

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S. O. 1998, c.15 Schedule B of the *Energy Competition Act, 1998*, as amended;

AND IN THE MATTER OF an application for disposition of amounts related to Expired Rate Riders for 2006 Smart Meters, 2006 Conservation and Demand Management activities and Regulatory Assets Recovery Account.

TORONTO HYDRO-ELECTRIC SYSTEM LIMITED

APPLICATION FOR DISPOSITION OF
EXPIRED RATE RIDER EXCESS REVENUES
DURING THE 2009 RATE YEAR

MANAGER'S SUMMARY

OEB File No. EB-2008-XXXX

Date: December 15, 2008

MANAGER'S SUMMARY

1. Introduction

Toronto Hydro-Electric System Limited ("THESL") hereby submits an application ("Application") to the Ontario Energy Board ("OEB" or "Board") for authorization:

1. to dispose of amounts (both positive and negative) derived from the continued existence of rate riders that were to have expired on April 30, 2008 but which were continued until July 31, 2008; and
2. to implement the resulting adjustments by way of rate riders effective for the 2009 rate year over a 12-month period commencing May 1, 2009.

THESL proposes that the Board proceed by way of a written hearing in this Application.

The following are rate riders that were to have expired on April 30, 2008 but which were continued until July 31, 2008:

- a) 2006 Lost Revenue Adjustment Mechanism ("LRAM") 6-month rate rider;
- b) 2006 Shared Savings Mechanism ("SSM") 6-month rate rider;
- c) 2006 Smart Meter 6-month rate rider; and
- d) Regulatory Assets Recovery Account ("RARA") rate rider.

1.1 6-Month Rate Riders

Approval for implementation of the LRAM and SSM rate riders in the six-month period November 1, 2007 to April 30, 2008 was granted by the Board in its September 11, 2007 Decision and Order in EB-2007-0096, THESL's application regarding its CDM activities undertaken in 2005 and 2006.

Similarly, approval for implementation of the Smart Meter rate rider in the six-month period November 1, 2007 to April 30, 2008 was granted by the Board in its August 8, 2007 Decision with Reasons in EB-2007-0063, the Smart Meter Combined Proceeding.

The Board's joint Rate Order issued on October 23, 2007 in EB-2007-0582/EB-2007-0096/EB-2007-0063 gave effect to the 6-month CDM and Smart Meter Rate riders that THESL implemented in rates beginning November 1, 2007.

1.2 Regulatory Assets Recovery Account Rate Rider

The RARA rate rider was established by the Board's December 9, 2004 Phase II Decision with Reasons for the Review and Recovery of Regulatory Assets for five large distributors (RP-2004-0117, RP-2004-0118, RP-2004-0100, RP-2004-0069 and RP-2004-0064). The Phase II Decision required that the rate rider associated with account 1590, the Regulatory Assets Recovery Account, be finalized as of April 30, 2008.

On July 26, 2005 the Board issued a Final Order in RP-2004-0100 approving THESL's regulatory asset balances and associated class-specific rate riders as filed on January 17, 2005 and amended on February 3, 2005 and THESL began to recover the approved RARA amounts with rates effective April 1, 2005.

1.3 Approval for Extension of Expired Rate Riders

Although originally set to end on April 30, 2008, the subject rate riders were continued by the Board until July 31, 2008 at THESL's request so that their expiry would coincide with the implementation of THESL's 2008 distribution rates. This extension was granted by the Board on April 18, 2008 by way of an Interim Rate Order in THESL's 2008 EDR Application (EB-2007-0680) that declared THESL's approved rates then in existence to be interim pending the issuance of final rates for 2008. The Board further confirmed by way of a letter on April 29, 2008 that, "by declaring the [existing] rates interim all rate changes are suspended. Given the existence of variance accounts, the rate riders are to continue notwithstanding the existence of sunset dates with respect to such riders in the Tariff."

1.4 Amounts to be Disposed

Extension of the subject rate riders to July 31, 2008 has resulted in a combined credit balance in the relevant deferral accounts of \$7,687,920. Actual values of these excess revenues became available with the November 2008 billing report and were not

known earlier. THESL has calculated and included in the final amounts proposed for disposition, carrying charges for the period from May 1, 2008 to April 30, 2009. The resultant individual balances are as follows:

Table 1
Excess Revenues for Disposition

	Col. 1	Col2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9
		Residential	GS <50 kW	GS 50 -1000 kW	GS 1000 - 5000 kW	Large Use	Scattered Loads	Streetlight	Total
		\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
1	LRAM	-915.4	-172.1	-26.4	-51.0	-14.8	-21.2	0.0	-1,200.9
2	SSM	-1,066.9	-191.1	6.0	-511.1	-197.4	-61.6	0.0	-2,022.0
3	Smart Meter	418.6	4.6	1.2	0.0	0.0	0.0	0.0	424.3
4	RARA	-2,207.9	-631.3	-1,120.2	-568.8	-325.5	-14.5	-21.3	-4,889.4
5	Total Net Excess Revenues for Disposition	-3,771.6	-989.9	-1,139.3	-1,130.8	-537.6	-97.2	-21.3	-7,687.9

1.5 Bill Impacts

Appendix A attached to this application includes a summary of customer bills for representative customers by class. Comparison is made against existing, approved 2008 rates. As an example, an average residential customer consuming 1000 kWh per month would realize a reduction of 2.4% on the distribution component and 0.7% on the total bill.

2. Determination of Amounts to be Disposed

2.1 Proration of Pre- and Post April 30, 2008 Revenues

For purposes of this Application, THESL has applied a proration model to determine distinctly and separately the rate rider revenues recovered prior to and since April 30, 2008. Proration is necessary at any time there is a rate change and also for these purposes to distinguish pre-May 1 revenues from post-April 30 revenues.

THESL bills its customers throughout the month according to a meter reading/billing cycle structure. Each billing period may cover a one-month or two-month consumption period depending on the customer class, and the billing date is at least ten business days after the meter reading date because of retail settlement requirements and the wait for the Hourly Ontario Energy Price ("HOEP"). As a result, only a portion of the electricity may be billed in the same month as it is consumed. Consequently, a monthly bill may straddle two calendar months and a bi-monthly bill, three calendar months.

In order to determine the expired rate rider excess revenue recovered in the three-month period from May 1, 2008 to July 31, 2008, THESL separated the billed revenues into the calendar months covered in each bill using the proration model. This model applies the same principle as that commonly used by LDCs in prorating consumption for rate changes where consumption is separated into a pre- rate change period and a post rate change period, based on the number of days in each period.

In the proration model, billed revenue in each billing period was allocated to each calendar month in proportion to the numbers of days in the respective month. Consider, for example, a customer billed on May 15, 2008 who had his meter read on May 2 for consumption from March 3, 2008 to May 2, 2008 inclusively. The consumption period for bill calculation purposes is 61 days. 29/61 of the billed revenue was allocated to March; 30/61 of the billed revenue to April; and 2/61 of the billed revenue to May. The allocated revenues were then summed by calendar month to provide the excess revenue recovered in the three-month period from May 1, 2008 to July 31, 2008.

2.2 6-Month Rate Riders – Net Revenues to April 30, 2008

In keeping with ratemaking practice, THESL is not seeking to true-up net rate rider revenues recovered up to April 30, 2008, the date these rate riders were originally set to expire¹.

THESL has determined under-recovered LRAM and SSM amounts to April 30, 2008 to be \$426,220 and \$311,941 respectively, as shown in Tables 2 and 3 below.

**Table 2
 LRAM – Under-Recovery at April 30, 2008**

	Col. 1	Col. 2	Col. 3
		\$	Calculation
1	OEB-approved 2005-2006 LRAM	2,903,953	(1)
2	Actual recovery during the period November 1, 2007 to April 30, 2008	-2,477,733	(2)
3	LRAM under-recovery at April 30, 2008	426,220	(3)=(1)+(2)

**Table 3
 SSM – Under-Recovery at April 30, 2008**

	Col. 1	Col. 2	Col. 3
		\$	Calculation
1	OEB-approved 2005-2006 SSM	4,297,120	(1)
2	Actual recovery during the period November 1, 2007 to April 30, 2008	-3,985,179	(2)
3	SSM under-recovery at April 30, 2008	311,941	(3)=(1)+(2)

OEB-approved Smart Meter amounts in the Board's joint Rate Order issued on October 23, 2007 in EB-2007-0582/EB-2007-0096/EB-2007-0063 included amounts to be returned to customers due to over-recoveries during the 2006 rate year and amounts to be recovered from customers for the 2007 rate year. Net balances in this account as at April 30, 2008 show that THESL has over-refunded Smart Meter amounts of \$22,297 as reflected in Table 4 below.

¹ The LRAM and SSM (CDM) rate rider revenues are a function of consumption and the Smart Meter rate riders are a function of customer numbers. Because they are functions of different billing units, it is possible to under-recover the CDM riders and over-refund the Smart Meter riders.

Table 4
Smart Meters – Over-Refund at April 30, 2008

	Col. 1	Col. 2	Col. 3
		\$	Calculation
1	OEB-approved 2006 SM - Net amount to be refunded (Note 1)	-798,550	(1)
2	Actual refund during the period November 1, 2007 to April 30, 2008	820,847	(2)
3	2006 SM excess refund at April 30, 2008	22,297	(3)=(1)+(2)

Note 1: This amount represents the OEB-approved amount to be recovered through the 6-month rate rider and is equal to the 2006 SM deferral account credit balance plus 50% of the 2007 incremental revenue requirement due to incremental smart meter rate base. The remaining 50% was recovered through adjustment to base rates effective November 1, 2007.

2.3 6-month Rate Riders – Excess Revenues for Disposition

In order to determine the 6-month rate rider amounts to be disposed of over the 12-month period commencing May 1, 2009, THESL has applied simple interest calculated to April 30, 2009 to both positive and negative excess prorated revenue amounts recovered in the three-month period from May 1, 2008 to July 31, 2008.

Tables 5 and 6 below show LRAM and SSM amounts, inclusive of carrying charges, to be refunded to customers. THESL proposes that the over-recovered LRAM and SSM amounts be disposed of to rate classes effective May 1, 2009 through rate riders based on the volumetric forecast approved for 2009 rates in THESL's latest rate case, EB-2007-0680.

Table 5
LRAM – Determination of Net Excess Revenues

Col. 1	Col. 2	Col. 3
	\$	Calculation
1 LRAM actual recovery during the period May 1, 2008 to July 31, 2008	-1,168,467	(1)
2 Carrying charges for the period May 1, 2008 to April 30, 2009	-32,448	(2)
3 Amount from Continued Rate Riders at April 30, 2009 - Excess recovery	-1,200,915	(3)=(1)+(2)

Table 6
SSM – Determination of Net Excess Revenues

Col. 1	Col. 2	Col. 3
	\$	Calculation
1 SSM actual recovery during the period May 1, 2008 to July 31, 2008	-1,967,290	(1)
2 Carrying charges for the period May 1, 2008 to April 30, 2009	-54,667	(2)
3 Amount from Continued Rate Riders at April 30, 2009 - Excess recovery	-2,021,957	(3)=(1)+(2)

In the three-month period ending July 31, 2008, THESL over-refunded \$412,802 to customers in Smart Meter amounts as shown in Table 7 below. THESL proposes that these net over-refunded Smart Meter amounts, together with related carrying charges, be recovered by rate class effective May 1, 2009 using the latest approved forecast of customer numbers by class.

Table 7
Smart Meters – Determination of Net Excess Revenues

Col. 1	Col. 2	Col. 3
	\$	Calculation
1 Actual net refund for the period May 1, 2008 to July 31, 2008	412,802	(1)
2 Carrying charges for the period May 1, 2008 to April 30, 2009	11,522	(2)
3 Amount from Continued Rate Riders at April 30, 2009 - Excess refund	424,324	(3)=(1)+(2)

2.4 RARA Rate Rider – Excess Revenues for Disposition

THESL proposes to treat excess RARA amounts to be returned to customers as the difference between the total amount recovered to July 31, 2008 and the approved amount, rather than as a pre-May 1 amount and a separate 'excess' amount after April 30 as in the case of the 6-month rate riders. Unlike the 6-month rate riders, the RARA was to be trued-up at the end of the recovery period. Since separation of excess RARA amounts into pre- and post April 30, 2008 recoveries would not affect the final credit amounts, it is THESL's position that the proposed unified treatment is appropriate from a regulatory perspective.

THESL has also applied accounting guidance provided by the Board in the August 2008 Accounting Procedures Handbook Frequently Asked Questions ("August 2008 APH FAQ") in calculating RARA amounts for final disposition. Specifically, at question #7 the Board has directed that recording of the regulatory asset recoveries should continue in account 1590 where the LDC received Board approval to continue the Regulatory Asset Rate Rider in rates after April 30, 2008.

Accordingly, in order to determine excess RARA amounts to be refunded to customers over the 12-month period commencing May 1, 2009, THESL has applied simple interest calculated to April 30, 2009 to the total excess RARA revenues recovered up to July 31, 2008.

In calculating RARA amounts for final disposition, THESL has additionally been guided by the Board's direction in its December 09, 2004 Regulatory Assets Phase II Decision that provided in part, as follows:

9.0.15 As of April 30, 2005, [THESL] shall credit [its] appropriate regulatory asset accounts with the December 31, 2003 approved amounts for each account as per this decision, and shall include interest on the approved amounts from January 1, 2004 to April 30, 2005.

9.0.16 Consequently, there will be a zero balance in Accounts 1570 (Market-Ready Transition Costs) and 1571 (Pre-Market Opening Energy). These accounts shall be discontinued.

9.0.17 The remaining ongoing accounts will contain monthly activities post December 31, 2003, and shall include interest after this date on these activities.

9.0.18 Also as of April 30, 2005, [THESL] shall debit the Regulatory Asset Recovery Account (1590, Recovery of Regulatory Asset Balance) by the approved total recovery amounts. Starting May 1, 2005, revenue from the monthly rate riders shall be credited to the Regulatory Asset Recovery Account (1590). Interest shall continue to apply to this account.

9.0.19 At the end of the three year period, at April 30, 2008, as there will be a residual (positive or negative) balance in the Regulatory Asset Recovery Account (1590), this balance shall be disposed of to rate classes in proportion to the recovery share as established when rate riders were implemented.

While the Board's direction at paragraph 9.0.19 quoted above required that the balance in the RARA be disposed of to rate classes in proportion to the recovery share as established when rate riders were implemented, THESL now has exact information on the over-recoveries by class. For this reason, THESL proposes that rate classes be credited with these known RARA excess revenue amounts, and that these amounts be refunded through rate riders based on THESL's 2009 forecast billing units. THESL has determined the exact over-recovered amounts by rate class to July 31, 2008 by calculating the difference between amounts originally allocated to, and actual amounts collected from, each rate class.

Table 8 below shows the Regulatory Asset Recovery Account excess revenues for disposition.

Table 8
RARA – Determination of Net Excess Revenues

	Col. 1	Col. 2	Col. 3
		\$	Calculation
1	Residual balance in Account 1590 at April 30, 2009:		
2	OEB-approved Regulatory Asset account balances	80,600,399	(1) = (7)
3	Carrying charges on account 1590 during the period April 1, 2005 to April 30, 2009	3,700,317	(2)
4	Actual recovery up to July 31, 2008	-89,190,088	(3)
5	Residual balance in account 1590 at April 30, 2009 - Over-recovery	-4,889,372	(4) = sum (1) to (3)

2.5 Summary of Excess Rate Rider Revenues for Disposition

A summary of the expired 6-month and RARA rate rider net excess revenues for disposition is shown below in Table 9.

Table 9
Summary of Excess Rate Rider Revenues for Disposition

	Col. 1	Col. 2	Col. 3
		\$	Calculation
1	LRAM amounts	-1,200,915	(1)
2	SSM amounts	-2,021,957	(2)
3	Smart Meter amounts	424,324	(3)
4	RARA amounts	-4,889,372	(4)
5	Total Net Excess Revenues for Disposition	-7,687,920	(5)=(1)+(2)+(3)+(4)

3. Disposition of Excess Rate Rider Revenues

THESL proposes that the over-recovered RARA and 6-month LRAM and SSM amounts be refunded to each customer class by way of a volumetric rate rider and the over-refunded 6-month Smart Meter amounts be recovered from each customer class by way of a fixed charge rate rider, for a period of one year commencing May 1, 2009.

Appendix A attached to this application shows THESL's proposed disposition of the excess rate rider revenues by class over the 12-month period commencing May 1, 2009. These amounts include carrying charges for the period from May 1, 2008 to April 30, 2009.

2008 Rate Rider Bill Impact

Col. 1	Col. 2	Col. 3	2008 Rates							2008 Rates							Col. 16	Col. 15	Col. 17	Col. 18	Col. 19	Col. 20	Col. 21	Proposed 2009 Increase	
			Smart Meter 1 (\$/cust)	Foregone Revenue (\$/conn)	Foregone Revenue (\$/cust)	Reg Asset (\$/kWh or kVA)	SSM (\$/kWh or kVA)	LRAM (\$/kWh or kVA)	Foregone Revenue (\$/kWh or kVA)	Rate Rider (\$)	Smart Meter 1 (\$/cust)	Foregone Revenue (\$/conn)	Foregone Revenue (\$/cust)	Proposed 2006 SM Deferral Account (\$/cust)	Reg Asset (\$/kWh or kVA)	Reg Asset (\$/kWh or kVA)	SSM (\$/kWh or kVA)	LRAM (\$/kWh or kVA)	Foregone Revenue (\$/kWh or kVA)	Rate Rider (\$)	\$	%			
1																									
2	Residential																								
3	100		0.68	0.00	0.7700	-0.0009	0.0000	0.0000	0.0000	1.36	0.68	0.00	0.7700	0.06	-0.0009	-0.00041	-0.00021	-0.00018	0.0000	1.34	-0.02	-1%			
4	250		0.68	0.00	0.7700	-0.0009	0.0000	0.0000	0.0000	1.23	0.68	0.00	0.7700	0.06	-0.0009	-0.00041	-0.00021	-0.00018	0.0000	1.09	-0.14	-11%			
5	500		0.68	0.00	0.7700	-0.0009	0.0000	0.0000	0.0000	1.00	0.68	0.00	0.7700	0.06	-0.0009	-0.00041	-0.00021	-0.00018	0.0000	0.66	-0.34	-34%			
6	750		0.68	0.00	0.7700	-0.0009	0.0000	0.0000	0.0000	0.78	0.68	0.00	0.7700	0.06	-0.0009	-0.00041	-0.00021	-0.00018	0.0000	0.24	-0.54	-70%			
7	1,000		0.68	0.00	0.7700	-0.0009	0.0000	0.0000	0.0000	0.55	0.68	0.00	0.7700	0.06	-0.0009	-0.00041	-0.00021	-0.00018	0.0000	-0.19	-0.74	-135%			
8	1,500		0.68	0.00	0.7700	-0.0009	0.0000	0.0000	0.0000	0.10	0.68	0.00	0.7700	0.06	-0.0009	-0.00041	-0.00021	-0.00018	0.0000	-1.04	-1.14	-1140%			
9	2,000		0.68	0.00	0.7700	-0.0009	0.0000	0.0000	0.0000	-0.35	0.68	0.00	0.7700	0.06	-0.0009	-0.00041	-0.00021	-0.00018	0.0000	-1.89	-1.54	440%			
10	GS<50																								
11	1,000		0.68	0.00	1.0700	-0.0010	0.0000	0.0000	0.0005	1.25	0.68	0.00	1.0700	0.01	-0.0010	-0.00025	-0.00008	-0.00007	0.0005	0.86	-0.39	-31%			
12	5,000		0.68	0.00	1.0700	-0.0010	0.0000	0.0000	0.0005	-0.75	0.68	0.00	1.0700	0.01	-0.0010	-0.00025	-0.00008	-0.00007	0.0005	-2.74	-1.99	-265%			
13	10,000		0.68	0.00	1.0700	-0.0010	0.0000	0.0000	0.0005	-3.25	0.68	0.00	1.0700	0.01	-0.0010	-0.00025	-0.00008	-0.00007	0.0005	-7.24	-3.99	-123%			
14	20,000		0.68	0.00	1.0700	-0.0010	0.0000	0.0000	0.0005	-8.25	0.68	0.00	1.0700	0.01	-0.0010	-0.00025	-0.00008	-0.00007	0.0005	-16.24	-7.99	-97%			
15	GS 50-1000																								
24	30,000	100	0.68	0.00	1.32	-0.37	0.00	0.00	0.10	-25.00	0.68	0.00	1.32	0.01	-0.37	-0.0441	0.0002	-0.0011	0.10	-29.49	-4.49	-18%			
25	40,000	100	0.68	0.00	1.32	-0.37	0.00	0.00	0.10	-25.00	0.68	0.00	1.32	0.01	-0.37	-0.0441	0.0002	-0.0011	0.10	-29.49	-4.49	-18%			
26	150,000	500	0.68	0.00	1.32	-0.37	0.00	0.00	0.10	-148.00	0.68	0.00	1.32	0.01	-0.37	-0.0441	0.0002	-0.0011	0.10	-172.99	-24.99	-17%			
27	200,000	500	0.68	0.00	1.32	-0.37	0.00	0.00	0.10	-148.00	0.68	0.00	1.32	0.01	-0.37	-0.0441	0.0002	-0.0011	0.10	-172.99	-24.99	-17%			
28	270,000	900	0.68	0.00	1.32	-0.37	0.00	0.00	0.10	-268.00	0.68	0.00	1.32	0.01	-0.37	-0.0441	0.0002	-0.0011	0.10	-312.99	-44.99	-17%			
29	360,000	900	0.68	0.00	1.32	-0.37	0.00	0.00	0.10	-268.00	0.68	0.00	1.32	0.01	-0.37	-0.0441	0.0002	-0.0011	0.10	-312.99	-44.99	-17%			
30	450,000	900	0.68	0.00	1.32	-0.37	0.00	0.00	0.10	-268.00	0.68	0.00	1.32	0.01	-0.37	-0.0441	0.0002	-0.0011	0.10	-312.99	-44.99	-17%			
31	GS 1000-5000																								
32	300,000	1,000	0.68	0.00	2.75	-0.39	0.00	0.00	0.09	-329.90	0.68	0.00	2.75	0.00	-0.39	-0.0487	-0.0437	-0.0044	0.09	-437.46	-107.56	-33%			
33	400,000	1,000	0.68	0.00	2.75	-0.39	0.00	0.00	0.09	-329.90	0.68	0.00	2.75	0.00	-0.39	-0.0487	-0.0437	-0.0044	0.09	-437.46	-107.56	-33%			
34	500,000	1,000	0.68	0.00	2.75	-0.39	0.00	0.00	0.09	-329.90	0.68	0.00	2.75	0.00	-0.39	-0.0487	-0.0437	-0.0044	0.09	-437.46	-107.56	-33%			
35	600,000	2,000	0.68	0.00	2.75	-0.39	0.00	0.00	0.09	-663.24	0.68	0.00	2.75	0.00	-0.39	-0.0487	-0.0437	-0.0044	0.09	-878.35	-215.11	-32%			
36	800,000	2,000	0.68	0.00	2.75	-0.39	0.00	0.00	0.09	-663.24	0.68	0.00	2.75	0.00	-0.39	-0.0487	-0.0437	-0.0044	0.09	-878.35	-215.11	-32%			
37	1,000,000	2,000	0.68	0.00	2.75	-0.39	0.00	0.00	0.09	-663.24	0.68	0.00	2.75	0.00	-0.39	-0.0487	-0.0437	-0.0044	0.09	-878.35	-215.11	-32%			
38	LU >5000																								
39	1,500,000	5,000	0.68	0.00	41.26	-0.59	0.00	0.00	0.13	-2,513.62	0.68	0.00	41.26	0.00	-0.59	-0.0599	-0.0363	-0.0027	0.13	-3,063.06	-549.44	-22%			
40	2,000,000	5,000	0.68	0.00	41.26	-0.59	0.00	0.00	0.13	-2,513.62	0.68	0.00	41.26	0.00	-0.59	-0.0599	-0.0363	-0.0027	0.13	-3,063.06	-549.44	-22%			
41	2,500,000	5,000	0.68	0.00	41.26	-0.59	0.00	0.00	0.13	-2,513.62	0.68	0.00	41.26	0.00	-0.59	-0.0599	-0.0363	-0.0027	0.13	-3,063.06	-549.44	-22%			
42	3,000,000	10,000	0.68	0.00	41.26	-0.59	0.00	0.00	0.13	-5,069.17	0.68	0.00	41.26	0.00	-0.59	-0.0599	-0.0363	-0.0027	0.13	-6,168.06	-1,098.89	-22%			
43	4,000,000	10,000	0.68	0.00	41.26	-0.59	0.00	0.00	0.13	-5,069.17	0.68	0.00	41.26	0.00	-0.59	-0.0599	-0.0363	-0.0027	0.13	-6,168.06	-1,098.89	-22%			
44	5,000,000	10,000	0.68	0.00	41.26	-0.59	0.00	0.00	0.13	-5,069.17	0.68	0.00	41.26	0.00	-0.59	-0.0599	-0.0363	-0.0027	0.13	-6,168.06	-1,098.89	-22%			
45	Street Lighting																								
46	9,182,014	159,861	0.00	0.13	0.00	-0.33	0.00	0.00	3.87	93,670.30	0.00	0.13	0.00	0.00	-0.33	-0.0661	0.0000	0.0000	3.87	91,921.26	-1,749.04	-2%			
47	365	1	0.00	0.13	0.00	-0.33	0.00	0.00	3.87	3.67	0.00	0.13	0.00	0.00	-0.33	-0.0661	0.0000	0.0000	3.87	3.60	-0.07	-2%			
48	Unmetered Scattered Loads																								
49	4,829,242	1,466	0.000	0.01	0.32	-0.0010	0.0000	0.0000	0.0061	24,629.47	0.00	0.01	0.32	0.00	-0.0010	-0.00025	-0.00107	-0.00037	0.0061	16,468.05	-8,161.42	-33%			
50	365	1	0.000	0.01	0.32	-0.0010	0.0000	0.0000	0.0061	2.19	0.00	0.01	0.32	0.00	-0.0010	-0.00025	-0.00107	-0.00037	0.0061	1.57	-0.62	-28%			

2008 Distribution and Rate Rider Bill Impact

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10	Col. 11
	kWh	kW	kVA	Distribution (\$)	2008 Rates Rate Rider (\$)	Total (\$)	2008 Rates with Proposed Rate Riders Distribution (\$)	Rate Rider (\$)	Total (\$)	Proposed 2009 Increase \$	%
1											
2	Residential										
3	100			16.40	1.36	17.76	16.40	1.34	17.74	-0.02	-0.1%
4	250			18.73	1.23	19.95	18.73	1.09	19.81	-0.14	-0.7%
5	500			22.60	1.00	23.60	22.60	0.66	23.26	-0.34	-1.4%
6	750			26.48	0.78	27.25	26.48	0.24	26.71	-0.54	-2.0%
7	1,000			30.35	0.55	30.90	30.35	-0.19	30.16	-0.74	-2.4%
8	1,500			38.10	0.10	38.20	38.10	-1.04	37.06	-1.14	-3.0%
9	2,000			45.85	-0.35	45.50	45.85	-1.89	43.96	-1.54	-3.4%
10	GS<50										
11	1,000			39.27	1.25	40.52	39.27	0.86	40.13	-0.39	-1.0%
12	5,000			118.87	-0.75	118.12	118.87	-2.74	116.13	-1.99	-1.7%
13	10,000			218.37	-3.25	215.12	218.37	-7.24	211.13	-3.99	-1.9%
14	20,000			417.37	-8.25	409.12	417.37	-16.24	401.13	-7.99	-2.0%
15	GS 50-1000										
16	30,000	100	100	555.78	-25.00	530.78	555.78	-29.49	526.29	-4.49	-0.8%
17	40,000	100	100	555.78	-25.00	530.78	555.78	-29.49	526.29	-4.49	-0.8%
18	150,000	500	556	2,952.00	-148.00	2,804.00	2,952.00	-172.99	2,779.01	-24.99	-0.9%
19	200,000	500	556	2,952.00	-148.00	2,804.00	2,952.00	-172.99	2,779.01	-24.99	-0.9%
20	270,000	900	1,000	5,289.78	-268.00	5,021.78	5,289.78	-312.99	4,976.79	-44.99	-0.9%
21	360,000	900	1,000	5,289.78	-268.00	5,021.78	5,289.78	-312.99	4,976.79	-44.99	-0.9%
22	450,000	900	1,000	5,289.78	-268.00	5,021.78	5,289.78	-312.99	4,976.79	-44.99	-0.9%
23	GS 1000-5000										
24	300,000	1,000	1,111	5,625.80	-329.90	5,295.90	5,625.80	-437.46	5,188.34	-107.56	-2.0%
25	400,000	1,000	1,111	5,625.80	-329.90	5,295.90	5,625.80	-437.46	5,188.34	-107.56	-2.0%
26	500,000	1,000	1,111	5,625.80	-329.90	5,295.90	5,625.80	-437.46	5,188.34	-107.56	-2.0%
27	600,000	2,000	2,222	10,525.80	-663.24	9,862.56	10,525.80	-878.35	9,647.45	-215.11	-2.2%
28	800,000	2,000	2,222	10,525.80	-663.24	9,862.56	10,525.80	-878.35	9,647.45	-215.11	-2.2%
29	1,000,000	2,000	2,222	10,525.80	-663.24	9,862.56	10,525.80	-878.35	9,647.45	-215.11	-2.2%
30	LU >5000										
31	1,500,000	5,000	5,556	24,606.03	-2,513.62	22,092.42	24,606.03	-3,063.06	21,542.97	-549.44	-2.5%
32	2,000,000	5,000	5,556	24,606.03	-2,513.62	22,092.42	24,606.03	-3,063.06	21,542.97	-549.44	-2.5%
33	2,500,000	5,000	5,556	24,606.03	-2,513.62	22,092.42	24,606.03	-3,063.06	21,542.97	-549.44	-2.5%
34	3,000,000	10,000	11,111	46,328.25	-5,069.17	41,259.08	46,328.25	-6,168.06	40,160.19	-1,098.89	-2.7%
35	4,000,000	10,000	11,111	46,328.25	-5,069.17	41,259.08	46,328.25	-6,168.06	40,160.19	-1,098.89	-2.7%
36	5,000,000	10,000	11,111	46,328.25	-5,069.17	41,259.08	46,328.25	-6,168.06	40,160.19	-1,098.89	-2.7%
37	Street Lighting		Mthly kVA								
38	9,182,014	159,861	26,461	512,206.15	93,670.30	605,876.45	512,206.15	91,921.26	604,127.41	-1,749.04	-0.3%
39	365	1	1	16.03	3.67	19.70	16.03	3.60	19.63	-0.07	-0.3%
40	Unmetered Scattered Loads		Connections								
41	4,829,242	1,466	17,721	187,420.48	24,629.47	212,049.95	187,420.48	16,468.05	203,888.53	-8,161.42	-3.8%
42	365	1	1	16.69	2.19	18.88	16.69	1.57	18.26	-0.62	-3.3%

2008 Total Bill Impact

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8	Col. 9	Col. 10	Col. 11	Col. 12	Col. 13	Col. 14
					2008 (Existing)				2008 Rates with Proposed Rate Riders				Proposed 2009 Increase	
	kWh	kW	kVA		Distribution (\$)	Rate Rider (\$)	Non-Distribution (\$)	Total (\$)	Distribution (\$)	Rate Rider (\$)	Non-Distribution (\$)	Total (\$)	\$	%
1	Residential													
2					16.40	1.36	7.81	25.57	16.40	1.34	7.81	25.55	-0.02	-0.1%
3	100				18.73	1.23	19.15	39.10	18.73	1.09	19.15	38.96	-0.14	-0.4%
4	250				22.60	1.00	38.04	61.64	22.60	0.66	38.04	61.30	-0.34	-0.6%
5	500				26.48	0.78	56.94	84.19	26.48	0.24	56.94	83.65	-0.54	-0.6%
6	750				30.35	0.55	77.97	108.87	30.35	-0.19	77.97	108.13	-0.74	-0.7%
7	1,000				38.10	0.10	120.44	158.64	38.10	-1.04	120.44	157.50	-1.14	-0.7%
8	1,500				45.85	-0.35	162.90	208.40	45.85	-1.89	162.90	206.86	-1.54	-0.7%
9	2,000													
10	GS<50													
11	1,000				39.27	1.25	77.70	118.22	39.27	0.86	77.70	117.83	-0.39	-0.3%
12	5,000				118.87	-0.75	414.49	532.61	118.87	-2.74	414.49	530.62	-1.99	-0.4%
13	10,000				218.37	-3.25	835.47	1,050.59	218.37	-7.24	835.47	1,046.60	-3.99	-0.4%
14	20,000				417.37	-8.25	1,677.45	2,086.57	417.37	-16.24	1,677.45	2,078.58	-7.99	-0.4%
23	GS 50-1000													
24	30,000	100	100		555.78	-25.00	2,560.05	3,090.83	555.78	-29.49	2,560.05	3,086.34	-4.49	-0.1%
25	40,000	100	100		555.78	-25.00	3,306.56	3,837.34	555.78	-29.49	3,306.56	3,832.85	-4.49	-0.1%
26	150,000	500	556		2,952.00	-148.00	12,826.23	15,630.23	2,952.00	-172.99	12,826.23	15,605.24	-24.99	-0.2%
27	200,000	500	556		2,952.00	-148.00	16,558.80	19,362.81	2,952.00	-172.99	16,558.80	19,337.82	-24.99	-0.1%
28	270,000	900	1,000		5,289.78	-268.00	23,092.41	28,114.19	5,289.78	-312.99	23,092.41	28,069.20	-44.99	-0.2%
29	360,000	900	1,000		5,289.78	-268.00	29,811.05	34,832.83	5,289.78	-312.99	29,811.05	34,787.84	-44.99	-0.1%
30	450,000	900	1,000		5,289.78	-268.00	36,529.68	41,551.46	5,289.78	-312.99	36,529.68	41,506.47	-44.99	-0.1%
31	GS 1000-5000													
32	300,000	1,000	1,111		5,625.80	-329.90	26,058.96	31,354.85	5,625.80	-437.46	26,058.96	31,247.30	-107.56	-0.3%
33	400,000	1,000	1,111		5,625.80	-329.90	33,524.11	38,820.00	5,625.80	-437.46	33,524.11	38,712.45	-107.56	-0.3%
34	500,000	1,000	1,111		5,625.80	-329.90	40,989.26	46,285.16	5,625.80	-437.46	40,989.26	46,177.60	-107.56	-0.2%
35	600,000	2,000	2,222		10,525.80	-663.24	52,124.41	61,986.98	10,525.80	-878.35	52,124.41	61,771.86	-215.11	-0.3%
36	800,000	2,000	2,222		10,525.80	-663.24	67,054.72	76,917.28	10,525.80	-878.35	67,054.72	76,702.17	-215.11	-0.3%
37	1,000,000	2,000	2,222		10,525.80	-663.24	81,985.02	91,847.58	10,525.80	-878.35	81,985.02	91,632.47	-215.11	-0.2%
38	LU >5000													
39	1,500,000	5,000	5,556		24,606.03	-2,513.62	128,822.36	150,914.78	24,606.03	-3,063.06	128,822.36	150,365.33	-549.44	-0.4%
40	2,000,000	5,000	5,556		24,606.03	-2,513.62	165,531.98	187,624.40	24,606.03	-3,063.06	165,531.98	187,074.95	-549.44	-0.3%
41	2,500,000	5,000	5,556		24,606.03	-2,513.62	202,241.60	224,334.02	24,606.03	-3,063.06	202,241.60	223,784.57	-549.44	-0.2%
42	3,000,000	10,000	11,111		46,328.25	-5,069.17	257,651.22	298,910.30	46,328.25	-6,168.06	257,651.22	297,811.41	-1,098.89	-0.4%
43	4,000,000	10,000	11,111		46,328.25	-5,069.17	331,070.46	372,329.54	46,328.25	-6,168.06	331,070.46	371,230.65	-1,098.89	-0.3%
44	5,000,000	10,000	11,111		46,328.25	-5,069.17	404,489.70	445,748.78	46,328.25	-6,168.06	404,489.70	444,649.89	-1,098.89	-0.2%
45	Street Lighting			Connections	Mthly kVA									
46	9,182,014	159,861	26,461		512,206.15	93,670.30	798,695.72	1,404,572.17	512,206.15	91,921.26	798,695.72	1,402,823.13	-1,749.04	-0.1%
47	365	1	1		16.03	3.67	28.37	48.07	16.03	3.60	28.37	48.00	-0.07	-0.1%
48	Unmetered Scattered Loads			Connections										
49	4,829,242	1,466	17,721		187,420.48	24,629.47	392,573.03	604,622.98	187,420.48	16,468.05	392,573.03	596,461.56	-8,161.42	-1.3%
50	365	1	1		16.69	2.19	26.51	45.39	16.69	1.57	26.51	44.77	-0.62	-1.4%

Proposed Disposition of Expired Rate Riders

Disposition of Revenue from Continued Rate Riders and Disposition of RARA										
			RESIDENTIAL	GS < 50 kW	GS - 50 to 1000 kW	GS > 1000 to 5000 kW	LARGE USER	SMALL SCATTERED LOAD	STREETLIGHT	TOTAL
			A	B		E	F		G	H
2009 EDR Data by Class (2009 EDR Model)										
kVA		N/A		N/A	25,062,727	11,526,464	5,360,901	N/A	317,526	42,267,618
kWh			5,193,268,381	2,505,206,926	9,786,256,140	5,040,303,451	2,570,384,338	57,420,003	109,374,973	25,262,214,213
Number of Customers			611,808	66,191	11,719	530	49	1,135	162,450	853,882
Allocators										
Energy Consumed - kWhs			21.13%	9.99%	38.38%	19.77%	10.08%	0.23%	0.43%	100%
Number of Customers			71.65%	7.75%	1.37%	0.06%	0.01%	0.13%	19.02%	100%
2006 Smart Meters Installed			98.64%	1.07%	0.29%	0.00%	0.00%	0.00%	0.00%	100%
Reg Assets by Proration			45.16%	12.91%	22.91%	11.63%	6.66%	0.30%	0.44%	100%
2005/2006 SSM Ratios (From 2005 Application)			52.77%	9.45%	-0.30%	25.28%	9.76%	3.04%	0.00%	100%
2005/2006 LRAM Ratios (From 2005 Application)			76.23%	14.33%	2.20%	4.25%	1.23%	1.77%	0.00%	100%
Disposition of Revenue from Continued Rate Riders and Disposition of RARA										
ALLOCATOR			RESIDENTIAL	GS < 50 kW	GS - 50 to 1000 kW	GS > 1000 to 5000 kW	LARGE USER	SMALL SCATTERED LOAD	STREETLIGHT	TOTAL
2006 Smart Meter Recoveries										
	\$424,324	2006 Smart Meters Installed	\$418,572	\$4,528	\$1,225	\$0	\$0	\$0	\$0	\$424,324
Regulatory Asset Recovery Account (RARA)										
	(\$4,889,372)	Reg Assets by Proration	(\$2,207,857)	(\$631,343)	(\$1,120,175)	(\$568,774)	(\$325,481)	(\$14,466)	(\$21,275)	(\$4,889,372)
2006 SSM										
	(\$2,021,957)	2006 SSM Ratios	(\$1,066,889)	(\$191,072)	\$5,990	(\$511,063)	(\$197,364)	(\$61,559)	\$0	(\$2,021,957)
2006 LRAM										
	(\$1,200,915)	2006 LRAM Ratios	(\$915,432)	(\$172,099)	(\$26,363)	(\$51,011)	(\$14,791)	(\$21,218)	\$0	(\$1,200,915)
Adjustment for 12 Months Recovery										
	(\$7,687,920)		(\$3,771,607)	(\$989,986)	(\$1,139,324)	(\$1,130,849)	(\$537,636)	(\$97,244)	(\$21,275)	(\$7,687,920)
Derived Rate Riders										
Decision/ALLOCATOR			RESIDENTIAL kWh	GS < 50 kW kWh	GS - 50 to 1000 kW	GS > 1000 to 5000 kW kVA	LARGE USER kVA	SMALL SCATTERED LOAD kWh	STREETLIGHT kVA	TOTAL
2006 Smart Meter Recoveries										
	Customer/30 Days		\$ 0.06	\$ 0.01	\$ 0.01	\$ -	\$ -	\$ -	\$ -	\$ -
Reg Assets by Proration										
	kWh or kVA		\$ (0.00041)	\$ (0.00025)	\$ (0.0441)	\$ (0.0487)	\$ (0.0599)	\$ (0.00025)	\$ (0.0661)	
2006 SSM										
	kWh or kVA		\$ (0.00021)	\$ (0.00008)	\$ 0.0002	\$ (0.0437)	\$ (0.0363)	\$ (0.00107)	\$ -	
2006 LRAM										
	kWh or kVA		\$ (0.00018)	\$ (0.00007)	\$ (0.0011)	\$ (0.0044)	\$ (0.0027)	\$ (0.00037)	\$ -	