference
2008 Corporate Tax	$403,352	$368,848	($34,504)
2009 Corporate Tax	$426,198	$398,109	($28,089)

As this corrected table shows, the reduction due to the inclusion of the proper applicable tax rates makes a significant difference.

iii) Update to Regulatory Taxable Income

Energy Probe submits that if the regulatory taxable income is changed as a result of the Board's Decision, then the income tax calculation should also be updated to reflect the revised level of regulatory taxable income.

c) Property Taxes

NOTL forecast property taxes of $33,450 in 2009 (Exhibit 7, Tab 1, Schedule 1, page 2). However, as shown in the response to Energy Probe Interrogatory # 8, this figure has increased to $34,650. No rationale or justification has been provided by NOTL for this increase of $1,200. Energy Probe submits that the Board should disallow in the increase in this expense forecast.

d) Loss Adjustment Factor

NOTL has calculated a five year average total loss factor of 1.0463 using data from 2003 through 2007, as shown in Table 1 in Exhibit 4, Tab 2, Schedule 7. However, NOTL is proposing to leave the current OEB approved loss factor of 1.0501 unchanged at this time. The rationale provided by NOTL is that there is a debit balance in the power purchase variance account (account 1588) of $264,801 as of December 31, 2007. Further, NOTL proposes to approach the OEB with a proposed reduction of the total loss factor at a future rate submission when the debit balance is reduced or eliminated.

Energy Probe submits that the total loss factor should be reduced to the figure calculated as the five year average of 1.0463. The debit in the power purchase variance account should be dealt with separately, along with the disposition of balances in other deferral and variance accounts. The Board has indicated in the decisions on 2008 rate rebasing applications that *"The Board is of the view that it is appropriate to defer the disposition of the RCVA and RSVA accounts until the completion of the announced generic review of*

these accounts" (Exhibit 5, Tab 1, Schedule 1, page 2). By not changing the total loss factor, NOTL is, in fact, disposing of the balance in account 1588 and bypassing the intent of the Board's approach for this account.

REVENUES

a) Forecast Methodology

i) A Flawed Methodology

NOTL uses a combination of a top down and a bottom up approach to preparing a forecast of volumes by rate class. The top down methodology involves the use of an econometric model to forecast total system purchases. These purchases are then adjusted for the closure of the Cangro plant, CDM and the total loss factor to arrive at a total energy billing forecast. This forecast is a normalized forecast. Energy Probe has a number of submissions on the econometric equation used in this top down approach in section (ii) below. Energy Probe also has a number of adjustments that it believes should be made to arrive at the total energy billing forecast. These suggested adjustments are detailed in part (b) below.

The bottom up approach takes a projection of the number of customers by rate class and multiplies it by a projection of the average use by rate class to arrive at a non-normalized volume forecast. The weather sensitive rate classes (or portions thereof) are then adjusted so that the total bottom up forecast by rate class in aggregate equals the normalized total energy billing forecast from the top down approach.

Energy Probe has a number of concerns with this approach. Suggestions for future forecast methodologies are presented in section (iii) below.

The major concerns with this methodology that forces the rate class non-normalized forecasts to add up to the normalized total energy billing forecast are summarized below.

- The weather adjustment shown in Table 17 of Exhibit 3, Tab 2, Schedule 2 is done to force the sum of the non-normalized forecasts to add up to the normalized total energy billing forecast that is derived through the use of the

econometric equation. There are two flaws with the methodology used. The first flaw assumes that the weather adjustment is proportional to the weather sensitive kWh forecast for each of the rate classes. For example, in Table 17, for 2009, the residential class has 42% of the weather sensitive energy, so the weather adjustment assigned to the residential class is 42% of the total adjustment needed to bring the two forecasts into agreement. There is no reason to expect that residential customers have the same level of sensitivity to the weather as do GS < 50 kW or GS > 50 kW customers. Indeed, it would be expected that all three classes have different levels of sensitivity to the weather.

- The use of non-normalized average use forecasts for the weather sensitive accounts will bias the forecast because the impact of weather on average use is different by rate class. A change of one degree day or heating degree days cannot be expected to have the same proportional impact on the average use of the weather sensitive customer classes. This bias can be seen by looking at the forecasts proposed by NOTL for the residential and GS < 50 kW classes. NOTL proposes to use the actual 2007 average use for both of these customer classes. The average use for the GS < 50 kW class in 2007 is the highest it has been in the 2003 through 2007 period (Table 14, Exhibit 3, Tab 2, Schedule 2). The residential average use in 2007, however, is at the second lowest level over the same period. If NOTL had used the average uses for these rate classes over the 2003 through 2007 period, the GS < 50 kW average use would be lower, while the residential figure would have been higher. This would result in a shift to more residential volumes and less GS < 50 kW volumes.

- If there are more customers in a class than originally forecast, addition of these customers to the forecast will not have an impact on the total energy billing forecast using the NOTL methodology. This is a perverse result. In the current situation, the number of GS < 50 kW customers is proving to be higher than that forecast by NOTL. If the forecast is increased, the result would be an increase in volumes for the GS < 50 kW class. However, because the total energy billed is unchanged, there would need to be a reduction in volumes to other classes. However, this has nothing to do with converting a non-normalized forecast to a normalized forecast. In fact, following the methodology as proposed has the perverse impact of changing normalized average use for all weather sensitive rate classes! This result is shown in the following example.

  Based on the weather normalized billed forecast for 2009 shown in Table 17 and the number of customers shown in Table 15 of Exhibit 3, Tab 2, Schedule 2, the normalized average use for the

residential class is 10,073 kWh, for the GS < 50 kW class is 28,411 kWh and for the GS > 50 kW class it is 655,332 kWh.

The table attached in Appendix A to this argument recreates Table 17 for 2009 data, but includes additional volumes for the GS < 50 kW class of 287,580 kWh (10 customers x 28,758 kWh/customer). The addition of these 10 customers is the only change made. The table has been modified to show the resulting normalized average use.

The impact, as shown in the table, is a reduction in weather normalized billed forecast volumes for the residential and GS > 50 kW rate classes. Moreover, as shown in the normalized average use forecast column, there is a reduction in normalized average use for all three of the weather sensitive customer classes. In other words, the addition of 10 customers in one class has impacted on the normalized average use forecast for all the weather sensitive customers. This result is neither logical nor defensible.

- The econometric equation used to forecast the total system purchases cannot adequately and/or accurately reflect the relevant drivers when these drivers are different for different rate classes. Further details are provided in the following section.

ii) Econometric Equation

The econometric equation used to forecast the total system purchases suffers from a number of deficiencies. Each of these deficiencies is noted below.

- By aggregating all volumes into a single equation, the methodology assumes that all rate classes are affected by the same drivers such as heating degree days, cooling degree days and real GDP. This is most likely not true.

- By aggregating all volumes into a single equation, the methodology assumes that all rate classes are affected to the same degree for each driver included. It is unlikely that the weather, for example, has the same impact on residential customers as it does on large general service customers. Similarly, general service volumes are likely to be more influenced by changes in real GDP than are residential volumes.

- The equation does not have any explicit relationship to the number of customers. It is in effect, independent of the number of customers. It is not reasonable to expect that the total purchases are not driven in part by the number of new customer additions.

- The equation implicitly assumes that the impact of weather (heating and cooling degree days) has the same impact across all months (or seasons) of a year. For example, 1 additional heating degree day in January has the same impact on total system purchases as one additional heating degree day in July. It is extremely doubtful that this is true. The impact of weather will be different by month.

- Model 3a, chosen by NOTL, has a lower adjusted R^2, lower F-test value and higher mean absolute error than a number of other models tested, notably models 7 and 8. It is not clear why the use of these models was not investigated further and/or used. If for example, the presence of serial correlation was of concern, was any attempt made to correct for it?

- The data used is based on total system purchases. The resulting forecast is then adjusted for the total loss factor to arrive at total energy billed. This approach does not recognize the actual loss factors each month over the historical period. The data used should have been the actual total energy billed each month. No adjustment for losses would then be required and the equation would have been estimated based on the true figures. This is important as the loss factor between 2003 and 2007 ranges from nearly 5% to just over 4%. The loss factors over the previous historical years (1996 through 2002) may have been even more volatile.

- This historical data used for the regression analysis should have been adjusted for the removal of the volumes related to the Cangro plant. The resulting coefficient estimates have been influenced by the inclusion of this plant. Removing the Cangro volumes from the forecast, after the fact, does not correct for this bias. For example, if the Cangro volumes were less influenced by the weather than the other volumes, their inclusion in the historical data has artificially reduced the impact of heating and cooling degrees in the forecast.

- The model used does not include any type of variable to model conservation. The inclusion of a simple trend variable may capture both conservation (including naturally occurring conservation) and other trends in the use of electric appliances.

Energy Probe submits that these are the major deficiencies of the current econometric equation and the forecast that results from its use. In the following section, suggestions are provided for improvements in the forecast methodology, including using a bottom up regression analysis by rate class that would eliminate or minimize most of the deficiencies noted above.

iii) Future Forecasts

Energy recommends that the Board direct NOTL to develop a forecasting methodology that generates a forecast of billed energy on a bottom up basis. In other words, a forecast is developed for each rate class and these forecasts add up to the overall forecast, rather than the top down approach used by NOTL in this application.

The forecast for each rate class would be based on a forecast for the number of customers in each rate class and a forecast of normalized average use for each rate class. The latter would be based on an econometric estimation of average use based on a number of explanatory variables that could differ by rate class. The forecast of customers could be driven by economic activity and/or local developments.

Such a process would enable NOTL to distinguish between the drivers of volumes by rate class. The current methodology groups all volumes together and attempts to determine what the drivers are of the total. Energy Probe submits that this approach loses much of its explanatory power because different rate classes are driven by different factors. As well, different classes are driven to different degrees by the same factor. As noted earlier, the impact of weather on residential customers is likely to be different than the impact on large general service customers. The current methodology attempts to "average" these impacts across all customer classes.

b) Adjustments to the Forecast

Energy Probe submits that a number of adjustments should be made to the forecast as filed. The adjustments are listed below.

i) Cangro Plant Closure

NOTL's largest customer in terms of kWh consumption ceased operations in 2008. NOTL has adjusted the forecast to reflect this closure (Exhibit 3, Tab 2, Schedule 2, pages 14-15). Energy Probe agrees that this adjustment is appropriate. However, Energy Probe submits that the adjustment is both incorrectly calculated and incomplete.

First, Energy Probe submits that NOTL should use the actual loss factor in calculating the annual purchases associated with the Cangro plant as shown in Table 7 of Exhibit 3, Tab 2, Schedule 2. NOTL has used a loss factor of 1.0501 which is an approved figure, whereas the actual loss factor over the 2003 to 2007 period is 1.0463 (Exhibit 4, Tab 2, Schedule 7, Table 1). The actual loss factor over this period is the one that should be used to adjust billed energy to annual purchases. Use of the loss factor of 1.0463 reduces the reduction associated with the Cangro plant by approximately 20,000 kWh.

Second, the adjustment is incomplete for the following reasons. NOTL indicates in its evidence that no replacement customer data, if any, is known at present for this customer (Exhibit 3, Tab 2, Schedule 2, page 14, lines 17-18). However, in response to Energy Probe interrogatory # 13, NOTL indicates that the property has been purchased by another company and the buildings are currently being offered for lease as warehouse space.

Energy Probe submits that NOTL should reflect an increase in kWh that is reasonably expected to occur as a result of this development. The removal of the Cangro volumes was appropriate; so is the addition of any volumes from the replacement use. Even if the expected volumes are relatively small, they should be reflected in Table 8 in Exhibit 3, Tab 2, Schedule 2, page 15.

ii) Adjustment for CDM

NOTL has reduced the forecast by 0.34% or more than 650,000 kWh to account for CDM. NOTL indicates that this reduction is to reflect the impact of successful NOTL CDM programs and that the calculation of these results were included in NOTL's 2007 Annual CDM Report to the OEB.

Energy Probe submits that this adjustment to the forecast should be rejected. NOTL is basing the reduction on past CDM programs. The impact of these programs has already been incorporated into the NOTL forecast. This has been done through the use of an

econometric equation that includes data up to and including 2007. In other words, the estimated coefficients that have been estimated by NOTL (Exhibit 3, Tab 2, Schedule 2, Table 4) reflect the reduction in actual consumption in 2007 and previous years. This consumption includes the impact of all CDM programs, along with naturally occurring conservation as older appliances are replaced with newer more energy efficient equipment. By making a further adjustment to the econometric forecast, NOTL is double counting the reduction for CDM.

iii) Loss Factor Adjustment

NOTL converts the total system weather normalized purchases forecast by dividing this forecast by a loss factor of 1.0501 to determine the weather normalized energy billing forecast (Exhibit 3, Tab 2, Schedule 2, pages 17-18). The loss factor is the one that has been in place since May 1, 2006.

Energy Probe submits that the Board approved loss factor is not the correct loss factor to use to convert the system purchases to energy billings. NOTL should be using a loss factor that reflects actual losses over recent history. This loss factor is 1.0463, and is the five year average for 2003 through 2007 shown in Table 1 in Exhibit 4, Tab 2, Schedule 7.

The use of the actual historical loss factor is consistent with the use of actual historical purchases in the econometric equation. The econometric equation does not reflect actual losses because it is based on system purchases, not energy billings. In theory, the forecasted energy billings could be forecast directly through the use of an econometric equation that used actual billing data instead of actual purchase data. This would eliminate the need for any adjustment for losses since the econometric equation would directly provide a forecast of energy billings. The historical data used would reflect both the actual purchases and the actual losses.

Use of this actual loss factor average (1.0463) in place of the 1.0501 used by NOTL would increase the forecast for 2009 by more than 660,000 kWh.

iv) Customer Forecast

Energy Probe submits that the customer forecast provided by NOTL at Exhibit 3, Tab 2, Schedule 2, pages 18-22 should be accepted with the exception of the GS < 50 kW class. In the future, however, Energy Probe believes that the customer forecast should be more sophisticated than simply using a geometric mean annual growth rate of past growth. More emphasis should be provided on local information specific to the distributor's area. This is especially important for small distributors like NOTL. Information from local planning departments should be used, as should local knowledge of subdivision and commercial development that is taking place, or forecast to take place.

NOTL is forecasting a decline in the number of GS < 50 kW customers from 1,216 in 2007 to 1,212 in 2008 and to 1,209 in 2009. However, as shown in the response to Energy Probe interrogatory # 14, the actual number of GS < 50 kW at the end of October 2008 is 1,221. Moreover, this is an increase of 3 customers from the same month in 2007. It would appear, therefore, that instead of a decline in the number of customers as forecast by NOTL there is actually an increase in the number.

Energy Probe submits that a conservative forecast for 2009 would be to simply maintain the number of customers at the actual October 2008 level of 1,221. This would be in increase of 12 customers or approximately 1% over the 2009 forecast level of customers. Applying the 2009 annual usage forecast for this class of customers of 28,758 kWh (Exhibit 3, Tab 2, Schedule 2, Table 15) would result in the addition of more than 345,000 kWh to the forecast.

As illustrated above under the forecast methodology discussion, Energy Probe believes that this addition of 345,000 kWh should be on top of the total forecast and not simply an increase for one rate class accompanied by a decrease in other rate classes to make the totals fit to the overall forecast total. This adjustment should be made to the overall forecast total because it is the result of additional customers that were not included in the original forecast.

v) Summary

In aggregate, the adjustments proposed by Energy Probe for 2009 total approximately 1,675,000 kWh (20,000 kWh for Cangro adjustment using actual loss factor; 650,000 kWh to reflect double counting of CDM; 660,000 kWh to reflect using of actual loss factor for total purchases; 345,000 kWh to reflect higher than forecast GS < 50 kW customers), increasing the weather normalized billed kWh from 182,664,024 kWh (Table 10) to 184,339,024 kWh.

c) Other Distribution Revenue

i) Accounts 4225, 4235 and 4390)

NOTL has forecast many of the other distribution revenue categories shown in Table 7 in Exhibit 3, Tab 2, Schedule 1 by prorating the actual revenues received to mid-year 2008 to a full year amount and then maintaining the forecast at the same level for 2009. This methodology is described in the response to Energy Probe interrogatory # 11 parts (b), (e) and (h).

Energy Probe submits that this approach is in appropriate, in that it ignores any seasonality that may exist in these other distribution revenue categories. Energy Probe asked a series of questions in its interrogatory # 11 that included the most recent year-to date revenue figures for a number of other distribution revenue accounts. The response to part (c) of the interrogatory indicated that the October 31 year-to-date late payment charges (account 4225) were higher in 2008 than for the corresponding period in 2007. Similarly, part (f) of the interrogatory indicated that miscellaneous service revenues (account 4235) were higher in 2008 than in 2007 for the same period. And again, in the response to part (i) of the interrogatory indicated that miscellaneous non-operating income (account 4390) was higher in 2008 than in 2007 for the year-to-date period ending October 31. In all three cases, NOTL was forecasting 2008 bridge year revenues to be less than those recorded for 2007. Based on ten months of actual data however, NOTL is ahead of the actual revenues recorded for the same period in 2007.

Energy Probe submits that this reveals a bias to the under forecasting of these other distribution revenues. Energy Probe further submits that a more accurate way to forecast the revenues from these three sources is to prorate the 2007 revenues to reflect the year-to-date 2008 results as compared to the same period in 2007 and apply this ratio to the actual 2007 revenues.

The following table shows the calculation of the revenues in these three categories using the 2007 to 2008 prorating methodology. The figures used are taken from the response to Energy Probe interrogatory # 11, parts (c) , (f) and (i) as well as the 2007 actual revenues found in Table 7 of Exhibit 3, Tab 2, Schedule 1.

Account	YTD Oct 2008	YTD Oct 2007	% Change	2007 Actual	Revised Forecast	Filed 2008 Forecast	$ Change
4225	$40,174	$39,007	+ 3.0%	$50,452	$51,966	$48,070	$3,896
4235	$40,135	$39,181	+ 2.4%	$48,700	$49,869	$45,430	$4,439
4390	$18,902	$12,184	+ 55.1%	$17,105	$26,530	$15,000	$11,530
Total							$19,865

Simply extending the revised 2008 forecasts to 2009 (i.e. flat-lining the 2008 revenues to 2009 as NOTL did) results in an increase in these other distribution revenue categories of nearly $20,000. Energy Probe submits that this is still a conservative forecast because it assumes no growth from the 2008 levels. Energy Probe submits that these revenues should be increased by $19,865 to reflect the more up-to-date information and a more accurate methodology to forecast these revenues.

ii) Account 4405

Account 4405 is interest and dividend income. At page 8 of Exhibit 3, tab 2, Schedule 1, NOTL indicates that this account consists of interest on positive balances in the NOTL Hydro bank account, carrying charge interest on balances of regulatory asset, deferral and variance accounts and interest on loans to affiliates. NOTL has provided a break out of the interest into these categories in response to Energy Probe interrogatory # 12.

Energy Probe submits that the interest and dividend income shown in this account for 2009 of $51,915 has been understated and should be $67,286, an increase of $15,371. The correct total can be obtained by eliminating the interest cost of $4,719 shown for RSVA/RCVA DVAs and $10,653 shown for Reg. Asset & Other DVAs in the response to Energy Probe interrogatory # 12.

Energy Probe submits that the interest income or expense associated with deferral and variance accounts should not be included in the calculation of these revenue offsets. This is because this interest income or cost will be cleared to customers at the time that the associated deferral and variance accounts are cleared to customers.

In this instance, by including these interest costs in 2009 NOTL is effectively double counting the costs. NOTL will recover these costs when it clears the balances in the associated accounts, including interest. At the same time, NOTL has decreased the level of other distribution revenues which are used to reduce the revenue requirement that needs to be recovered through distribution rates. Ratepayers are, therefore, effectively paying this interest cost twice. These costs should not be included in account 4405. Their removal increases the amount in this account by $15,371, as noted above.

DEFERRAL AND VARIANCE ACCOUNTS

NOTL proposes to recover the debit balances related to two accounts: 1508 Other Regulatory Assets and 1550 Low Voltage Variance. The balance to be cleared includes the forecasted interest on the account balances through to the end of April, 2009.

The allocation of these accounts is based on 2007 kWh for the low voltage account and on 2007 distribution revenue for the other regulatory assets account. The resulting proposed rate riders would recover these costs over a three year period.

Energy Probe accepts the NOTL proposals with the exception of the two following items.

a) Interest Calculation

NOTL used an interest rate of 3.35% for the January 1, 2009 through April 30, 2009 period in the calculation of the interest carrying costs. This was the OEB prescribed interest rate for the fourth quarter of 2008.

Since the filing of the application, the Board has set the prescribed interest rate for the first quarter of 2009 at 2.45%. Energy Probe submits that this rate should be used to calculate the interest over the January 1, 2009 through April 30, 2009 period. The total requested for disposition and the resulting rate riders should then be updated to reflect this change.

b) Recovery Period

As noted above, NOTL is requesting recovery of the balances in these accounts over a three year period. Energy Probe submits that this recovery period should be extended to four years to match the length of the 3rd Generation IRM plan (i.e. rate rebasing year plus three years). This extension would also help mitigate the distribution related rate increase forecast by NOTL of 12.56% for a residential customer consuming 1,000 kWh per month. This figure is the updated forecast shown in Exhibit 9, Tab 1, Schedule 9 in the Attachment – Critical Evidence Changes attached to the November 17, 2008 letter to the Board.

LRAM AND SSM

NOTL is requesting the recovery of the 2005, 2006 and 2007 LRAM and 2005 and 2006 SSM as part of this application. Recovery would be based on a two year rate rider.

NOTL originally calculated the SSM amount by grossing up the TRC savings for PILS. However, in the response to Energy Probe interrogatory # 23, NOTL agreed that the TRC results should not be grossed up for PILS. The SSM claim is reduced from $8,563 to $5,470 as a result of this change. Energy Probe submits that this reduction is appropriate as it is consistent with the Toronto Hydro (EB-2007-0096) Decision and Order dated September 11, 2007.

Also as part of the Toronto Hydro Decision, the Board indicated that it and stakeholders would be assisted by an independent third party review of program results and claim amounts. NOTL has not provided this and have requested the approval of their LRAM and SSM without being subject to a further review. NOTL also commented on the cost for a small utility to comply with this directive in the response to Energy Probe interrogatory # 24 and indicated that this is why they have chosen not to proceed with the inclusion of any 2007 projects.

Given the small amount being requested for recovery ($17,638 based on the reduction in the SSM), Energy Probe accepts that the cost of an independent review would not be warranted. However, Energy Probe submits that the Board should make it clear that if NOTL applies to recover any LRAM or SSM amounts for future years, then an independent review will be required.

Given the small amount and the concerns expressed by NOTL about their ability to recover this amount through a rate rider more than two years in length, Energy Probe accepts the proposal for a two year rate rider.

COST OF CAPITAL

a) Capital Structure

NOTL is requesting a deemed equity component of 43.33%, short term debt of 4.00% and long term debt of 52.67%. Energy Probe accepts this capital structure as it is in compliance with the *Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation for Ontario Electricity Distributors* dated December 20, 2006.

b) Return on Equity

NOTL has requested a return on equity of 8.57% in the test year, reflecting the OEB's March 7, 2008 letter regarding the cost of capital updates for the 2008 cost of service applications (Exhibit 6, Tab 1, Schedule 1, page 2). NOTL also states that the OEB will update the return on equity rate in early 2009 for rates effective May 1, 2009. Energy

Probe accepts this position because it is compliance with the *Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation for Ontario Electricity Distributors* dated December 20, 2006.

c) Short Term Debt Rate

NOTL has requested a short term debt rate of 4.47% in the test year, reflecting the OEB's March 7, 2008 letter regarding the cost of capital updates for the 2008 cost of service applications (Exhibit 6, Tab 1, Schedule 1, page 2). NOTL also states that the OEB will update the short term debt rate in early 2009 for rates effective May 1, 2009. Energy Probe accepts this position because it is compliance with the *Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation for Ontario Electricity Distributors* dated December 20, 2006.

d) Long Term Debt Rate

Energy Probe does not accept the weighted average cost of long term debt of 6.77% for 2009 as shown in Exhibit 6, Tab 1, Schedule 3, page 2. This weighted average cost includes affiliated debt which constitutes the major of the long term debt forecast to be outstanding in 2009. This affiliate debt carries a rate of 7.25%, which is significantly higher than rates on the two third party loans.

NOTL has indicated that the affiliate loan is not callable on demand (Energy Probe Interrogatory # 21). Further NOTL has indicated that this debt instrument does not have a variable rate. The debt was put in place in 2000 at the rate of 7.25% and the rate has never been re-negotiated (Board Staff Interrogatory # 3.1). The rate of 7.25% has been approved by the Board in the past.

However, as shown in the response to Energy Probe interrogatory #21b, the promissory note now in place is actually a replacement note for the affiliate debt noted above and is so noted in the Promissory Note dated July 15, 2008. Energy Probe submits that the rate, which was continued in the replacement note at 7.25%, is not appropriate because it is not based on any market rate available at the time the replacement note was put in place.

In the response to Board Staff interrogatory #3.1 NOTL states that they explored the financial market to see if a rate of 7.25% or anything close to it was available for the same loan, i.e. one that does not require repayment of principal. NOTL states that such a loan was not available. Energy Probe therefore submits that the 7.25% cannot be considered an appropriate market rate. In the absence of a market rate to compare the rate payable to the affiliate, Energy Probe submits that the appropriate rate to use is 6.10%. This was the deemed long term debt rate set by the Board for 2008. This information was available to NOTL long before the replacement note was put in place.

In summary, while the replacement note is not callable and it does not have a variable rate, the rate deemed to apply to this note should be reduced to the deemed rate of 6.10% set by the Board for 2008.

CALCULATION OF REVENUE DEFICIENCY

Energy Probe agrees with the calculation of the revenue deficiency shown in Table 1 on Exhibit 7, Tab 1, Schedule 1, page 2, with one exception. This exception is related to the depreciation and amortization figure shown of $1,245,184.

This figure is higher than the depreciation and amortization expense of $1,243,933 (after deducting the fully allocated depreciation) shown at the bottom of Table 4 in Exhibit 2, Tab 2, Schedule 1. The difference appears to be an amount of $1,252 that is related to intangible plant, as noted at the bottom of Table 4. This intangible plant is identified in Exhibit 1, Tab 2, Schedule 2 on page 11 as being in account 1606 Organization. Energy Probe notes that in the 2006 EDR Handbook, this account was identified as a non-distribution asset and was not included in the calculation of rate base. Energy Probe further notes that NOTL has not included account 1606 in the calculation of is rate base shown in Exhibit 2, Tab 2, Schedule 1.

Based on the above, Energy Probe submits that this amortization of intangible plant should not be included in the calculation of the revenue requirement.

COST ALLOCATION & RATE DESIGN

NOTL proposes to increase the revenue to cost ratio for the residential, GS < 50 kW, street lighting and unmetered scattered load customers, while reducing the ratio for the GS > 50 kW class.

Based on the 2006 cost allocation informational filing, only the street light class is below the revenue to cost range identified as appropriate in the Board's "Report on Application of Cost Allocation for Electricity Distributors" dated November 28, 2007. The sentinel class was also below the appropriate range, but NOTL is proposing to eliminate this class. At the other extreme, only the GS > 50 kW class was higher than the targeted range for this class.

Energy Probe submits that NOTL's proposal for revenue to cost ratios should not be accepted. First, Energy Probe believes that the starting point for the comparison of the exiting revenue to cost ratios should be changed from the 2006 cost allocation informational filing to the alternative cost allocation which is consistent with NOTL's proposal to allocate the cost of the transformer ownership allowance to only the GS > 50 kW class. These revenue to cost ratios are shown in the Output Sheet O1 attached to the response to VECC interrogatory # 1d. This allocation shows that all of the revenue to cost ratios are within the Board approved ranges with the exception of the street and sentinel light classes.

Energy Probe submits that the revenue to cost ratios should be adjusted only for the street light class and the GS > 50 kW class. This assumes the Board approves the elimination of the sentinel lighting class. The rationale for this is provided below.

In the Decision and Order for Wellington North Power Inc. (EB-2007-0693), the Board stated at page 29 that:

> "An important element in the Board's report on cost allocation was its express reservation about the quality of the data underpinning cost allocation work to date. The report frankly indicated that the Board did not consider all of the data underpinning the report to be so reliable as to justify the application of the report's findings directly into rate cases. For this reason, among others, the Board established the ranges depicted above and mandated the migration of revenue to cost ratios currently outside the ranges to points within the ranges, but not to unity. In short, the ranges reflect a margin of confidence with the data underpinning the report. No point within any of the ranges should be considered to be any more reliable than any other point within the range. Accordingly, there is no particular significance to the unity point in any of the ranges."

As a result, Energy Probe submits that there is no reason to adjust the revenue to cost ratios for the residential, GS < 50 kW or unmetered scattered load classes since the ratios for these customer class are already within the ranges approved by the Board.

NOTL has proposed to move the revenue to cost ratio for the street lighting class 50% of the way from what the current ratio is to the bottom of the OEB proposed range of 70%. NOTL did not file any proposal regarding moving this ratio the remainder of the way to the bottom of the range. In response to Energy Probe interrogatory # 22, NOTL noted that in the various 2008 Decisions the Board expected the applicants to achieve the remaining 50% move to the bottom of the range in equal increments in the two years following the rebasing year. NOTL agreed to meet this requirement, moving the revenue to cost ratio for the street lighting class one half the remaining distance to 70% in 2010 and to 70% in 2011. Energy Probe recommends that the Board adopt this movement.

Energy Probe also submits that the additional revenue generated by increasing the revenue to cost ratio in 2010 and 2011 for the street lighting class should be used to reduce the corresponding ratio for the GS > 50 kW class. This is the only class that has a ratio greater than 100%. NOTL agrees with this approach, as shown in the response to Energy Probe interrogatory # 22.

COSTS

Energy Probe requests that it be awarded 100% of its reasonably incurred costs. Recognizing the size of NOTL, Energy Probe has attempted to minimize its time on this application, while at the same time ensuring a thorough review.

ALL OF WHICH IS RESPECTFULLY SUBMITTED

January 12, 2009

Randy Aiken

Consultant to Energy Probe

Appendix A

Year 2009	Non-Normalized Billed Energy Forecast	Weather Sensitive %	Weather Sensitive Energy	Weather Adjustment	Weather-Adjusted	CDM Adjustment	Weather Normalized Billed Forecast	Customer Forecast	Normalized Average Use Forecast
Residential	67,130,464	100%	67,130,464	-703,016	66,427,448	-0.34%	66,201,595	6584	10,055
GS < 50 kW	35,056,002	100%	35,056,002	-367,120	34,688,882	-0.34%	34,570,940	1219	28,360
GS > 50 kW	81,382,914	71%	57,772,807	-605,019	80,777,895	-0.34%	80,503,250	123	654,498
Sentinel Lights	0	0%	0	0	0	-0.34%	0		
Street Lights	1,089,774	0%	0	0	1,089,774	-0.34%	1,086,069		
Unmetered Load	303,200	0%	0	0	303,200	-0.34%	302,169		
Total	184,962,354		159,959,273	-1,675,154	183,287,200		182,664,024		