



Choose Your Utility:

Lakeland Power Distribution Ltd.	.
London Hydro Inc.	.

Application EB-2011-0181

OEB Application IRM3

LDC Licence #: ED-2002-0567

Application Contact Information

Name: Mike Chase

Title: Director of Finance and Regulatory Compliances

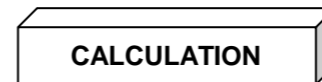
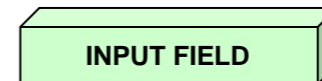
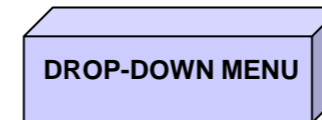
Phone Number: 519-661-5800 Ext. 5750

Email Address: chasem@londonhydro.com

We are applying for rates effective: May 1, 2012

Last COS Re-based Year: 2009

Legend



Copyright

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of filing your IRM 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 the application or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.



Ontario Energy Board

**2012 IRM 3 Tax
Savings Workform**

London Hydro Inc.

[1. Info](#)

[2. Table of Contents](#)

[3. Re-Based Billing Determinants and Rates](#)

[4. Re-Based Revenue from Rates](#)

[5. Z-Factor Tax Changes](#)

[6. Calculation of Tax Change Variable Rate Rider](#)



Ontario Energy Board

2012 IRM 3 Tax Savings Workform

London Hydro Inc.

Enter your 2011 Base Monthly Fixed Charge and Distribution Volumetric Charge into columns labeled "Rate ReBal Base Service Charge" and "Rate ReBal Base Distribution Volumetric Rate kWh/kW" respectively.

Last COS Re-based Year was in 2009

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Rate ReBal Base Service Charge D	Rate ReBal Base Distribution Volumetric Rate kWh E	Rate ReBal Base Distribution Volumetric Rate kW F
RES	Residential	Customer	kWh	131,936	1,091,392,572		12.68	0.0143	
GSLT50	General Service Less Than 50 kW	Customer	kWh	12,349	422,161,110		30.34	0.0094	
GSGT50	General Service 50 to 4,999 kW	Customer	kW	1,595	1,651,048,316	4,093,815	289.12		1.6023
GSGT50	General Service 50 to 4,999 kW (CoGeneration)	Customer	kW	3	36,489,491	43,849	2,667.75		4.6542
SB	Standby Power	Connection	kW	0	0	154,800			2.3733
LU	Large Use	Customer	kW	3	200,485,379	383,763	17,479.04		1.9302
USL	Unmetered Scattered Load	Connection	kWh	1,581	5,326,529		1.13	0.0094	
Sen	Sentinel Lighting	Connection	kW	734	856,841	2,342	1.82		5.9054
SL	Street Lighting	Connection	kW	34,187	23,921,899	67,170	0.86		4.3630
NA	Rate Class 10	NA	NA						
NA	Rate Class 11	NA	NA						
NA	Rate Class 12	NA	NA						
NA	Rate Class 13	NA	NA						
NA	Rate Class 14	NA	NA						
NA	Rate Class 15	NA	NA						
NA	Rate Class 16	NA	NA						
NA	Rate Class 17	NA	NA						
NA	Rate Class 18	NA	NA						
NA	Rate Class 19	NA	NA						
NA	Rate Class 20	NA	NA						
NA	Rate Class 21	NA	NA						
NA	Rate Class 22	NA	NA						
NA	Rate Class 23	NA	NA						
NA	Rate Class 24	NA	NA						
NA	Rate Class 25	NA	NA						



Ontario Energy Board

2012 IRM 3 Tax Savings Workform

London Hydro Inc.

Calculating Re-Based Revenue from Rates. No input required.

Last COS Re-based Year was in 2009

Rate Class	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Rate ReBal Base Service Charge D	Rate ReBal Distribution Volumetric Rate kWh E	Rate ReBal Base Distribution Volumetric Rate kW F	Service Charge Revenue G = A * D * 12	Distribution Volumetric Rate Revenue kWh H = B * E	Distribution Volumetric Rate Revenue kW I = C * F	Revenue Requirement from Rates J = G + H + I
Residential	131,936	1,091,392,572	0	12.68	0.0143	0.0000	20,075,382	15,606,914	0	35,682,296
General Service Less Than 50 kW	12,349	422,161,110	0	30.34	0.0094	0.0000	4,496,024	3,968,314	0	8,464,338
General Service 50 to 4,999 kW	1,595	1,651,048,316	4,093,815	289.12	0.0000	1.6023	5,533,757	0	6,559,520	12,093,277
General Service 50 to 4,999 kW (CoGene)	3	36,489,491	43,849	2,667.75	0.0000	4.6542	96,039	0	204,082	300,121
Standby Power	0	0	154,800	0.00	0.0000	2.3733	0	0	367,387	367,387
Large Use	3	200,485,379	383,763	17,479.04	0.0000	1.9302	629,245	0	740,739	1,369,985
Unmetered Scattered Load	1,581	5,326,529	0	1.13	0.0094	0.0000	21,438	50,069	0	71,508
Sentinel Lighting	734	856,841	2,342	1.82	0.0000	5.9054	16,031	0	13,830	29,861
Street Lighting	34,187	23,921,899	67,170	0.86	0.0000	4.3630	352,810	0	293,063	645,873
							31,220,726	19,625,298	8,178,621	59,024,644



London Hydro Inc.

This worksheet calculates the tax sharing amount.

Step 1: Press the **Update Button** (this will clear all input cells and reveal your latest cost of service re-basing year).

Summary - Sharing of Tax Change Forecast Amounts

For the 2009 year, enter any Tax Credits from the Cost of Service Tax Calculation (Positive #)

\$ 58,000

1. Tax Related Amounts Forecast from Capital Tax Rate Changes

	2009	2012
Taxable Capital	\$ 225,325,979	\$ 225,325,979
Deduction from taxable capital up to \$15,000,000	\$ 15,000,000	\$ 15,000,000
Net Taxable Capital	\$ 210,325,979	\$ 210,325,979
Rate	0.225%	0.000%
Ontario Capital Tax (Deductible, not grossed-up)	\$ 473,233	\$ -

2. Tax Related Amounts Forecast from Income Tax Rate Changes

	2009	2012
Regulatory Taxable Income	\$ 5,420,533	\$ 5,420,533
Corporate Tax Rate	33.00%	25.63%
Tax Impact	\$ 1,788,776	\$ 1,331,086
Grossed-up Tax Amount	\$ 2,669,815	\$ 1,789,728

Tax Related Amounts Forecast from Capital Tax Rate Changes	\$ 473,233	\$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	\$ 2,669,815	\$ 1,789,728
Total Tax Related Amounts	\$ 3,143,048	\$ 1,789,728
Incremental Tax Savings		-\$ 1,353,320
Sharing of Tax Savings (50%)		-\$ 676,660



Ontario Energy Board

2012 IRM 3 Tax Savings Workform

London Hydro Inc.

This worksheet calculates a tax change volumetric rate rider. No input required. The outputs in column Q and S are to be entered into Sheet 17 of the 2012 IRM Rate Generator Model.

Rate Class	Total Revenue \$ by Rate Class A	Total Revenue % by Rate Class B = A / \$H	Total Z-Factor Tax Change\$ by Rate Class C = \$I * B	Billed kWh D	Billed kW E	Distribution Volumetric Rate kWh Rate Rider F = C / D	Distribution Volumetric Rate kW Rate Rider G = C / E
Residential	\$35,682,295.5396	60.45%	-\$409,063	#####	0	-\$0.0004	
General Service Less Than 50 kW	\$8,464,338	14.34%	-\$97,035	422,161,110	0	-\$0.0002	
General Service 50 to 4,999 kW	\$12,093,277	20.49%	-\$138,638	#####	4,093,815		-\$0.0339
General Service 50 to 4,999 kW (CoGeneration)	\$300,121	0.51%	-\$3,441	36,489,491	43,849		-\$0.0785
Standby Power	\$367,387	0.62%	-\$4,212	0	154,800		-\$0.0272
Large Use	\$1,369,985	2.32%	-\$15,706	200,485,379	383,763		-\$0.0409
Unmetered Scattered Load	\$71,508	0.12%	-\$820	5,326,529	0	-\$0.0002	
Sentinel Lighting	\$29,861	0.05%	-\$342	856,841	2,342		-\$0.1462
Street Lighting	\$645,873	1.09%	-\$7,404	23,921,899	67,170		-\$0.1102
	\$59,024,644 H	100.00%	-\$676,660 I				