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October 31, 2007

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Attention: Kirsten Walli
Board Secretary

**Re: Haldimand County Hydro Inc. (Licence # ED-2002-0539)
2008 Incentive Regulation Mechanism Distribution Rate Adjustment
Application**

Dear Ms. Walli:

Haldimand County Hydro Inc. ("HCHI") hereby submits its Application for 2008 Electricity Distribution Rates, to be effective May 1, 2008. This application is filed in accordance with the following Ontario Energy Board (the "Board") documents:

- *"Filing Requirements for 2008 Incentive Regulation Mechanism Distribution Rate Adjustments"*, issued September 28, 2007;
- *"Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation for Ontario's Electricity Distributors"* (the "Board Report"), issued December 20, 2006; and
- *"Ontario Uniform Transmission Rate Order, EB-2007-0759: Effect on Distributor Retail Transmission Rates"*, letter issued October 29, 2007.

In accordance with these guidelines, please find enclosed 2 paper copies of this application, which, in addition to this cover letter, includes the following materials:

- Manager's Summary, including a 2008 Proposed Retail Transmission Rate Adjustment Spreadsheet; and
- 2008 Incentive Rate Mechanism Adjustment ("IRM") Model.

Also enclosed is a CD containing electronic files of these materials, filed as separate non-PDF documents, as well as a single PDF document incorporating all of these materials, as follows:

1. Haldimand_APPL_20071031 (COVER LETTER + MANAGER'S SUMMARY) (*Word*)
2. Haldimand_APPL_2008RTRAdjust_20071030 (*Excel*)
3. Haldimand_2008IRMmodel_20071031 (2008 IRM MODEL) (*Excel*)
4. Haldimand_APPL_20071031 (SINGLE PDF DOCUMENT – ALL MATERIALS) (*PDF*)

These electronic files have also been forwarded to your attention, by email to Boardsec@oeb.gov.on.ca, today.

We have also completed one electronic filing through the Board's web portal www.err.oeb.gov.on.ca, consisting of one electronic copy of the application in searchable/unrestricted PDF format.

This 2008 Electricity Distribution Rate Application is respectfully submitted for the Board's consideration.

Yours truly,
HALDIMAND COUNTY HYDRO INC.

Original Signed by

Jacqueline A. Scott
Finance Manager

Encl.

Haldimand County Hydro Inc. (ED-2002-0539)
2008 Incentive Regulation Mechanism Distribution Rate Adjustment Application

MANAGER'S SUMMARY

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Summary of Application

The Board's 2008 Incentive Rate Mechanism Adjustment ("IRM") Model has been used to prepare this Application, utilizing the existing 2007 Board-approved Tariff of Rates and Charges.

Regulatory Asset Recovery

Haldimand County Hydro Inc. had an approved regulatory asset recovery in the 2007 distribution rates. These rate riders have been removed in the 2008 IRM Model to reflect the end of the regulatory asset recovery period.

Smart Meter Adder

The Smart Meter monthly charge currently included in the 2007 rates is \$0.26 per metered customer. The current rate adder has been removed from the 2007 monthly service charge. Since Haldimand County Hydro Inc. wishes to apply for the continuation of this Smart Meter rate adder, it has been re-incorporated into the 2008 rates.

Conservation and Demand Management ("CDM") Incremental Funding

Haldimand County Hydro Inc. did not apply for incremental CDM spending over and above the third tranche in 2007 so there is no CDM funding approved in the 2007 rates.

Common Deemed Capital Structure Transition (K-Factor)

In the Board Report, the Board determined that a common deemed capital structure of 60% equity and 40% debt would be used for rate-setting. Haldimand County Hydro Inc., with a rate base categorized as a "Small" utility for purposes of this calculation, has a current size-related deemed capital structure of 50% equity and 50% debt. The first of a three-year transition to this common deemed capital structure is included in this rate application. This first year capital structure transition provides for a common deemed capital structure of 46.7% equity and 53.3% debt. Haldimand County Hydro Inc.'s current 7.5226% cost of capital calculates to 7.43% for 2008. The resulting percentage change in revenue requirement (including taxes/PILs), and hence distribution rates, is - 0.5%, which is incorporated in a K-factor being introduced this year. The value of this K-factor is reflected in the price cap adjustment as noted below.

Haldimand County Hydro Inc. (ED-2002-0539)
2008 Incentive Regulation Mechanism Distribution Rate Adjustment Application

MANAGER'S SUMMARY

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Price Cap Adjustment

Distribution rates have been adjusted for the following 3 factors:

1. Price Escalator (GDP-IPI) of 1.9%;
2. Average Annual Expected Productivity Gain (X-Factor) of 1.0%; and
3. K-factor of -0.5%

This total price cap adjustment of 0.4% has been applied to the fixed and variable distribution rates, net of the 2007 Smart Meter funding increment; after which, the Smart Meter rate adder was re-incorporated into the resulting 2008 rates.

Bill Impacts

The bill impact analysis included in the 2008 IRM Model was used. Due to the removal of the regulatory asset recovery rate adders, which for all rate classes except the Residential Urban was actually a “credit” adjustment to rates, bill impacts for each of those classes are in excess of the 0.4% price cap adjustment being applied for. Below are examples of the bill impacts (total bill after taxes):

- Residential Urban (1,000 kWh per month): (0.6%);
- Residential Suburban (1,000 kWh per month): 1.4%;
- General Service Less Than 50 kW (2,000 kWh per month): 2.1%;
- General Service 50 kW to 4,999 kW (15,000 kWh / 200 kW per month): 6.4%
- Sentinel Lighting (200 kWh / 1 kW per month): 9.8% impact; and
- Street Lighting (200,000 kWh / 500 kW per month): 4.4%

In addition, upon review of these impacts, the following comments (similar to those observed in the 2007 IRM Model) are noted and have not been adjusted:

1. With respect to the “General Service 50 to 4999 kW” rate class, since Haldimand County Hydro Inc. has 2 sets of retail transmission rates (“RTRs”) – one set for non-interval and one set for interval-metered customers – the model is “adding” both sets of rates to calculate the “other charges” component of the bill. This is effectively doubling the rate and corresponding charges incorrectly.

Haldimand County Hydro Inc. (ED-2002-0539)
2008 Incentive Regulation Mechanism Distribution Rate Adjustment Application

MANAGER'S SUMMARY

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2. For all rate classes where kW's are used as the billing determinant – General Service 50 to 4,999 kW; Sentinel Lighting; Street Lighting and Embedded Distributor – these are being incorrectly uplifted for losses.
3. It is understood that the Board's intent of the bill impacts is to demonstrate the impact of rate adjustments on distribution rates. Since the discrepancies, as noted above, are included in both rate years, for comparison purposes, the impact is not affected. However, in reviewing "total bill" amounts, some of these discrepancies misrepresent the total bill amounts for the rate class.
4. These bill impacts do not incorporate the proposed adjustment to Retail Transmission Rates as recently directed by the Board (see section below).

Retail Transmission Rates

Haldimand County Hydro Inc. is proposing an adjustment to their Retail Transmission Rates, effective May 1, 2008, in accordance with the direction of the Board, by letter dated October 29, 2007 "*Ontario Uniform Transmission Rate Order, EB-2007-0759: Effect on Distributor Retail Transmission Rates*". New Uniform Transmission Rates for Ontario transmitters, effective November 1, 2007 to December 31, 2008, are expected to decrease by an average of approximately 12%.

Similar to the methodology applied in the 2006 EDR Application Model which used data from 2004 (in accordance with the Board's letter, dated July 5, 2005 "*Retail Transmission Service Rate Adjustments*"), Haldimand County Hydro Inc. has calculated the percentage difference between wholesale transmission costs and retail transmission revenues for the period January 1, 2005 to September 30, 2007 based on both existing rates and the new uniform rates and resulting variances. The cost / revenue ratios as a result of these calculations are:

- Network Service Rate – 85% (or a 15% reduction in rates); and
- Connection Service Rate – 97% (or a 3% reduction in rates).

These adjustments to Retail Transmission Rates had to be dealt with outside of the 2008 IRM model. The accompanying Excel spreadsheet, "Haldimand_APPL_2008RTRAdjust_20071030" provides the supporting calculations and proposed Retail Transmission Rates by rate class.

IESO							
Wholesale Transmission Rates				Exsiting Rates			
(rates in effect January 1, 2005 to September 30, 2007)							
	2005 January 1 to December 31/05		2006 January 1 to December 31/06		2007 January 1 to September 30/07		Total Paid to IESO January/05 to September/07
	<u>Rate</u>	<u>Paid</u>	<u>Rate</u>	<u>Paid</u>	<u>Rate</u>	<u>Paid</u>	
Network Service Rate	\$2.83	\$2,213,665.02	\$2.83	\$2,228,031.49	\$2.83	\$1,578,407.03	
Connection Service Rates							
Line Connection	\$0.82	\$ 676,925.58	\$0.82	\$ 692,551.50	\$0.82	\$ 476,127.26	
Transformation Connection	\$1.50	\$1,238,278.50	\$1.50	\$1,266,862.50	\$1.50	\$ 870,964.50	
		\$1,915,204.08		\$1,959,414.00		\$1,347,091.76	
Total Paid to IESO		\$4,128,869.10		\$4,187,445.49		\$2,925,498.79	\$ 11,241,813.38
IESO							
Wholesale Transmission Rates				New Uniform Rates			
(rates in effect November 1, 2007 - represents an overall 12% reduction)							
	2005 January 1 to December 31/05		2006 January 1 to December 31/06		2007 January 1 to September 30/07		Estimated Paid to IESO January/05 to September/07
	<u>Rate</u>	<u>Paid</u>	<u>Rate</u>	<u>Paid</u>	<u>Rate</u>	<u>Paid</u>	
Network Service Rate	\$2.31	\$1,806,913.85	\$2.31	\$1,818,640.54	\$2.31	\$1,288,381.71	
Connection Service Rates							
Line Connection	\$0.59	\$ 487,056.21	\$0.59	\$ 498,299.25	\$0.59	\$ 342,579.37	
Transformation Connection	\$1.61	\$1,329,085.59	\$1.61	\$1,359,765.75	\$1.61	\$ 934,835.23	
		\$1,816,141.80		\$1,858,065.00		\$1,277,414.60	
Total Paid to IESO		\$3,623,055.65		\$3,676,705.54		\$2,565,796.31	\$ 9,865,557.51
							12.24%

Hydro One (HONI)		Existing Rates																	
Retail Transmission Rates																			
<small>(rates in effect January 1, 2005 to April 30, 2006)</small>																			
<small>(new rates in effect May 1, 2006 to September 30, 2007)</small>																			
		2005 April 26 to December 31/05		2006 January 1 to April 30/06		2006 May 1 to December 31/06		2007 January 1 to September 30/07		Total Paid to HONI April/05 to September/07									
		Rate	Paid	Rate	Paid	Rate	Paid	Rate	Paid										
Network Service Rate		\$ 2.61	\$ 200,930.10	\$ 2.61	\$ 104,009.36	\$ 2.52	\$ 164,604.90	\$ 2.52	\$ 351,148.14										
Connection Service Rates																			
Line Connection		\$ 0.78	\$ 61,306.56	\$ 0.78	\$ 31,321.03	\$ 0.74	\$ 48,021.87	\$ 0.74	\$ 103,227.85										
Transformation Connection		\$ 1.43	\$ 112,395.37	\$ 1.43	\$ 57,421.88	\$ 1.35	\$ 87,607.47	\$ 1.35	\$ 188,321.09										
			\$ 173,701.93		\$ 88,742.91		\$ 135,629.34		\$ 291,548.94										
Total Paid to HONI			\$ 374,632.03		\$ 192,752.27		\$ 300,234.24		\$ 642,697.08	\$ 1,510,315.62									
Hydro One (HONI)		New Uniform Rates																	
Retail Transmission Rates																			
Assumed HONI Retail Transmission Rates will be adjusted effective May 1, 2008 to reflect the decrease in the "Ontario Uniform Transmission Rates". However no adjustment has been made in our calculations as HONI's adjustment is unknown at this time.																			

Haldimand County Hydro Inc.				
Retail Transmission Rates				
	2005 January 1 to December 31/05	2006 January 1 to December 31/06	2007 January 1 to September 30/07	Total Billed / Unbilled January/05 to September/07
	<u>Billed/Unbilled</u>	<u>Billed/Unbilled</u>	<u>Billed/Unbilled</u>	
Network Service Rate	\$ 2,630,539.55	\$ 2,352,389.48	\$ 1,771,116.58	
Connection Service Rates	\$ 2,295,670.84	\$ 2,034,016.49	\$ 1,513,462.68	
	\$ 4,926,210.39	\$ 4,386,405.97	\$ 3,284,579.26	\$ 12,597,195.62

Haldimand County Hydro Inc.							
Transmission Rates (Charged, Billed and Variance) Cost / Revenue Ratio							
January 2005 to September 2007							
	Total Charges			Total Billed/Unbilled	Variance	Cost / Revenue Ratio	Adjustment
	IESO	HONI	Total	HCHI Customers			
Network Service Rate	\$ 4,913,936.11	\$ 820,692.50	\$ 5,734,628.61	\$ 6,754,045.61	\$ (1,019,417.00)	85%	-15%
Connection Service Rates	\$ 4,951,621.40	\$ 689,623.12	\$ 5,641,244.52	\$ 5,843,150.01	\$ (201,905.49)	97%	-3%
Total RTR's	\$ 9,865,557.51	\$ 1,510,315.62	\$ 11,375,873.13	\$ 12,597,195.62	\$ (1,221,322.49)		

Haldimand County Hydro Inc.							
"Proposed" Retail Transmission Rates							
Effective May 1, 2008							
	Existing Retail Transmission Rates (effective May 1, 2006)		Retail Transmission Rates "Adjustment"		"Proposed" Retail Transmission Rates (effective May 1, 2008)		
	Network	Connection	Network	Connection	Network	Connection	
			-15%	-3%	85%	97%	
per kWh							
Residential Urban	\$ 0.0050	\$ 0.0043	\$ (0.0008)	\$ (0.0001)	\$ 0.0042	\$ 0.0042	
Residential SubUrban	\$ 0.0050	\$ 0.0043	\$ (0.0008)	\$ (0.0001)	\$ 0.0042	\$ 0.0042	
General Service < 50 kW	\$ 0.0046	\$ 0.0039	\$ (0.0007)	\$ (0.0001)	\$ 0.0039	\$ 0.0038	
Unmetered Scattered Load	\$ 0.0046	\$ 0.0039	\$ (0.0007)	\$ (0.0001)	\$ 0.0039	\$ 0.0038	
per kW							
General Service > 50 kW	\$ 1.8794	\$ 1.5400	\$ (0.2837)	\$ (0.0532)	\$ 1.5957	\$ 1.4868	
General Service > 50 kW with Interval Meter	\$ 1.9936	\$ 1.7020	\$ (0.3009)	\$ (0.0588)	\$ 1.6927	\$ 1.6432	
Sentinel Lighting	\$ 1.4245	\$ 1.2154	\$ (0.2150)	\$ (0.0420)	\$ 1.2095	\$ 1.1734	
Street Lighting	\$ 1.4174	\$ 1.1906	\$ (0.2139)	\$ (0.0411)	\$ 1.2035	\$ 1.1495	



Ontario Energy Board

2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Sheet 1 Utility Information Sheet

Legend:	Input Cell	Pull-Down Menu Option	Output Cell
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Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.

Name of LDC:	Haldimand County Hydro Inc.		
Licence Number:	ED-2002-0539		
IRM 2008 EB Number: (if known)	EB-2007-XXXX		
IRM 2007 EB Number:	EB-2007-0535		
EDR 2006 RP Number:	RP-2005-0020	EDR 2006 EB Number:	EB-2005-0373
Date of Submission:	10/31/07	Last Saved Date:	10/25/07 4:20 PM
Model Version:	2.0		
Contact Information			
Name:	Jacqueline A. Scott		
Title:	Finance Manager		
Phone Number:	905-765-5344, ext. 2237		
E-Mail Address:	jscott@hchydro.ca		

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

Comments

Copyright

This IRM adjustment model is protected by copyright and is being made available to you solely for the purpose of preparing or reviewing an IRM adjustment application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing or reviewing an IRM adjustment application, you must ensure that the person understands and agrees to the restrictions noted above.



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

Wednesday, October 31, 2007

Sheet 2 - 2007 Rate Classes

Are you changing the descriptions of any of your Service Classifications?

YES NO

Service Classifications, including descriptions, can be found on your Board Approved 2007 Tariff of Rates and Charges.

Instructions:

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

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

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

Changes made to the Class names will affect the rest of the model.

Upon completion, press the update button.

LEGEND

INPUT CELLS

PULL-DOWN MENU

OUTPUT CELLS

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





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

Wednesday, October 31, 2007

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



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

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

MONTHLY RATES AND CHARGES

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

Residential Urban

Service Charge	\$	11.27	
Distribution Volumetric Rate	\$/kWh	0.0318	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	0.0009	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0050	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

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

Residential Suburban

Service Charge	\$	11.76	
Distribution Volumetric Rate	\$/kWh	0.0320	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	(0.0016)	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0050	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

General Service Less Than 50 kW

Service Charge	\$	18.58	
Distribution Volumetric Rate	\$/kWh	0.0231	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	(0.0023)	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0046	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0039	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

General Service 50 to 4,999 kW

Service Charge	\$	34.38	
Distribution Volumetric Rate	\$/kW	6.1187	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(1.1627)	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.8794	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5400	
Retail Transmission Rate – Network Service Rate - Interval Metered	\$/kW	1.9936	
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.7020	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

Unmetered Scattered Load

Service Charge (per connection)	\$	9.16	
Distribution Volumetric Rate	\$/kWh	0.0239	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	(0.0002)	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0046	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0039	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

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

Sentinel Lighting

Service Charge (per connection)	\$	1.74	
Distribution Volumetric Rate	\$/kW	4.7579	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(2.0665)	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.4245	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2154	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

Street Lighting

Service Charge (per connection)	\$	1.53	
Distribution Volumetric Rate	\$/kW	4.1662	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(1.6113)	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.4174	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1906	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0052	
Rural Rate Protection Charge	\$/kWh	0.0010	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25	

Embedded Distributor

Service Charge	\$		
Monthly Distribution Wheeling Service Rate - Norfolk Power	\$/kW	0.6288	
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW		No
Retail Transmission Rate – Network Service Rate - Norfolk Power	\$/kW	2.9091	
Retail Transmission Rate – Line and Transformation Connection Service Rate - Norfolk Power	\$/kW	2.4973	
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW		
Wholesale Market Service Rate	\$/kWh	0.0000	
Rural Rate Protection Charge	\$/kWh	0.0000	
Standard Supply Service – Administrative Charge (if applicable)	\$	0.00	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

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

Specific Service Charges

Customer Administration

Legal letter charge	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
	\$	
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	\$	

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
Disconnect/Reconnect at pole - during regular hours	\$	185.00
Disconnect/Reconnect at pole - after regular hours	\$	415.00

Install/Remove load control device - during regular hours	\$	65.00
Install/Remove load control device - after regular hours	\$	185.00
Temporary service install & remove - overhead - no transformer	\$	500.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
	\$	
	\$	
	\$	
	\$	
	\$	
Bell Canada Pole Rentals	\$	18.08
Norfolk Pole Rentals - Billed	\$	28.61
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	

Allowances

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

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0565
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0460
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A
Total Loss Factor - Embedded Distributor - Norfolk Power	1.0253



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT
Haldimand County Hydro Inc.**

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

#####

Sheet 4 - Smart Meter Information

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

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

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

Smart Meter Rate Adder

	<u>2007 IRM</u>	<u>2008 IRM</u>
Residential Urban	\$ 0.26	
Residential Suburban	\$ 0.26	
General Service Less Than 50 kW	\$ 0.26	
General Service 50 to 4,999 kW	\$ 0.26	



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

Wednesday, October 31, 2007

Sheet 5 - Removal of Smart Meter and CDM

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

YES NO

Class	2007 Monthly Service Charge	2007 Volumetric Rate Charge	Less: 2007 Smart Meter Adder from Monthly Service Charge		Adjusted Monthly Service Charge	Adjusted Volumetric Charge	
	\$	kW / kWh	\$	\$	\$	kW / kWh	
<i>Residential Urban</i>	\$ 11.27	\$ 0.0318	\$ 0.26	\$ 0.26	\$ 11.01	\$ 0.0318	\$/kWh
<i>Residential Suburban</i>	\$ 11.76	\$ 0.0320	\$ 0.26	\$ 0.26	\$ 11.50	\$ 0.0320	\$/kWh
<i>General Service Less Than 50 kW</i>	\$ 18.58	\$ 0.0231	\$ 0.26	\$ 0.26	\$ 18.32	\$ 0.0231	\$/kWh
<i>General Service 50 to 4,999 kW</i>	\$ 34.38	\$ 6.1187	\$ 0.26	\$ 0.26	\$ 34.12	\$ 6.1187	\$/kW
<i>Unmetered Scattered Load</i>	\$ 9.16	\$ 0.0239	\$ -	\$ -	\$ 9.16	\$ 0.0239	\$/kWh
<i>Sentinel Lighting</i>	\$ 1.74	\$ 4.7579	\$ -	\$ -	\$ 1.74	\$ 4.7579	\$/kW
<i>Street Lighting</i>	\$ 1.53	\$ 4.1662	\$ -	\$ -	\$ 1.53	\$ 4.1662	\$/kW
<i>Embedded Distributor</i>	\$ -	\$ 0.6288	\$ -	\$ -	\$ -	\$ 0.6288	\$/kW



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

Wednesday, October 31, 2007

Sheet 6 - K-Factor Derivation

Capital Structure Transition

Size of Utility (Rate Base)

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

Cost of Capital parameters

ROE	A	9.00%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell E32)
Debt Rate	B	6.05%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell C25)
Rate Base	C	\$ 34,637,381	(Board Approved 2006 EDR Model, Sheet 3-1, Cell F21)
Size of Utility	D	Small	

Deemed Capital Structure

	Debt	Equity	
Current	E1 50.0%	E2 50.0%	Based on C, copies the deemed D/E from row "2007" of the table
2008	F1 53.3%	F2 46.7%	Based on C, copies the deemed D/E from row "2008" of the table

Cost of Capital

Current	G	7.5226%	= (E1 X B) + (E2 X A)	Weighted Average Cost of capital
2008	H	7.43%	= (F1 X B) + (F2 X A)	

Return on Rate Base

Current	I	\$ 2,605,642.79	= C X G / 100
2008	J	\$ 2,571,869.17	= C X H / 100

Distribution Expenses and Revenue Requirement (before PILs)

Distribution Expenses (other than PILs)	K	\$ 7,641,427	(Board Approved 2006 EDR Model, Sheet 4-1, Cell F15)
Base Revenue Requirement	L	\$ 11,912,197	(Board Approved 2006 EDR Model, Sheet 5-5, Cell F27)
Transformer Allowance Credit	M	\$ 117,936	(Board Approved 2006 EDR Model, Sheet 6-3, Cell "Total" in Row R120)

Revenue Requirement (before PILs)

Current	N	\$ 10,247,069.79	= I + K
2008	O	\$ 10,213,296.17	= J + K

Target Net Income (EBIT)

Current	P1	\$ 1,558,682.15	= I - P2
2008	Q1	\$ 1,455,809.12	= J - Q2

Interest Expense

Current	P2	\$ 1,046,960.65	= C X (B X E1 / 100)
2008	Q2	\$ 1,116,060.05	= C X (B X F1 / 100)

PILs

Tax Rate	R	36.12%	(Board Approved 2006 PILs Model, Sheet "Test Year PILS, Tax Provision", Cell D14)
Large Corporation Tax Allowance (if applicable) - grossed up	S	\$ -	(Board Approved 2006 PILs Model, Sheet "Test Year PILS, Tax Provision", Cell D31)
OCT (Rate Base less \$10,000,000 X 0.30%)	T	\$ 88,962	(Board Approved 2006 PILs Model, Sheet "Test Year PILS, Tax Provision", Cell D30)
PILs Allowance	U	\$ 2,433,449	(Board Approved 2006 PILs Model, Sheet "Test Year PILS, Tax Provision", Cell D33)
Taxable Income	AC	\$ 4,153,703	(Board Approved 2006 PILs Model, Sheet "Test Year PILS, Tax Provision", Cell D11)
	AD	\$ 4,116,545	= AC + (Q1 - P1) * (R / 100)
Federal Tax (grossed up)	V	\$ 2,348,650	= AC * (R / 100) / (1 - R / 100) 2,437,612
	W	\$ 2,327,640	= AD * (R / 100) / (1 - R / 100)

Base Revenue Requirement Adjustment (including PILs)

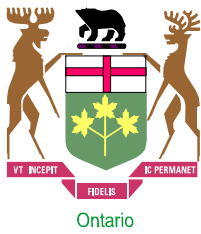
Revenue Requirement (less LCT) (LCT is removed as it was removed in from rates in 2007 EDR)

Current	X	\$ 12,684,681.64	= N + V + T
2008	Y	\$ 12,629,897.73	= O + W + T

Base Revenue Requirement (plus transformer allowance credit)

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

Current	Z	\$ 12,030,132.79	= L + M
2008	AA1	\$ 11,975,348.88	= Z + (Y - X)
Difference	AA2	\$ - 54,783.91	= AA1 - Z
K-factor	AB	-0.5%	= AA2 / Z



2008 INCENTIVE RATE MECHANISM ADJUSTMENT
Haldimand County Hydro Inc.
EB-2007-XXXX, EB-2007-0535, EB-2005-0373
Wednesday, October 31, 2007
Sheet 7 - Price Cap Adjustment

Note: No inputs are required for this worksheet.

Price Escalator (GDP-IPI)	Average annual expected Productivity Gain (X)	(GDP-IPI) - X	K-Factor	Total Price Cap Adjustment	
1.9%	1.0%	0.9%	-0.5%	0.4%	
		Adjusted Monthly Service Charge	Monthly Service Charge with Price Cap Adjustment	Adjusted Volumetric Rate (kW / kWh)	Volumetric Rate with Price Cap Adjustment
		\$	\$	\$	\$
<i>Residential Urban</i>		11.01	11.05	0.0318	0.0319
<i>Residential Suburban</i>		11.50	11.55	0.0320	0.0321
<i>General Service Less Than 50 kW</i>		18.32	18.39	0.0231	0.0232
<i>General Service 50 to 4,999 kW</i>		34.12	34.26	6.1187	6.1432
<i>Unmetered Scattered Load</i>		9.16	9.20	0.0239	0.0240
<i>Sentinel Lighting</i>		1.74	1.75	4.7579	4.7769
<i>Street Lighting</i>		1.53	1.54	4.1662	4.1829
<i>Embedded Distributor</i>		-	-	0.6288	0.6313



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL
Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

Wednesday, October 31, 2007

Sheet 8 - Addback of Smart Meter Rate Adder

Note: No inputs are required for this worksheet.

Class	Monthly Service Charge \$	Add: Smart Meter Rate Adder \$	Adjusted Monthly Service Charge \$	Adjusted Volumetric Charge kW / kWh
<i>Residential Urban</i>	\$ 11.05	\$ 0.26	\$ 11.31	0.0319
<i>Residential Suburban</i>	\$ 11.55	\$ 0.26	\$ 11.81	0.0321
<i>General Service Less Than 50 kW</i>	\$ 18.39	\$ 0.26	\$ 18.65	0.0232
<i>General Service 50 to 4,999 kW</i>	\$ 34.26	\$ 0.26	\$ 34.52	6.1432
<i>Unmetered Scattered Load</i>	\$ 9.20	\$ -	\$ 9.20	0.0240
<i>Sentinel Lighting</i>	\$ 1.75	\$ -	\$ 1.75	4.7769
<i>Street Lighting</i>	\$ 1.54	\$ -	\$ 1.54	4.1829
<i>Embedded Distributor</i>	\$ -	\$ -	\$ -	0.6313



2008 INCENTIVE RATE MECHANISM ADJUSTMENT
Haldimand County Hydro Inc.
EB-2007-XXXX, EB-2007-0535, EB-2005-0373
Wednesday, October 31, 2007
Sheet 9. - Z-Factor Rate Rider Adjustment

Is the Applicant seeking Board approval for other rate adjustments? YES NO

Z-Factor rate riders being applied for as part of the 2008 IRM rate adjustments should comply with Section 3.5 and Appendix C of the *Report of the Board on Cost of Capital and 2nd Generation Regulation Mechanism for Ontario's Electricity Distributors*, issued December 20, 2006 (link http://www.oeb.gov.on.ca/documents/cases/EB-2006-0088/report_of_the_board_201206.pdf). Rate riders applied for should comply with the eligibility requirements. A distributor should also file adequate support for its proposal.

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

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

Haldimand County Hydro Inc.

Tariff OF RATES AND CHARGES

Effective May 1, 2008*

(*Except as otherwise noted)

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

EB-2007-0535

FOR OEB STAFF USE ONLY

MONTHLY RATES AND CHARGES

Residential Urban

Service Charge	\$	11.31
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0319
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0050
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Residential Suburban

Service Charge	\$	11.81
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0321
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0050
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service Less Than 50 kW

Service Charge	\$	18.65
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0232
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0046
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0039
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service 50 to 4,999 kW

Service Charge	\$	34.52
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kW	6.1432
Distribution Volumetric, Non-routine Rate Rider	\$/kW	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate	\$/kW	1.8794
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5400
Retail Transmission Rate – Network Service Rate - Interval Metered	\$/kW	1.9936
Retail Transmission Rate – Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.7020
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Unmetered Scattered Load

Service Charge (per connection)	\$	9.20
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kWh	0.0240
Distribution Volumetric, Non-routine Rate Rider	\$/kWh	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0046
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0039
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kWh	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kWh	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Sentinel Lighting

Service Charge (per connection)	\$	1.75
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kW	4.7769
Distribution Volumetric, Non-routine Rate Rider	\$/kW	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate	\$/kW	1.4245
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2154
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Street Lighting

Service Charge (per connection)	\$	1.54
Service Charge - Non-Routine Rate Rider	\$	0.00
Distribution Volumetric Rate	\$/kW	4.1829
Distribution Volumetric, Non-routine Rate Rider	\$/kW	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate	\$/kW	1.4174
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1906
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Embedded Distributor

Service Charge	\$	0.00
Service Charge - Non-Routine Rate Rider	\$	0.00
Monthly Distribution Wheeling Service Rate - Norfolk Power	\$/kW	0.6313
Distribution Volumetric, Non-routine Rate Rider	\$/kW	0.0000
Rate Rider 1 (if applicable)	0	0.0000
Rate Rider 2 (if applicable)	0	0.0000
Regulatory Asset Recovery	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate - Norfolk Power	\$/kW	2.9091
Retail Transmission Rate – Line and Transformation Connection Service Rate - Norfolk Power	\$/kW	2.4973
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Network Service Rate (if applicable)	\$/kW	0.0000
Retail Transmission Rate – Line and Transformation Connection Service Rate (if applicable)	\$/kW	0.0000
Wholesale Market Service Rate	\$/kWh	0.0000
Rural Rate Protection Charge	\$/kWh	0.0000
Standard Supply Service – Administrative Charge (if applicable)	\$	0.00

Specific Service Charges

Customer Administration

Legal letter charge	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
Disconnect/Reconnect at pole - during regular hours	\$	185.00
Disconnect/Reconnect at pole - after regular hours	\$	415.00
	0	0.00
	0	0.00
	0	0.00

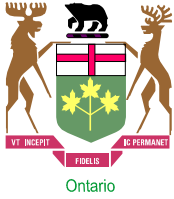
Install/Remove load control device - during regular hours	\$	65.00
Install/Remove load control device - after regular hours	\$	185.00
Temporary service install & remove - overhead - no transformer	\$	500.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
Bell Canada Pole Rentals	\$	18.08
Norfolk Pole Rentals - Billed	\$	28.61
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00
	\$	0.00

Allowances

Transformer Allowance for Ownership - per kW of billing demand/month	\$	(0.60)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)
	\$/kW	0.00
	\$/kW	0.00

LOSS FACTORS

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0565
Total Loss Factor - Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0460
Total Loss Factor - Primary Metered Customer > 5,000 kW	N/A
Total Loss Factor - Embedded Distributor - Norfolk Power	1.0253



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

Wednesday, October 31, 2007

Sheet 11 - Distribution Rate Change Summary

Note: No inputs are required for this worksheet.

Residential Urban

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 11.27	\$ 0.0318
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.10	\$ 0.0003
Add: K-Factor	\$ (0.06)	-\$ 0.0002
Add: Smart Meters	\$ 0.26	\$ -
Final 2008 Rates	\$ 11.31	\$ 0.0319

Residential Suburban

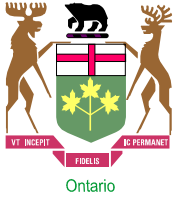
Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 11.76	\$ 0.0320
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.10	\$ 0.0003
Add: K-Factor	\$ (0.06)	-\$ 0.0002
Add: Smart Meters	\$ 0.26	\$ -
Final 2008 Rates	\$ 11.81	\$ 0.0321

General Service Less Than 50 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 18.58	\$ 0.0231
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.16	\$ 0.0002
Add: K-Factor	\$ (0.09)	-\$ 0.0001
Add: Smart Meters	\$ 0.26	\$ -
Final 2008 Rates	\$ 18.65	\$ 0.0232

General Service 50 to 4,999 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 34.38	\$ 6.1187
Less: Smart meters	-\$ 0.26	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.31	\$ 0.0551
Add: K-Factor	\$ (0.17)	-\$ 0.0306
Add: Smart Meters	\$ 0.26	\$ -
Final 2008 Rates	\$ 34.52	\$ 6.1432



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

Wednesday, October 31, 2007

Sheet 11 - Distribution Rate Change Summary

Unmetered Scattered Load

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 9.16	\$ 0.0239
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.08	\$ 0.0002
Add: K-Factor	\$ (0.05)	-\$ 0.0001
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 9.20	\$ 0.0240

Sentinel Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 1.74	\$ 4.7579
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.02	\$ 0.0428
Add: K-Factor	\$ (0.01)	-\$ 0.0238
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 1.75	\$ 4.7769

Street Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 1.53	\$ 4.1662
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ 0.01	\$ 0.0375
Add: K-Factor	\$ (0.01)	-\$ 0.0208
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ 1.54	\$ 4.1829

Embedded Distributor

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ -	\$ 0.6288
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPi - X	\$ -	\$ 0.0057
Add: K-Factor	\$ -	-\$ 0.0031
Add: Smart Meters	\$ -	\$ -
Final 2008 Rates	\$ -	\$ 0.6313



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

Wednesday, October 31, 2007

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

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

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

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

Residential Urban

Consumption	1,000 kWh	0 kW	Loss Factor 1.0565
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	600	\$ 0.0530	\$ 31.80	600	\$ 0.0530	\$ 31.80	\$0.00	0.0%	23.63%
Energy Second Tier (kWh)	457	\$ 0.0620	\$ 28.30	457	\$ 0.0620	\$ 28.30	\$0.00	0.0%	21.03%
Sub-Total: Energy			\$ 60.10			\$ 60.10	\$0.00	0.0%	44.67%
Monthly Service Charge	1	\$ 11.27	\$ 11.27	1	\$ 11.31	\$ 11.31	\$0.04	0.4%	8.41%
Distribution (kWh)	1,000	\$ 0.0318	\$ 31.80	1,000	\$ 0.0319	\$ 31.90	\$0.10	0.3%	23.71%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	1,000	\$ 0.0009	\$ 0.90	1,000	\$ -	\$ -	(\$0.90)	(100.0)%	0.00%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	1,057	\$ 0.0050	\$ 5.28	1,057	\$ 0.0050	\$ 5.28	\$0.00	0.0%	3.93%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,057	\$ 0.0043	\$ 4.54	1,057	\$ 0.0043	\$ 4.54	\$0.00	0.0%	3.38%
Sub-Total: Delivery			\$ 53.80			\$ 53.04	(\$0.76)	(1.4)%	39.42%
Wholesale Market Service Rate	1057	\$ 0.0052	\$ 5.49	1057	\$ 0.0052	\$ 5.49	\$0.00	0.0%	4.08%
Rural Rate Protection Charge	1057	\$ 0.0010	\$ 1.06	1057	\$ 0.0010	\$ 1.06	\$0.00	0.0%	0.79%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.19%
Sub-Total: Regulatory			\$ 6.80			\$ 6.80	\$0.00	0.0%	5.05%
Debt Retirement Charge (DRC)	1,000	\$ 0.0070	\$ 7.00	1,000	\$ 0.0070	\$ 7.00	\$0.00	0.0%	5.20%
Total Bill before Taxes			\$ 127.70			\$ 126.94	(\$0.76)	(0.6)%	94.34%
GST	\$ 127.70	6.00%	\$ 7.66	\$ 126.94	6.00%	\$ 7.62	(\$0.05)	(0.6)%	5.66%
Total Bill after Taxes			\$ 135.36			\$ 134.56	(\$0.81)	(0.6)%	100.00%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

Wednesday, October 31, 2007

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

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

Residential Suburban

Consumption	1,000 kWh	0 kW	Loss Factor 1.0565
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	600	\$ 0.0530	\$ 31.80	600	\$ 0.0530	\$ 31.80	\$0.00	0.0%	23.50%
Energy Second Tier (kWh)	457	\$ 0.0620	\$ 28.30	457	\$ 0.0620	\$ 28.30	\$0.00	0.0%	20.92%
Sub-Total: Energy			\$ 60.10			\$ 60.10	\$0.00	0.0%	44.42%
Monthly Service Charge	1	\$ 11.76	\$ 11.76	1	\$ 11.81	\$ 11.81	\$0.05	0.4%	8.73%
Distribution (kWh)	1,000	\$ 0.0320	\$ 32.00	1,000	\$ 0.0321	\$ 32.10	\$0.10	0.3%	23.73%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	1,000	\$ 0.0016	\$ 1.60	1,000	\$ -	\$ -	\$1.60	(100.0)%	0.00%
Rate Riders	1,000	\$ -	\$ -	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	1,057	\$ 0.0050	\$ 5.28	1,057	\$ 0.0050	\$ 5.28	\$0.00	0.0%	3.90%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,057	\$ 0.0043	\$ 4.54	1,057	\$ 0.0043	\$ 4.54	\$0.00	0.0%	3.36%
Sub-Total: Delivery			\$ 51.99			\$ 53.74	\$1.75	3.4%	39.72%
Wholesale Market Service Rate	1057	\$ 0.0052	\$ 5.49	1057	\$ 0.0052	\$ 5.49	\$0.00	0.0%	4.06%
Rural Rate Protection Charge	1057	\$ 0.0010	\$ 1.06	1057	\$ 0.0010	\$ 1.06	\$0.00	0.0%	0.78%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.18%
Sub-Total: Regulatory			\$ 6.80			\$ 6.80	\$0.00	0.0%	5.03%
Debt Retirement Charge (DRC)	1,000	\$ 0.0070	\$ 7.00	1,000	\$ 0.0070	\$ 7.00	\$0.00	0.0%	5.17%
Total Bill before Taxes			\$ 125.89			\$ 127.64	\$1.75	1.4%	94.34%
GST	\$ 125.89	6.00%	\$ 7.55	\$ 127.64	6.00%	\$ 7.66	\$0.11	1.4%	5.66%
Total Bill after Taxes			\$ 133.44			\$ 135.30	\$1.85	1.4%	100.00%

General Service Less Than 50 kW

Consumption	2,000 kWh	0 kW	Loss Factor 1.0565
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	15.98%
Energy Second Tier (kWh)	1,363	\$ 0.0620	\$ 84.51	1,363	\$ 0.0620	\$ 84.51	\$0.00	0.0%	33.98%
Sub-Total: Energy			\$ 124.26			\$ 124.26	\$0.00	0.0%	49.96%
Monthly Service Charge	1	\$ 18.58	\$ 18.58	1	\$ 18.65	\$ 18.65	\$0.07	0.4%	7.50%
Distribution (kWh)	2,000	\$ 0.0231	\$ 46.20	2,000	\$ 0.0232	\$ 46.40	\$0.20	0.4%	18.66%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	2,000	\$ 0.0023	\$ 4.60	2,000	\$ -	\$ -	\$4.60	(100.0)%	0.00%
Rate Riders	2,000	\$ -	\$ -	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	2,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	2,113	\$ 0.0046	\$ 9.72	2,113	\$ 0.0046	\$ 9.72	\$0.00	0.0%	3.91%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,113	\$ 0.0039	\$ 8.24	2,113	\$ 0.0039	\$ 8.24	\$0.00	0.0%	3.31%
Sub-Total: Delivery			\$ 78.14			\$ 83.01	\$4.87	6.2%	33.38%
Wholesale Market Service Rate	2113	\$ 0.0052	\$ 10.99	2113	\$ 0.0052	\$ 10.99	\$0.00	0.0%	4.42%
Rural Rate Protection Charge	2113	\$ 0.0010	\$ 2.11	2113	\$ 0.0010	\$ 2.11	\$0.00	0.0%	0.85%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.10%
Sub-Total: Regulatory			\$ 13.35			\$ 13.35	\$0.00	0.0%	5.37%
Debt Retirement Charge (DRC)	2,000	\$ 0.0070	\$ 14.00	2,000	\$ 0.0070	\$ 14.00	\$0.00	0.0%	5.63%
Total Bill before Taxes			\$ 229.75			\$ 234.62	\$4.87	2.1%	94.34%
GST	\$ 229.75	6.00%	\$ 13.78	\$ 234.62	6.00%	\$ 14.08	\$0.29	2.1%	5.66%
Total Bill after Taxes			\$ 243.53			\$ 248.69	\$5.16	2.1%	100.00%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

Wednesday, October 31, 2007

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, **green cells** are input cells)

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

General Service 50 to 4,999 kW

Consumption	15,000 kWh	200 kW	Loss Factor 1.0565
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	0.95%
Energy Second Tier (kWh)	15,098	\$ 0.0620	\$ 936.05	15,098	\$ 0.0620	\$ 936.05	\$0.00	0.0%	22.38%
Sub-Total: Energy			\$ 975.80			\$ 975.80	\$0.00	0.0%	23.33%
Monthly Service Charge	1	\$ 34.38	\$ 34.38	1	\$ 34.52	\$ 34.52	\$0.14	0.4%	0.83%
Distribution (kWh)	15,000	\$ -	\$ -	15,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	200	\$ 6.1187	\$ 1,223.74	200	\$ 6.1432	\$ 1,228.64	\$4.90	0.4%	29.37%
Regulatory Assets (kWh)	200	-\$ 1.1627	-\$ 232.54	200	\$ -	\$ -	\$232.54	(100.0)%	0.00%
Rate Riders	200	\$ -	\$ -	200	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	200	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	211	\$ 3.8730	\$ 818.36	211	\$ 3.8730	\$ 818.36	\$0.00	0.0%	19.57%
Retail Transmission Rate – Line and Transformation Connection Service Rate	211	\$ 3.2420	\$ 685.03	211	\$ 3.2420	\$ 685.03	\$0.00	0.0%	16.38%
Sub-Total: Delivery			\$ 2,528.98			\$ 2,766.56	\$237.58	9.4%	66.14%
Wholesale Market Service Rate	15848	\$ 0.0052	\$ 82.41	15848	\$ 0.0052	\$ 82.41	\$0.00	0.0%	1.97%
Rural Rate Protection Charge	15848	\$ 0.0010	\$ 15.85	15848	\$ 0.0010	\$ 15.85	\$0.00	0.0%	0.38%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.01%
Sub-Total: Regulatory			\$ 98.50			\$ 98.50	\$0.00	0.0%	2.36%
Debt Retirement Charge (DRC)	15,000	\$ 0.0070	\$ 105.00	15,000	\$ 0.0070	\$ 105.00	\$0.00	0.0%	2.51%
Total Bill before Taxes			\$ 3,708.28			\$ 3,945.86	\$237.58	6.4%	94.34%
GST	\$ 3,708.28	6.00%	\$ 222.50	\$ 3,945.86	6.00%	\$ 236.75	\$14.25	6.4%	5.66%
Total Bill after Taxes			\$ 3,930.78			\$ 4,182.61	\$251.83	6.4%	100.00%

Unmetered Scattered Load

Consumption	600 kWh	0 kW	Loss Factor 1.0565
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	634	\$ 0.0530	\$ 33.60	634	\$ 0.0530	\$ 33.60	\$0.00	0.0%	44.66%
Energy Second Tier (kWh)	0	\$ 0.0620	\$ -	0	\$ 0.0620	\$ -	\$0.00	0.0%	0.00%
Sub-Total: Energy			\$ 33.60			\$ 33.60	\$0.00	0.0%	44.66%
Monthly Service Charge	1	\$ 9.16	\$ 9.16	1	\$ 9.20	\$ 9.20	\$0.04	0.4%	12.23%
Distribution (kWh)	600	\$ 0.0239	\$ 14.34	600	\$ 0.0240	\$ 14.40	\$0.06	0.4%	19.14%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	600	-\$ 0.0002	-\$ 0.12	600	\$ -	\$ -	\$0.12	(100.0)%	0.00%
Rate Riders	600	\$ -	\$ -	600	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	600	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	634	\$ 0.0046	\$ 2.92	634	\$ 0.0046	\$ 2.92	\$0.00	0.0%	3.88%
Retail Transmission Rate – Line and Transformation Connection Service Rate	634	\$ 0.0039	\$ 2.47	634	\$ 0.0039	\$ 2.47	\$0.00	0.0%	3.29%
Sub-Total: Delivery			\$ 28.77			\$ 28.99	\$0.22	0.8%	38.54%
Wholesale Market Service Rate	634	\$ 0.0052	\$ 3.30	634	\$ 0.0052	\$ 3.30	\$0.00	0.0%	4.38%
Rural Rate Protection Charge	634	\$ 0.0010	\$ 0.63	634	\$ 0.0010	\$ 0.63	\$0.00	0.0%	0.84%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.33%
Sub-Total: Regulatory			\$ 4.18			\$ 4.18	\$0.00	0.0%	5.56%
Debt Retirement Charge (DRC)	600	\$ 0.0070	\$ 4.20	600	\$ 0.0070	\$ 4.20	\$0.00	0.0%	5.58%
Total Bill before Taxes			\$ 70.75			\$ 70.97	\$0.22	0.3%	94.34%
GST	\$ 70.75	6.00%	\$ 4.24	\$ 70.97	6.00%	\$ 4.26	\$0.01	0.3%	5.66%
Total Bill after Taxes			\$ 74.99			\$ 75.22	\$0.23	0.3%	100.00%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

Wednesday, October 31, 2007

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

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

Sentinel Lighting

Consumption	200 kWh	1 kW	Loss Factor 1.0565
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	211	\$ 0.0530	\$ 11.20	211	\$ 0.0530	\$ 11.20	\$0.00	0.0%	45.01%
Energy Second Tier (kWh)	0	\$ 0.0620	\$ -	0	\$ 0.0620	\$ -	\$0.00	0.0%	0.00%
Sub-Total: Energy			\$ 11.20			\$ 11.20	\$0.00	0.0%	45.01%
Monthly Service Charge	1	\$ 1.74	\$ 1.74	1	\$ 1.75	\$ 1.75	\$0.01	0.6%	7.03%
Distribution (kWh)	200	\$ -	\$ -	200	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	1	\$ 4.7579	\$ 4.76	1	\$ 4.7769	\$ 4.78	\$0.02	0.4%	19.20%
Regulatory Assets (kWh)	1	-\$ 2.0665	-\$ 2.07	1	\$ -	\$ -	-\$2.07	(100.0)%	0.00%
Rate Riders	1	\$ -	\$ -	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	1	\$ 1.4245	\$ 1.50	1	\$ 1.4245	\$ 1.50	\$0.00	0.0%	6.05%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1	\$ 1.2154	\$ 1.28	1	\$ 1.2154	\$ 1.28	\$0.00	0.0%	5.16%
Sub-Total: Delivery			\$ 7.22			\$ 9.32	\$2.10	29.0%	37.44%
Wholesale Market Service Rate	211	\$ 0.0052	\$ 1.10	211	\$ 0.0052	\$ 1.10	\$0.00	0.0%	4.42%
Rural Rate Protection Charge	211	\$ 0.0010	\$ 0.21	211	\$ 0.0010	\$ 0.21	\$0.00	0.0%	0.85%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	1.00%
Sub-Total: Regulatory			\$ 1.56			\$ 1.56	\$0.00	0.0%	6.27%
Debt Retirement Charge (DRC)	200	\$ 0.0070	\$ 1.40	200	\$ 0.0070	\$ 1.40	\$0.00	0.0%	5.63%
Total Bill before Taxes			\$ 21.38			\$ 23.47	\$2.10	9.8%	94.34%
GST	\$ 21.38	6.00%	\$ 1.28	\$ 23.47	6.00%	\$ 1.41	\$0.13	9.8%	5.66%
Total Bill after Taxes			\$ 22.66			\$ 24.88	\$2.22	9.8%	100.0%

Street Lighting

Consumption	200,000 kWh	500 kW	Loss Factor 1.0565
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	0.19%
Energy Second Tier (kWh)	210,550	\$ 0.0620	\$ 13,054.10	210,550	\$ 0.0620	\$ 13,054.10	\$0.00	0.0%	63.89%
Sub-Total: Energy			\$ 13,093.85			\$ 13,093.85	\$0.00	0.0%	64.09%
Monthly Service Charge	1	\$ 1.53	\$ 1.53	1	\$ 1.54	\$ 1.54	\$0.01	0.7%	0.01%
Distribution (kWh)	200,000	\$ -	\$ -	200,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	500	\$ 4.1662	\$ 2,083.10	500	\$ 4.1829	\$ 2,091.45	\$8.35	0.4%	10.24%
Regulatory Assets (kWh)	500	-\$ 1.6113	-\$ 805.65	500	\$ -	\$ -	-\$805.65	(100.0)%	0.00%
Rate Riders	500	\$ -	\$ -	500	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	500	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	528	\$ 1.4174	\$ 748.74	528	\$ 1.4174	\$ 748.74	\$0.00	0.0%	3.66%
Retail Transmission Rate – Line and Transformation Connection Service Rate	528	\$ 1.1906	\$ 628.93	528	\$ 1.1906	\$ 628.93	\$0.00	0.0%	3.08%
Sub-Total: Delivery			\$ 2,656.66			\$ 3,470.67	\$814.01	30.6%	16.99%
Wholesale Market Service Rate	211,300	\$ 0.0052	\$ 1,098.76	211,300	\$ 0.0052	\$ 1,098.76	\$0.00	0.0%	5.38%
Rural Rate Protection Charge	211,300	\$ 0.0010	\$ 211.30	211,300	\$ 0.0010	\$ 211.30	\$0.00	0.0%	1.03%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
Sub-Total: Regulatory			\$ 1,310.31			\$ 1,310.31	\$0.00	0.0%	6.41%
Debt Retirement Charge (DRC)	200,000	\$ 0.0070	\$ 1,400.00	200,000	\$ 0.0070	\$ 1,400.00	\$0.00	0.0%	6.85%
Total Bill before Taxes			\$ 18,460.82			\$ 19,274.83	\$814.01	4.4%	94.34%
GST	\$ 18,460.82	6.00%	\$ 1,107.65	\$ 19,274.83	6.00%	\$ 1,156.49	\$48.84	4.4%	5.66%
Total Bill after Taxes			\$ 19,568.46			\$ 20,431.32	\$862.85	4.4%	100.0%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

Wednesday, October 31, 2007

Sheet 12 - Annualized Bill Impact

Instructions

(Remember, green cells are input cells)

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

Embedded Distributor

Consumption	0 kWh	11,000 kW	Loss Factor 1.0565
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	0	\$ 0.0530	\$ -	0	\$ 0.0530	\$ -	\$0.00	0.0%	0.00%
Energy Second Tier (kWh)	0	\$ 0.0620	\$ -	0	\$ 0.0620	\$ -	\$0.00	0.0%	0.00%
Sub-Total: Energy			\$ -			\$ -	\$0.00	0.0%	0.00%
Monthly Service Charge	1	\$ -	\$ -	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kWh)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	11,000	\$ 0.6288	\$ 6,916.80	11,000	\$ 0.6313	\$ 6,944.30	\$27.50	0.4%	9.39%
Regulatory Assets (kWh)	11,000	\$ -	\$ -	11,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Rate Riders	11,000	\$ -	\$ -	11,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	11,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	11,622	\$ 2.9091	\$ 33,808.11	11,622	\$ 2.9091	\$ 33,808.11	\$0.00	0.0%	45.71%
Retail Transmission Rate – Line and Transformation Connection Service Rate	11,622	\$ 2.4973	\$ 29,022.37	11,622	\$ 2.4973	\$ 29,022.37	\$0.00	0.0%	39.24%
Sub-Total: Delivery			\$ 69,747.28			\$ 69,774.78	\$27.50	0.0%	94.34%
Wholesale Market Service Rate	0	\$ 0.0052	\$ -	0	\$ 0.0052	\$ -	\$0.00	0.0%	0.00%
Rural Rate Protection Charge	0	\$ 0.0010	\$ -	0	\$ 0.0010	\$ -	\$0.00	0.0%	0.00%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
Sub-Total: Regulatory			\$ 0.25			\$ 0.25	\$0.00	0.0%	0.00%
Debt Retirement Charge (DRC)	0	\$ 0.0070	\$ -	0	\$ 0.0070	\$ -	\$0.00	0.0%	0.00%
Total Bill before Taxes			\$ 69,747.53			\$ 69,775.03	\$27.50	0.0%	94.34%
GST	\$ 69,747.53	6.00%	\$ 4,184.85	\$ 69,775.03	6.00%	\$ 4,186.50	\$1.65	0.0%	5.66%
Total Bill after Taxes			\$ 73,932.38			\$ 73,961.53	\$29.15	0.0%	100.00%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Haldimand County Hydro Inc.

EB-2007-XXXX, EB-2007-0535, EB-2005-0373

October 31, 2007

Sheet 13 - Bill Impacts by Consumption

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

Please note that the values input into columns C (kWh) and D (kW) below are filler only and may or may not reflect the true consumption nature of the associated rate class. It is the applicant's responsibility to ensure realistic value ranges are entered into the Columns C & D.

Class	Consumption kWh	Consumption kW	2007 Bill	2008 Bill	Difference \$	Bill Impact %	Max	Min
Residential Urban	100		\$ 24.09	\$ 24.05	\$ (0.04)	-0.2%	-0.2%	-0.6%
	250		\$ 41.91	\$ 41.74	\$ (0.17)	-0.4%		
	500		\$ 71.61	\$ 71.23	\$ (0.38)	-0.5%		
	600		\$ 83.81	\$ 83.34	\$ (0.47)	-0.6%		
	750		\$ 103.14	\$ 102.55	\$ (0.59)	-0.6%		
	1,000		\$ 135.36	\$ 134.56	\$ (0.81)	-0.6%		
	1,500		\$ 199.80	\$ 198.57	\$ (1.23)	-0.6%		
Residential Suburban	100		\$ 52.14	\$ 52.37	\$ 0.23	0.4%	1.4%	0.4%
	250		\$ 60.69	\$ 61.19	\$ 0.50	0.8%		
	500		\$ 74.94	\$ 75.89	\$ 0.95	1.3%		
	600		\$ 82.87	\$ 84.00	\$ 1.13	1.4%		
	750		\$ 101.83	\$ 103.24	\$ 1.40	1.4%		
	1,000		\$ 133.44	\$ 135.30	\$ 1.86	1.4%		
	1,500		\$ 196.66	\$ 199.42	\$ 2.76	1.4%		
General Service Less Than 50 kW	1,000		\$ 128.17	\$ 130.79	\$ 2.62	2.0%	2.2%	2.0%
	2,000		\$ 243.53	\$ 248.69	\$ 5.16	2.1%		
	2,500		\$ 301.21	\$ 307.65	\$ 6.43	2.1%		
	4,000		\$ 474.26	\$ 484.51	\$ 10.25	2.2%		
	5,000		\$ 589.62	\$ 602.42	\$ 12.79	2.2%		
	10,000		\$ 1,166.44	\$ 1,191.95	\$ 25.51	2.2%		
	12,500		\$ 1,454.85	\$ 1,486.72	\$ 31.87	2.2%		
General Service 50 to 4,999 kW	15,000	10	\$ 1,422.41	\$ 1,435.50	\$ 13.08	0.9%	0.9%	0.9%
	40,000	27	\$ 3,743.84	\$ 3,778.49	\$ 34.64	0.9%		
	100,000	69	\$ 9,315.27	\$ 9,401.66	\$ 86.39	0.9%		
	400,000	274	\$ 37,172.43	\$ 37,517.55	\$ 345.11	0.9%		
	1,000,000	685	\$ 92,886.75	\$ 93,749.31	\$ 862.56	0.9%		
	1,500,000	1,028	\$ 139,315.35	\$ 140,609.12	\$ 1,293.77	0.9%		
	2,000,000	1,371	\$ 185,743.95	\$ 187,468.93	\$ 1,724.97	0.9%		
Unmetered Scattered Load	250		\$ 37.06	\$ 37.19	\$ 0.12	0.3%	0.4%	0.3%
	300		\$ 42.48	\$ 42.62	\$ 0.14	0.3%		
	500		\$ 64.15	\$ 64.36	\$ 0.20	0.3%		
	600		\$ 74.99	\$ 75.22	\$ 0.23	0.3%		
	750		\$ 91.65	\$ 91.93	\$ 0.28	0.3%		
			\$ 9.97	\$ 10.02	\$ 0.04	0.4%		
			\$ 9.97	\$ 10.02	\$ 0.04	0.4%		
Sentinel Lighting	50	1	\$ 11.60	\$ 13.83	\$ 2.22	19.1%	19.1%	0.5%
	75	1	\$ 13.45	\$ 15.67	\$ 2.22	16.5%		
	100	1	\$ 15.29	\$ 17.51	\$ 2.22	14.5%		
	150	1	\$ 18.98	\$ 21.20	\$ 2.22	11.7%		
	200	1	\$ 22.66	\$ 24.88	\$ 2.22	9.8%		
			\$ 2.11	\$ 2.12	\$ 0.01	0.5%		
			\$ 2.11	\$ 2.12	\$ 0.01	0.5%		
Street Lighting	375	1	\$ 35.16	\$ 36.90	\$ 1.74	4.9%	5.8%	0.6%
	1,500	5	\$ 148.57	\$ 157.21	\$ 8.64	5.8%		
	2,000	5	\$ 190.47	\$ 199.11	\$ 8.64	4.5%		
	200,000	500	\$ 19,568.47	\$ 20,431.32	\$ 862.85	4.4%		
			\$ 1.89	\$ 1.90	\$ 0.01	0.6%		
			\$ 1.89	\$ 1.90	\$ 0.01	0.6%		
			\$ 1.89	\$ 1.90	\$ 0.01	0.6%		
Embedded Distributor		10,500	\$ 70,571.83	\$ 70,599.65	\$ 27.83	0.0%	0.0%	0.0%
		11,000	\$ 73,932.38	\$ 73,961.53	\$ 29.15	0.0%		
		12,500	\$ 84,014.03	\$ 84,047.16	\$ 33.13	0.0%		
			\$ 0.27	\$ 0.27	\$ -	0.0%		
			\$ 0.27	\$ 0.27	\$ -	0.0%		
			\$ 0.27	\$ 0.27	\$ -	0.0%		
			\$ 0.27	\$ 0.27	\$ -	0.0%		