

**Hydro One Brampton Networks Inc.**  
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November 1, 2007

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, Ontario M4P 1E4

Dear Ms. Walli,

**Re: Hydro One Brampton Networks Inc. 2008 Electricity Distribution Rate Application/EB-2008-XXXX (EB-2007-0541)**

Hydro One Brampton Networks Inc. (“Hydro One Brampton”) is pleased to file with the Ontario Energy Board (“the Board”) its 2008 Electricity Distribution Rate Application.

Hydro One Brampton is applying to the Board for rate adjustments to all distribution rates in accordance with the 2008 Incentive Regulation Mechanism (“IRM”). Hydro One Brampton utilized the standard 2008 IRM Model Spreadsheet as provided by the Board as the sole mechanism used to adjust the 2008 distribution rates.

Hydro One Brampton has provided a Schedule of New Rates for the Board’s review. The Schedule identifies the Monthly Rates and Charges based on the 2008 IRM Model Spreadsheet. Hydro One Brampton utilized the methodology from Appendix E of the Board’s Decisions with Reasons, pertaining to the Combined Proceeding associated with smart metering, to calculate the smart metering rate rider.

Please find attached to this cover letter:

- 2 - paper copies of the Manager’s Summary and the 2008 IRM Model and all supporting documentation of Hydro One Brampton’s 2008 Electricity Distribution Rate Application

- 1 - compact disk containing an electronic copy of the 2008 Electricity Distribution Rate Application, in unrestricted PDF format, and a copy of the Microsoft Excel 2008 IRM Model

We would be pleased to provide any additional information that the OEB requires in the processing of these documents. If additional information is required, please contact the undersigned.

Sincerely,

*Original Signed By*

Scott Miller  
Regulatory Affairs Manager  
Hydro One Brampton Networks Inc.  
[smiller@HydroOneBrampton.com](mailto:smiller@HydroOneBrampton.com)  
(905) 452-5504

Roger A. Albert, President & CEO, Hydro One Brampton Networks Inc.  
Jamie Gribbon, Vice President Finance and Administration, Hydro One Brampton Networks Inc.

Encl.

**HYDRO ONE BRAMPTON NETWORKS INC.**  
**RATE APPLICATION 2008 INFORMATIONAL FILING**  
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**HYDRO ONE BRAMPTON NETWORKS INC.**

**MANAGER'S SUMMARY**

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**Hydro One Brampton Networks Inc.**

**2008 Distribution Rate Adjustments**

**ED-2003-0038**

**EB-2005-0377/EB-2008-XXXX**

**Summary of Application**

**November 1, 2007**



1           ▪ K-Factor Derivation of (0.4%)

2           As a result of the fourth and final instalment of regulatory asset recovery in 2007, the rate  
3           rider will no longer be included in Hydro One Brampton's distribution rate calculations  
4           for all customer classes effective May 1<sup>st</sup>, 2008. As a result of the discontinuance of this  
5           rate rider and the above mentioned rate adjustment, the total bill of an average residential  
6           customer consuming 1000 kWh per month will decrease by 1.6% before taxes.

7  
8           **1. CDM Adjustments**

9  
10           Hydro One Brampton did not apply for or receive any incremental CDM funding over and  
11           above the 3<sup>rd</sup> tranche in its 2007 EDR submission. This is identified on Tab 5 of the 2008  
12           IRM Model Spreadsheet.

13  
14           **2. Large Corporation Tax (LCT) Adjustment**

15  
16           In the December 20<sup>th</sup>, 2006 "**Report of the Board on Cost of Capital and 2<sup>nd</sup>**  
17           **Generation Incentive Regulation for Ontario's Electricity Distributors**", Appendix D  
18           states that:

19           *"For those distributors that had a Large Corporation Tax (LCT) allowance approved in*  
20           *their 2006 distribution rates, the model will reduce rates to reflect the removal of this*  
21           *allowance in 2007. These distributors must input their 2006 approved LCT allowance*  
22           *from their EDR models and 2006 base revenue requirement from the EDR model. The*  
23           *reduction in the allowance will be reflected through a percentage decrease in distribution*  
24           *rates calculated by the ratio of 2006 LCT allowance to the 2006 Base revenue*  
25           *requirement.*

26           *The LCT allowance will be removed from 2006 rates before the price cap adjustment is*  
27           *applied."*

28  
29           As stated on Tab 6 of the 2008 IRM Model spreadsheet, "LCT is removed as it was  
30           removed in the 2007 EDR".

1       **3. Smart Meter Rate Rider**

2  
3       On April 12, 2007 the Board released the Decision approving Hydro One Brampton's  
4       2007 distribution rates, effective May 1, 2007. Hydro One Brampton's Smart Meter rate  
5       rider was approved at \$0.67 per month per customer consistent with the revenue  
6       requirement identified in the Smart Meter Investment Plan. This rate rider information is  
7       supplied in Tab 4 of the 2008 IRM Model Spreadsheet.

8  
9       On August 8<sup>th</sup>, 2007, the Board released its Decisions with Reasons pertaining to the  
10      Combined Proceeding associated with smart metering installations. Hydro One Brampton  
11      has used the methodology from Appendix E of this decision to calculate the revenue  
12      requirement associated with the smart meter installations from January 1<sup>st</sup>, 2006 to May  
13      31<sup>st</sup>, 2007.

14  
15      Appendix E indicates an over collection of revenue associated with the revenue  
16      requirement during this time. This over collection of revenue is dealt with in Tab 9 of the  
17      2008 IRM Model Spreadsheet. A credit of \$0.09 per month per customer is applied to the  
18      monthly service charge of the customer classes that have a smart meter rate rider applied  
19      to them.

20  
21      In addition to the above, Appendix E also identifies a permanent capital rate adjustment of  
22      \$0.12 per month per customer. This adjustment is applied to Tab 4 of the 2008 IRM  
23      Model Spreadsheet.

24  
25      **4. Comments Pertaining to the 1% X-Factor**

26  
27      On April 25th, of this year, the Board released for comment a report by Board staff's  
28      consultant, Pacific Economics Group ("PEG"), on a methodology for comparing  
29      electricity distributor costs (the "PEG Report"). This report examines a series of



1 statistical information on the various Local Distribution Company's ("LDC's") in Ontario.

2 As per the report:

3 *"Statistics can be used to calculate benchmarks and draw conclusions about operating*  
4 *efficiency from benchmark comparisons."*

5  
6 On Page 58 of the report, there is a section titled "Comparing Performance Ratings This  
7 section states:

8 *"In Table 6, we provide overall rankings for the companies that are based on the peer*  
9 *group comparisons. These rankings are comparable to those that result from the*  
10 *econometric models. Inspecting the results, it can be seen that the rankings from the*  
11 *indexing and econometric work suggests that they are broadly similar. **For example,***  
12 ***Hydro One Brampton has a high performance ranking using all of the methods."***

13  
14 Hydro One Brampton has been very proactive in maximizing the opportunities for  
15 efficiencies in its operations. Since market opening, operating and administrative costs  
16 have decreased by 15%; from \$156 per customer in 2002 to \$133 per customer in 2006.  
17 We submit that many of these efficiencies were in place in 2004, the based year for the  
18 current rates. Hydro One Brampton's operating cost on a per customer basis is  
19 considerably lower than the industry average. This is also recognized in the PEG report.

20  
21 This application calls for a further efficiency improvement of 1% of base revenue  
22 requirement. While Hydro One Brampton submits this application with the efficiency  
23 reduction to the revenue requirement, we believe it is important to consider the  
24 improvements that have already been realized and recognized that all distributors may not  
25 have the same level of prospective efficiencies.

## 26 27 **5. Schedule of Rates**

28  
29 The following is a schedule of rates that was determined based on the 2008 IRM Model  
30 Spreadsheet.

1 Table 2 identifies the Specific Service Charges and Loss Factors. These rates have not  
 2 changed and are consistent with the approved rates associated with our current Schedule of  
 3 Rates.

4 **TABLE 1: SCHEDULE OF NEW RATES**

**Residential**

Service Charge	\$	11.62
Service Charge - Non-Routine Rate Rider	\$	(0.09)
Distribution Volumetric Rate	\$/kWh	0.0160
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0048
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	\$	21.62
Service Charge - Non-Routine Rate Rider	\$	(0.09)
Distribution Volumetric Rate	\$/kWh	0.0184
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0053
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043
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 699 kW**

Service Charge	\$	105.78
Service Charge - Non-Routine Rate Rider	\$	(0.09)
Distribution Volumetric Rate	\$/kW	2.3711
Retail Transmission Rate – Network Service Rate	\$/kW	2.0303
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6301
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 700 to 4,999 kW**

Service Charge	\$	1,458.80
Service Charge - Non-Routine Rate Rider	\$	(0.09)
Distribution Volumetric Rate	\$/kW	3.8618
Retail Transmission Rate – Network Service Rate	\$/kW	2.2770
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7523
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**TABLE 1: SCHEDULE OF NEW RATES CONTINUED...**

**Large Use**

Service Charge	\$	4,882.63
Service Charge - Non-Routine Rate Rider	\$	(0.09)
Distribution Volumetric Rate	\$/kW	3.0003
Retail Transmission Rate – Network Service Rate	\$/kW	2.5770
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.0254
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	\$	20.83
Distribution Volumetric Rate	\$/kWh	0.0184
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0053
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043
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**

Distribution Volumetric Rate	\$/kW	3.9272
Retail Transmission Rate – Network Service Rate	\$/kW	1.6926
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3588
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**

Distribution Volumetric Rate	\$/kW	2.2791
Retail Transmission Rate – Network Service Rate	\$/kW	1.6904
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3571
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Standby Power - APPROVED ON AN INTERIM BASIS**

Distribution Volumetric Rate	\$/kW	1.5276
------------------------------	-------	--------

**Embedded Distributor**

Distribution Volumetric Rate	\$/kW	0.0621
------------------------------	-------	--------

1

2

1

## TABLE 2: SPECIFIC SERVICE CHARGES

### Customer Administration

Arrears certificate	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00

### Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	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
Disconnect/Reconnect for >300 volts - during regular hours	\$	60.00
Disconnect/Reconnect for >300 volts - after regular hours	\$	155.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
Special Billing Service (aggregation)	\$	125.00
Special Billing Service (sub-metering charge per meter)	\$	25.00
Owner Requested Disconnect/Reconnect - during regular hours	\$	120.00
Owner Requested Disconnect/Reconnect - after regular hours	\$	155.00

### Allowances

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

### LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0356
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0253
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045

2

3





# Ontario Energy Board

## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

### Sheet 1 Utility Information Sheet

<b>Legend:</b>	Input Cell	Pull-Down Menu Option	Output Cell
----------------	------------	-----------------------	-------------

*Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.*

<b>Name of LDC:</b>	Hydro One Brampton Networks Inc.		
<b>Licence Number:</b>	ED-2003-0038		
<b>IRM 2008 EB Number:</b> (if known)	EB-2008-XXXX		
<b>IRM 2007 EB Number:</b>	EB-2007-0541		
<b>EDR 2006 RP Number:</b>	RP-2005-0020	<b>EDR 2006 EB Number:</b>	EB-2005-0377
<b>Date of Submission:</b>	11/01/07	<b>Last Saved Date:</b>	10/30/07 12:47 PM
<b>Model Version:</b>	2.0		
<b>Contact Information</b>			
<b>Name:</b>	Scott Miller		
<b>Title:</b>	Manager of Regulatory Affairs		
<b>Phone Number:</b>	(905) 452-5504		
<b>E-Mail Address:</b>	smiller@hydroonebrampton.com		

*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 2<sup>nd</sup> 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

**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 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

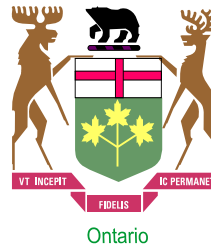
INPUT CELLS

PULL-DOWN MENU

OUTPUT CELLS

	Rate Classifications	Currently in Place
1	Residential	Yes
2	General Service Less Than 50 kW	Yes
3	General Service 50 to 699 kW	Yes
4	General Service 700 to 4,999 kW	Yes
5	Large Use	Yes
6	Unmetered Scattered Load	Yes
7	Sentinel Lighting	Yes
8	Street Lighting	Yes
9	Standby Power - APPROVED ON AN INTERIM BASIS	Yes
10	Embedded Distributor	Yes
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**

**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 2007**

**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**

Service Charge	\$	11.45		
Distribution Volumetric Rate	\$/kWh	0.0159		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kWh	0.0020		No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0059		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0048		
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	\$	21.40		
Distribution Volumetric Rate	\$/kWh	0.0183		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kWh	0.0013		No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0053		
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 50 to 699 kW**

Service Charge	\$	105.14		
Distribution Volumetric Rate	\$/kW	2.3593		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kW	0.2855		No
Retail Transmission Rate – Network Service Rate	\$/kW	2.0303		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6301		
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		

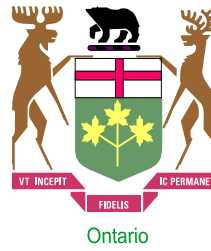
**General Service 700 to 4,999 kW**

Service Charge	\$	1,451.43		
Distribution Volumetric Rate	\$/kW	3.8426		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kW	0.3003		No
Retail Transmission Rate – Network Service Rate	\$/kW	2.2770		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7523		
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		

**Large Use**

Service Charge	\$	4,858.22		
Distribution Volumetric Rate	\$/kW	2.9854		
Rate Rider 1 (if applicable)				
Rate Rider 2 (if applicable)				
Regulatory Asset Recovery	\$/kW	0.3673		No
Retail Transmission Rate – Network Service Rate	\$/kW	2.5770		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.0254		





**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 2007**

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

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

**Unmetered Scattered Load**

Service Charge	\$		20.73
Distribution Volumetric Rate	\$/kWh		0.0183
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kWh	0.0013	No
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0053	
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

**Sentinel Lighting**

Service Charge	\$		
Distribution Volumetric Rate	\$/kW		3.9077
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	(1.6042)	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.6926	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3588	
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**

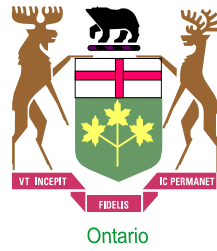
Service Charge	\$		
Distribution Volumetric Rate	\$/kW		2.2678
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW	0.3095	No
Retail Transmission Rate – Network Service Rate	\$/kW	1.6904	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3571	
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

**Standby Power - APPROVED ON AN INTERIM BASIS**

Service Charge	\$		
Distribution Volumetric Rate	\$/kW		1.5200
Rate Rider 1 (if applicable)			
Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW		No
Retail Transmission Rate – Network Service Rate	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW		
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

**Embedded Distributor**

Service Charge	\$		
Distribution Volumetric Rate	\$/kW		0.0618
Rate Rider 1 (if applicable)			



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 2007**

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

Rate Rider 2 (if applicable)			
Regulatory Asset Recovery	\$/kW		No
Retail Transmission Rate – Network Service Rate	\$/kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW		
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	

**Specific Service Charges**

**Customer Administration**

Arrears certificate	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
	\$	
	\$	
	\$	
	\$	
	\$	

**Non-Payment of Account**

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	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
Disconnect/Reconnect for >300 volts - during regular hours	\$	60.00
Disconnect/Reconnect for >300 volts - after regular hours	\$	155.00

Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	
Special Billing Service (aggregation)	\$	125.00
Special Billing Service (sub-metering charge per meter)	\$	25.00
Owner Requested Disconnect/Reconnect - during regular hours	\$	120.00
Owner Requested Disconnect/Reconnect - after regular hours	\$	155.00
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	

**Allowances**

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



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 2007**

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

**LOSS FACTORS**

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0356
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0253
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 2007**

**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 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 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 adder into column D. For most utilities, the rate adder can be located in the Board-approved 2007 IRM model. Clicking the cursor on cell should show the formula for the monthly service charge including the smart meter adder. The adder is the same for all metered 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 adder is entered by a subsequent decision, Board staff will enter the appropriate values in column F.

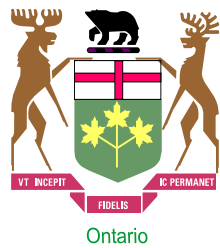
	<u>Smart Meter Rate Adder</u>	
	<u>2007 IRM</u>	<u>2008 IRM</u>
Residential	\$ 0.67	\$ 0.79
General Service Less Than 50 kW	\$ 0.67	\$ 0.79
General Service 50 to 699 kW	\$ 0.67	\$ 0.79
General Service 700 to 4,999 kW	\$ 0.67	\$ 0.79
Large Use	\$ 0.67	\$ 0.79

---

*residential*  
*accordance with*

smart meter rate  
the Residential  
classes and sub-

**e rider is required**



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Hydro One Brampton Networks Inc.**

EB-2008-XXXX, EB-2007-0541, EB-2005-0377

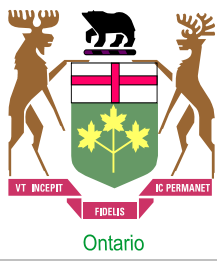
November 1, 2007

**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</i>	\$ 11.45	\$ 0.0159	\$ 0.67	\$ 10.78	\$ 0.0159		\$/kWh
<i>General Service Less Than 50 kW</i>	\$ 21.40	\$ 0.0183	\$ 0.67	\$ 20.73	\$ 0.0183		\$/kWh
<i>General Service 50 to 699 kW</i>	\$ 105.14	\$ 2.3593	\$ 0.67	\$ 104.47	\$ 2.3593		\$/kW
<i>General Service 700 to 4,999 kW</i>	\$ 1,451.43	\$ 3.8426	\$ 0.67	\$ 1,450.76	\$ 3.8426		\$/kW
<i>Large Use</i>	\$ 4,858.22	\$ 2.9854	\$ 0.67	\$ 4,857.55	\$ 2.9854		\$/kW
<i>Unmetered Scattered Load</i>	\$ 20.73	\$ 0.0183	\$ -	\$ 20.73	\$ 0.0183		\$/kWh
<i>Sentinel Lighting</i>	\$ -	\$ 3.9077	\$ -	\$ -	\$ 3.9077		\$/kW
<i>Street Lighting</i>	\$ -	\$ 2.2678	\$ -	\$ -	\$ 2.2678		\$/kW
<i>Standby Power - APPROVED ON AN</i>	\$ -	\$ 1.5200	\$ -	\$ -	\$ 1.5200		\$/kW
<i>Embedded Distributor</i>	\$ -	\$ 0.0618	\$ -	\$ -	\$ 0.0618		\$/kW



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hydro One Brampton Networks Inc.

EB-2008-XXXX, EB-2007-0541, EB-2005-0377

November 1, 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	6.95%	(Board Approved 2006 EDR Model, Sheet 3-2, Cell C25)
Rate Base	C	\$ 249,237,964	(Board Approved 2006 EDR Model, Sheet 3-1, Cell F21)
Size of Utility	D	Med-Small	

Deemed Capital Structure

	Debt	Equity	
Current	E1 55.0%	45.0%	E2 Based on C, copies the deemed D/E from row "2007" of the table
2008	F1 57.5%	42.5%	F2 Based on C, copies the deemed D/E from row "2008" of the table

Cost of Capital

Current	G	7.8725%	= (E1 X B) + (E2 X A)	Weighted Average Cost of capital
2008	H	7.82%	= (F1 X B) + (F2 X A)	

Return on Rate Base

Current	I	\$ 19,621,258.72	= C X G / 100
2008	J	\$ 19,493,524.26	= C X H / 100

Distribution Expenses and Revenue Requirement (before PILs)

Distribution Expenses (other than PILs)	K	\$ 26,540,516	(Board Approved 2006 EDR Model, Sheet 4-1, Cell F15)
Base Revenue Requirement	L	\$ 53,394,208	(Board Approved 2006 EDR Model, Sheet 5-5, Cell F27)
Transformer Allowance Credit	M	\$ 1,468,274	(Board Approved 2006 EDR Model, Sheet 6-3, Cell "Total" in Row R120)

Revenue Requirement (before PILs)

Current	N	\$ 46,161,774.72	= I + K
2008	O	\$ 46,034,040.26	= J + K

Target Net Income (EBIT)

Current	\$ 10,094,137.54	P1 = I - P2
2008	\$ 9,533,352.12	Q1 = J - Q2

Interest Expense

Current	\$ 9,527,121.17	P2 = C X (B X E1 / 100)
2008	\$ 9,960,172.14	Q2 = 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)
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Large Corporation Tax Allowance (if applicable) - grossed up	\$ 293,006	S	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D31)
OCT (Rate Base less \$10,000,000 X 0.30%)	\$ 864,244	T	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D30)
PILs Allowance	\$ 10,240,872	U	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D33)
Taxable Income	Current \$ 16,064,833	AC	(Board Approved 2006 PILs Model, Sheet "Test Year PILs, Tax Provision", Cell D11)
	2008 \$ 15,862,277	AD	= AC + (Q1 - P1) * (R / 100)
Federal Tax (grossed up)	Current \$ 9,083,622	V	= AC * (R / 100) / (1 - R / 100) #####
	2008 \$ 8,969,090	W	= AD * (R / 100) / (1 - R / 100)

Base Revenue Requirement Adjustment (including PILs)

Revenue Requirement (less LCT)

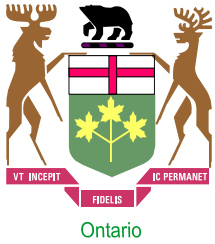
(LCT is removed as it was removed in from rates in 2007 EDR)

Current	\$ 56,109,640.63	X	= N + V + T
2008	\$ 55,867,374.06	Y	= 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	\$ 54,862,482.40	Z	= L + M
2008	\$ 54,620,215.83	AA1	= Z + (Y - X)
Difference	\$ - 242,266.57	AA2	= AA1 - Z
K-factor	-0.4%	AB	= AA2 / Z



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT**  
**Hydro One Brampton Networks Inc.**  
**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**  
**November 1, 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		
1.9%	1.0%	0.9%		
			Adjusted Monthly Service Charge	Monthly Service Charge with Price Cap Adjustment
<i>Residential</i>	\$ 10.78	\$ 10.83		
<i>General Service Less Than 50 kW</i>	\$ 20.73	\$ 20.83		
<i>General Service 50 to 699 kW</i>	\$ 104.47	\$ 104.99		
<i>General Service 700 to 4,999 kW</i>	\$ 1,450.76	\$ 1,458.01		
<i>Large Use</i>	\$ 4,857.55	\$ 4,881.84		
<i>Unmetered Scattered Load</i>	\$ 20.73	\$ 20.83		
<i>Sentinel Lighting</i>	\$ -	\$ -		
<i>Street Lighting</i>	\$ -	\$ -		
<i>Standby Power - APPROVED ON AN</i>	\$ -	\$ -		
<i>Embedded Distributor</i>	\$ -	\$ -		



# T MODEL

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<b>K-Factor</b>	<b>Total Price Cap Adjustment</b>
<b>-0.4%</b>	<b>0.5%</b>

<b>Adjusted Volumetric Rate (kW / kWh)</b>	<b>Volumetric Rate with Price Cap Adjustment</b>
\$ 0.0159	\$ 0.0160
\$ 0.0183	\$ 0.0184
\$ 2.3593	\$ 2.3711
\$ 3.8426	\$ 3.8618
\$ 2.9854	\$ 3.0003
\$ 0.0183	\$ 0.0184
\$ 3.9077	\$ 3.9272
\$ 2.2678	\$ 2.2791
\$ 1.5200	\$ 1.5276
\$ 0.0618	\$ 0.0621



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**  
**Hydro One Brampton Networks Inc.**

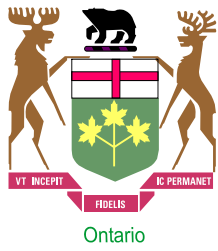
**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 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</i>	\$ 10.83	\$ 0.79	\$ 11.62	0.0160
<i>General Service Less Than 50 kW</i>	\$ 20.83	\$ 0.79	\$ 21.62	0.0184
<i>General Service 50 to 699 kW</i>	\$ 104.99	\$ 0.79	\$ 105.78	2.3711
<i>General Service 700 to 4,999 kW</i>	\$ 1,458.01	\$ 0.79	\$ 1,458.80	3.8618
<i>Large Use</i>	\$ 4,881.84	\$ 0.79	\$ 4,882.63	3.0003
<i>Unmetered Scattered Load</i>	\$ 20.83	\$ -	\$ 20.83	0.0184
<i>Sentinel Lighting</i>	\$ -	\$ -	\$ -	3.9272
<i>Street Lighting</i>	\$ -	\$ -	\$ -	2.2791
<i>Standby Power - APPROVED ON AN INTERIM</i>	\$ -	\$ -	\$ -	1.5276
<i>Embedded Distributor</i>	\$ -	\$ -	\$ -	0.0621



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT**

**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 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](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</i>	-\$ 0.0900	
<i>General Service Less Than 50 kW</i>	-\$ 0.0900	
<i>General Service 50 to 699 kW</i>	-\$ 0.0900	
<i>General Service 700 to 4,999 kW</i>	-\$ 0.0900	
<i>Large Use</i>	-\$ 0.0900	
<i>Unmetered Scattered Load</i>		
<i>Sentinel Lighting</i>		
<i>Street Lighting</i>		
<i>Standby Power - APPROVED ON AN</i>		
<i>Embedded Distributor</i>		

# Hydro One Brampton Networks 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-2007-0541

FOR OEB STAFF USE ONLY

### MONTHLY RATES AND CHARGES

#### Residential

Service Charge	\$	11.62
Service Charge - Non-Routine Rate Rider	\$	(0.09)
Distribution Volumetric Rate	\$/kWh	0.0160
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0048
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	\$	21.62
Service Charge - Non-Routine Rate Rider	\$	(0.09)
Distribution Volumetric Rate	\$/kWh	0.0184
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0053
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043
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 699 kW

Service Charge	\$	105.78
Service Charge - Non-Routine Rate Rider	\$	(0.09)
Distribution Volumetric Rate	\$/kW	2.3711
Retail Transmission Rate – Network Service Rate	\$/kW	2.0303
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6301
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 700 to 4,999 kW

Service Charge	\$	1,458.80
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Service Charge - Non-Routine Rate Rider	\$	(0.09)
Distribution Volumetric Rate	\$/kW	3.8618
Retail Transmission Rate – Network Service Rate	\$/kW	2.2770
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7523
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### Large Use

Service Charge	\$	4,882.63
Service Charge - Non-Routine Rate Rider	\$	(0.09)
Distribution Volumetric Rate	\$/kW	3.0003
Retail Transmission Rate – Network Service Rate	\$/kW	2.5770
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.0254
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	\$	20.83
Distribution Volumetric Rate	\$/kWh	0.0184
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0053
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043
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

Distribution Volumetric Rate	\$/kW	3.9272
Retail Transmission Rate – Network Service Rate	\$/kW	1.6926
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3588
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

Distribution Volumetric Rate	\$/kW	2.2791
Retail Transmission Rate – Network Service Rate	\$/kW	1.6904
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3571
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

### Standby Power - APPROVED ON AN INTERIM BASIS

Distribution Volumetric Rate	\$/kW	1.5276
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### Embedded Distributor

Distribution Volumetric Rate	\$/kW	0.0621
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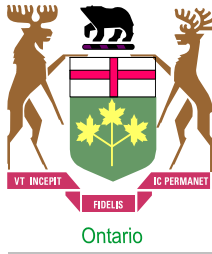
### Specific Service Charges

#### Customer Administration

Arrears certificate	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00

**Non-Payment of Account**

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	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
Disconnect/Reconnect for >300 volts - during regular hours	\$	60.00
Disconnect/Reconnect for >300 volts - after regular hours	\$	155.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35



## 2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 2007**

### Sheet 11 - Distribution Rate Change Summary

Note: No inputs are required for this worksheet.

#### Residential

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 11.45	\$ 0.0159
Less: Smart meters	-\$ 0.67	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.10	\$ 0.0001
Add: K-Factor	\$ (0.04)	-\$ 0.0001
Add: Smart Meters	\$ 0.79	\$ -
<b>Final 2008 Rates</b>	<b>\$ 11.62</b>	<b>\$ 0.0160</b>

#### General Service Less Than 50 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 21.40	\$ 0.0183
Less: Smart meters	-\$ 0.67	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.19	\$ 0.0002
Add: K-Factor	\$ (0.08)	-\$ 0.0001
Add: Smart Meters	\$ 0.79	\$ -
<b>Final 2008 Rates</b>	<b>\$ 21.62</b>	<b>\$ 0.0184</b>

#### General Service 50 to 699 kW

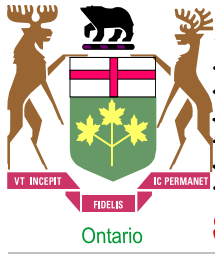
Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 105.14	\$ 2.3593
Less: Smart meters	-\$ 0.67	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.94	\$ 0.0212
Add: K-Factor	\$ (0.42)	-\$ 0.0094
Add: Smart Meters	\$ 0.79	\$ -
<b>Final 2008 Rates</b>	<b>\$ 105.78</b>	<b>\$ 2.3711</b>

#### General Service 700 to 4,999 kW

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 1,451.43	\$ 3.8426
Less: Smart meters	-\$ 0.67	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 13.06	\$ 0.0346
Add: K-Factor	\$ (5.80)	-\$ 0.0154
Add: Smart Meters	\$ 0.79	\$ -
<b>Final 2008 Rates</b>	<b>\$ 1,458.80</b>	<b>\$ 3.8618</b>

#### Large Use

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 4,858.22	\$ 2.9854
Less: Smart meters	-\$ 0.67	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 43.72	\$ 0.0269
Add: K-Factor	\$ (19.43)	-\$ 0.0119
Add: Smart Meters	\$ 0.79	\$ -
<b>Final 2008 Rates</b>	<b>\$ 4,882.63</b>	<b>\$ 3.0003</b>



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 2007**

**Sheet 11 - Distribution Rate Change Summary**

Unmetered Scattered Load

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ 20.73	\$ 0.0183
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ 0.19	\$ 0.0002
Add: K-Factor	\$ (0.08)	\$ 0.0001
Add: Smart Meters	\$ -	\$ -
<b>Final 2008 Rates</b>	<b>\$ 20.83</b>	<b>\$ 0.0184</b>

Sentinel Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ -	\$ 3.9077
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ -	\$ 0.0352
Add: K-Factor	\$ -	\$ -0.0156
Add: Smart Meters	\$ -	\$ -
<b>Final 2008 Rates</b>	<b>\$ -</b>	<b>\$ 3.9272</b>

Street Lighting

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ -	\$ 2.2678
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ -	\$ 0.0204
Add: K-Factor	\$ -	\$ -0.0091
Add: Smart Meters	\$ -	\$ -
<b>Final 2008 Rates</b>	<b>\$ -</b>	<b>\$ 2.2791</b>

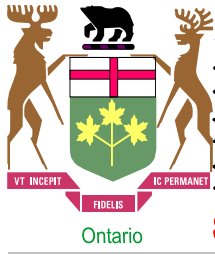
Standby Power - APPROVED ON AN IN Data

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ -	\$ 1.5200
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ -	\$ 0.0137
Add: K-Factor	\$ -	\$ -0.0061
Add: Smart Meters	\$ -	\$ -
<b>Final 2008 Rates</b>	<b>\$ -</b>	<b>\$ 1.5276</b>

Embedded Distributor

Data	Fixed (\$)	Volumetric \$ per kW / kWh
2007 Rates	\$ -	\$ 0.0618
Less: Smart meters	\$ -	\$ -
Less: CDM	\$ -	\$ -
Add: GDP-IPI - X	\$ -	\$ 0.0006
Add: K-Factor	\$ -	\$ -0.0002
Add: Smart Meters	\$ -	\$ -
<b>Final 2008 Rates</b>	<b>\$ -</b>	<b>\$ 0.0621</b>





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

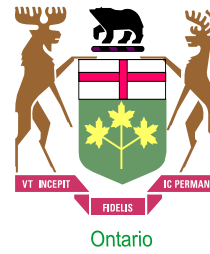
**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 2007**

**Sheet 11 - Distribution Rate Change Summary**

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**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 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.

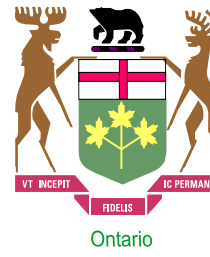
Regulated Price Plan Residential	May-07 Threshold	May-07 \$ / kWh	May-08 Threshold	May-08 \$ / kWh
less than or equal to	600	\$ 0.053	600	\$ 0.053
greater than	> 600	\$ 0.062	> 600	\$ 0.062

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**

<b>Consumption</b>	<b>1,000</b>	<b>kWh</b>	<b>0</b>	<b>kW</b>	<b>Loss Factor 1.0356</b>
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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%	27.01%
Energy Second Tier (kWh)	436	\$ 0.0620	\$ 27.01	436	\$ 0.0620	\$ 27.01	\$0.00	0.0%	22.94%
<b>Sub-Total: Energy</b>			<b>\$ 58.81</b>			<b>\$ 58.81</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>49.94%</b>
Monthly Service Charge	1	\$ 11.45	\$ 11.45	1	\$ 11.62	\$ 11.62	\$0.17	1.5%	9.87%
Distribution (kWh)	1,000	\$ 0.0159	\$ 15.90	1,000	\$ 0.0160	\$ 16.00	\$0.10	0.6%	13.59%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	1,000	\$ 0.0020	\$ 2.00	1,000	\$ -	\$ -	(\$2.00)	(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	-\$ 0.09	-\$ 0.09	(\$0.09)	0.0%	-0.08%
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	1,036	\$ 0.0059	\$ 6.11	1,036	\$ 0.0059	\$ 6.11	\$0.00	0.0%	5.19%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,036	\$ 0.0048	\$ 4.97	1,036	\$ 0.0048	\$ 4.97	\$0.00	0.0%	4.22%
<b>Sub-Total: Delivery</b>			<b>\$ 40.43</b>			<b>\$ 38.61</b>	<b>(\$1.82)</b>	<b>(4.5)%</b>	<b>32.79%</b>
Wholesale Market Service Rate	1036	\$ 0.0052	\$ 5.39	1036	\$ 0.0052	\$ 5.39	\$0.00	0.0%	4.57%
Rural Rate Protection Charge	1036	\$ 0.0010	\$ 1.04	1036	\$ 0.0010	\$ 1.04	\$0.00	0.0%	0.88%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.21%
<b>Sub-Total: Regulatory</b>			<b>\$ 6.67</b>			<b>\$ 6.67</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>5.66%</b>
<b>Debt Retirement Charge (DRC)</b>	1,000	\$ 0.0070	\$ 7.00	1,000	\$ 0.0070	\$ 7.00	\$0.00	0.0%	5.94%
<b>Total Bill before Taxes</b>			<b>\$ 112.91</b>			<b>\$ 111.09</b>	<b>(\$1.82)</b>	<b>(1.6)%</b>	<b>94.34%</b>
<b>GST</b>	\$ 112.91	6.00%	\$ 6.77	\$ 111.09	6.00%	\$ 6.67	(\$0.11)	(1.6)%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 119.68</b>			<b>\$ 117.75</b>	<b>(\$1.93)</b>	<b>(1.6)%</b>	<b>100.00%</b>



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hydro One Brampton Networks Inc.

EB-2008-XXXX, EB-2007-0541, EB-2005-0377

November 1, 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 Less Than 50 kW**

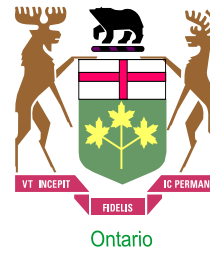
<b>Consumption</b>	<b>2,000</b>	<b>kWh</b>	<b>0</b>	<b>kW</b>	<b>Loss Factor 1.0356</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	16.52%
Energy Second Tier (kWh)	1,321	\$ 0.0620	\$ 81.91	1,321	\$ 0.0620	\$ 81.91	\$0.00	0.0%	34.05%
<b>Sub-Total: Energy</b>			<b>\$ 121.66</b>			<b>\$ 121.66</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>50.57%</b>
Monthly Service Charge	1	\$ 21.40	\$ 21.40	1	\$ 21.62	\$ 21.62	\$0.22	1.0%	8.99%
Distribution (kWh)	2,000	\$ 0.0183	\$ 36.60	2,000	\$ 0.0184	\$ 36.80	\$0.20	0.5%	15.30%
Distribution (kW)	0	\$ -	\$ -	0	\$ -	\$ -	\$0.00	0.0%	0.00%
Regulatory Assets (kWh)	2,000	\$ 0.0013	\$ 2.60	2,000	\$ -	\$ -	(\$2.60)	(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	-\$ 0.09	-\$ 0.09	(\$0.09)	0.0%	-0.04%
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	2,071	\$ 0.0053	\$ 10.98	2,071	\$ 0.0053	\$ 10.98	\$0.00	0.0%	4.56%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,071	\$ 0.0043	\$ 8.91	2,071	\$ 0.0043	\$ 8.91	\$0.00	0.0%	3.70%
<b>Sub-Total: Delivery</b>			<b>\$ 80.48</b>			<b>\$ 78.21</b>	<b>(\$2.27)</b>	<b>(2.8)%</b>	<b>32.51%</b>
Wholesale Market Service Rate	2071	\$ 0.0052	\$ 10.77	2071	\$ 0.0052	\$ 10.77	\$0.00	0.0%	4.48%
Rural Rate Protection Charge	2071	\$ 0.0010	\$ 2.07	2071	\$ 0.0010	\$ 2.07	\$0.00	0.0%	0.86%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.10%
<b>Sub-Total: Regulatory</b>			<b>\$ 13.09</b>			<b>\$ 13.09</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>5.44%</b>
<b>Debt Retirement Charge (DRC)</b>	2,000	\$ 0.0070	\$ 14.00	2,000	\$ 0.0070	\$ 14.00	\$0.00	0.0%	5.82%
<b>Total Bill before Taxes</b>			<b>\$ 229.24</b>			<b>\$ 226.97</b>	<b>(\$2.27)</b>	<b>(1.0)%</b>	<b>94.34%</b>
<b>GST</b>	\$ 229.24	6.00%	\$ 13.75	\$ 226.97	6.00%	\$ 13.62	(\$0.14)	(1.0)%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 242.99</b>			<b>\$ 240.59</b>	<b>(\$2.41)</b>	<b>(1.0)%</b>	<b>100.00%</b>

**General Service 50 to 699 kW**

<b>Consumption</b>	<b>40,000</b>	<b>kWh</b>	<b>100</b>	<b>kW</b>	<b>Loss Factor 1.0356</b>
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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%	0.98%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hydro One Brampton Networks Inc.

EB-2008-XXXX, EB-2007-0541, EB-2005-0377

November 1, 2007

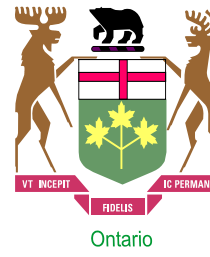
Sheet 12 - Annualized Bill Impact

**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.

Energy Second Tier (kWh)	40,674	\$ 0.0620	\$ 2,521.79	40,674	\$ 0.0620	\$ 2,521.79	\$0.00	0.0%	62.27%
<b>Sub-Total: Energy</b>			<b>\$ 2,561.54</b>			<b>\$ 2,561.54</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>63.25%</b>
Monthly Service Charge	1	\$ 105.14	\$ 105.14	1	\$ 105.78	\$ 105.78	\$0.64	0.6%	2.61%
Distribution (kWh)	40,000	\$ -	\$ -	40,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	100	\$ 2.3593	\$ 235.93	100	\$ 2.3711	\$ 237.11	\$1.18	0.5%	5.85%
Regulatory Assets (kWh)	100	\$ 0.2855	\$ 28.55	100	\$ -	\$ -	(\$28.55)	(100.0)%	0.00%
Rate Riders	100	\$ -	\$ -	100	\$ -	\$ -	\$0.00	0.0%	0.00%
Monthly Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	1	-\$ 0.09	-\$ 0.09	(\$0.09)	0.0%	0.00%
Volumetric Rate Rider Adjustment (Sheet 9)	N/A	N/A	N/A	100	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	104	\$ 2.0303	\$ 210.26	104	\$ 2.0303	\$ 210.26	\$0.00	0.0%	5.19%
Retail Transmission Rate – Line and Transformation Connection Service Rate	104	\$ 1.6301	\$ 168.81	104	\$ 1.6301	\$ 168.81	\$0.00	0.0%	4.17%
<b>Sub-Total: Delivery</b>			<b>\$ 748.69</b>			<b>\$ 721.87</b>	<b>(\$26.82)</b>	<b>(3.6)%</b>	<b>17.83%</b>
Wholesale Market Service Rate	41424	\$ 0.0052	\$ 215.40	41424	\$ 0.0052	\$ 215.40	\$0.00	0.0%	5.32%
Rural Rate Protection Charge	41424	\$ 0.0010	\$ 41.42	41424	\$ 0.0010	\$ 41.42	\$0.00	0.0%	1.02%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.01%
<b>Sub-Total: Regulatory</b>			<b>\$ 257.08</b>			<b>\$ 257.08</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>6.35%</b>
Debt Retirement Charge (DRC)	40,000	\$ 0.0070	\$ 280.00	40,000	\$ 0.0070	\$ 280.00	\$0.00	0.0%	6.91%
<b>Total Bill before Taxes</b>			<b>\$ 3,847.31</b>			<b>\$ 3,820.49</b>	<b>(\$26.82)</b>	<b>(0.7)%</b>	<b>94.34%</b>
<b>GST</b>	\$ 3,847.31	6.00%	\$ 230.84	\$ 3,820.49	6.00%	\$ 229.23	(\$1.61)	(0.7)%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 4,078.15</b>			<b>\$ 4,049.72</b>	<b>(\$28.43)</b>	<b>(0.7)%</b>	<b>100.00%</b>



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hydro One Brampton Networks Inc.

EB-2008-XXXX, EB-2007-0541, EB-2005-0377

November 1, 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 700 to 4,999 kW**

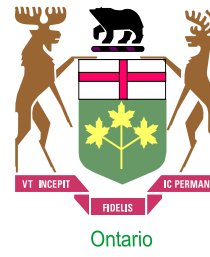
<b>Consumption</b>	<b>100,000 kWh</b>	<b>500 kW</b>	<b>Loss Factor 1.0356</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	0.28%
Energy Second Tier (kWh)	102,810	\$ 0.0620	\$ 6,374.22	102,810	\$ 0.0620	\$ 6,374.22	\$0.00	0.0%	45.45%
<b>Sub-Total: Energy</b>			<b>\$ 6,413.97</b>			<b>\$ 6,413.97</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>45.73%</b>
Monthly Service Charge	1	\$ 1,451.43	\$ 1,451.43	1	\$ 1,458.80	\$ 1,458.80	\$7.37	0.5%	10.40%
Distribution (kWh)	100,000	\$ -	\$ -	100,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	500	\$ 3.8426	\$ 1,921.30	500	\$ 3.8618	\$ 1,930.90	\$9.60	0.5%	13.77%
Regulatory Assets (kWh)	500	\$ 0.3003	\$ 150.15	500	\$ -	\$ -	(\$150.15)	(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	-\$ 0.09	-\$ 0.09	(\$0.09)	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	518	\$ 2.2770	\$ 1,179.03	518	\$ 2.2770	\$ 1,179.03	\$0.00	0.0%	8.41%
Retail Transmission Rate – Line and Transformation Connection Service Rate	518	\$ 1.7523	\$ 907.34	518	\$ 1.7523	\$ 907.34	\$0.00	0.0%	6.47%
<b>Sub-Total: Delivery</b>			<b>\$ 5,609.25</b>			<b>\$ 5,475.98</b>	<b>(\$133.27)</b>	<b>(2.4)%</b>	<b>39.04%</b>
Wholesale Market Service Rate	103560	\$ 0.0052	\$ 538.51	103560	\$ 0.0052	\$ 538.51	\$0.00	0.0%	3.84%
Rural Rate Protection Charge	103560	\$ 0.0010	\$ 103.56	103560	\$ 0.0010	\$ 103.56	\$0.00	0.0%	0.74%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 642.32</b>			<b>\$ 642.32</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>4.58%</b>
<b>Debt Retirement Charge (DRC)</b>	100,000	\$ 0.0070	\$ 700.00	100,000	\$ 0.0070	\$ 700.00	\$0.00	0.0%	4.99%
<b>Total Bill before Taxes</b>			<b>\$ 13,365.54</b>			<b>\$ 13,232.27</b>	<b>(\$133.27)</b>	<b>(1.0)%</b>	<b>94.34%</b>
<b>GST</b>	\$ 13,365.54	6.00%	\$ 801.93	\$ 13,232.27	6.00%	\$ 793.94	(\$8.00)	(1.0)%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 14,167.48</b>			<b>\$ 14,026.21</b>	<b>(\$141.27)</b>	<b>(1.0)%</b>	<b>100.00%</b>

**Large Use**

<b>Consumption</b>	<b>100,000 kWh</b>	<b>500 kW</b>	<b>Loss Factor 1.0145</b>
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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%	0.23%



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hydro One Brampton Networks Inc.

EB-2008-XXXX, EB-2007-0541, EB-2005-0377

November 1, 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.

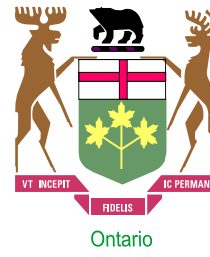
Energy Second Tier (kWh)	100,700	\$ 0.0620	\$ 6,243.40	100,700	\$ 0.0620	\$ 6,243.40	\$0.00	0.0%	36.07%
<b>Sub-Total: Energy</b>			<b>\$ 6,283.15</b>			<b>\$ 6,283.15</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>36.30%</b>
Monthly Service Charge	1	\$ 4,858.22	\$ 4,858.22	1	\$ 4,882.63	\$ 4,882.63	\$24.41	0.5%	28.21%
Distribution (kWh)	100,000	\$ -	\$ -	100,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	500	\$ 2.9854	\$ 1,492.70	500	\$ 3.0003	\$ 1,500.15	\$7.45	0.5%	8.67%
Regulatory Assets (kWh)	500	\$ 0.3673	\$ 183.65	500	\$ -	\$ -	(\$183.65)	(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	-\$ 0.09	-\$ 0.09	(\$0.09)	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	507	\$ 2.5770	\$ 1,307.18	507	\$ 2.5770	\$ 1,307.18	\$0.00	0.0%	7.55%
Retail Transmission Rate – Line and Transformation Connection Service Rate	507	\$ 2.0254	\$ 1,027.38	507	\$ 2.0254	\$ 1,027.38	\$0.00	0.0%	5.94%
<b>Sub-Total: Delivery</b>			<b>\$ 8,869.14</b>			<b>\$ 8,717.26</b>	<b>(\$151.88)</b>	<b>(1.7)%</b>	<b>50.36%</b>
Wholesale Market Service Rate	101450	\$ 0.0052	\$ 527.54	101450	\$ 0.0052	\$ 527.54	\$0.00	0.0%	3.05%
Rural Rate Protection Charge	101450	\$ 0.0010	\$ 101.45	101450	\$ 0.0010	\$ 101.45	\$0.00	0.0%	0.59%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 629.24</b>			<b>\$ 629.24</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>3.64%</b>
Debt Retirement Charge (DRC)	100,000	\$ 0.0070	\$ 700.00	100,000	\$ 0.0070	\$ 700.00	\$0.00	0.0%	4.04%
<b>Total Bill before Taxes</b>			<b>\$ 16,481.53</b>			<b>\$ 16,329.65</b>	<b>(\$151.88)</b>	<b>(0.9)%</b>	<b>94.34%</b>
<b>GST</b>	\$ 16,481.53	6.00%	\$ 988.89	\$ 16,329.65	6.00%	\$ 979.78	(\$9.11)	(0.9)%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 17,470.42</b>			<b>\$ 17,309.43</b>	<b>(\$160.99)</b>	<b>(0.9)%</b>	<b>100.00%</b>

**Unmetered Scattered Load**

<b>Consumption</b>	<b>100,000 kWh</b>	<b>500 kW</b>	<b>Loss Factor 1.0356</b>
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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%	0.48%
Energy Second Tier (kWh)	102,810	\$ 0.0620	\$ 6,374.22	102,810	\$ 0.0620	\$ 6,374.22	\$0.00	0.0%	77.18%
<b>Sub-Total: Energy</b>			<b>\$ 6,413.97</b>			<b>\$ 6,413.97</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>77.66%</b>
Monthly Service Charge	1	\$ 20.73	\$ 20.73	1	\$ 20.83	\$ 20.83	\$0.10	0.5%	0.25%
Distribution (kWh)	100,000	\$ -	\$ -	100,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	500	\$ 0.0183	\$ 9.15	500	\$ 0.0184	\$ 9.20	\$0.05	0.5%	0.11%
Regulatory Assets (kWh)	500	\$ 0.0013	\$ 0.65	500	\$ -	\$ -	(\$0.65)	(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%





**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 2007**

**Sheet 12 - Annualized Bill Impact**

**Instructions**

(Remember, green cells are input cells)

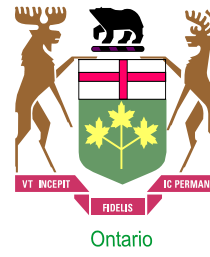
1. Enter your desired consumption in both kWh and kW (if needed) into the green cells beneath the class name.
2. The Debt Retirement Charge (DRC) has been set at \$0.07. The figure can be overwritten if your LDC bills a different amount for the DRC.

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	518	\$ 0.0053	\$ 2.74	518	\$ 0.0053	\$ 2.74	\$0.00	0.0%	0.03%
Retail Transmission Rate – Line and Transformation Connection Service Rate	518	\$ 0.0043	\$ 2.23	518	\$ 0.0043	\$ 2.23	\$0.00	0.0%	0.03%
<b>Sub-Total: Delivery</b>			<b>\$ 35.50</b>			<b>\$ 35.00</b>	<b>(\$0.50)</b>	<b>(1.4)%</b>	<b>0.42%</b>
Wholesale Market Service Rate	103560	\$ 0.0052	\$ 538.51	103560	\$ 0.0052	\$ 538.51	\$0.00	0.0%	6.52%
Rural Rate Protection Charge	103560	\$ 0.0010	\$ 103.56	103560	\$ 0.0010	\$ 103.56	\$0.00	0.0%	1.25%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 642.32</b>			<b>\$ 642.32</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>7.78%</b>
<b>Debt Retirement Charge (DRC)</b>	100,000	\$ 0.0070	<b>\$ 700.00</b>	100,000	\$ 0.0070	<b>\$ 700.00</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>8.48%</b>
<b>Total Bill before Taxes</b>			<b>\$ 7,791.79</b>			<b>\$ 7,791.29</b>	<b>(\$0.50)</b>	<b>(0.0)%</b>	<b>94.34%</b>
<b>GST</b>	\$ 7,791.79	6.00%	<b>\$ 467.51</b>	\$ 7,791.29	6.00%	<b>\$ 467.48</b>	<b>(\$0.03)</b>	<b>(0.0)%</b>	<b>5.66%</b>
<b>Total Bill after Taxes</b>			<b>\$ 8,259.30</b>			<b>\$ 8,258.77</b>	<b>(\$0.53)</b>	<b>(0.0)%</b>	<b>100.00%</b>

**Sentinel Lighting**

<b>Consumption</b>	<b>2,000,000 kWh</b>	<b>5,000 kW</b>	<b>Loss Factor 1.0356</b>
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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%	0.02%
Energy Second Tier (kWh)	2,070,450	\$ 0.0620	\$ 128,367.90	2,070,450	\$ 0.0620	\$ 128,367.90	\$0.00	0.0%	63.51%
<b>Sub-Total: Energy</b>			<b>\$ 128,407.65</b>			<b>\$ 128,407.65</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>63.53%</b>
Monthly Service Charge	1	\$ -	\$ -	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ 3.9077	\$ 19,538.50	5,000	\$ 3.9272	\$ 19,636.00	\$97.50	0.5%	9.71%
Regulatory Assets (kWh)	5,000	\$ 1.6042	\$ 8,021.00	5,000	\$ -	\$ -	\$8,021.00	(100.0)%	0.00%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$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	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	5,178	\$ 1.6926	\$ 8,764.28	5,178	\$ 1.6926	\$ 8,764.28	\$0.00	0.0%	4.34%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,178	\$ 1.3588	\$ 7,035.87	5,178	\$ 1.3588	\$ 7,035.87	\$0.00	0.0%	3.48%
<b>Sub-Total: Delivery</b>			<b>\$ 27,317.65</b>			<b>\$ 35,436.15</b>	<b>\$8,118.50</b>	<b>29.7%</b>	<b>17.53%</b>
Wholesale Market Service Rate	2071200	\$ 0.0052	\$ 10,770.24	2071200	\$ 0.0052	\$ 10,770.24	\$0.00	0.0%	5.33%
Rural Rate Protection Charge	2071200	\$ 0.0010	\$ 2,071.20	2071200	\$ 0.0010	\$ 2,071.20	\$0.00	0.0%	1.02%



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 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 – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 12,841.69</b>			<b>\$ 12,841.69</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>6.35%</b>
<b>Debt Retirement Charge (DRC)</b>	2,000,000	\$ 0.0070	<b>\$ 14,000.00</b>	2,000,000	\$ 0.0070	<b>\$ 14,000.00</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>6.93%</b>
<b>Total Bill before Taxes</b>			<b>\$ 182,566.99</b>			<b>\$ 190,685.49</b>	<b>\$8,118.50</b>	<b>4.4%</b>	<b>94.34%</b>
<b>GST</b>	\$ 182,566.99	6.00%	<b>\$ 10,954.02</b>	\$ 190,685.49	6.00%	<b>\$ 11,441.13</b>	<b>\$487.11</b>	<b>4.4%</b>	<b>5.66%</b>
<b>Total Bill after Taxes</b>			<b>\$ 193,521.01</b>			<b>\$ 202,126.62</b>	<b>\$8,605.61</b>	<b>4.4%</b>	<b>100.00%</b>

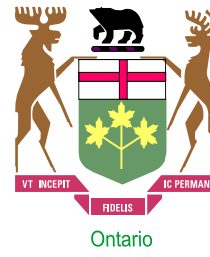
**Street Lighting**

<b>Consumption</b>	<b>2,000,000 kWh</b>	<b>5,000 kW</b>	<b>Loss Factor 1.0356</b>
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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%	0.02%
Energy Second Tier (kWh)	2,070,450	\$ 0.0620	\$ 128,367.90	2,070,450	\$ 0.0620	\$ 128,367.90	\$0.00	0.0%	66.38%
<b>Sub-Total: Energy</b>			<b>\$ 128,407.65</b>			<b>\$ 128,407.65</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>66.41%</b>
Monthly Service Charge	1	\$ -	\$ -	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ 2.2678	\$ 11,339.90	5,000	\$ 2.2791	\$ 11,395.50	\$56.50	0.5%	5.89%
Regulatory Assets (kWh)	5,000	\$ 0.3095	\$ 1,547.50	5,000	\$ -	\$ -	(\$1,547.50)	(100.0)%	0.00%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$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	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	5,178	\$ 1.6904	\$ 8,752.89	5,178	\$ 1.6904	\$ 8,752.89	\$0.00	0.0%	4.53%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,178	\$ 1.3571	\$ 7,027.06	5,178	\$ 1.3571	\$ 7,027.06	\$0.00	0.0%	3.63%
<b>Sub-Total: Delivery</b>			<b>\$ 28,666.46</b>			<b>\$ 27,175.46</b>	<b>(\$1,491.00)</b>	<b>(5.2)%</b>	<b>14.05%</b>
Wholesale Market Service Rate	2071200	\$ 0.0052	\$ 10,770.24	2071200	\$ 0.0052	\$ 10,770.24	\$0.00	0.0%	5.57%
Rural Rate Protection Charge	2071200	\$ 0.0010	\$ 2,071.20	2071200	\$ 0.0010	\$ 2,071.20	\$0.00	0.0%	1.07%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 12,841.69</b>			<b>\$ 12,841.69</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>6.64%</b>
<b>Debt Retirement Charge (DRC)</b>	2,000,000	\$ 0.0070	<b>\$ 14,000.00</b>	2,000,000	\$ 0.0070	<b>\$ 14,000.00</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>7.24%</b>
<b>Total Bill before Taxes</b>			<b>\$ 183,915.80</b>			<b>\$ 182,424.80</b>	<b>(\$1,491.00)</b>	<b>(0.8)%</b>	<b>94.34%</b>
<b>GST</b>	\$ 183,915.80	6.00%	<b>\$ 11,034.95</b>	\$ 182,424.80	6.00%	<b>\$ 10,945.49</b>	<b>(\$89.46)</b>	<b>(0.8)%</b>	<b>5.66%</b>
<b>Total Bill after Taxes</b>			<b>\$ 194,950.74</b>			<b>\$ 193,370.28</b>	<b>(\$1,580.46)</b>	<b>(0.8)%</b>	<b>100.00%</b>

**Standby Power - APPROVED ON AN INTERIM BASIS**





2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hydro One Brampton Networks Inc.

EB-2008-XXXX, EB-2007-0541, EB-2005-0377

November 1, 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.

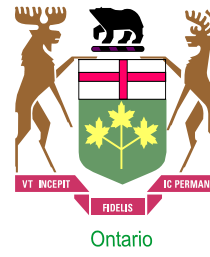
<b>Consumption</b>	<b>2,000,000 kWh</b>	<b>5,000 kW</b>	<b>Loss Factor 1.0356</b>
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	2007 BILL			2008 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	\$ 0.0530	\$ 39.75	750	\$ 0.0530	\$ 39.75	\$0.00	0.0%	0.02%
Energy Second Tier (kWh)	2,070,450	\$ 0.0620	\$ 128,367.90	2,070,450	\$ 0.0620	\$ 128,367.90	\$0.00	0.0%	74.35%
<b>Sub-Total: Energy</b>			<b>\$ 128,407.65</b>			<b>\$ 128,407.65</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>74.37%</b>
Monthly Service Charge	1	\$ -	\$ -	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ 1.5200	\$ 7,600.00	5,000	\$ 1.5276	\$ 7,638.00	\$38.00	0.5%	4.42%
Regulatory Assets (kWh)	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$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	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	5,178	\$ -	\$ -	5,178	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,178	\$ -	\$ -	5,178	\$ -	\$ -	\$0.00	0.0%	0.00%
<b>Sub-Total: Delivery</b>			<b>\$ 7,600.00</b>			<b>\$ 7,638.00</b>	<b>\$38.00</b>	<b>0.5%</b>	<b>4.42%</b>
Wholesale Market Service Rate	2071200	\$ 0.0052	\$ 10,770.24	2071200	\$ 0.0052	\$ 10,770.24	\$0.00	0.0%	6.24%
Rural Rate Protection Charge	2071200	\$ 0.0010	\$ 2,071.20	2071200	\$ 0.0010	\$ 2,071.20	\$0.00	0.0%	1.20%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 12,841.69</b>			<b>\$ 12,841.69</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>7.44%</b>
<b>Debt Retirement Charge (DRC)</b>	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%	8.11%
<b>Total Bill before Taxes</b>			<b>\$ 162,849.34</b>			<b>\$ 162,887.34</b>	<b>\$38.00</b>	<b>0.0%</b>	<b>94.34%</b>
<b>GST</b>	\$ 162,849.34	6.00%	\$ 9,770.96	\$ 162,887.34	6.00%	\$ 9,773.24	\$2.28	0.0%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 172,620.30</b>			<b>\$ 172,660.58</b>	<b>\$40.28</b>	<b>0.0%</b>	<b>100.00%</b>

**Embedded Distributor**

<b>Consumption</b>	<b>2,000,000 kWh</b>	<b>5,000 kW</b>	<b>Loss Factor 1.0356</b>
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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%	0.02%
Energy Second Tier (kWh)	2,070,450	\$ 0.0620	\$ 128,367.90	2,070,450	\$ 0.0620	\$ 128,367.90	\$0.00	0.0%	77.85%



**2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL**

**Hydro One Brampton Networks Inc.**

**EB-2008-XXXX, EB-2007-0541, EB-2005-0377**

**November 1, 2007**

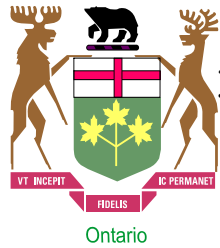
**Sheet 12 - Annualized Bill Impact**

**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.

<b>Sub-Total: Energy</b>			<b>\$ 128,407.65</b>			<b>\$ 128,407.65</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>77.87%</b>
Monthly Service Charge	1	\$ -	\$ -	1	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kWh)	2,000,000	\$ -	\$ -	2,000,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Distribution (kW)	5,000	\$ 0.0618	\$ 309.00	5,000	\$ 0.0621	\$ 310.50	\$1.50	0.5%	0.19%
Regulatory Assets (kWh)	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Rate Riders	5,000	\$ -	\$ -	5,000	\$ -	\$ -	\$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	5,000	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Network Service Rate	5,178	\$ -	\$ -	5,178	\$ -	\$ -	\$0.00	0.0%	0.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	5,178	\$ -	\$ -	5,178	\$ -	\$ -	\$0.00	0.0%	0.00%
<b>Sub-Total: Delivery</b>			<b>\$ 309.00</b>			<b>\$ 310.50</b>	<b>\$1.50</b>	<b>0.5%</b>	<b>0.19%</b>
Wholesale Market Service Rate	2071200	\$ 0.0052	\$ 10,770.24	2071200	\$ 0.0052	\$ 10,770.24	\$0.00	0.0%	6.53%
Rural Rate Protection Charge	2071200	\$ 0.0010	\$ 2,071.20	2071200	\$ 0.0010	\$ 2,071.20	\$0.00	0.0%	1.26%
Regulated Price Plan – Administration Charge	1	\$ 0.2500	\$ 0.25	1	\$ 0.2500	\$ 0.25	\$0.00	0.0%	0.00%
<b>Sub-Total: Regulatory</b>			<b>\$ 12,841.69</b>			<b>\$ 12,841.69</b>	<b>\$0.00</b>	<b>0.0%</b>	<b>7.79%</b>
<b>Debt Retirement Charge (DRC)</b>	2,000,000	\$ 0.0070	\$ 14,000.00	2,000,000	\$ 0.0070	\$ 14,000.00	\$0.00	0.0%	8.49%
<b>Total Bill before Taxes</b>			<b>\$ 155,558.34</b>			<b>\$ 155,559.84</b>	<b>\$1.50</b>	<b>0.0%</b>	<b>94.34%</b>
<b>GST</b>	\$ 155,558.34	6.00%	\$ 9,333.50	\$ 155,559.84	6.00%	\$ 9,333.59	\$0.09	0.0%	5.66%
<b>Total Bill after Taxes</b>			<b>\$ 164,891.84</b>			<b>\$ 164,893.43</b>	<b>\$1.59</b>	<b>0.0%</b>	<b>100.00%</b>



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hydro One Brampton Networks Inc.

EB-2008-XXXX, EB-2007-0541, EB-2005-0377

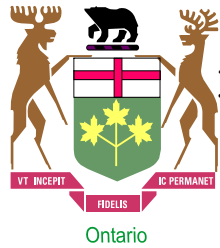
November 1, 2007

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	100		\$ 22.71	\$ 22.57	\$ (0.15)	-0.7%	-0.7%	-1.7%
	250		\$ 38.18	\$ 37.73	\$ (0.45)	-1.2%		
	500		\$ 63.96	\$ 63.01	\$ (0.95)	-1.5%		
	600		\$ 74.48	\$ 73.33	\$ (1.16)	-1.6%		
	750		\$ 91.43	\$ 89.97	\$ (1.46)	-1.6%		
	1,000		\$ 119.68	\$ 117.72	\$ (1.96)	-1.6%		
	1,500		\$ 176.19	\$ 173.22	\$ (2.97)	-1.7%		
General Service Less Than 50 kW	2,000		\$ 242.99	\$ 240.56	\$ (2.44)	-1.0%	-1.0%	-1.1%
	2,500		\$ 299.79	\$ 296.72	\$ (3.07)	-1.0%		
	4,000		\$ 470.19	\$ 465.21	\$ (4.98)	-1.1%		
	5,000		\$ 583.79	\$ 577.54	\$ (6.25)	-1.1%		
	10,000		\$ 1,151.79	\$ 1,139.18	\$ (12.61)	-1.1%		
	12,500		\$ 1,435.79	\$ 1,420.00	\$ (15.79)	-1.1%		
	15,000		\$ 1,719.79	\$ 1,700.82	\$ (18.97)	-1.1%		
General Service 50 to 699 kW	15,000	10	\$ 1,408.97	\$ 1,406.54	\$ (2.43)	-0.2%	-0.2%	-0.2%
	40,000	27	\$ 3,582.98	\$ 3,575.58	\$ (7.40)	-0.2%		
	100,000	69	\$ 8,800.61	\$ 8,781.28	\$ (19.33)	-0.2%		
	400,000	274	\$ 34,888.76	\$ 34,809.79	\$ (78.98)	-0.2%		
	1,000,000	685	\$ 87,065.07	\$ 86,866.80	\$ (198.27)	-0.2%		
	1,500,000	1,028	\$ 130,545.33	\$ 130,247.65	\$ (297.68)	-0.2%		
	2,000,000	1,371	\$ 174,025.59	\$ 173,628.49	\$ (397.09)	-0.2%		
General Service 700 to 4,999 kW	15,000	10	\$ 2,856.52	\$ 2,861.14	\$ 4.62	0.2%	0.2%	-0.2%
	40,000	27	\$ 5,064.68	\$ 5,064.19	\$ (0.48)	0.0%		
	100,000	69	\$ 10,364.25	\$ 10,351.52	\$ (12.73)	-0.1%		
	400,000	274	\$ 36,862.14	\$ 36,788.15	\$ (73.99)	-0.2%		
	1,000,000	685	\$ 89,857.92	\$ 89,661.40	\$ (196.51)	-0.2%		
	1,500,000	1,028	\$ 134,021.06	\$ 133,722.45	\$ (298.61)	-0.2%		
	2,000,000	1,371	\$ 178,184.21	\$ 177,783.49	\$ (400.71)	-0.2%		
Large Use	15,000	10	\$ 6,441.64	\$ 6,463.54	\$ 21.91	0.3%	0.3%	-0.3%
	40,000	27	\$ 8,606.32	\$ 8,621.83	\$ 15.51	0.2%		
	100,000	69	\$ 13,801.57	\$ 13,801.72	\$ 0.15	0.0%		
	400,000	274	\$ 39,777.82	\$ 39,701.17	\$ (76.65)	-0.2%		
	1,000,000	685	\$ 91,730.32	\$ 91,500.08	\$ (230.24)	-0.3%		
	1,500,000	1,028	\$ 135,024.07	\$ 134,665.83	\$ (358.24)	-0.3%		
	2,000,000	1,371	\$ 178,317.82	\$ 177,831.58	\$ (486.24)	-0.3%		



2008 INCENTIVE RATE MECHANISM ADJUSTMENT MODEL

Hydro One Brampton Networks Inc.

EB-2008-XXXX, EB-2007-0541, EB-2005-0377

November 1, 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
Unmetered Scattered Load	15,000	10	\$ 1,249.69	\$ 1,249.78	\$ 0.09	0.0%	0.0%	0.0%
	40,000	27	\$ 3,307.37	\$ 3,307.44	\$ 0.07	0.0%		
	100,000	69	\$ 8,245.79	\$ 8,245.81	\$ 0.02	0.0%		
	400,000	274	\$ 32,937.91	\$ 32,937.66	\$ (0.24)	0.0%		
	1,000,000	685	\$ 82,322.14	\$ 82,321.37	\$ (0.77)	0.0%		
	1,500,000	1,028	\$ 123,475.67	\$ 123,474.46	\$ (1.20)	0.0%		
	2,000,000	1,371	\$ 164,629.19	\$ 164,627.56	\$ (1.64)	0.0%		
Sentinel Lighting	15,000	10	\$ 1,286.93	\$ 1,304.62	\$ 17.69	1.4%	1.4%	1.4%
	40,000	27	\$ 3,443.29	\$ 3,490.47	\$ 47.18	1.4%		
	100,000	69	\$ 8,618.55	\$ 8,736.50	\$ 117.95	1.4%		
	400,000	274	\$ 34,494.89	\$ 34,966.69	\$ 471.80	1.4%		
	1,000,000	685	\$ 86,247.55	\$ 87,427.05	\$ 1,179.50	1.4%		
	1,500,000	1,028	\$ 129,374.77	\$ 131,144.02	\$ 1,769.25	1.4%		
	2,000,000	1,371	\$ 172,501.99	\$ 174,860.99	\$ 2,358.99	1.4%		
Street Lighting	15,000	10	\$ 1,289.87	\$ 1,286.62	\$ (3.25)	-0.3%	-0.3%	-0.3%
	40,000	27	\$ 3,451.13	\$ 3,442.46	\$ (8.66)	-0.3%		
	100,000	69	\$ 8,638.15	\$ 8,616.49	\$ (21.66)	-0.3%		
	400,000	274	\$ 34,573.27	\$ 34,486.62	\$ (86.65)	-0.3%		
	1,000,000	685	\$ 86,443.51	\$ 86,226.89	\$ (216.62)	-0.3%		
	1,500,000	1,028	\$ 129,668.72	\$ 129,343.79	\$ (324.93)	-0.3%		
	2,000,000	1,371	\$ 172,893.92	\$ 172,460.68	\$ (433.24)	-0.3%		
Standby Power - APPROVED ON AN INTERIM	15,000	60	\$ 1,324.07	\$ 1,324.55	\$ 0.48	0.0%	0.0%	0.0%
	40,000	100	\$ 3,445.65	\$ 3,446.46	\$ 0.81	0.0%		
	100,000	500	\$ 9,027.27	\$ 9,031.30	\$ 4.03	0.0%		
	400,000	1,000	\$ 34,518.55	\$ 34,526.60	\$ 8.06	0.0%		
	1,000,000	3,000	\$ 87,112.31	\$ 87,136.47	\$ 24.17	0.0%		
	1,500,000	4,000	\$ 129,866.30	\$ 129,898.53	\$ 32.22	0.0%		
	2,000,000	5,000	\$ 172,620.30	\$ 172,660.58	\$ 40.28	0.0%		
Embedded Distributor	15,000	60	\$ 1,231.32	\$ 1,231.34	\$ 0.02	0.0%	0.0%	0.0%
	40,000	100	\$ 3,291.08	\$ 3,291.12	\$ 0.03	0.0%		
	100,000	500	\$ 8,254.42	\$ 8,254.58	\$ 0.16	0.0%		
	400,000	1,000	\$ 32,972.86	\$ 32,973.17	\$ 0.32	0.0%		
	1,000,000	3,000	\$ 82,475.23	\$ 82,476.18	\$ 0.95	0.0%		
	1,500,000	4,000	\$ 123,683.53	\$ 123,684.81	\$ 1.27	0.0%		
	2,000,000	5,000	\$ 164,891.84	\$ 164,893.43	\$ 1.59	0.0%		

# 2007 EDR SMART METER RATE CALCULATION MODEL

## Sheet 1 Utility Information Sheet

<b>Legend:</b>	Input Cell	Pull-Down Menu Option	Output Cell
	From Another Sheet		To Another Sheet

Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.

**Name of LDC:** Hydro One Brampton Networks Inc.

**Licence Number:** ED-2003-0038

**Smart Meter Grouping:** Listed

**IRM 2007 EB Number:** EB-2007-0541

**EDR 2006 RP Number:** RP-2005-0020

**EDR 2006 EB Number:** EB-2005-0377

**Date of Submission:** November 1, 2007

**Revision:** 0

**Version:** 1.0

### Contact Information

**Name:** Scott Miller

**Title:** Manager of Regulatory Affairs

**Phone Number:** (905) 452-5504

**E-Mail Address:** smiller@hydroonebrampton.com



**Hydro One Brampton Networks Inc.**

**EB-2007-0541**

**November 1, 2007**

**Sheet 2. Smart Meter Capital Cost and Operational Expense Data**

**Smart Meter Unit Installation Plan:**

*assume calendar year installation*

Planned number of Residential smart meters to be installed

Planned number of General Service Less Than 50 kW smart meters

Planned number of General Service Greater Than 50 kW smart meters

**Planned Meter Installation (Residential and Less Than 50 kW only)**

Planned Meter Installation Completed before January 1, 2008

**Other Unit Installation Plan:**

*assume calendar year installation*

Planned number of Collectors to be installed

Planned number of Repeaters to be installed

Other : Please specify

**Capital Costs**

**1.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)**

**1.1.1 Smart Meter**

*may include new meters and modules, etc.*

**1.1.2 Installation Cost**

*may include socket kits plus shipping, labour, benefits, vehicle, etc.*

**1.1.3a Workforce Automation Hardware**

*may include fieldworker handhelds, barcode hardware, etc.*

**1.1.3b Workforce Automation Software**

*may include fieldworker handhelds, barcode hardware, etc.*

**Total Advanced Metering Communication Device (AMCD)**

**1.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)**

**1.2.1 Collectors**

**1.2.2 Repeaters**

*may include radio licence, etc.*

**1.2.3 Installation**

*may include meter seals and rings, collector computer hardware, etc.*

**Total Advanced Metering Regional Collector (AMRC) (includes LAN)**

**1.3 ADVANCED METERING CONTROL COMPUTER (AMCC)**

**1.3.1 Computer Hardware**

**1.3.2 Computer Software**

**1.3.3 Computer Software Licence & Installation (includes hardware & software)**

*may include AS/400 disc space, backup & recovery computer, UPS, etc*

**Total Advanced Metering Control Computer (AMCC)**

**1.4 WIDE AREA NETWORK (WAN)**

**1.4.1 Activation Fees**

**Total Wide Area Network (WAN)**

	2006	2007 Actual To April	2007 Forecast To December	2008	2009	2010
Planned number of Residential smart meters to be installed	4,801	1,600	28,599			
Planned number of General Service Less Than 50 kW smart meters						
Planned number of General Service Greater Than 50 kW smart meters						
<b>Planned Meter Installation (Residential and Less Than 50 kW only)</b>	4,801	1,600	28,599	-	-	-
Planned Meter Installation Completed before January 1, 2008		6,401	35,000	35,000	35,000	35,000

	2006	2007	2008	2009	2010
Planned number of Collectors to be installed					
Planned number of Repeaters to be installed					
Other : Please specify					

**Asset Type**

	2006	2007	2008	2009	2010
Smart Meter	\$ 524,250	\$ 174,750	\$ 3,123,059		
			3. LDC Assumptions and Data		
Smart Meter	\$ 61,500	\$ 20,500	\$ 366,367		
			3. LDC Assumptions and Data		
Comp. Hard.	\$ 12,750	\$ 4,250	\$ 75,954		
			3. LDC Assumptions and Data		
Comp. Soft.					
			3. LDC Assumptions and Data		
<b>Total</b>	<b>\$ 598,500</b>	<b>\$ 199,500</b>	<b>\$ 3,565,381</b>	<b>\$ -</b>	<b>\$ -</b>

	2006	2007	2008	2009	2010
Smart Meter	\$ 15,000	\$ 5,000	\$ 89,358		
			3. LDC Assumptions and Data		
Smart Meter					
			3. LDC Assumptions and Data		
Smart Meter	\$ 750	\$ 250	\$ 4,468		
			3. LDC Assumptions and Data		
<b>Total</b>	<b>\$ 15,750</b>	<b>\$ 5,250</b>	<b>\$ 93,826</b>	<b>\$ -</b>	<b>\$ -</b>

	2006	2007	2008	2009	2010
Comp. Hard.					
			3. LDC Assumptions and Data		
Comp. Soft.					
			3. LDC Assumptions and Data		
Comp. Soft.					
			3. LDC Assumptions and Data		
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

	2006	2007	2008	2009	2010
Comp. Soft.					
			3. LDC Assumptions and Data		
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Hydro One Brampton Networks Inc.**

**EB-2007-0541**

**November 1, 2007**

**Sheet 2. Smart Meter Capital Cost and Operational Expense Data**

**1.5 OTHER AMI CAPITAL COSTS RELATED TO MINIMUM FUNCTIONALITY**

1.5.1 Customer equipment (including repair of damaged equipment)

1.5.2 AMI Interface to CIS

1.5.3 Professional Fees

1.5.4 Integration

1.5.5 Program Management

1.5.6 Other AMI Capital

Total Other AMI Capital Costs Related To Minimum Functionality

**Total Capital Costs**

	2006	2007	2008	2009	2010
Comp. Hard.					
	<i>3. LDC Assumptions and Data</i>				
Comp. Hard.					
	<i>3. LDC Assumptions and Data</i>				
Comp. Hard.	\$ 22,500	\$ 7,500	\$ 134,037		
	<i>3. LDC Assumptions and Data</i>				
Comp. Hard.					
	<i>3. LDC Assumptions and Data</i>				
Comp. Hard.	\$ 68,250	\$ 22,750	\$ 406,579		
	<i>3. LDC Assumptions and Data</i>				
Comp. Hard.					
	<i>3. LDC Assumptions and Data</i>				
	\$ 90,750	\$ 30,250	\$ 540,615	\$ -	\$ -
	\$ 705,000	\$ 235,000	\$ 4,199,822	\$ -	\$ -

**Hydro One Brampton Networks Inc.**

**EB-2007-0541**

**November 1, 2007**

**Sheet 2. Smart Meter Capital Cost and Operational Expense Data**

**O M & A**

**2.1 ADVANCED METERING COMMUNICATION DEVICE (AMCD)**

**2.1.1 Maintenance**

*may include meter reverification costs, etc.*

**Total Incremental AMI Operation Expenses**

**2.2 ADVANCED METERING REGIONAL COLLECTOR (AMRC) (includes LAN)**

**2.2.1 Maintenance**

**Total Advanced Metering Regional Collector (AMRC) (includes LAN)**

**2.3 ADVANCED METERING CONTROL COMPUTER (AMCC)**

**2.3.1 Hardware Maintenance**

*may include server support, etc.*

**2.3.2 Software Maintenance**

*may include maintenance support, etc.*

**Total Advanced Metering Control Computer (AMCC)**

**2.4 WIDE AREA NETWORK (WAN)**

**2.4.1 WIDE AREA NETWORK (WAN)**

*may include serial to Ethernet hardware, etc.*

**Total Incremental Other Operation Expenses**

**2.5 OTHER AMI OM&A COSTS RELATED TO MINIMUM FUNCTIONALITY**

**2.5.1 Business Process Redesign**

**2.5.2 Customer Communication**

*may include project communication, etc.*

**2.5.3 Program Management**

**2.5.4 Change Management**

*may include training, etc.*

**2.5.5 Administration Cost**

**2.5.6 Other AMI Expenses**

**Total 2.5 Other AMI OM&A Costs Related To Minimum Functionality**

**Total O M & A Costs**

2006	2007	2008	2009	2010
3. LDC Assumptions and Data				
\$ -	\$ -	\$ -	\$ -	\$ -

2006	2007	2008	2009	2010
3. LDC Assumptions and Data				
\$ -	\$ -	\$ -	\$ -	\$ -

2006	2007	2008	2009	2010
3. LDC Assumptions and Data				
\$ -	\$ -	\$ -	\$ -	\$ -

2006	2007	2008	2009	2010
3. LDC Assumptions and Data				
\$ -	\$ -	\$ -	\$ -	\$ -

2006	2007	2008	2009	2010
3. LDC Assumptions and Data				
3. LDC Assumptions and Data				
3. LDC Assumptions and Data				
3. LDC Assumptions and Data				
3. LDC Assumptions and Data				
\$ -	\$ 24,000	\$ 107,229		
3. LDC Assumptions and Data				
\$ -	\$ 24,000	\$ 107,229	\$ -	\$ -
\$ -	\$ 24,000	\$ 107,229	\$ -	\$ -



---

Total  
35,000

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-  

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35,000

Total  
-

-  
-  
-  
-

Total  
\$ 3,822,059

\$ 448,367

\$ 92,954

\$ -

**\$ 4,363,381**

Total  
\$ 109,358

Total  
\$ -

Total  
\$ 5,468

**\$ 114,826**

Total  
\$ -

Total  
\$ -

Total  
\$ -

**\$ -**

Total  
\$ -

**\$ -**

Total  
\$ -

Total  
\$ -

Total  
\$ 164,037

Total  
\$ -

Total  
\$ 497,579

Total  
\$ -

**\$ 661,615**

**\$ 5,139,822**

Total  
\$ -  
\$ -

Total  
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Total  
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Total  
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Total  
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Total  
\$ -

Total  
\$ -

Total  
\$ 131,229

\$ 131,229

\$ 131,229

**Hydro One Brampton Networks Inc.**  
**EB-2007-0541**  
**November 1, 2007**  
**Sheet 3. LDC Assumptions and Data**

**Assumptions:**

1. Planned meter installations occur evenly through the year.
2. Year assumed January to December
3. Amortization is straight line and has half year rule applied in first year

**2006 EDR Data Information**

**Deemed Debt** (from 2006 EDR Sheet "3-2 COST OF CAPITAL (Input)" Cell C 18)  
**Deemed Equity** (from 2006 EDR Sheet "3-2 COST OF CAPITAL (Input)" Cell C 19)  
**Weighted Debt Rate** (from 2006 EDR Sheet "3-2 COST OF CAPITAL (Input)" Cell C 25)  
**Proposed ROE** (from 2006 EDR Sheet "3-2 COST OF CAPITAL (Input)" Cell E 32)

	2006/2007	2008
Deemed Debt	55%	57.5%
Deemed Equity	45%	42.5%
Weighted Debt Rate	6.95%	6.95%
Proposed ROE	9.00%	9.00%
Weighted Average Cost of Capital	7.87%	7.82%

**Working Capital Allowance %**

Working Capital Allowance %	15.00%
-----------------------------	--------

**2006 EDR Total Metered Customers**

**Residential**  
**General Service Less Than 50 kW**  
**Other Metered Customers**

Residential	102,070
General Service Less Than 50 kW	6,867
Other Metered Customers	1,500

**Sum of Residential, General Service, and Large User**

(from 2006 EDR Sheet "7-1 ALLOCATION - Base Rev. Req." Cells H16 thru H93)

Sum of Residential, General Service, and Large User	110,437	4. Smart Meter Rate Calc
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**Smart Meter Rate Adders**

**2006 EDR Smart Meter Rate Adder**  
**2007 EDR Smart Meter Rate Adder**  
**2008 EDR Smart Meter Rate Adder**  
**2009 EDR Smart Meter Rate Adder**  
**2010 EDR Smart Meter Rate Adder**

	Residential	GS and LU
2006 EDR Smart Meter Rate Adder	\$ 0.28	\$ 0.28
2007 EDR Smart Meter Rate Adder	\$ 0.67	\$ 0.67
2008 EDR Smart Meter Rate Adder	\$ -	\$ -
2009 EDR Smart Meter Rate Adder	\$ -	\$ -
2010 EDR Smart Meter Rate Adder	\$ -	\$ -

**2006 EDR Tax Rate**

**Corporate Income Tax Rate**

(from 2006 PILs Sheet "Test Year PILs, Tax Provision" Cell D 14)

Corporate Income Tax Rate	36.12%	5. PILs
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**Capital Data:**

Smart Meter  
 Computer Hardware  
 Computer Software  
 Tools & Equipment  
 Other Equipment

**Total Capital Costs**

	2006 Actual	2007 Actual	2007 Estimate	2008	2009	2010	Total
Smart Meter	\$ 601,500	\$ 200,500	\$ 3,583,252	\$ -	\$ -	\$ -	\$ 4,385,252
Computer Hardware	\$ 103,500	\$ 34,500	\$ 616,570	\$ -	\$ -	\$ -	\$ 754,570
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Capital Costs</b>	<b>\$ 705,000</b>	<b>\$ 235,000</b>	<b>\$ 4,199,822</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,139,822</b>

**LDC Amortization Policy:**

Smart Meter Amortization Rate *Enter Amortization Policy*  
 Computer Hardware Amortization Rate *Enter Amortization Policy*  
 Computer Software Amortization Rate *Enter Amortization Policy*  
 Tools & Equipment Amortization Rate *Enter Amortization Policy*  
 Other Equipment Amortization Rate *Enter Amortization Policy*

Amortization	CCA Class	CCA Rate
15 Years	47	8 %
5 Years	45	45 %
3 Years	45	45 %
10 Years	8	20 %
10 Years	8	20 %

**Operating Expense Data:**

2.1 Advanced Metering Communication Device (AMCD)  
 2.2 Advanced Metering Regional Collector (AMRC) (includes LAN)  
 2.3 Advanced Metering Control Computer (AMCC)  
 2.4 Wide Area Network (WAN)  
 2.5 Other AMI OM&A Costs Related To Minimum Functionality  
 Total O M & A Costs

	2006 Actual	2007 Actual	2007 Estimate	2008	2009	2010	Total
2.1 Advanced Metering Communication Device (AMCD)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.2 Advanced Metering Regional Collector (AMRC) (includes LAN)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.3 Advanced Metering Control Computer (AMCC)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.4 Wide Area Network (WAN)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2.5 Other AMI OM&A Costs Related To Minimum Functionality	\$ -	\$ 24,000	\$ 107,229	\$ -	\$ -	\$ -	\$ 131,229
<b>Total O M &amp; A Costs</b>	<b>\$ -</b>	<b>\$ 24,000</b>	<b>\$ 107,229</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 131,229</b>

**Per Meter Cost Split:**

Smart meter including installation  
 Computer Hardware Costs  
 Computer Software Costs  
 Tools & Equipment  
 Other Equipment  
 Smart meter incremental operating expenses  
 Total Smart Meter Capital Costs per meter

	Per Meter	Installed	Investment	% of Invest
Smart meter including installation	\$ 125.29	35,000	\$ 4,385,252	83%
Computer Hardware Costs	\$ 21.56	35,000	\$ 754,570	14%
Computer Software Costs	\$ -	35,000	\$ -	0%
Tools & Equipment	\$ -	35,000	\$ -	0%
Other Equipment	\$ -	35,000	\$ -	0%
Smart meter incremental operating expenses	\$ 3.75	35,000	\$ 131,229	2%
<b>Total Smart Meter Capital Costs per meter</b>	<b>\$ 150.60</b>		<b>\$ 5,271,051</b>	<b>100%</b>

**Smart Meter Revenue Requirement & Proposed Rates- Summary**  
**Hydro One Brampton Networks Inc.**

Summary of Actual Costs claimed in this application	2006 Actual	2006 Plus	2007 Actual	Total Actual	Perm Adjust		
					2006	2007	Total
<b>Capital Costs (must be installed, and used and useful)</b>							
Smart Meters	\$ 601,500		\$ 200,500	\$ 802,000	\$ 601,500	\$ 200,500	\$ 802,000
Computer Hardware	\$ 103,500		\$ 34,500	\$ 138,000	\$ 103,500	\$ 34,500	\$ 138,000
Computer Software	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
Tools & Equipment	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment (please specify)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Capital Costs</b>	<b>\$ 705,000</b>		<b>\$ 235,000</b>	<b>\$ 940,000</b>	<b>\$ 705,000</b>	<b>\$ 235,000</b>	<b>\$ 940,000</b>

O M & A	2006 Actual	2006 Plus	2007 Actual	Total Actual
2.1 Advanced metering communication device (AMCD)	\$ -		\$ -	\$ -
2.2 Advanced metering regional collector (AMRC) (includes LAN)	\$ -		\$ -	\$ -
2.3 Advanced metering control computer (AMCC)	\$ -		\$ -	\$ -
2.4 Wide area network (WAN)	\$ -		\$ -	\$ -
2.5 Other AMI OM&A costs related to minimum functionality	\$ -		\$ 24,000	\$ 24,000
<b>Total O M &amp; A Costs</b>	<b>\$ -</b>		<b>\$ 24,000</b>	<b>\$ 24,000</b>

Summary of Revenue Requirement Calculation	2006 Actual	2006 Plus	2007 Actual	Total Actual	Perm Adjust		
					2006	2007	Total
<b>Net Fixed Assets</b>							
Net Fixed Assets Beginning of Year	\$ -	\$ 674,600	\$ -	\$ 838,667	\$ 613,800	\$ 224,867	\$ 838,667
Net Fixed Assets End of Year	\$ 674,600	\$ 613,800	\$ 224,867	\$ 757,600	\$ 553,000	\$ 204,600	\$ 757,600
<b>Average Net Fixed Asset Values</b>	<b>\$ 337,300</b>	<b>\$ 644,200</b>	<b>\$ 112,433</b>	<b>\$ 798,133</b>	<b>\$ 583,400</b>	<b>\$ 214,733</b>	<b>\$ 798,133</b>

Working Capital Allowance							
Operation Expense	\$ -	\$ -	\$ 24,000	\$ -	\$ -	\$ -	\$ -
Working Capital Allowance 15% (from approved 2006 EDR application)	\$ -	\$ -	\$ 3,600	\$ -	\$ -	\$ -	\$ -

<b>Smart Meters Rate Base</b>	<b>\$ 337,300</b>	<b>\$ 644,200</b>	<b>\$ 116,033</b>	<b>\$ 798,133</b>	<b>\$ 583,400</b>	<b>\$ 214,733</b>	<b>\$ 798,133</b>
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Return on Rate Base	2006 Actual	2006 Plus	2007 Actual	Total Actual	2006	2007	Total
Deemed Debt 55% Times Weighted Debt Rate 6.95%	\$ 12,893	\$ 24,625	\$ 4,435	\$ 31,895	\$ 22,300	\$ 8,208	\$ 31,895
Deemed Equity 45% Times ROE 9%	\$ 13,661	\$ 26,090	\$ 4,699	\$ 30,529	\$ 23,628	\$ 8,697	\$ 30,529
<b>Return on Rate Base</b>	<b>\$ 26,554</b>	<b>\$ 50,715</b>	<b>\$ 9,135</b>	<b>\$ 62,424</b>	<b>\$ 45,928</b>	<b>\$ 16,905</b>	<b>\$ 62,424</b>

Operating Expenses	2006 Actual	2006 Plus	2007 Actual	Total Actual	2006	2007	Total
Incremental Operating Expenses	\$ -	\$ -	\$ 24,000	\$ 24,000	\$ -	\$ -	\$ -
Amortization Expenses	\$ 30,400	\$ 60,800	\$ 10,133	\$ 81,067	\$ 60,800	\$ 20,267	\$ 81,067
<b>Total Operating Expenses</b>	<b>\$ 30,400</b>	<b>\$ 60,800</b>	<b>\$ 34,133</b>	<b>\$ 81,067</b>	<b>\$ 60,800</b>	<b>\$ 20,267</b>	<b>\$ 81,067</b>

	2006 Actual	2006 Plus	2007 Actual	Total Actual	Perm Adjust			
					2006	2007	Total	
Revenue Requirement Before PILs	\$ 56,954	\$ 111,515	\$ 43,268	\$ 47,830	\$ 259,567	\$ 106,728	\$ 37,172	\$ 143,491
Grossed up PILs	\$ 165	\$ 4,524	\$ 138	\$ 4,869	\$ 9,696	\$ 13,399	\$ 1,207	\$ 14,607
<b>Revenue Requirement for Smart Meters</b>	<b>\$ 57,119</b>	<b>\$ 116,039</b>	<b>\$ 43,406</b>	<b>\$ 52,699</b>	<b>\$ 269,263</b>	<b>\$ 120,127</b>	<b>\$ 38,379</b>	<b>\$ 158,097</b>

**Rate Rider to Clear Actual Expenses to April 2007**

Revenue Requirement for Smart Meters Installed					\$ 269,263
Carrying costs					-\$ 18,376
<div style="border: 1px solid black; padding: 2px; font-size: small;">                     The last available Board prescribed interest rate for approved accounts to be applied against deferral accounts is assumed to continue without change for the completion of recovery of actual costs.                 </div>					
<b>Customers per</b>					
Less Smart Meter Adder Recovery	<b>Rate Adder</b>	<b>2006 EDR</b>	<b>No. of Mths</b>		<b>Amount Recovered</b>
May 2006 to April 2007 - Residential	\$ 0.28	102070	12		\$ 342,955
May 2006 to April 2007 - GS & LU	\$ 0.28	8367	12		\$ 28,113
May 2008 to April 2009 (proposed to actual clear balance)	-\$ 0.09	110437	12		-\$ 120,181
					<u>-\$ 250,887</u>
					<u>\$ -</u>

**Permanent Capital Rate Adjustment**

	Rate Adder	Metered Customers per 2006 EDR	No. of Mths	Amount Recovered
May 2008	\$ 0.12	110437	12	\$ 158,097

## Clearing Actuals Smart Meter Revenue Requirement

### Hydro One Brampton Networks Inc.

		2006	2006 Plus	2007	2006/2007				
	Opening	Rev Req	Rev Req	Rev Req	Plus Rev	Recovery	Int. Rate	Interest	Closing
Jan-06	\$ -	\$ 4,760	\$ -	\$ -	\$ -	\$ -	7.04%	\$ -	\$ 4,760
Feb-06	\$ 4,760	\$ 4,760	\$ -	\$ -	\$ -	\$ -	7.04%	\$ 28	\$ 9,548
Mar-06	\$ 9,548	\$ 4,760	\$ -	\$ -	\$ -	\$ -	7.04%	\$ 56	\$ 14,364
Apr-06	\$ 14,364	\$ 4,760	\$ -	\$ -	\$ -	\$ -	4.14%	\$ 50	\$ 19,173
May-06	\$ 19,173	\$ 4,760	\$ -	\$ -	\$ -	-\$ 30,922	4.14%	\$ 66	-\$ 6,923
Jun-06	-\$ 6,923	\$ 4,760	\$ -	\$ -	\$ -	-\$ 30,922	4.14%	-\$ 24	-\$ 33,109
Jul-06	-\$ 33,109	\$ 4,760	\$ -	\$ -	\$ -	-\$ 30,922	4.59%	-\$ 127	-\$ 59,398
Aug-06	-\$ 59,398	\$ 4,760	\$ -	\$ -	\$ -	-\$ 30,922	4.59%	-\$ 227	-\$ 85,788
Sep-06	-\$ 85,788	\$ 4,760	\$ -	\$ -	\$ -	-\$ 30,922	4.59%	-\$ 328	-\$ 112,279
Oct-06	-\$ 112,279	\$ 4,760	\$ -	\$ -	\$ -	-\$ 30,922	4.59%	-\$ 429	-\$ 138,870
Nov-06	-\$ 138,870	\$ 4,760	\$ -	\$ -	\$ -	-\$ 30,922	4.59%	-\$ 531	-\$ 165,564
Dec-06	-\$ 165,564	\$ 4,760	\$ -	\$ -	\$ -	-\$ 30,922	4.59%	-\$ 633	-\$ 192,360
Jan-07	-\$ 192,360	\$ -	\$ 9,670	\$ 3,617	\$ -	-\$ 30,922	4.59%	-\$ 736	-\$ 210,731
Feb-07	-\$ 210,731	\$ -	\$ 9,670	\$ 3,617	\$ -	-\$ 30,922	4.59%	-\$ 806	-\$ 229,172
Mar-07	-\$ 229,172	\$ -	\$ 9,670	\$ 3,617	\$ -	-\$ 30,922	4.59%	-\$ 877	-\$ 247,684
Apr-07	-\$ 247,684	\$ -	\$ 9,670	\$ 3,617	\$ -	-\$ 30,922	4.59%	-\$ 947	-\$ 266,267
May-07	-\$ 266,267	\$ -	\$ 9,670	\$ 3,617	\$ -	\$ -	4.59%	-\$ 1,018	-\$ 253,998
Jun-07	-\$ 253,998	\$ -	\$ 9,670	\$ 3,617	\$ -	\$ -	4.59%	-\$ 972	-\$ 241,683
Jul-07	-\$ 241,683	\$ -	\$ 9,670	\$ 3,617	\$ -	\$ -	4.59%	-\$ 924	-\$ 229,320
Aug-07	-\$ 229,320	\$ -	\$ 9,670	\$ 3,617	\$ -	\$ -	4.59%	-\$ 877	-\$ 216,910
Sep-07	-\$ 216,910	\$ -	\$ 9,670	\$ 3,617	\$ -	\$ -	4.59%	-\$ 830	-\$ 204,453
Oct-07	-\$ 204,453	\$ -	\$ 9,670	\$ 3,617	\$ -	\$ -	5.14%	-\$ 876	-\$ 192,041
Nov-07	-\$ 192,041	\$ -	\$ 9,670	\$ 3,617	\$ -	\$ -	5.14%	-\$ 823	-\$ 179,577
Dec-07	-\$ 179,577	\$ -	\$ 9,670	\$ 3,617	\$ -	\$ -	5.14%	-\$ 769	-\$ 167,059
Jan-08	-\$ 167,059	\$ -	\$ -	\$ -	\$ 13,175	\$ -	5.14%	-\$ 716	-\$ 154,600
Feb-08	-\$ 154,600	\$ -	\$ -	\$ -	\$ 13,175	\$ -	5.14%	-\$ 662	-\$ 142,087
Mar-08	-\$ 142,087	\$ -	\$ -	\$ -	\$ 13,175	\$ -	5.14%	-\$ 609	-\$ 129,521
Apr-08	-\$ 129,521	\$ -	\$ -	\$ -	\$ 13,175	\$ -	5.14%	-\$ 555	-\$ 116,901
May-08	-\$ 116,901	\$ -	\$ -	\$ -	\$ -	\$ 10,015	5.14%	-\$ 501	-\$ 107,387
Jun-08	-\$ 107,387	\$ -	\$ -	\$ -	\$ -	\$ 10,015	5.14%	-\$ 460	-\$ 97,832
Jul-08	-\$ 97,832	\$ -	\$ -	\$ -	\$ -	\$ 10,015	5.14%	-\$ 419	-\$ 88,236
Aug-08	-\$ 88,236	\$ -	\$ -	\$ -	\$ -	\$ 10,015	5.14%	-\$ 378	-\$ 78,599
Sep-08	-\$ 78,599	\$ -	\$ -	\$ -	\$ -	\$ 10,015	5.14%	-\$ 337	-\$ 68,920
Oct-08	-\$ 68,920	\$ -	\$ -	\$ -	\$ -	\$ 10,015	5.14%	-\$ 295	-\$ 59,200
Nov-08	-\$ 59,200	\$ -	\$ -	\$ -	\$ -	\$ 10,015	5.14%	-\$ 254	-\$ 49,439
Dec-08	-\$ 49,439	\$ -	\$ -	\$ -	\$ -	\$ 10,015	5.14%	-\$ 212	-\$ 39,635
Jan-09	-\$ 39,635	\$ -	\$ -	\$ -	\$ -	\$ 10,015	5.14%	-\$ 170	-\$ 29,790
Feb-09	-\$ 29,790	\$ -	\$ -	\$ -	\$ -	\$ 10,015	5.14%	-\$ 128	-\$ 19,902
Mar-09	-\$ 19,902	\$ -	\$ -	\$ -	\$ -	\$ 10,015	5.14%	-\$ 85	-\$ 9,972
Apr-09	-\$ 9,972	\$ -	\$ -	\$ -	\$ -	\$ 10,015	5.14%	-\$ 43	-\$ 0
<b>Revenue Requirement</b>		<b>\$ 57,119</b>	<b>\$ 116,039</b>	<b>\$ 43,406</b>	<b>\$ 52,699</b>			<b>Carrying Costs</b>	<b>-\$ 18,376</b>

**Smart Meter Rate Adder Recovery**

**Hydro One Brampton Networks Inc.**

Month	Residential	GS & LU	Total	Cummulative
Jan-06 \$	-	-	-	-
Feb-06 \$	-	-	-	-
Mar-06 \$	-	-	-	-
Apr-06 \$	-	-	-	-
May-06 \$	28,580	2,343	30,922	30,922
Jun-06 \$	28,580	2,343	30,922	61,845
Jul-06 \$	28,580	2,343	30,922	92,767
Aug-06 \$	28,580	2,343	30,922	123,689
Sep-06 \$	28,580	2,343	30,922	154,612
Oct-06 \$	28,580	2,343	30,922	185,534
Nov-06 \$	28,580	2,343	30,922	216,457
Dec-06 \$	28,580	2,343	30,922	247,379
Jan-07 \$	28,580	2,343	30,922	278,301
Feb-07 \$	28,580	2,343	30,922	309,224
Mar-07 \$	28,580	2,343	30,922	340,146
Apr-07 \$	28,580	2,343	30,922	371,068
May-07 \$	-	-	-	371,068
Jun-07 \$	-	-	-	371,068
Jul-07 \$	-	-	-	371,068
Aug-07 \$	-	-	-	371,068
Sep-07 \$	-	-	-	371,068
Oct-07 \$	-	-	-	371,068
Nov-07 \$	-	-	-	371,068
Dec-07 \$	-	-	-	371,068
Jan-08 \$	-	-	-	371,068
Feb-08 \$	-	-	-	371,068
Mar-08 \$	-	-	-	371,068
Apr-08 \$	-	-	-	371,068
May-08 -\$	9,256	759	10,015	361,053
Jun-08 -\$	9,256	759	10,015	351,038
Jul-08 -\$	9,256	759	10,015	341,023
Aug-08 -\$	9,256	759	10,015	331,008
Sep-08 -\$	9,256	759	10,015	320,993
Oct-08 -\$	9,256	759	10,015	310,978
Nov-08 -\$	9,256	759	10,015	300,962
Dec-08 -\$	9,256	759	10,015	290,947
Jan-09 -\$	9,256	759	10,015	280,932
Feb-09 -\$	9,256	759	10,015	270,917
Mar-09 -\$	9,256	759	10,015	260,902
Apr-09 -\$	9,256	759	10,015	250,887

**Smart Meter Rate Adder Recovery - Residential**

**Hydro One Brampton Networks Inc.**

Month	SM Rate Adder	Customers	Recovery	Cummulative
Jan-06 \$	-	102070	-	-
Feb-06 \$	-	102070	-	-
Mar-06 \$	-	102070	-	-
Apr-06 \$	-	102070	-	-
May-06 \$	0.28	102070	28,580	28,580
Jun-06 \$	0.28	102070	28,580	57,159
Jul-06 \$	0.28	102070	28,580	85,739
Aug-06 \$	0.28	102070	28,580	114,318
Sep-06 \$	0.28	102070	28,580	142,898
Oct-06 \$	0.28	102070	28,580	171,478
Nov-06 \$	0.28	102070	28,580	200,057
Dec-06 \$	0.28	102070	28,580	228,637
Jan-07 \$	0.28	102070	28,580	257,216
Feb-07 \$	0.28	102070	28,580	285,796
Mar-07 \$	0.28	102070	28,580	314,376
Apr-07 \$	0.28	102070	28,580	342,955
May-07 \$	-	102070	-	342,955
Jun-07 \$	-	102070	-	342,955
Jul-07 \$	-	102070	-	342,955
Aug-07 \$	-	102070	-	342,955
Sep-07 \$	-	102070	-	342,955
Oct-07 \$	-	102070	-	342,955
Nov-07 \$	-	102070	-	342,955
Dec-07 \$	-	102070	-	342,955
Jan-08 \$	-	102070	-	342,955
Feb-08 \$	-	102070	-	342,955
Mar-08 \$	-	102070	-	342,955
Apr-08 \$	-	102070	-	342,955
May-08 -\$	0.09	102070	9,256	333,699
Jun-08 -\$	0.09	102070	9,256	324,443
Jul-08 -\$	0.09	102070	9,256	315,186
Aug-08 -\$	0.09	102070	9,256	305,930
Sep-08 -\$	0.09	102070	9,256	296,673
Oct-08 -\$	0.09	102070	9,256	287,417
Nov-08 -\$	0.09	102070	9,256	278,161
Dec-08 -\$	0.09	102070	9,256	268,904
Jan-09 -\$	0.09	102070	9,256	259,648
Feb-09 -\$	0.09	102070	9,256	250,392
Mar-09 -\$	0.09	102070	9,256	241,135
Apr-09 -\$	0.09	102070	9,256	231,879

**Smart Meter Rate Adder Recovery - GS & LU**

**Hydro One Brampton Networks Inc.**

Month	SM Rate Adder	Customers	Recovery	Cummulative
Jan-06 \$	-	8367	-	-
Feb-06 \$	-	8367	-	-
Mar-06 \$	-	8367	-	-
Apr-06 \$	-	8367	-	-
May-06 \$	0.28	8367	2,343	2,343
Jun-06 \$	0.28	8367	2,343	4,686
Jul-06 \$	0.28	8367	2,343	7,028
Aug-06 \$	0.28	8367	2,343	9,371
Sep-06 \$	0.28	8367	2,343	11,714
Oct-06 \$	0.28	8367	2,343	14,057
Nov-06 \$	0.28	8367	2,343	16,399
Dec-06 \$	0.28	8367	2,343	18,742
Jan-07 \$	0.28	8367	2,343	21,085
Feb-07 \$	0.28	8367	2,343	23,428
Mar-07 \$	0.28	8367	2,343	25,770
Apr-07 \$	0.28	8367	2,343	28,113
May-07 \$	-	8367	-	28,113
Jun-07 \$	-	8367	-	28,113
Jul-07 \$	-	8367	-	28,113
Aug-07 \$	-	8367	-	28,113
Sep-07 \$	-	8367	-	28,113
Oct-07 \$	-	8367	-	28,113
Nov-07 \$	-	8367	-	28,113
Dec-07 \$	-	8367	-	28,113
Jan-08 \$	-	8367	-	28,113
Feb-08 \$	-	8367	-	28,113
Mar-08 \$	-	8367	-	28,113
Apr-08 \$	-	8367	-	28,113
May-08 -\$	0.09	8367	759	27,354
Jun-08 -\$	0.09	8367	759	26,596
Jul-08 -\$	0.09	8367	759	25,837
Aug-08 -\$	0.09	8367	759	25,078
Sep-08 -\$	0.09	8367	759	24,319
Oct-08 -\$	0.09	8367	759	23,560
Nov-08 -\$	0.09	8367	759	22,802
Dec-08 -\$	0.09	8367	759	22,043
Jan-09 -\$	0.09	8367	759	21,284
Feb-09 -\$	0.09	8367	759	20,525
Mar-09 -\$	0.09	8367	759	19,767
Apr-09 -\$	0.09	8367	759	19,008

**Hydro One Brampton Networks Inc.**  
**EB-2007-0541**  
**November 1, 2007**  
**Sheet 4. Smart Meter Rate Calc**

**Smart Meter Rate Calculation**

	2006		2007		2008		2009		2010	
<b>Average Asset Values</b>										
Net Fixed Assets Smart Meters	\$ 290,725.00		\$ 561,400.00		\$ 521,300.00		\$ 481,200.00		\$ 441,100.00	
Net Fixed Assets Computer Hardware	\$ 46,575.00		\$ 82,800.00		\$ 62,100.00		\$ 41,400.00		\$ 20,700.00	
Net Fixed Assets Computer Software	\$ -		\$ -		\$ -		\$ -		\$ -	
Net Fixed Assets Tools & Equipment	\$ -		\$ -		\$ -		\$ -		\$ -	
Net Fixed Assets Other Equipment	\$ -		\$ -		\$ -		\$ -		\$ -	
Total Net Fixed Assets	\$ 337,300.00	\$ 337,300.00	\$ 644,200.00	\$ 644,200.00	\$ 583,400.00	\$ 583,400.00	\$ 522,600.00	\$ 522,600.00	\$ 461,800.00	\$ 461,800.00
<b>Working Capital</b>										
Operation Expense	\$ -		\$ 24,000.00		\$ -		\$ -		\$ -	
Working Capital 15 %	\$ -	\$ -	\$ 3,600.00	\$ 3,600.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Smart Meters included in Rate Base</b>		\$ 337,300.00		\$ 647,800.00		\$ 583,400.00		\$ 522,600.00		\$ 461,800.00
<b>Return on Rate Base</b>										
Deemed Debt (3. LDC Assumptions and Data)	55.0%	\$ 185,515.00	55.0%	\$ 356,290.00	57.5%	\$ 335,455.00	57.5%	\$ 300,495.00	57.5%	\$ 265,535.00
Deemed Equity (3. LDC Assumptions and Data)	45.0%	\$ 151,785.00	45.0%	\$ 291,510.00	42.5%	\$ 247,945.00	42.5%	\$ 222,105.00	42.5%	\$ 196,265.00
		\$ 337,300.00		\$ 647,800.00		\$ 583,400.00		\$ 522,600.00		\$ 461,800.00
Weighted Debt Rate (3. LDC Assumptions and Data)	7.0%	\$ 12,893.29	7.0%	\$ 24,762.16	7.0%	\$ 23,314.12	7.0%	\$ 20,884.40	7.0%	\$ 18,454.68
Proposed ROE (3. LDC Assumptions and Data)	9.0%	\$ 13,660.65	9.0%	\$ 26,235.90	9.0%	\$ 22,315.05	9.0%	\$ 19,989.45	9.0%	\$ 17,663.85
<b>Return on Rate Base</b>		\$ 26,553.94		\$ 50,998.06		\$ 45,629.17		\$ 40,873.85		\$ 36,118.53
<b>Operating Expenses</b>										
Incremental Operating Expenses (3. LDC Assumptions and Data)		\$ -		\$ 24,000.00		\$ -		\$ -		\$ -
<b>Amortization Expenses</b>										
Amortization Expenses - Smart Meters	\$ 20,050.00		\$ 40,100.00		\$ 40,100.00		\$ 40,100.00		\$ 40,100.00	
Amortization Expenses - Computer Hardware	\$ 10,350.00		\$ 20,700.00		\$ 20,700.00		\$ 20,700.00		\$ 20,700.00	
Amortization Expenses - Computer Software	\$ -		\$ -		\$ -		\$ -		\$ -	
Amortization Expenses - Tools & Equipment	\$ -		\$ -		\$ -		\$ -		\$ -	
Amortization Expenses - Other Equipment	\$ -		\$ -		\$ -		\$ -		\$ -	
<b>Total Amortization Expenses</b>		\$ 30,400.00		\$ 60,800.00		\$ 60,800.00		\$ 60,800.00		\$ 60,800.00
<b>Revenue Requirement Before PILs</b>		\$ 56,953.94		\$ 135,798.06		\$ 106,429.17		\$ 101,673.85		\$ 96,918.53
<b>Calculation of Taxable Income</b>										
Incremental Operating Expenses	\$ -		\$ -	24,000.00	\$ -		\$ -		\$ -	
Depreciation Expenses	-\$ 30,400.00		-\$ 60,800.00		-\$ 60,800.00		-\$ 60,800.00		-\$ 60,800.00	
Interest Expense	-\$ 12,893.29		-\$ 24,762.16		-\$ 23,314.12		-\$ 20,884.40		-\$ 18,454.68	
<b>Taxable Income For PILs</b>		\$ 13,660.65		\$ 26,235.90		\$ 22,315.05		\$ 19,989.45		\$ 17,663.85
<b>Grossed up PILs (5. PILs)</b>		\$ 165.30		\$ 4,524.43		\$ 13,399.06		\$ 18,875.55		\$ 21,925.12
Revenue Requirement Before PILs	\$ 56,953.94		\$ 135,798.06		\$ 106,429.17		\$ 101,673.85		\$ 96,918.53	
Grossed up PILs (5. PILs)	\$ 165.30		\$ 4,524.43		\$ 13,399.06		\$ 18,875.55		\$ 21,925.12	
<b>Revenue Requirement for Smart Meters</b>		\$ 57,119.24		\$ 140,322.49		\$ 119,828.23		\$ 120,549.41		\$ 118,843.65
<b>2007 Smart Meter Rate Adder</b>										
Revenue Requirement for Smart Meters	\$ 57,119.24		\$ 140,322.49		\$ 119,828.23		\$ 120,549.41		\$ 118,843.65	
2006 EDR Total Metered Customers (3. LDC Assumptions and Data)	110,437		110,437		110,437		110,437		110,437	
Annualized amount required per metered customer	0.52		1.27		1.09		1.09		1.08	
Number of months in year	12		12		12		12		12	
<b>2007 Smart Meter Rate Adder</b>		\$ 0.04		\$ 0.11		\$ 0.09		\$ 0.09		\$ 0.09



**Hydro One Brampton Networks Inc.**

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**Sheet 5. PILs**

**PILs Calculation**

	2006	2007	2008	2009	2010
<b>INCOME TAX</b>					
Net Income	\$ 13,660.65	\$ 26,235.90	\$ 22,315.05	\$ 19,989.45	\$ 17,663.85
Amortization	\$ 30,400.00	\$ 60,800.00	\$ 60,800.00	\$ 60,800.00	\$ 60,800.00
CCA - Class 47 (8%) Smart Meters	-\$ 24,060.00	-\$ 46,195.20	-\$ 42,499.58	-\$ 39,099.62	-\$ 35,971.65
CCA - Class 45 (45%) Computers	-\$ 23,287.50	-\$ 36,095.63	-\$ 19,852.59	-\$ 10,918.93	-\$ 6,005.41
CCA - Class 8 (20%) Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ -
Change in taxable income	-\$ 3,286.85	\$ 4,745.07	\$ 20,762.87	\$ 30,770.91	\$ 36,486.79
Tax Rate (3. LDC Assumptions and Data)	36.12%	36.12%	36.12%	36.12%	36.12%
Income Taxes Payable	-\$ 1,187.21	\$ 1,713.92	\$ 7,499.55	\$ 11,114.45	\$ 13,179.03

<b>ONTARIO CAPITAL TAX</b>					
Smart Meters	\$ 581,450.00	\$ 541,350.00	\$ 501,250.00	\$ 461,150.00	\$ 421,050.00
Computer Hardware	\$ 93,150.00	\$ 72,450.00	\$ 51,750.00	\$ 31,050.00	\$ 10,350.00
Computer Software	\$ -	\$ -	\$ -	\$ -	\$ -
Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ -
Rate Base	\$ 674,600.00	\$ 613,800.00	\$ 553,000.00	\$ 492,200.00	\$ 431,400.00
Less: Exemption	\$ -	\$ -	\$ -	\$ -	\$ -
Deemed Taxable Capital	\$ 674,600.00	\$ 613,800.00	\$ 553,000.00	\$ 492,200.00	\$ 431,400.00
Ontario Capital Tax Rate	0.300%	0.300%	0.300%	0.300%	0.300%
Net Amount (Taxable Capital x Rate)	\$ 2,023.80	\$ 1,841.40	\$ 1,659.00	\$ 1,476.60	\$ 1,294.20

**Gross Up**

Change in Income Taxes Payable	-\$ 1,187.21	\$ 1,713.92	\$ 7,499.55	\$ 11,114.45	\$ 13,179.03
Change in OCT	\$ 2,023.80	\$ 1,841.40	\$ 1,659.00	\$ 1,476.60	\$ 1,294.20
PIL's	\$ 836.59	\$ 3,555.32	\$ 9,158.55	\$ 12,591.05	\$ 14,473.23
	Gross Up 36.12%	Gross Up 36.12%	Gross Up 36.12%	Gross Up 36.12%	Gross Up 36.12%

Change in Income Taxes Payable	-\$ 1,858.50	\$ 2,683.03	\$ 11,740.06	\$ 17,398.95	\$ 20,630.92
Change in OCT	\$ 2,023.80	\$ 1,841.40	\$ 1,659.00	\$ 1,476.60	\$ 1,294.20
PIL's	<b>\$ 165.30</b>	<b>\$ 4,524.43</b>	<b>\$ 13,399.06</b>	<b>\$ 18,875.55</b>	<b>\$ 21,925.12</b>

4. Smart Meter Rate Calc

**Hydro One Brampton Networks Inc.**

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**Sheet 6. SM Avg Net Fixed Assets & UCC**

**Smart Meter Average Net Fixed Assets**

**Net Fixed Assets - Smart Meters**

	2006	2007	2008	2009	2010
Opening Capital Investment	\$ -	\$ 601,500.00	\$ 601,500.00	\$ 601,500.00	\$ 601,500.00
Capital Investment (3. LDC Assumptions and Data)	\$ 601,500.00	\$ -	\$ -	\$ -	\$ -
Closing Capital Investment	\$ 601,500.00	\$ 601,500.00	\$ 601,500.00	\$ 601,500.00	\$ 601,500.00
Opening Accumulated Amortization	\$ -	\$ 20,050.00	\$ 60,150.00	\$ 100,250.00	\$ 140,350.00
Amortization Year 1 (15 Years Straight Line)	\$ 20,050.00	\$ 40,100.00	\$ 40,100.00	\$ 40,100.00	\$ 40,100.00
Closing Accumulated Amortization	\$ 20,050.00	\$ 60,150.00	\$ 100,250.00	\$ 140,350.00	\$ 180,450.00
Opening Net Fixed Assets	\$ -	\$ 581,450.00	\$ 541,350.00	\$ 501,250.00	\$ 461,150.00
Closing Net Fixed Assets	\$ 581,450.00	\$ 541,350.00	\$ 501,250.00	\$ 461,150.00	\$ 421,050.00
Average Net Fixed Assets	\$ 290,725.00	\$ 561,400.00	\$ 521,300.00	\$ 481,200.00	\$ 441,100.00

**Net Fixed Assets - Computer Hardware**

	2006	2007	2008	2009	2010
Opening Capital Investment	\$ -	\$ 103,500.00	\$ 103,500.00	\$ 103,500.00	\$ 103,500.00
Capital Investment (3. LDC Assumptions and Data)	\$ 103,500.00	\$ -	\$ -	\$ -	\$ -
Closing Capital Investment	\$ 103,500.00	\$ 103,500.00	\$ 103,500.00	\$ 103,500.00	\$ 103,500.00
Opening Accumulated Amortization	\$ -	\$ 10,350.00	\$ 31,050.00	\$ 51,750.00	\$ 72,450.00
Amortization Year 1 (5 Years Straight Line)	\$ 10,350.00	\$ 20,700.00	\$ 20,700.00	\$ 20,700.00	\$ 20,700.00
Closing Accumulated Amortization	\$ 10,350.00	\$ 31,050.00	\$ 51,750.00	\$ 72,450.00	\$ 93,150.00
Opening Net Fixed Assets	\$ -	\$ 93,150.00	\$ 72,450.00	\$ 51,750.00	\$ 31,050.00
Closing Net Fixed Assets	\$ 93,150.00	\$ 72,450.00	\$ 51,750.00	\$ 31,050.00	\$ 10,350.00
Average Net Fixed Assets	\$ 46,575.00	\$ 82,800.00	\$ 62,100.00	\$ 41,400.00	\$ 20,700.00

**Net Fixed Assets - Computer Software**

	2006	2007	2008	2009	2010
Opening Capital Investment	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Investment (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Capital Investment	\$ -	\$ -	\$ -	\$ -	\$ -
Opening Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization Year 1 (3 Years Straight Line)	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ -
Opening Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -
Average Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -

**Net Fixed Assets - Tools & Equipment**

	2006	2007	2008	2009	2010
Opening Capital Investment	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Investment (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -	\$ -	\$ -
Closing Capital Investment	\$ -	\$ -	\$ -	\$ -	\$ -
Opening Accumulated Amortization	\$ -	\$ -	\$ -	\$ -	\$ -
Amortization Year 1 (10 Years Straight Line)	\$ -	\$ -	\$ -	\$ -	\$ -

**Hydro One Brampton Networks Inc.**

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**Sheet 6. SM Avg Net Fixed Assets &UCC**

Closing Accumulated Amortization	\$	-	\$	-	\$	-	\$	-	\$	-
Opening Net Fixed Assets	\$	-	\$	-	\$	-	\$	-	\$	-
Closing Net Fixed Assets	\$	-	\$	-	\$	-	\$	-	\$	-
Average Net Fixed Assets	\$	-	\$	-	\$	-	\$	-	\$	-

**Net Fixed Assets - Other Equipment**

	2006	2007	2008	2009	2010	
Opening Capital Investment	\$	-	\$	-	\$	-
Capital Investment (3. LDC Assumptions and Data)	\$	-	\$	-	\$	-
Closing Capital Investment	\$	-	\$	-	\$	-
Opening Accumulated Amortization	\$	-	\$	-	\$	-
Amortization Year 1 (10 Years Straight Line)	\$	-	\$	-	\$	-
Closing Accumulated Amortization	\$	-	\$	-	\$	-
Opening Net Fixed Assets	\$	-	\$	-	\$	-
Closing Net Fixed Assets	\$	-	\$	-	\$	-
Average Net Fixed Assets	\$	-	\$	-	\$	-

**Hydro One Brampton Networks Inc.**

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**Sheet 6. SM Avg Net Fixed Assets &UCC**

**For PILs Calculation**

**UCC - Smart Meters**

CCA Class 47 (8%)

	2006	2007	2008	2009	2010
Opening UCC	\$ -	\$ 577,440.00	\$ 531,244.80	\$ 488,745.22	\$ 449,645.60
Capital Additions	\$ 601,500.00	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ 601,500.00	\$ 577,440.00	\$ 531,244.80	\$ 488,745.22	\$ 449,645.60
Half Year Rule (1/2 Additions - Disposals)	\$ 300,750.00	\$ -	\$ -	\$ -	\$ -
Reduced UCC	\$ 300,750.00	\$ 577,440.00	\$ 531,244.80	\$ 488,745.22	\$ 449,645.60
CCA Rate Class 47	8.0%	8.0%	8.0%	8.0%	8.0%
CCA	\$ 24,060.00	\$ 46,195.20	\$ 42,499.58	\$ 39,099.62	\$ 35,971.65
Closing UCC	\$ 577,440.00	\$ 531,244.80	\$ 488,745.22	\$ 449,645.60	\$ 413,673.95

**UCC - Computer Equipment**

CCA Class 45 (45%)

	2006	2007	2008	2009	2010
Opening UCC	\$ -	\$ 80,212.50	\$ 44,116.88	\$ 24,264.28	\$ 13,345.35
Capital Additions Computer Hardware	\$ 103,500.00	\$ -	\$ -	\$ -	\$ -
Capital Additions Computer Software	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ 103,500.00	\$ 80,212.50	\$ 44,116.88	\$ 24,264.28	\$ 13,345.35
Half Year Rule (1/2 Additions - Disposals)	\$ 51,750.00	\$ -	\$ -	\$ -	\$ -
Reduced UCC	\$ 51,750.00	\$ 80,212.50	\$ 44,116.88	\$ 24,264.28	\$ 13,345.35
CCA Rate Class 45	45%	45%	45%	45%	45%
CCA	\$ 23,287.50	\$ 36,095.63	\$ 19,852.59	\$ 10,918.93	\$ 6,005.41
Closing UCC	\$ 80,212.50	\$ 44,116.88	\$ 24,264.28	\$ 13,345.35	\$ 7,339.95

**UCC - General Equipment**

CCA Class 8 (20%)

	2006	2007	2008	2009	2010
Opening UCC	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions Tools & Equipment	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Additions Other Equipment	\$ -	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -	\$ -
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -	\$ -
Reduced UCC	\$ -	\$ -	\$ -	\$ -	\$ -
CCA Rate Class 8	20%	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ -	\$ -
Closing UCC	\$ -	\$ -	\$ -	\$ -	\$ -

**Hydro One Brampton Networks Inc.**  
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**Sheet 4. Smart Meter Rate Calc**

**Smart Meter Rate Calculation**

**Average Asset Values**

Net Fixed Assets Smart Meters  
 Net Fixed Assets Computer Hardware  
 Net Fixed Assets Computer Software  
 Net Fixed Assets Tools & Equipment  
 Net Fixed Assets Other Equipment  
 Total Net Fixed Assets

**Working Capital**

Operation Expense  
 Working Capital 15 %

**Smart Meters included in Rate Base**

**Return on Rate Base**

Deemed Debt (3. LDC Assumptions and Data)  
 Deemed Equity (3. LDC Assumptions and Data)

Weighted Debt Rate (3. LDC Assumptions and Data)  
 Proposed ROE (3. LDC Assumptions and Data)

**Return on Rate Base**

**Operating Expenses**

Incremental Operating Expenses (3. LDC Assumptions and Data)

**Amortization Expenses**

Amortization Expenses - Smart Meters  
 Amortization Expenses - Computer Hardware  
 Amortization Expenses - Computer Software  
 Amortization Expenses - Tools & Equipment  
 Amortization Expenses - Other Equipment

**Total Amortization Expenses**

**Revenue Requirement Before PILs**

**Calculation of Taxable Income**

Incremental Operating Expenses  
 Depreciation Expenses  
 Interest Expense

**Taxable Income For PILs**

**Grossed up PILs (5. PILs)**

Revenue Requirement Before PILs  
 Grossed up PILs (5. PILs)

**Revenue Requirement for Smart Meters**

**2007 Smart Meter Rate Adder**

Revenue Requirement for Smart Meters  
 2006 EDR Total Metered Customers (3. LDC Assumptions and Data)  
 Annualized amount required per metered customer  
 Number of months in year

**2007 Smart Meter Rate Adder**

	2007		2008		2009		2010	
Net Fixed Assets Smart Meters	\$	96,908.33	\$	187,133.33	\$	173,766.67	\$	160,400.00
Net Fixed Assets Computer Hardware	\$	15,525.00	\$	27,600.00	\$	20,700.00	\$	13,800.00
Net Fixed Assets Computer Software	\$	-	\$	-	\$	-	\$	-
Net Fixed Assets Tools & Equipment	\$	-	\$	-	\$	-	\$	-
Net Fixed Assets Other Equipment	\$	-	\$	-	\$	-	\$	-
<b>Total Net Fixed Assets</b>	\$	112,433.33	\$	214,733.33	\$	194,466.67	\$	174,200.00
Operation Expense	\$	24,000.00	\$	-	\$	-	\$	-
Working Capital 15 %	\$	3,600.00	\$	-	\$	-	\$	-
<b>Smart Meters included in Rate Base</b>		\$ 116,033.33		\$ 214,733.33		\$ 194,466.67		\$ 174,200.00
Deemed Debt (3. LDC Assumptions and Data)	55.0%	\$ 63,818.33	57.5%	\$ 123,471.67	57.5%	\$ 111,818.33	57.5%	\$ 100,165.00
Deemed Equity (3. LDC Assumptions and Data)	45.0%	\$ 52,215.00	42.5%	\$ 91,261.67	42.5%	\$ 82,648.33	42.5%	\$ 74,035.00
		\$ 116,033.33		\$ 214,733.33		\$ 194,466.67		\$ 174,200.00
Weighted Debt Rate (3. LDC Assumptions and Data)	7.0%	\$ 4,435.37	7.0%	\$ 8,581.28	7.0%	\$ 7,771.37	7.0%	\$ 6,961.47
Proposed ROE (3. LDC Assumptions and Data)	9.0%	\$ 4,699.35	9.0%	\$ 8,213.55	9.0%	\$ 7,438.35	9.0%	\$ 6,663.15
<b>Return on Rate Base</b>		\$ 9,134.72		\$ 16,794.83		\$ 15,209.72		\$ 13,624.62
Incremental Operating Expenses (3. LDC Assumptions and Data)		\$ 24,000.00		\$ -		\$ -		\$ -
Amortization Expenses - Smart Meters	\$	6,683.33	\$	13,366.67	\$	13,366.67	\$	13,366.67
Amortization Expenses - Computer Hardware	\$	3,450.00	\$	6,900.00	\$	6,900.00	\$	6,900.00
Amortization Expenses - Computer Software	\$	-	\$	-	\$	-	\$	-
Amortization Expenses - Tools & Equipment	\$	-	\$	-	\$	-	\$	-
Amortization Expenses - Other Equipment	\$	-	\$	-	\$	-	\$	-
<b>Total Amortization Expenses</b>		\$ 10,133.33		\$ 20,266.67		\$ 20,266.67		\$ 20,266.67
<b>Revenue Requirement Before PILs</b>		\$ 43,268.06		\$ 37,061.50		\$ 35,476.39		\$ 33,891.28
Incremental Operating Expenses	-\$	24,000.00	-\$	-	-\$	-	-\$	-
Depreciation Expenses	-\$	10,133.33	-\$	20,266.67	-\$	20,266.67	-\$	20,266.67
Interest Expense	-\$	4,435.37	-\$	8,581.28	-\$	7,771.37	-\$	6,961.47
<b>Taxable Income For PILs</b>		\$ 4,699.35		\$ 8,213.55		\$ 7,438.35		\$ 6,663.15
<b>Grossed up PILs (5. PILs)</b>		\$ 137.54		\$ 1,207.47		\$ 4,466.35		\$ 6,291.85
Revenue Requirement Before PILs	\$	43,268.06	\$	37,061.50	\$	35,476.39	\$	33,891.28
Grossed up PILs (5. PILs)	\$	137.54	\$	1,207.47	\$	4,466.35	\$	6,291.85
<b>Revenue Requirement for Smart Meters</b>		\$ 43,405.60		\$ 38,268.97		\$ 39,942.74		\$ 40,183.14
Revenue Requirement for Smart Meters	\$	43,405.60	\$	38,268.97	\$	39,942.74	\$	40,183.14
2006 EDR Total Metered Customers (3. LDC Assumptions and Data)		110,437		110,437		110,437		110,437
Annualized amount required per metered customer	\$	0.39	\$	0.35	\$	0.36	\$	0.36
Number of months in year		12		12		12		12
<b>2007 Smart Meter Rate Adder</b>		\$ 0.03		\$ 0.03		\$ 0.03		\$ 0.03

**Hydro One Brampton Networks Inc.**

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**Sheet 5. PILs**

**PILs Calculation**

	2007	2008	2009	2010
<b>INCOME TAX</b>				
Net Income	\$ 4,699.35	\$ 8,213.55	\$ 7,438.35	\$ 6,663.15
Amortization	\$ 10,133.33	\$ 20,266.67	\$ 20,266.67	\$ 20,266.67
CCA - Class 47 (8%) Smart Meters	-\$ 8,020.00	-\$ 15,398.40	-\$ 14,166.53	-\$ 13,033.21
CCA - Class 45 (45%) Computers	-\$ 7,762.50	-\$ 12,031.88	-\$ 6,617.53	-\$ 3,639.64
CCA - Class 8 (20%) Other Equipment	\$ -	\$ -	\$ -	\$ -
Change in taxable income	-\$ 949.82	\$ 1,049.94	\$ 6,920.96	\$ 10,256.97
Tax Rate (3. LDC Assumptions and Data)	36.12%	36.12%	36.12%	36.12%
Income Taxes Payable	-\$ 343.07	\$ 379.24	\$ 2,499.85	\$ 3,704.82
<b>ONTARIO CAPITAL TAX</b>				
Smart Meters	\$ 193,816.67	\$ 180,450.00	\$ 167,083.33	\$ 153,716.67
Computer Hardware	\$ 31,050.00	\$ 24,150.00	\$ 17,250.00	\$ 10,350.00
Computer Software	\$ -	\$ -	\$ -	\$ -
Tools & Equipment	\$ -	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -	\$ -
Rate Base	\$ 224,866.67	\$ 204,600.00	\$ 184,333.33	\$ 164,066.67
Less: Exemption	\$ -	\$ -	\$ -	\$ -
Deemed Taxable Capital	\$ 224,866.67	\$ 204,600.00	\$ 184,333.33	\$ 164,066.67
Ontario Capital Tax Rate	0.300%	0.300%	0.300%	0.300%
Net Amount (Taxable Capital x Rate)	\$ 674.60	\$ 613.80	\$ 553.00	\$ 492.20
<b>Gross Up</b>				
Change in Income Taxes Payable	-\$ 343.07	\$ 379.24	\$ 2,499.85	\$ 3,704.82
Change in OCT	\$ 674.60	\$ 613.80	\$ 553.00	\$ 492.20
PIL's	\$ 331.53	\$ 993.04	\$ 3,052.85	\$ 4,197.02
	Gross Up 36.12%	Gross Up 36.12%	Gross Up 36.12%	Gross Up 36.12%
Change in Income Taxes Payable	-\$ 537.06	\$ 593.67	\$ 3,913.35	\$ 5,799.65
Change in OCT	\$ 674.60	\$ 613.80	\$ 553.00	\$ 492.20
PIL's	\$ 137.54	\$ 1,207.47	\$ 4,466.35	\$ 6,291.85

**Hydro One Brampton Networks Inc.****EB-2007-0541****November 1, 2007****Sheet 6. SM Avg Net Fixed Assets & UCC****Smart Meter Average Net Fixed Assets****Net Fixed Assets - Smart Meters**

	2007	2008	2009	2010
Opening Capital Investment	\$ -	\$ 200,500.00	\$ 200,500.00	\$ 200,500.00
Capital Investment (3. LDC Assumptions and Data)	\$ 200,500.00	\$ -	\$ -	\$ -
Closing Capital Investment	\$ 200,500.00	\$ 200,500.00	\$ 200,500.00	\$ 200,500.00
Opening Accumulated Amortization	\$ -	\$ 6,683.33	\$ 20,050.00	\$ 33,416.67
Amortization Year 1 (15 Years Straight Line)	\$ 6,683.33	\$ 13,366.67	\$ 13,366.67	\$ 13,366.67
Closing Accumulated Amortization	\$ 6,683.33	\$ 20,050.00	\$ 33,416.67	\$ 46,783.33
Opening Net Fixed Assets	\$ -	\$ 193,816.67	\$ 180,450.00	\$ 167,083.33
Closing Net Fixed Assets	\$ 193,816.67	\$ 180,450.00	\$ 167,083.33	\$ 153,716.67
Average Net Fixed Assets	\$ 96,908.33	\$ 187,133.33	\$ 173,766.67	\$ 160,400.00

**Net Fixed Assets - Computer Hardware**

	2007	2008	2009	2010
Opening Capital Investment	\$ -	\$ 34,500.00	\$ 34,500.00	\$ 34,500.00
Capital Investment (3. LDC Assumptions and Data)	\$ 34,500.00	\$ -	\$ -	\$ -
Closing Capital Investment	\$ 34,500.00	\$ 34,500.00	\$ 34,500.00	\$ 34,500.00
Opening Accumulated Amortization	\$ -	\$ 3,450.00	\$ 10,350.00	\$ 17,250.00
Amortization Year 1 (5 Years Straight Line)	\$ 3,450.00	\$ 6,900.00	\$ 6,900.00	\$ 6,900.00
Closing Accumulated Amortization	\$ 3,450.00	\$ 10,350.00	\$ 17,250.00	\$ 24,150.00
Opening Net Fixed Assets	\$ -	\$ 31,050.00	\$ 24,150.00	\$ 17,250.00
Closing Net Fixed Assets	\$ 31,050.00	\$ 24,150.00	\$ 17,250.00	\$ 10,350.00
Average Net Fixed Assets	\$ 15,525.00	\$ 27,600.00	\$ 20,700.00	\$ 13,800.00

**Net Fixed Assets - Computer Software**

	2007	2008	2009	2010
Opening Capital Investment	\$ -	\$ -	\$ -	\$ -
Capital Investment (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -	\$ -
Closing Capital Investment	\$ -	\$ -	\$ -	\$ -
Opening Accumulated Amortization	\$ -	\$ -	\$ -	\$ -
Amortization Year 1 (3 Years Straight Line)	\$ -	\$ -	\$ -	\$ -
Closing Accumulated Amortization	\$ -	\$ -	\$ -	\$ -
Opening Net Fixed Assets	\$ -	\$ -	\$ -	\$ -
Closing Net Fixed Assets	\$ -	\$ -	\$ -	\$ -
Average Net Fixed Assets	\$ -	\$ -	\$ -	\$ -

**Net Fixed Assets - Tools & Equipment**

	2007	2008	2009	2010
Opening Capital Investment	\$ -	\$ -	\$ -	\$ -
Capital Investment (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -	\$ -
Closing Capital Investment	\$ -	\$ -	\$ -	\$ -
Opening Accumulated Amortization	\$ -	\$ -	\$ -	\$ -
Amortization Year 1 (10 Years Straight Line)	\$ -	\$ -	\$ -	\$ -



**Hydro One Brampton Networks Inc.**

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**Sheet 6. SM Avg Net Fixed Assets &UCC**

Closing Accumulated Amortization	\$	-	\$	-	\$	-	\$	-
Opening Net Fixed Assets	\$	-	\$	-	\$	-	\$	-
Closing Net Fixed Assets	\$	-	\$	-	\$	-	\$	-
Average Net Fixed Assets	\$	-	\$	-	\$	-	\$	-

**Net Fixed Assets - Other Equipment**

	2007	2008	2009	2010				
Opening Capital Investment	\$	-	\$	-	\$	-	\$	-
Capital Investment (3. LDC Assumptions and Data)	\$	-	\$	-	\$	-	\$	-
Closing Capital Investment	\$	-	\$	-	\$	-	\$	-
Opening Accumulated Amortization	\$	-	\$	-	\$	-	\$	-
Amortization Year 1 (10 Years Straight Line)	\$	-	\$	-	\$	-	\$	-
Closing Accumulated Amortization	\$	-	\$	-	\$	-	\$	-
Opening Net Fixed Assets	\$	-	\$	-	\$	-	\$	-
Closing Net Fixed Assets	\$	-	\$	-	\$	-	\$	-
Average Net Fixed Assets	\$	-	\$	-	\$	-	\$	-



**Hydro One Brampton Networks Inc.**

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**Sheet 6. SM Avg Net Fixed Assets &UCC**

**For PILs Calculation**

**UCC - Smart Meters**

CCA Class 47 (8%)

	2007	2008	2009	2010
Opening UCC	\$ -	\$ 192,480.00	\$ 177,081.60	\$ 162,915.07
Capital Additions	\$ 200,500.00	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ 200,500.00	\$ 192,480.00	\$ 177,081.60	\$ 162,915.07
Half Year Rule (1/2 Additions - Disposals)	\$ 100,250.00	\$ -	\$ -	\$ -
Reduced UCC	\$ 100,250.00	\$ 192,480.00	\$ 177,081.60	\$ 162,915.07
CCA Rate Class 47	8.0%	8.0%	8.0%	8.0%
CCA	\$ 8,020.00	\$ 15,398.40	\$ 14,166.53	\$ 13,033.21
Closing UCC	\$ 192,480.00	\$ 177,081.60	\$ 162,915.07	\$ 149,881.87

**UCC - Computer Equipment**

CCA Class 45 (45%)

	2007	2008	2009	2010
Opening UCC	\$ -	\$ 26,737.50	\$ 14,705.63	\$ 8,088.09
Capital Additions Computer Hardware	\$ 34,500.00	\$ -	\$ -	\$ -
Capital Additions Computer Software	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ 34,500.00	\$ 26,737.50	\$ 14,705.63	\$ 8,088.09
Half Year Rule (1/2 Additions - Disposals)	\$ 17,250.00	\$ -	\$ -	\$ -
Reduced UCC	\$ 17,250.00	\$ 26,737.50	\$ 14,705.63	\$ 8,088.09
CCA Rate Class 45	45%	45%	45%	45%
CCA	\$ 7,762.50	\$ 12,031.88	\$ 6,617.53	\$ 3,639.64
Closing UCC	\$ 26,737.50	\$ 14,705.63	\$ 8,088.09	\$ 4,448.45

**UCC - General Equipment**

CCA Class 8 (20%)

	2007	2008	2009	2010
Opening UCC	\$ -	\$ -	\$ -	\$ -
Capital Additions Tools & Equipment	\$ -	\$ -	\$ -	\$ -
Capital Additions Other Equipment	\$ -	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -	\$ -
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -	\$ -
Reduced UCC	\$ -	\$ -	\$ -	\$ -
CCA Rate Class 8	20%	20%	20%	20%
CCA	\$ -	\$ -	\$ -	\$ -
Closing UCC	\$ -	\$ -	\$ -	\$ -

**Hydro One Brampton Networks Inc.**

**EB-2007-0541**

**November 1, 2007**

**Sheet 4. Smart Meter Rate Calc**

**Smart Meter Rate Calculation**

**Average Asset Values**

Net Fixed Assets Smart Meters  
 Net Fixed Assets Computer Hardware  
 Net Fixed Assets Computer Software  
 Net Fixed Assets Tools & Equipment  
 Net Fixed Assets Other Equipment  
 Total Net Fixed Assets

**Working Capital**

Operation Expense  
 Working Capital 15 %

**Smart Meters included in Rate Base**

**Return on Rate Base**

Deemed Debt (3. LDC Assumptions and Data)  
 Deemed Equity (3. LDC Assumptions and Data)

Weighted Debt Rate (3. LDC Assumptions and Data)  
 Proposed ROE (3. LDC Assumptions and Data)

**Return on Rate Base**

**Operating Expenses**

Incremental Operating Expenses (3. LDC Assumptions and Data)

**Amortization Expenses**

Amortization Expenses - Smart Meters  
 Amortization Expenses - Computer Hardware  
 Amortization Expenses - Computer Software  
 Amortization Expenses - Tools & Equipment  
 Amortization Expenses - Other Equipment

**Total Amortization Expenses**

**Revenue Requirement Before PILs**

**Calculation of Taxable Income**

Incremental Operating Expenses  
 Depreciation Expenses  
 Interest Expense

**Taxable Income For PILs**

**Grossed up PILs (5. PILs)**

Revenue Requirement Before PILs  
 Grossed up PILs (5. PILs)

**Revenue Requirement for Smart Meters**

**2007 Smart Meter Rate Adder**

Revenue Requirement for Smart Meters  
 2006 EDR Total Metered Customers (3. LDC Assumptions and Data)  
 Annualized amount required per metered customer  
 Number of months in year

**2007 Smart Meter Rate Adder**

	2008		2009		2010	
Net Fixed Assets Smart Meters	\$	708,433.33	\$	654,966.67	\$	601,500.00
Net Fixed Assets Computer Hardware	\$	89,700.00	\$	62,100.00	\$	34,500.00
Net Fixed Assets Computer Software	\$	-	\$	-	\$	-
Net Fixed Assets Tools & Equipment	\$	-	\$	-	\$	-
Net Fixed Assets Other Equipment	\$	-	\$	-	\$	-
Total Net Fixed Assets	\$	798,133.33	\$	717,066.67	\$	636,000.00
Operation Expense	\$	-	\$	-	\$	-
Working Capital 15 %	\$	-	\$	-	\$	-
Smart Meters included in Rate Base		\$ 798,133.33		\$ 717,066.67		\$ 636,000.00
Deemed Debt (3. LDC Assumptions and Data)	57.5%	\$ 458,926.67	55.0%	\$ 394,386.67	55.0%	\$ 349,800.00
Deemed Equity (3. LDC Assumptions and Data)	42.5%	\$ 339,206.67	45.0%	\$ 322,680.00	45.0%	\$ 286,200.00
		\$ 798,133.33		\$ 717,066.67		\$ 636,000.00
Weighted Debt Rate (3. LDC Assumptions and Data)	7.0%	\$ 31,895.40	7.0%	\$ 27,409.87	7.0%	\$ 24,311.10
Proposed ROE (3. LDC Assumptions and Data)	9.0%	\$ 30,528.60	9.0%	\$ 29,041.20	9.0%	\$ 25,758.00
Return on Rate Base		\$ 62,424.00		\$ 56,451.07		\$ 50,069.10
Incremental Operating Expenses (3. LDC Assumptions and Data)		\$ -		\$ -		\$ -
Amortization Expenses - Smart Meters	\$	53,466.67	\$	53,466.67	\$	53,466.67
Amortization Expenses - Computer Hardware	\$	27,600.00	\$	27,600.00	\$	27,600.00
Amortization Expenses - Computer Software	\$	-	\$	-	\$	-
Amortization Expenses - Tools & Equipment	\$	-	\$	-	\$	-
Amortization Expenses - Other Equipment	\$	-	\$	-	\$	-
Total Amortization Expenses		\$ 81,066.67		\$ 81,066.67		\$ 81,066.67
Revenue Requirement Before PILs		\$ 143,490.67		\$ 137,517.74		\$ 131,135.77
Incremental Operating Expenses	\$	-	\$	-	\$	-
Depreciation Expenses	-\$	81,066.67	-\$	81,066.67	-\$	81,066.67
Interest Expense	-\$	31,895.40	-\$	27,409.87	-\$	24,311.10
Taxable Income For PILs		\$ 30,528.60		\$ 29,041.20		\$ 25,758.00
Grossed up PILs (5. PILs)	\$	14,606.53	\$	24,254.18	\$	29,026.11
Revenue Requirement Before PILs	\$	143,490.67	\$	137,517.74	\$	131,135.77
Grossed up PILs (5. PILs)	\$	14,606.53	\$	24,254.18	\$	29,026.11
Revenue Requirement for Smart Meters		\$ 158,097.20		\$ 161,771.92		\$ 160,161.87
Revenue Requirement for Smart Meters	\$	158,097.20	\$	161,771.92	\$	160,161.87
2006 EDR Total Metered Customers (3. LDC Assumptions and Data)		110,437		110,437		110,437
Annualized amount required per metered customer	\$	1.43	\$	1.46	\$	1.45
Number of months in year		12		12		12
2007 Smart Meter Rate Adder	\$	0.12	\$	0.12	\$	0.12

# Hydro One Brampton Networks Inc.

EB-2007-0541

November 1, 2007

## Sheet 5. PILs

### PILs Calculation

	2008	2009	2010
<b>INCOME TAX</b>			
Net Income	\$ 30,528.60	\$ 29,041.20	\$ 25,758.00
Amortization	\$ 81,066.67	\$ 81,066.67	\$ 81,066.67
CCA - Class 47 (8%) Smart Meters	-\$ 57,897.98	-\$ 53,266.15	-\$ 49,004.85
CCA - Class 45 (45%) Computers	-\$ 31,884.47	-\$ 17,536.46	-\$ 9,645.05
CCA - Class 8 (20%) Other Equipment	\$ -	\$ -	\$ -
Change in taxable income	\$ 21,812.81	\$ 39,305.26	\$ 48,174.76
Tax Rate (3. LDC Assumptions and Data)	36.12%	36.12%	36.12%
Income Taxes Payable	\$ 7,878.79	\$ 14,197.06	\$ 17,400.72
<b>ONTARIO CAPITAL TAX</b>			
Smart Meters	\$ 681,700.00	\$ 628,233.33	\$ 574,766.67
Computer Hardware	\$ 75,900.00	\$ 48,300.00	\$ 20,700.00
Computer Software	\$ -	\$ -	\$ -
Tools & Equipment	\$ -	\$ -	\$ -
Other Equipment	\$ -	\$ -	\$ -
Rate Base	\$ 757,600.00	\$ 676,533.33	\$ 595,466.67
Less: Exemption	\$ -	\$ -	\$ -
Deemed Taxable Capital	\$ 757,600.00	\$ 676,533.33	\$ 595,466.67
Ontario Capital Tax Rate	0.300%	0.300%	0.300%
Net Amount (Taxable Capital x Rate)	\$ 2,272.80	\$ 2,029.60	\$ 1,786.40
<b>Gross Up</b>			
Change in Income Taxes Payable	\$ 7,878.79	\$ 14,197.06	\$ 17,400.72
Change in OCT	\$ 2,272.80	\$ 2,029.60	\$ 1,786.40
PIL's	\$ 10,151.59	\$ 16,226.66	\$ 19,187.12
	Gross Up 36.12%	Gross Up 36.12%	Gross Up 36.12%
Change in Income Taxes Payable	\$ 12,333.73	\$ 22,224.58	\$ 27,239.71
Change in OCT	\$ 2,272.80	\$ 2,029.60	\$ 1,786.40
PIL's	<b>\$ 14,606.53</b>	<b>\$ 24,254.18</b>	<b>\$ 29,026.11</b>

**Hydro One Brampton Networks Inc.****EB-2007-0541****November 1, 2007****Sheet 6. SM Avg Net Fixed Assets & UCC****Smart Meter Average Net Fixed Assets****Net Fixed Assets - Smart Meters**

	2008	2009	2010
Opening Capital Investment	\$ 802,000.00	\$ 802,000.00	\$ 802,000.00
Capital Investment (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -
Closing Capital Investment	\$ 802,000.00	\$ 802,000.00	\$ 802,000.00
Opening Accumulated Amortization	\$ 66,833.33	\$ 120,300.00	\$ 173,766.67
Amortization Year 1 (15 Years Straight Line)	\$ 53,466.67	\$ 53,466.67	\$ 53,466.67
Closing Accumulated Amortization	\$ 120,300.00	\$ 173,766.67	\$ 227,233.33
Opening Net Fixed Assets	\$ 735,166.67	\$ 681,700.00	\$ 628,233.33
Closing Net Fixed Assets	\$ 681,700.00	\$ 628,233.33	\$ 574,766.67
Average Net Fixed Assets	\$ 708,433.33	\$ 654,966.67	\$ 601,500.00

**Net Fixed Assets - Computer Hardware**

	2008	2009	2010
Opening Capital Investment	\$ 138,000.00	\$ 138,000.00	\$ 138,000.00
Capital Investment (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -
Closing Capital Investment	\$ 138,000.00	\$ 138,000.00	\$ 138,000.00
Opening Accumulated Amortization	\$ 34,500.00	\$ 62,100.00	\$ 89,700.00
Amortization Year 1 (5 Years Straight Line)	\$ 27,600.00	\$ 27,600.00	\$ 27,600.00
Closing Accumulated Amortization	\$ 62,100.00	\$ 89,700.00	\$ 117,300.00
Opening Net Fixed Assets	\$ 103,500.00	\$ 75,900.00	\$ 48,300.00
Closing Net Fixed Assets	\$ 75,900.00	\$ 48,300.00	\$ 20,700.00
Average Net Fixed Assets	\$ 89,700.00	\$ 62,100.00	\$ 34,500.00

**Net Fixed Assets - Computer Software**

	2008	2009	2010
Opening Capital Investment	\$ -	\$ -	\$ -
Capital Investment (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -
Closing Capital Investment	\$ -	\$ -	\$ -
Opening Accumulated Amortization	\$ -	\$ -	\$ -
Amortization Year 1 (3 Years Straight Line)	\$ -	\$ -	\$ -
Closing Accumulated Amortization	\$ -	\$ -	\$ -
Opening Net Fixed Assets	\$ -	\$ -	\$ -
Closing Net Fixed Assets	\$ -	\$ -	\$ -
Average Net Fixed Assets	\$ -	\$ -	\$ -

**Net Fixed Assets - Tools & Equipment**

	2008	2009	2010
Opening Capital Investment	\$ -	\$ -	\$ -
Capital Investment (3. LDC Assumptions and Data)	\$ -	\$ -	\$ -
Closing Capital Investment	\$ -	\$ -	\$ -
Opening Accumulated Amortization	\$ -	\$ -	\$ -
Amortization Year 1 (10 Years Straight Line)	\$ -	\$ -	\$ -

**Hydro One Brampton Networks Inc.**

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**Sheet 6. SM Avg Net Fixed Assets &UCC**

Closing Accumulated Amortization	\$	-	\$	-	\$	-
Opening Net Fixed Assets	\$	-	\$	-	\$	-
Closing Net Fixed Assets	\$	-	\$	-	\$	-
Average Net Fixed Assets	\$	-	\$	-	\$	-

**Net Fixed Assets - Other Equipment**

	2008	2009	2010			
Opening Capital Investment	\$	-	\$	-	\$	-
Capital Investment (3. LDC Assumptions and Data)	\$	-	\$	-	\$	-
Closing Capital Investment	\$	-	\$	-	\$	-
Opening Accumulated Amortization	\$	-	\$	-	\$	-
Amortization Year 1 (10 Years Straight Line)	\$	-	\$	-	\$	-
Closing Accumulated Amortization	\$	-	\$	-	\$	-
Opening Net Fixed Assets	\$	-	\$	-	\$	-
Closing Net Fixed Assets	\$	-	\$	-	\$	-
Average Net Fixed Assets	\$	-	\$	-	\$	-

**Hydro One Brampton Networks Inc.****EB-2007-0541****November 1, 2007****Sheet 6. SM Avg Net Fixed Assets &UCC****For PILs Calculation****UCC - Smart Meters**

CCA Class 47 (8%)

	2008	2009	2010
Opening UCC	\$ 723,724.80	\$ 665,826.82	\$ 612,560.67
Capital Additions	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ 723,724.80	\$ 665,826.82	\$ 612,560.67
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -
Reduced UCC	\$ 723,724.80	\$ 665,826.82	\$ 612,560.67
CCA Rate Class 47	8.0%	8.0%	8.0%
CCA	\$ 57,897.98	\$ 53,266.15	\$ 49,004.85
Closing UCC	\$ 665,826.82	\$ 612,560.67	\$ 563,555.82

**UCC - Computer Equipment**

CCA Class 45 (45%)

	2008	2009	2010
Opening UCC	\$ 70,854.38	\$ 38,969.91	\$ 21,433.45
Capital Additions Computer Hardware	\$ -	\$ -	\$ -
Capital Additions Computer Software	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ 70,854.38	\$ 38,969.91	\$ 21,433.45
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -
Reduced UCC	\$ 70,854.38	\$ 38,969.91	\$ 21,433.45
CCA Rate Class 45	45%	45%	45%
CCA	\$ 31,884.47	\$ 17,536.46	\$ 9,645.05
Closing UCC	\$ 38,969.91	\$ 21,433.45	\$ 11,788.40

**UCC - General Equipment**

CCA Class 8 (20%)

	2008	2009	2010
Opening UCC	\$ -	\$ -	\$ -
Capital Additions Tools & Equipment	\$ -	\$ -	\$ -
Capital Additions Other Equipment	\$ -	\$ -	\$ -
UCC Before Half Year Rule	\$ -	\$ -	\$ -
Half Year Rule (1/2 Additions - Disposals)	\$ -	\$ -	\$ -
Reduced UCC	\$ -	\$ -	\$ -
CCA Rate Class 8	20%	20%	20%
CCA	\$ -	\$ -	\$ -
Closing UCC	\$ -	\$ -	\$ -

# Smart Meter Rate Carrying Cost Recovery Required

## Hydro One Brampton Networks Inc.

	Opening	Rev Req	Recovery	Int. Rate	Interest	Closing
Jan-06	\$ -	\$ -	\$ -	7.04%	\$ -	\$ -
Feb-06	\$ -	\$ -	\$ -	7.04%	\$ -	\$ -
Mar-06	\$ -	\$ -	\$ -	7.04%	\$ -	\$ -
Apr-06	\$ -	\$ -	\$ -	4.14%	\$ -	\$ -
May-06	\$ -	\$ -	\$ -	4.14%	\$ -	\$ -
Jun-06	\$ -	\$ -	\$ -	4.14%	\$ -	\$ -
Jul-06	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Aug-06	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Sep-06	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Oct-06	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Nov-06	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Dec-06	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Jan-07	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Feb-07	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Mar-07	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Apr-07	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
May-07	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Jun-07	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Jul-07	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Aug-07	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Sep-07	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Oct-07	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Nov-07	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Dec-07	\$ -	\$ -	\$ -	4.59%	\$ -	\$ -
Jan-08	\$ -	\$ 13,175	\$ -	4.59%	\$ -	\$ 13,175
Feb-08	\$ 13,175	\$ 13,175	\$ -	4.59%	\$ 50	\$ 26,400
Mar-08	\$ 26,400	\$ 13,175	\$ -	4.59%	\$ 101	\$ 39,676
Apr-08	\$ 39,676	\$ 13,175	\$ -	4.59%	\$ 152	\$ 53,002
<b>Carrying Cost Recovery Required on Permanent Adder</b>					<b>\$ 303</b>	

	Monthly	Months	Perm Rev Req
\$	13,175	12	\$ 158,097

<b>Quarter by Year<sup>1</sup></b>	<b>Approved Accounts Prescribed Interest Rate per the Bankers' Acceptances-3 months Plus 0.25 Spread</b>	<b>CWIP Account Prescribed Interest Rate per the Scotia Capital Inc. All-Corporates Mid-Term Yield</b>
Q4 2007	5.14	5.18
Q3 2007	4.59	5.18
Q2 2007	4.59	4.72
Q1 2007	4.59	4.72
Q4 2006	4.59	4.72
Q3 2006	4.59	5.05
Q2 2006	4.14	4.68
Q1 2006	N/A	N/A

**Note:**

1. Q1 is January to March  
Q2 is April to June  
Q3 is July to September  
Q4 is October to December