

ATTACHMENT Y

2005 RATE ADJUSTMENT MODEL

| | A | B | C | D | E |
|----|--|-----|------|-----------------|-----------------------|
| 1 | PILs TAXES | | | | Version 2009.1 |
| 2 | REGULATORY INFORMATION (REGINFO) | | | | |
| 3 | Utility Name: London Hydro Inc. | | | Colour Code | |
| 4 | Reporting period: 2001 | | | Input Cell | |
| 5 | | | | Formula in Cell | |
| 6 | Days in reporting period: | 92 | days | | |
| 7 | Total days in the calendar year: | 365 | days | | |
| 8 | | | | | |
| 9 | BACKGROUND | | | | |
| 10 | Has the utility reviewed section 149(1) ITA to | | | | |
| 11 | confirm that it is not subject to regular corporate | | | | |
| 12 | tax (and therefore subject to PILs)? | | Y/N | Y | |
| 14 | Was the utility recently acquired by Hydro One | | | | |
| 15 | and now subject to s.89 & 90 PILs? | | Y/N | N | |
| 17 | Is the utility a non-profit corporation? | | Y/N | N | |
| 18 | (If it is a non-profit corporation, please contact the Rates Manager at the OEB) | | | | |
| 19 | Are the Ontario Capital Tax & Large Corporations Tax Exemptions | OCT | Y/N | N | |
| 20 | shared among the corporate group? | LCT | Y/N | N | |
| 21 | Please identify the % used to allocate the OCT and LCT exemptions in | OCT | | 100% | |
| 22 | Cells C65 & C74 in the TAXCALC spreadsheet. | LCT | | 100% | |
| 24 | Accounting Year End | | Date | 12-31-2001 | |
| 26 | MARR NO TAX CALCULATIONS | | | | Regulatory |
| 27 | SHEET #7 FINAL RUD MODEL DATA | | | | Income |
| 28 | (FROM 1999 FINANCIAL STATEMENTS) | | | | |
| 29 | USE BOARD-APPROVED AMOUNTS | | | | |
| 30 | | | | | |
| 31 | Rate Base (wires-only) | | | 174,041,606 | |
| 33 | Common Equity Ratio (CER) | | | 45.00% | |
| 35 | 1-CER | | | 55.00% | |
| 37 | Target Return On Equity | | | 9.88% | |
| 39 | Debt rate | | | 7.00% | |
| 41 | Market Adjusted Revenue Requirement | | | 14,438,492 | |
| 43 | 1999 return from RUD Sheet #7 | | | 5,928,118 | 5,928,118 |
| 45 | Total Incremental revenue | | | 8,510,374 | |
| 46 | Input: Board-approved dollar amounts phased-in | | | | |
| 47 | Amount allowed in 2001 | | | 2,836,791 | 2,836,791 |
| 48 | Amount allowed in 2002 | | | 0 | 0 |
| 49 | Amount allowed in 2003 and 2004 (will be zero due to Bill 210 | | | 0 | 0 |
| 50 | unless authorized by the Minister and the Board) | | | | 0 |
| 51 | Amount allowed in 2005 - Third tranche of MARR re: CDM | | | | 0 |
| 52 | Other Board-approved changes to MARR or incremental revenue | | | | 0 |
| 53 | | | | | 0 |
| 54 | Total Regulatory Income | | | | 8,764,909 |
| 55 | | | | | |
| 56 | Equity | | | 78,318,723 | |
| 57 | | | | | |
| 58 | Return at target ROE | | | 7,737,890 | |
| 59 | | | | | |
| 60 | Debt | | | 95,722,883 | |
| 61 | | | | | |
| 62 | Deemed interest amount in 100% of MARR | | | 6,700,602 | |
| 63 | | | | | |
| 64 | Phase-in of interest - Year 1 (2001) | | | 4,067,611 | |
| 65 | $((D43+D47)/D41)*D61$ | | | | |
| 66 | Phase-in of interest - Year 2 (2002) | | | 4,067,611 | |
| 67 | $((D43+D47+D48)/D41)*D61$ | | | | |
| 68 | Phase-in of interest - Year 3 (2003) and forward | | | 4,067,611 | |
| 69 | $((D43+D47+D48)/D41)*D61$ (due to Bill 210) | | | | |
| 70 | Phase-in of interest - 2005 | | | 6,700,602 | |
| 71 | | | | | |
| 72 | | | | | |

| A | B | C | D | E | F | G | H |
|--|------|-------------|---|----------------|-----------------|----------------|---|
| PILs TAXES | ITEM | Initial | | M of F | M of F | Tax | |
| PILs DEFERRAL AND VARIANCE ACCOUNTS | | Estimate | | Filing | Filing | Returns | |
| TAX CALCULATIONS (TAXCALC) | | | | Variance | Variance | | |
| (Wires-only) business - see Tab TAXREC | | | | G-C | Explanation | | |
| Utility Name: London Hydro Inc. | 0 | | | | | Version 2009.1 | |
| Reporting period: 2001 | | | | | | | |
| Days in reporting period: | 92 | days | | | | Column Brought | |
| Total days in the calendar year: | 365 | days | | | | From | |
| | | | | \$ | \$ | TAXREC | |
| | | | | | | S | |
| ii CORPORATE INCOME TAXES | | | | | | | |
| Regulatory Net Income REGINFO E53 | 1 | 2,191,227 | | -5,703,227 | | -3,512,000 | |
| BOOK TO TAX ADJUSTMENTS | | | | | | | |
| Additions: | | | | | | | |
| Depreciation & Amortization | 2 | 2,671,869 | | 169,131 | | 2,841,000 | |
| Federal Large Corporations Tax | | | | 102,000 | | 102,000 | |
| Employee Benefit Plans - Accrued, Not Paid | 3 | | | 0 | | 0 | |
| Tax reserves - beginning of year | 4 | | | 0 | | 0 | |
| Reserves from financial statements - end of year | 4 | | | 0 | | 0 | |
| Regulatory Adjustments - increase in income | 5 | | | 0 | | 0 | |
| Other Additions (See Tab entitled "TAXREC") | | | | | | | |
| "Material" Items from "TAXREC" worksheet | 6 | | | 0 | | 0 | |
| Other Additions (not "Material") "TAXREC" | 6 | | | 0 | | 0 | |
| "Material" Items from "TAXREC 2" worksheet | 6 | | | 0 | | 0 | |
| Other Additions (not "Material") "TAXREC 2" | 6 | | | 0 | | 0 | |
| Items on which true-up does not apply "TAXREC 3" | | | | 0 | | 0 | |
| Deductions: Input positive numbers | | | | | | | |
| Capital Cost Allowance and CEC | 7 | 1,020,690 | | 2,231,120 | | 3,251,810 | |
| Employee Benefit Plans - Paid Amounts | 8 | | | 0 | | 0 | |
| Items Capitalized for Regulatory Purposes | 9 | 0 | | 0 | | 0 | |
| Regulatory Adjustments - deduction for tax purposes in Item 5 | 10 | 0 | | 0 | | 0 | |
| Interest Expense Deemed/ Incurred | 11 | 1,016,903 | | -977,903 | | 39,000 | |
| Tax reserves - end of year | 4 | | | 0 | | 0 | |
| Change in tax reserves | 4 | 52,250 | | -52,250 | | 0 | |
| Contributions to deferred income plans | 3 | | | 0 | | 0 | |
| Contributions to pension plans | 3 | | | 0 | | 0 | |
| Interest capitalized for accounting but deducted for tax | 11 | | | 0 | | 0 | |
| Other Deductions (See Tab entitled "TAXREC") | | | | | | | |
| "Material" Items from "TAXREC" worksheet | 12 | | | 0 | | 0 | |
| Other Deductions (not "Material") "TAXREC" | 12 | | | 0 | | 0 | |
| "Material" Items from "TAXREC 2" worksheet | 12 | | | 0 | | 0 | |
| Other Deductions (not "Material") "TAXREC 2" | 12 | | | 0 | | 0 | |
| Items on which true-up does not apply "TAXREC 3" | | | | 1,014,000 | | 1,014,000 | |
| TAXABLE INCOME/ (LOSS) | | 2,773,254 | | (7,647,064) | Before loss C/F | (4,873,810) | |
| BLENDED INCOME TAX RATE | | | | | | | |
| Tab Tax Rates - Regulatory from Table 1; Actual from Table 3 | 13 | 40.62% | | 0.0000% | | 40.62% | |
| REGULATORY INCOME TAX | | 1,126,496 | | -1,126,496 | Actual | 0 | |
| Miscellaneous Tax Credits | 14 | | | 0 | Actual | 0 | |
| Total Regulatory Income Tax | | 1,126,496 | | -1,126,496 | Actual | 0 | |
| iii CAPITAL TAXES | | | | | | | |
| Ontario | | | | | | | |
| Base | 15 | 174,041,606 | | 22,334,167 | | 196,375,793 | |
| Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3 | 16 | 5,000,000 | | 0 | | 5,000,000 | |
| Taxable Capital | | 169,041,606 | | 22,334,167 | | 191,375,793 | |
| Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 | 17 | 0.3000% | | 0.0000% | | 0.3000% | |
| Ontario Capital Tax | | 127,823 | | 16,888 | | 144,712 | |
| Federal Large Corporations Tax | | | | | | | |
| Base | 18 | 174,041,606 | | 5,843,394 | | 179,885,000 | |
| Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3 | 19 | 10,000,000 | | 0 | | 10,000,000 | |
| Taxable Capital | | 164,041,606 | | 5,843,394 | | 169,885,000 | |
| Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 | 20 | 0.2250% | | 0.0000% | | 0.2250% | |
| Gross Amount of LCT before surtax offset (Taxable Capital x Rate) | | 93,032 | | 3,314 | | 96,346 | |
| Less: Federal Surtax 1.12% x Taxable Income | 21 | 31,060 | | -31,060 | | 0 | |
| Net LCT | | 61,971 | | 34,374 | | 96,346 | |
| iii INCLUSION IN RATES | | | | | | | |
| Income Tax Rate used for gross-up (exclude surtax) | | 39.50% | | | | | |
| Income Tax (proxy tax is grossed-up) | 22 | 1,861,976 | | | Actual 2001 | 0 | |
| LCT (proxy tax is grossed-up) | 23 | 102,432 | | | Actual 2001 | 96,346 | |
| Ontario Capital Tax (no gross-up since it is deductible) | 24 | 127,823 | | | Actual 2001 | 139,266 | |
| Total PILs for Rate Adjustment - MUST AGREE WITH 2001 RAM DECISION | 25 | 2,092,231 | | | Actual 2001 | 235,612 | |
| iv FUTURE TRUE-UPS | | | | | | | |
| iv a) Calculation of the True-up Variance | | | | DR/(CR) | | | |
| In Additions: | | | | | | | |
| Employee Benefit Plans - Accrued, Not Paid | 3 | | | 0 | | 0 | |
| Tax reserves deducted in prior year | 4 | | | 0 | | 0 | |
| Reserves from financial statements-end of year | 4 | | | 0 | | 0 | |
| Regulatory Adjustments | 5 | | | 0 | | 0 | |
| Other additions "Material" Items TAXREC | 6 | | | 0 | | 0 | |
| Other additions "Material" Items TAXREC 2 | 6 | | | 0 | | 0 | |
| In Deductions - positive numbers | | | | | | | |
| Employee Benefit Plans - Paid Amounts | 8 | | | 0 | | 0 | |
| Items Capitalized for Regulatory Purposes | 9 | | | 0 | | 0 | |
| Regulatory Adjustments | 10 | | | 0 | | 0 | |
| Interest Adjustment for tax purposes (See Below - cell I204) | 11 | | | 0 | | 0 | |
| Tax reserves claimed in current year | 4 | | | 0 | | 0 | |
| Reserves from FIS beginning of year | 4 | | | -52,250 | | 0 | |
| Contributions to deferred income plans | 3 | | | 0 | | 0 | |
| Contributions to pension plans | 3 | | | 0 | | 0 | |
| Other deductions "Material" Items TAXREC | 12 | | | 0 | | 0 | |
| Other deductions "Material" Item TAXREC 2 | 12 | | | 0 | | 0 | |
| Total TRUE-UPS before tax effect | 26 | | = | 52,250 | | | |
| Income Tax Rate (excluding surtax) from 2001 Utility's tax return | | | x | 18.00% | | | |
| Income Tax Effect on True-up adjustments | | | = | 9,405 | | | |

| | A | B | C | D | E | F | G | H |
|-----|---|----------|------------------|---|------------------------|------------------------|----------------|---|
| 1 | PILs TAXES | ITEM | Initial Estimate | | M of F Filing Variance | M of F Filing Variance | Tax Returns | |
| 2 | PILs DEFERRAL AND VARIANCE ACCOUNTS | | | | G-C | Explanation | | |
| 3 | TAX CALCULATIONS (TAXCALC) | | | | | | | |
| 4 | (*Wires-only* business - see Tab TAXREC) | | | | | | | |
| 5 | | 0 | | | | | Version 2009.1 | |
| 6 | Utility Name: London Hydro Inc. | | | | | | | |
| 7 | Reporting period: 2001 | | | | | | | |
| 8 | | | | | | | | |
| 9 | Days in reporting period: | 92 days | | | | | Column Brought | |
| 10 | Total days in the calendar year: | 365 days | | | | | From | |
| 11 | | | | | | | TAXREC | |
| 12 | | | \$ | | \$ | | \$ | |
| 13 | | | | | | | | |
| 126 | | | | | | | | |
| 127 | Less: Miscellaneous Tax Credits | 14 | | | 0 | | | |
| 128 | | | | | | | | |
| 129 | Total Income Tax on True-ups | | | | 9,405 | | | |
| 130 | | | | | | | | |
| 131 | Income Tax Rate used for gross-up (exclude surtax) | | | | 39.50% | | | |
| 132 | | | | | | | | |
| 133 | TRUE-UP VARIANCE ADJUSTMENT | | | | 15,545 | | | |
| 134 | | | | | | | | |
| 135 | (IV b) Calculation of the Deferral Account Variance caused by changes in legislation | | | | | | | |
| 136 | | | | | | | | |
| 137 | REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column) | | | = | 2,773,254 | | | |
| 138 | | | | | | | | |
| 139 | REVISED CORPORATE INCOME TAX RATE | | | X | 40.62% | | | |
| 140 | | | | | | | | |
| 141 | REVISED REGULATORY INCOME TAX | | | = | 1,126,496 | | | |
| 142 | | | | | | | | |
| 143 | Less: Revised Miscellaneous Tax Credits | | | - | 0 | | | |
| 144 | | | | | | | | |
| 145 | Total Revised Regulatory Income Tax | | | = | 1,126,496 | | | |
| 146 | | | | | | | | |
| 147 | Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60) | | | - | 1,126,496 | | | |
| 148 | | | | | | | | |
| 149 | Regulatory Income Tax Variance | | | = | 0 | | | |
| 150 | | | | | | | | |
| 151 | Ontario Capital Tax | | | | | | | |
| 152 | Base | | | = | 174,041,606 | | | |
| 153 | Less: Exemption from tab Tax Rates, Table 2, cell C39 | | | - | 5,000,000 | | | |
| 154 | Revised deemed taxable capital | | | = | 169,041,606 | | | |
| 155 | | | | | | | | |
| 156 | Rate - Tab Tax Rates cell C54 | | | X | 0.3000% | | | |
| 157 | | | | | | | | |
| 158 | Revised Ontario Capital Tax | | | = | 127,823 | | | |
| 159 | Less: Ontario Capital Tax reported in the initial estimate column (Cell C72) | | | - | 127,823 | | | |
| 160 | Regulatory Ontario Capital Tax Variance | | | = | 0 | | | |
| 161 | | | | | | | | |
| 162 | Federal LCT | | | | | | | |
| 163 | Base | | | = | 174,041,606 | | | |
| 164 | Less: Exemption from tab Tax Rates, Table 2, cell C40 | | | - | 10,000,000 | | | |
| 165 | Revised Federal LCT | | | = | 164,041,606 | | | |
| 166 | | | | | | | | |
| 167 | Rate (as a result of legislative changes) tab 'Tax Rates' cell C51 | | | | 0.2250% | | | |
| 168 | | | | | | | | |
| 169 | Gross Amount | | | = | 93,032 | | | |
| 170 | Less: Federal surtax | | | - | 31,060 | | | |
| 171 | Revised Net LCT | | | = | 61,971 | | | |
| 172 | | | | | | | | |
| 173 | Less: Federal LCT reported in the initial estimate column (Cell C84) | | | - | 61,971 | | | |
| 174 | Regulatory Federal LCT Variance | | | = | 0 | | | |
| 175 | | | | | | | | |
| 176 | Actual Income Tax Rate used for gross-up (exclude surtax) | | | | 18.00% | | | |
| 177 | | | | | | | | |
| 178 | Income Tax (grossed-up) | | | + | 0 | | | |
| 179 | LCT (grossed-up) | | | + | 0 | | | |
| 180 | Ontario Capital Tax | | | + | 0 | | | |
| 181 | | | | | | | | |
| 182 | DEFERRAL ACCOUNT VARIANCE ADJUSTMENT | | | = | 0 | | | |
| 183 | | | | | | | | |
| 184 | TRUE-UP VARIANCE (from cell I132) | | | + | 15,545 | | | |
| 185 | | | | | | | | |
| 186 | Total Deferral Account Entry (Positive Entry = Debit) | | | = | 15,545 | | | |
| 187 | (Deferral Account Variance + True-up Variance) | | | | | | | |
| 188 | | | | | | | | |
| 189 | | | | | | | | |
| 190 | | | | | | | | |
| 191 | (V) INTEREST PORTION OF TRUE-UP | | | | | | | |
| 192 | Variance Caused By Phase-in of Deemed Debt | | | | | | | |
| 193 | | | | | | | | |
| 194 | Total deemed interest (REGINFO) | | | | 6,700,602 | | | |
| 195 | Interest phased-in (Cell C37) | | | | 4,067,611 | 25% for Q4 2001 | | |
| 196 | | | | | | | | |
| 197 | Variance due to phase-in of debt component of MARR in rates according to the Board's decision | | | | 2,632,991 | | | |
| 198 | | | | | | | | |
| 199 | | | | | | | | |
| 200 | Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook) | | | | | | | |
| 201 | Interest deducted on MoF filing (Cell G36+G41) | | | | 39,000 | | | |
| 202 | Total deemed interest (REGINFO CELL D61) | | | | 6,700,602 | | | |
| 203 | | | | | | | | |
| 204 | Variance caused by excess debt | | | | 0 | | | |
| 205 | | | | | | | | |
| 206 | Interest Adjustment for Tax Purposes (carry forward to Cell I112) | | | | 0 | | | |
| 207 | | | | | | | | |
| 208 | | | | | | | | |
| 209 | Total Interest Variance | | | | 2,632,991 | | | |
| 210 | | | | | | | | |
| 211 | | | | | | | | |
| 212 | | | | | | | | |

| | A | B | C | D | E | F |
|----|--|-------------|------------------|---------------------|-----------------------|---|
| 1 | PILs TAXES | LINE | M of F | Non-wires | Wires-only | |
| 2 | TAX RETURN RECONCILIATION (TAXREC) | | Corporate | Eliminations | Tax | |
| 3 | (for "wires-only" business - see s. 72 OEB Act) | | Tax | | Return | |
| 4 | | 0 | Return | | | |
| 5 | | | | | Version 2009.1 | |
| 6 | Section A: Identification: | | | | | |
| 7 | Utility Name: London Hydro Inc. | | | | | |
| 8 | Reporting period: 2001 | | | | | |
| 9 | Taxation Year's start date: | | | | | |
| 10 | Taxation Year's end date: | | | | | |
| 11 | Number of days in taxation year: 92 days | | | | | |
| 12 | | | | | | |
| 13 | Please enter the Materiality Level : 195,797 < - enter materiality level | | | | | |
| 14 | (0.25% x Rate Base x CER) | Y/N | Y | | | |
| 15 | (0.25% x Net Assets) | Y/N | N | | | |
| 16 | Or other measure (please provide the basis of the amount) | Y/N | N | | | |
| 17 | Does the utility carry on non-wires related operation? | Y/N | N | | | |
| 18 | (Please complete the questionnaire in the Background questionnaire worksheet.) | | | | | |
| 19 | | | | | | |
| 20 | Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K | | | | | |
| 21 | | | | | | |
| 22 | Section B: Financial statements data: | | | | | |
| 23 | Input unconsolidated financial statement data submitted with Tax returns. | | | | | |
| 24 | The actual categories of the income statements should be used. | | | | | |
| 25 | If required please change the descriptions except for amortization, interest expense and provision for income tax | | | | | |
| 26 | | | | | | |
| 27 | Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts | | | | | |
| 28 | in the "non-wires elimination column" as negative values in TAXREC and TAXREC2. | | | | | |
| 29 | | | | | | |
| 30 | Income: | | | | | |
| 31 | Energy Sales | + | 0 | | 0 | |
| 32 | Distribution Revenue | + | 2,490,000 | | 2,490,000 | |
| 33 | Other Income | + | 2,052,000 | | 2,052,000 | |
| 34 | Miscellaneous income | + | | | 0 | |
| 35 | | + | | | 0 | |
| 36 | Revenue should be entered above this line | | | | | |
| 37 | | | | | | |
| 38 | Costs and Expenses: | | | | | |
| 39 | Cost of energy purchased | - | 0 | | 0 | |
| 40 | Administration | - | 3,265,000 | | 3,265,000 | |
| 41 | Customer billing and collecting | - | | | 0 | |
| 42 | Operations and maintenance | - | 1,718,000 | | 1,718,000 | |
| 43 | Amortization | - | 2,841,000 | | 2,841,000 | |
| 44 | Ontario Capital Tax | - | 128,000 | | 128,000 | |
| 45 | Federal Large Corporations Tax | - | 102,000 | | 102,000 | |
| 46 | | - | | | 0 | |
| 47 | | - | | | 0 | |
| 48 | | - | | | 0 | |
| 49 | | - | | | 0 | |
| 50 | Net Income Before Interest & Income Taxes EBIT | = | -3,512,000 | 0 | -3,512,000 | |
| 51 | Less: Interest expense for accounting purposes | - | 39,000 | | 39,000 | |
| 52 | Provision for payments in lieu of income taxes | - | -755,000 | | -755,000 | |
| 53 | Net Income (loss) | = | -2,796,000 | 0 | -2,796,000 | |
| 54 | (The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.) | | | | | |
| 55 | | | | | | |
| 56 | Section C: Reconciliation of accounting income to taxable income | | | | | |
| 57 | <i>From T2 Schedule 1</i> | | | | | |
| 58 | BOOK TO TAX ADDITIONS: | | | | | |
| 59 | Provision for income tax | + | -755,000 | 0 | -755,000 | |
| 60 | Federal large corporation tax | + | 102,000 | | 102,000 | |
| 61 | Depreciation & Amortization | + | 2,841,000 | 0 | 2,841,000 | |
| 62 | Employee benefit plans-accrued, not paid | + | 0 | 0 | 0 | |
| 63 | Tax reserves - beginning of year | + | 0 | 0 | 0 | |
| 64 | Reserves from financial statements- end of year | + | 0 | 0 | 0 | |
| 65 | Regulatory adjustments on which true-up may apply (see A66) | + | | | 0 | |
| 66 | Items on which true-up does not apply "TAXREC 3" | | 0 | 0 | 0 | |
| 67 | Material addition items from TAXREC 2 | + | 0 | 0 | 0 | |
| 68 | Other addition items (not Material) from TAXREC 2 | + | 0 | 0 | 0 | |
| 69 | | | | | | |
| 70 | Subtotal | | 2,188,000 | 0 | 2,188,000 | |
| 71 | | | | | | |
| 72 | Other Additions: (Please explain the nature of the additions) | | | | | |
| 73 | Recapture of CCA | + | | | 0 | |
| 74 | Non-deductible meals and entertainment expense | + | | | 0 | |
| 75 | Capital items expensed | + | | | 0 | |
| 76 | | + | | | 0 | |
| 77 | | + | | | 0 | |
| 78 | | + | | | 0 | |
| 79 | | + | | | 0 | |
| 80 | Total Other Additions | = | 0 | 0 | 0 | |
| 81 | | | | | | |
| 82 | Total Additions | = | 2,188,000 | 0 | 2,188,000 | |
| 83 | | | | | | |
| 84 | Recap Material Additions: | | | | | |
| 85 | | | 0 | 0 | 0 | |
| 86 | | | 0 | 0 | 0 | |

| | A | B | C | D | E | F |
|-----|--|-------------|------------------|---------------------|-----------------------|---|
| 1 | PILs TAXES | LINE | M of F | Non-wires | Wires-only | |
| 2 | TAX RETURN RECONCILIATION (TAXREC) | | Corporate | Eliminations | Tax | |
| 3 | (for "wires-only" business - see s. 72 OEB Act) | | Tax | | Return | |
| 4 | 0 | | Return | | | |
| 5 | | | | | Version 2009.1 | |
| 87 | | | 0 | 0 | 0 | |
| 88 | | | 0 | 0 | 0 | |
| 89 | | | 0 | 0 | 0 | |
| 90 | | | 0 | 0 | 0 | |
| 91 | | | 0 | 0 | 0 | |
| 92 | Total Other additions >materiality level | | 0 | 0 | 0 | |
| 93 | Other additions (less than materiality level) | | 0 | 0 | 0 | |
| 94 | Total Other Additions | | 0 | 0 | 0 | |
| 95 | | | | | | |
| 96 | BOOK TO TAX DEDUCTIONS: | | | | | |
| 97 | Capital cost allowance | - | 3,251,810 | | 3,251,810 | |
| 98 | Cumulative eligible capital deduction | - | | | 0 | |
| 99 | Employee benefit plans-paid amounts | - | 0 | | 0 | |
| 100 | Items capitalized for regulatory purposes | - | | | 0 | |
| 101 | Regulatory adjustments : | - | | | 0 | |
| 102 | CCA | - | | | 0 | |
| 103 | other deductions | - | | | 0 | |
| 104 | Tax reserves - end of year | - | 0 | 0 | 0 | |
| 105 | Reserves from financial statements- beginning of year | - | 0 | 0 | 0 | |
| 106 | Contributions to deferred income plans | - | | | 0 | |
| 107 | Contributions to pension plans | - | | | 0 | |
| 108 | Items on which true-up does not apply "TAXREC 3" | | 1,014,000 | 0 | 1,014,000 | |
| 109 | Interest capitalized for accounting deducted for tax | - | | | 0 | |
| 110 | Material deduction items from TAXREC 2 | - | 0 | 0 | 0 | |
| 111 | Other deduction items (not Material) from TAXREC 2 | - | 0 | 0 | 0 | |
| 112 | | | | | | |
| 113 | Subtotal | = | 4,265,810 | 0 | 4,265,810 | |
| 114 | Other deductions (Please explain the nature of the deductions) | | | | | |
| 115 | Charitable donations - tax basis | - | | | 0 | |
| 116 | Gain on disposal of assets | - | 0 | | 0 | |
| 117 | | - | | | 0 | |
| 118 | | - | | | 0 | |
| 119 | | - | | | 0 | |
| 120 | Total Other Deductions | = | 0 | 0 | 0 | |
| 121 | | | | | | |
| 122 | Total Deductions | = | 4,265,810 | 0 | 4,265,810 | |
| 123 | | | | | | |
| 124 | Recap Material Deductions: | | | | | |
| 125 | | | 0 | 0 | 0 | |
| 126 | | | 0 | 0 | 0 | |
| 127 | | | 0 | 0 | 0 | |
| 128 | | | 0 | 0 | 0 | |
| 129 | | | 0 | 0 | 0 | |
| 130 | Total Other Deductions exceed materiality level | | 0 | 0 | 0 | |
| 131 | Other Deductions less than materiality level | | 0 | 0 | 0 | |
| 132 | Total Other Deductions | | 0 | 0 | 0 | |
| 133 | | | | | | |
| 134 | TAXABLE INCOME | = | -4,873,810 | 0 | -4,873,810 | |
| 135 | DEDUCT: | | | | | |
| 136 | Non-capital loss applied positive number | - | 0 | | 0 | |
| 137 | Net capital loss applied positive number | - | 0 | | 0 | |
| 138 | | | | | 0 | |
| 139 | NET TAXABLE INCOME | = | (4,873,810) | 0 | (4,873,810) | |
| 140 | | | | | | |
| 141 | FROM ACTUAL TAX RETURNS | | | | | |
| 142 | Net Federal Income Tax (Must agree with tax return) | + | 0 | | 0 | |
| 143 | Net Ontario Income Tax (Must agree with tax return) | + | 0 | | 0 | |
| 144 | Subtotal | = | 0 | 0 | 0 | |
| 145 | Less: Miscellaneous tax credits (Must agree with tax returns) | - | 0 | | 0 | |
| 146 | Total Income Tax | = | 0 | 0 | 0 | |
| 147 | | | | | | |
| 148 | FROM ACTUAL TAX RETURNS | | | | | |
| 149 | Net Federal Income Tax Rate (Must agree with tax return) | | 28.12% | | 28.12% | |
| 150 | Net Ontario Income Tax Rate (Must agree with tax return) | | 12.50% | | 12.50% | |
| 151 | Blended Income Tax Rate | | 40.62% | | 40.62% | |
| 152 | | | | | | |
| 153 | Section F: Income and Capital Taxes | | | | | |
| 154 | | | | | | |
| 155 | RECAP FROM ABOVE: | | | | | |
| 156 | Total Income Taxes | + | 0 | 0 | 0 | |
| 157 | Ontario Capital Tax | + | 139,266 | | 139,266 | |
| 158 | Federal Large Corporations Tax | + | 96,346 | | 96,346 | |
| 159 | | | | | | |
| 160 | Total income and capital taxes | = | 235,612 | 0 | 235,612 | |
| 161 | | | | | | |

| | A | B | C | D | E | F |
|----|--|------|-----------|--------------|----------------|---|
| 1 | PILs TAXES | LINE | M of F | Non-wires | Wires-only | |
| 2 | Tax and Accounting Reserves | | Corporate | Eliminations | Tax | |
| 3 | For MoF Column of TAXCALC | | Tax | | Return | |
| 4 | (for "wires-only" business - see s. 72 OEB Act) | | Return | | | |
| 5 | 0 | | | | Version 2009.1 | |
| 6 | | | | | | |
| 7 | Utility Name: London Hydro Inc. | | | | | |
| 8 | Reporting period: 2001 | | | | | |
| 9 | | | | | | |
| 10 | TAX RESERVES | | | | | |
| 11 | | | | | | |
| 12 | Beginning of Year: | | | | | |
| 13 | | | | | 0 | |
| 14 | Reserve for doubtful accounts ss. 20(1)(l) | | | | 0 | |
| 15 | Reserve for goods & services ss.20(1)(m) | | | | 0 | |
| 16 | Reserve for unpaid amounts ss.20(1)(n) | | | | 0 | |
| 17 | Debt and share issue expenses ss.20(1)(e) | | | | 0 | |
| 18 | Other - Please describe | | | | 0 | |
| 19 | Other - Please describe | | | | 0 | |
| 20 | | | | | 0 | |
| 21 | | | | | 0 | |
| 22 | Total (carry forward to the TAXREC worksheet) | | 0 | 0 | 0 | |
| 23 | | | | | | |
| 24 | End of Year: | | | | | |
| 25 | | | | | 0 | |
| 26 | Reserve for doubtful accounts ss. 20(1)(l) | | | | 0 | |
| 27 | Reserve for goods & services ss.20(1)(m) | | | | 0 | |
| 28 | Reserve for unpaid amounts ss.20(1)(n) | | | | 0 | |
| 29 | Debt and share issue expenses ss.20(1)(e) | | | | 0 | |
| 30 | Other - Please describe | | | | 0 | |
| 31 | Other - Please describe | | | | 0 | |
| 32 | | | | | 0 | |
| 33 | | | | | 0 | |
| 34 | Insert line above this line | | | | | |
| 35 | Total (carry forward to the TAXREC worksheet) | | 0 | 0 | 0 | |
| 36 | | | | | | |
| 37 | | | | | | |
| 38 | FINANCIAL STATEMENT RESERVES | | | | | |
| 39 | | | | | | |
| 40 | Beginning of Year: | | | | | |
| 41 | | | | | 0 | |
| 42 | | | | | 0 | |
| 43 | Environmental | | | | 0 | |
| 44 | Allowance for doubtful accounts | | | | 0 | |
| 45 | Inventory obsolescence | | | | 0 | |
| 46 | Property taxes | | | | 0 | |
| 47 | Other - Please describe | | | | 0 | |
| 48 | Other - Please describe | | | | 0 | |
| 49 | | | | | 0 | |
| 50 | Total (carry forward to the TAXREC worksheet) | | 0 | 0 | 0 | |
| 51 | | | | | | |
| 52 | End of Year: | | | | | |
| 53 | | | | | 0 | |
| 54 | | | | | 0 | |
| 55 | Environmental | | | | 0 | |
| 56 | Allowance for doubtful accounts | | | | 0 | |
| 57 | Inventory obsolescence | | | | 0 | |
| 58 | Property taxes | | | | 0 | |
| 59 | Other - Please describe | | | | 0 | |
| 60 | Other - Please describe | | | | 0 | |
| 61 | | | | | 0 | |
| 62 | Insert line above this line | | | | | |
| 63 | Total (carry forward to the TAXREC worksheet) | | 0 | 0 | 0 | |
| 64 | | | | | | |

| | A | B | C | D | E | F |
|----|---|-------------|------------------|---------------------|-----------------------|---|
| 1 | | | | | | |
| 2 | PILs TAXES | LINE | M of F | Non-wires | Wires-only | |
| 3 | TAX RETURN RECONCILIATION (TAXREC 2) | | Corporate | Eliminations | Tax | |
| 4 | (for "wires-only" business - see s. 72 OEB Act) | | Tax | | Return | |
| 5 | RATEPAYERS ONLY | | Return | | | |
| 6 | Shareholder-only Items should be shown on TAXREC 3 | | | | Version 2009.1 | |
| 7 | | | | | | |
| 8 | Utility Name: London Hydro Inc. | | | | | |
| 9 | Reporting period: 2001 | | | | | |
| 10 | Number of days in taxation year: | | 92 | | | |
| 11 | Materiality Level: | | 195,797 | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | Section C: Reconciliation of accounting income to taxable income | | | | | |
| 16 | Add: | | | | | |
| 17 | | + | | | 0 | |
| 18 | Gain on sale of eligible capital property | + | | | 0 | |
| 19 | Loss on disposal of assets | + | | | 0 | |
| 20 | Charitable donations (Only if it benefits ratepayers) | + | | | 0 | |
| 21 | Taxable capital gains | + | | | 0 | |
| 22 | | + | | | 0 | |
| 23 | Scientific research expenditures deducted | + | | | 0 | |
| 24 | per financial statements | + | | | 0 | |
| 25 | Capitalized interest | + | | | 0 | |
| 26 | Soft costs on construction and renovation of buildings | + | | | 0 | |
| 27 | Capital items expensed | + | | | 0 | |
| 28 | Debt issue expense | + | | | 0 | |
| 29 | Financing fees deducted in books | + | | | 0 | |
| 30 | Gain on settlement of debt | + | | | 0 | |
| 31 | Interest paid on income debentures | + | | | 0 | |
| 32 | Recapture of SR&ED expenditures | + | | | 0 | |
| 33 | Share issue expense | + | | | 0 | |
| 34 | Write down of capital property | + | | | 0 | |
| 35 | Amounts received in respect of qualifying environment trust | + | | | 0 | |
| 36 | | + | | | 0 | |
| 37 | | + | | | 0 | |
| 38 | | + | | | 0 | |
| 39 | | + | | | 0 | |
| 40 | <i>Other Additions: (please explain in detail the nature of the item)</i> | + | | | 0 | |
| 41 | | + | | | 0 | |
| 42 | | + | | | 0 | |
| 43 | | + | | | 0 | |
| 44 | | + | | | 0 | |
| 45 | | + | | | 0 | |
| 46 | Total Additions | = | 0 | 0 | 0 | |
| 47 | | | | | | |
| 48 | Recap of Material Additions: | | | | | |
| 49 | | | 0 | 0 | 0 | |
| 50 | | | 0 | 0 | 0 | |
| 51 | | | 0 | 0 | 0 | |
| 52 | | | 0 | 0 | 0 | |
| 53 | | | 0 | 0 | 0 | |
| 54 | | | 0 | 0 | 0 | |
| 55 | | | 0 | 0 | 0 | |
| 56 | | | 0 | 0 | 0 | |
| 57 | | | 0 | 0 | 0 | |
| 58 | | | 0 | 0 | 0 | |
| 59 | | | 0 | 0 | 0 | |
| 60 | | | 0 | 0 | 0 | |
| 61 | | | 0 | 0 | 0 | |
| 62 | | | 0 | 0 | 0 | |
| 63 | | | 0 | 0 | 0 | |
| 64 | | | 0 | 0 | 0 | |
| 65 | | | 0 | 0 | 0 | |
| 66 | | | 0 | 0 | 0 | |
| 67 | | | 0 | 0 | 0 | |
| 68 | | | 0 | 0 | 0 | |
| 69 | | | 0 | 0 | 0 | |
| 70 | | | 0 | 0 | 0 | |
| 71 | | | 0 | 0 | 0 | |
| 72 | | | 0 | 0 | 0 | |
| 73 | | | 0 | 0 | 0 | |
| 74 | | | 0 | 0 | 0 | |

| | A | B | C | D | E | F |
|-----|---|-------------|------------------|---------------------|-----------------------|---|
| 1 | | | | | | |
| 2 | PILs TAXES | LINE | M of F | Non-wires | Wires-only | |
| 3 | TAX RETURN RECONCILIATION (TAXREC 2) | | Corporate | Eliminations | Tax | |
| 4 | (for "wires-only" business - see s. 72 OEB Act) | | Tax | | Return | |
| 5 | RATEPAYERS ONLY | | Return | | | |
| 6 | Shareholder-only Items should be shown on TAXREC 3 | | | | Version 2009.1 | |
| 7 | | | | | | |
| 8 | Utility Name: London Hydro Inc. | | | | | |
| 9 | Reporting period: 2001 | | | | | |
| 10 | Number of days in taxation year: | | 92 | | | |
| 11 | Materiality Level: | | 195,797 | | | |
| 12 | | | | | | |
| 13 | | | | | | |
| 75 | | | 0 | 0 | 0 | |
| 76 | | | 0 | 0 | 0 | |
| 77 | Total Material additions | | 0 | 0 | 0 | |
| 78 | Other additions less than materiality level | | 0 | 0 | 0 | |
| 79 | Total Additions | | 0 | 0 | 0 | |
| 80 | | | | | | |
| 81 | Deduct: | | | | | |
| 82 | Gain on disposal of assets per f/s | - | | | 0 | |
| 83 | Dividends not taxable under section 83 | - | | | 0 | |
| 84 | Terminal loss from Schedule 8 | - | | | 0 | |
| 85 | Depreciation in inventory, end of prior year | - | | | 0 | |
| 86 | Scientific research expenses claimed in year from Form T661 | - | | | 0 | |
| 87 | Bad debts | - | | | 0 | |
| 88 | Book income of joint venture or partnership | - | | | 0 | |
| 89 | Equity in income from subsidiary or affiliates | - | | | 0 | |
| 90 | Contributions to a qualifying environment trust | - | | | 0 | |
| 91 | Other income from financial statements | - | | | 0 | |
| 92 | | - | | | | |
| 93 | | - | | | 0 | |
| 94 | | - | | | 0 | |
| 95 | Other deductions: (Please explain in detail the nature of the item) | - | | | 0 | |
| 96 | | - | | | 0 | |
| 97 | | - | | | 0 | |
| 98 | | - | | | 0 | |
| 99 | Total Deductions | = | 0 | 0 | 0 | |
| 100 | | | | | | |
| 101 | Recap of Material Deductions: | | | | | |
| 102 | | | 0 | 0 | 0 | |
| 103 | | | 0 | 0 | 0 | |
| 104 | | | 0 | 0 | 0 | |
| 105 | | | 0 | 0 | 0 | |
| 106 | | | 0 | 0 | 0 | |
| 107 | | | 0 | 0 | 0 | |
| 108 | | | 0 | 0 | 0 | |
| 109 | | | 0 | 0 | 0 | |
| 110 | | | 0 | 0 | 0 | |
| 111 | | | 0 | 0 | 0 | |
| 112 | | | 0 | 0 | 0 | |
| 113 | | | 0 | 0 | 0 | |
| 114 | | | 0 | 0 | 0 | |
| 115 | | | 0 | 0 | 0 | |
| 116 | | | 0 | 0 | 0 | |
| 117 | | | 0 | 0 | 0 | |
| 118 | | | 0 | 0 | 0 | |
| 119 | Total Deductions exceed materiality level | | 0 | 0 | 0 | |
| 120 | Other deductions less than materiality level | | 0 | 0 | 0 | |
| 121 | Total Deductions | | 0 | 0 | 0 | |
| 122 | | | | | | |

| | A | B | C | D | E | F |
|----|---|------|-----------|--------------|----------------|-----------|
| 1 | | | | | | |
| 2 | PILs TAXES | | | | | |
| 3 | TAX RETURN RECONCILIATION (TAXREC 3) | | | | | |
| 4 | Shareholder-only Items should be shown on TAXREC 3 | LINE | M of F | Non-wires | Wires-only | |
| 5 | ITEMS ON WHICH TRUE-UP DOES NOT APPLY | | Corporate | Eliminations | Tax | |
| 6 | (for "wires-only" business - see s. 72 OEB Act) | | Tax | | Return | |
| 7 | 0 | | Return | | | |
| 8 | Utility Name: London Hydro Inc. | | | | Version 2009.1 | |
| 9 | | | | | | |
| 10 | | | | | | |
| 11 | Reporting period: 2001 | | | | | |
| 12 | Number of days in taxation year: | | 92 | | | |
| 13 | | | | | | |
| 14 | | | | | | |
| 15 | | | | | | |
| 16 | Section C: Reconciliation of accounting income to taxable income | | | | | |
| 17 | Add: | | | | | |
| 18 | | | | | | |
| 19 | Recapture of capital cost allowance | + | | | | 0 |
| 20 | CCA adjustments | + | | | | 0 |
| 21 | CEC adjustments | + | | | | 0 |
| 22 | Gain on sale of non-utility eligible capital property | + | | | | 0 |
| 23 | Gain on sale of utility eligible capital property | + | | | | 0 |
| 24 | Loss from joint ventures or partnerships | + | | | | 0 |
| 25 | Deemed dividend income | + | | | | 0 |
| 26 | Loss in equity of subsidiaries and affiliates | + | | | | 0 |
| 27 | Loss on disposal of utility assets | + | | | | 0 |
| 28 | Loss on disposal of non-utility assets | + | | | | 0 |
| 29 | Depreciation in inventory -end of year | + | | | | 0 |
| 30 | Depreciation and amortization adjustments | + | | | | 0 |
| 31 | Dividends credited to investment account | + | | | | 0 |
| 32 | Non-deductible meals | + | 0 | | | 0 |
| 33 | Non-deductible club dues | + | | | | 0 |
| 34 | Non-deductible automobile costs | + | | | | 0 |
| 35 | Donations - amount per books | + | | | | 0 |
| 36 | Interest and penalties on unpaid taxes | + | | | | 0 |
| 37 | Management bonuses unpaid after 180 days of year end | + | | | | 0 |
| 38 | Ontario Capital Tax per books | + | | | | 0 |
| 39 | | + | | | | 0 |
| 40 | Changes in Regulatory Asset balances | + | | | | 0 |
| 41 | Imputed interest expense on Regulatory Assets | + | | | | 0 |
| 42 | | + | | | | 0 |
| 43 | Other Additions: (please explain in detail the nature of the item) | + | | | | 0 |
| 44 | Capital contributions - s.12(1)(x) | + | | | | 0 |
| 45 | | + | | | | 0 |
| 46 | | + | | | | 0 |
| 47 | Total Additions on which true-up does not apply | = | 0 | 0 | | 0 |
| 48 | | | | | | |
| 49 | Deduct: | | | | | |
| 50 | | | | | | |
| 51 | CCA adjustments | - | | | | 0 |
| 52 | CEC adjustments | - | | | | 0 |
| 53 | Depreciation and amortization adjustments | - | | | | 0 |
| 54 | Gain on disposal of assets per financial statements | - | 1,014,000 | | | 1,014,000 |
| 55 | Financing fee amortization - considered to be interest expense for PILs | - | | | | 0 |
| 56 | Imputed interest income on Regulatory Assets | - | | | | 0 |
| 57 | Donations - amount deductible for tax purposes | - | | | | 0 |
| 58 | Income from joint ventures or partnerships | - | | | | 0 |
| 59 | | - | | | | 0 |
| 60 | Ontario Capital Tax per tax return | - | | | | 0 |
| 61 | | - | | | | 0 |
| 62 | Changes in Regulatory Asset balances | - | | | | 0 |
| 63 | | - | | | | 0 |
| 64 | | - | | | | 0 |
| 65 | | - | | | | 0 |
| 66 | | - | | | | 0 |
| 67 | | - | | | | 0 |
| 68 | Other deductions: (Please explain in detail the nature of the item) | - | | | | 0 |
| 69 | Capital contributions s.13(7.4) Election | - | | | | 0 |
| 70 | | - | | | | 0 |
| 71 | | - | | | | 0 |
| 72 | | - | | | | 0 |
| 73 | Total Deductions on which true-up does not apply | = | 1,014,000 | 0 | | 1,014,000 |
| 74 | | | | | | |
| 75 | | | | | | |

| | A | B | C | D | E | F | G | H | J |
|----|---|------------|------------|---|----------------|---|---|---|----------|
| 1 | PILs TAXES | | | | | | | | |
| 2 | Corporate Tax Rates | | | | Version 2009.1 | | | | |
| 3 | Exemptions, Deductions, or Thresholds | | | | | | | | |
| 4 | Utility Name: London Hydro Inc. | | | | | | | | |
| 5 | Reporting period: 2001 | | | | | | | | |
| 6 | | | | | | | | | |
| 7 | Table 1 | | | | | | | | |
| 8 | Rates Used in 2002 RAM PILs Applications for 2001 Q4 | | | | | | | | |
| 9 | Income Range | | 0 | | 50,000 | | | | |
| 10 | RAM 2002 | | to | | to | | | | >175,000 |
| 11 | | Year | 50,000 | | 175,000 | | | | |
| 12 | Income Tax Rate | | | | | | | | |
| 13 | Proxy Tax Year | 2002 | | | | | | | |
| 14 | Federal (Includes surtax) | | 13.12% | | 28.12% | | | | 28.12% |
| 15 | and Ontario blended | | 6.00% | | 6.00% | | | | 12.50% |
| 16 | Blended rate | | 19.12% | | 34.12% | | | | 40.62% |
| 17 | | | | | | | | | |
| 18 | Capital Tax Rate | | 0.300% | | | | | | |
| 19 | LCT rate | | 0.225% | | | | | | |
| 20 | Surtax | | 1.12% | | | | | | |
| 21 | Ontario Capital Tax Exemption ** | MAX \$5MM | 5,000,000 | | | | | | |
| 22 | Federal Large Corporations Tax Exemption ** | MAX \$10MM | 10,000,000 | | | | | | |
| 23 | **Exemption amounts must agree with the Board-approved 2001 RAM PILs filing | | | | | | | | |
| 24 | | | | | | | | | |
| 25 | Table 2 | | | | | | | | |
| 26 | Expected Income Tax Rates for 2001 and Capital Tax Exemptions for 2001 | | | | | | | | |
| 27 | Income Range | | 0 | | 50,000 | | | | |
| 28 | Expected Rates | | to | | to | | | | >175,000 |
| 29 | | Year | 50,000 | | 175,000 | | | | |
| 30 | Income Tax Rate | | | | | | | | |
| 31 | Current year | 2001 | | | | | | | |
| 32 | Federal (Includes surtax) | 2001 | 13.12% | | 28.12% | | | | 28.12% |
| 33 | Ontario | 2001 | 6.00% | | 6.00% | | | | 12.50% |
| 34 | Blended rate | 2001 | 19.12% | | 34.12% | | | | 40.62% |
| 35 | | | | | | | | | |
| 36 | Capital Tax Rate | 2001 | 0.300% | | | | | | |
| 37 | LCT rate | 2001 | 0.225% | | | | | | |
| 38 | Surtax | 2001 | 1.12% | | | | | | |
| 39 | Ontario Capital Tax Exemption *** 2001 | MAX \$5MM | 5,000,000 | | | | | | |
| 40 | Federal Large Corporations Tax Exemption *** 2001 | MAX \$10MM | 10,000,000 | | | | | | |
| 41 | ***Allocation of exemptions must comply with the Board's instructions regarding regulated activities. | | | | | | | | |
| 42 | | | | | | | | | |
| 43 | Table 3 | | | | | | | | |
| 44 | Input Information from Utility's Actual 2001 Tax Returns | | | | | | | | |
| 45 | Income Range | | 0 | | 50,000 | | | | |
| 46 | | | to | | to | | | | >175,000 |
| 47 | | Year | 50,000 | | 175,000 | | | | |
| 48 | Income Tax Rate | | | | | | | | |
| 49 | Current year | 2001 | | | | | | | |
| 50 | Federal (Includes surtax) | | 13.12% | | 22.12% | | | | 28.12% |
| 51 | Ontario | | 6.00% | | 9.75% | | | | 12.50% |
| 52 | Blended rate | | 19.12% | | 31.87% | | | | 40.62% |
| 53 | | | | | | | | | |
| 54 | Capital Tax Rate | | 0.300% | | | | | | |
| 55 | LCT rate | | 0.225% | | | | | | |
| 56 | Surtax | | 1.12% | | | | | | |
| 57 | Ontario Capital Tax Exemption * | MAX \$5MM | 0 | | | | | | |
| 58 | Federal Large Corporations Tax Exemption * | MAX \$10MM | 10,000,000 | | | | | | |
| 59 | * Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36 | | | | | | | | |
| 60 | | | | | | | | | |
| 61 | | | | | | | | | |

29,611,572

| A | B | C | D | E | F | G | H |
|---|------------------|------------------------|------------------------|---------------|-----------------|----------------|---|
| ITEM | Initial Estimate | M of F Filing Variance | M of F Filing Variance | G Tax Returns | | | |
| 1 PILS TAXES | | | | | | | |
| 2 PILS DEFERRAL AND VARIANCE ACCOUNTS | | | | | | | |
| 3 TAX CALCULATIONS (TAXCALC) | | | | | | | |
| 4 (*Wires-only* business - see Tab TAXREC) | | | | | | | |
| 5 | 0 | | | | | Version 2009.1 | |
| 6 Utility Name: London Hydro Inc. | | | | | | | |
| 7 Reporting period: 2001 | | | | | | | |
| 8 | | | | | | Column | |
| 9 Days in reporting period: | 92 | days | | | | Brought | |
| 10 Total days in the calendar year: | 365 | days | | | | From | |
| 11 | | | | | | TAXREC | |
| 12 | | \$ | | \$ | | \$ | |
| 13 | | | | | | | |
| 14 I. CORPORATE INCOME TAXES | | | | | | | |
| 15 | | | | | | | |
| 16 Regulatory Net Income REGINFO E53 | 1 | 2,191,227 | | -5,703,227 | | -3,512,000 | |
| 17 | | | | | | | |
| 18 BOOK TO TAX ADJUSTMENTS | | | | | | | |
| 19 <i>Additions:</i> | | | | | | | |
| 20 Depreciation & Amortization | 2 | 2,671,869 | | 169,131 | | 2,841,000 | |
| 21 Federal Large Corporation Tax | | | | 102,000 | | 102,000 | |
| 22 Employee Benefit Plans - Accrued, Not Paid | 3 | 0 | | 0 | | 0 | |
| 23 Tax reserves - beginning of year | 4 | 0 | | 0 | | 0 | |
| 24 Change in tax reserves | 4 | 0 | | 0 | | 0 | |
| 25 Regulatory Adjustments - increase in income | 5 | 0 | | 0 | | 0 | |
| 26 Other Additions (See Tab entitled "TAXREC") | | | | | | | |
| 27 "Material" Items from "TAXREC" worksheet | 6 | 0 | | 0 | | 0 | |
| 28 Other Additions (not "Material") "TAXREC" | 6 | 0 | | 0 | | 0 | |
| 29 "Material" Items from "TAXREC 2" worksheet | 6 | 0 | | 0 | | 0 | |
| 30 Other Additions (not "Material") "TAXREC 2" | 6 | 0 | | 0 | | 0 | |
| 31 Items on which true-up does not apply "TAXREC 3" | | | | 0 | | 0 | |
| 32 | | | | | | | |
| 33 <i>Deductions: Input positive numbers</i> | | | | | | | |
| 34 Capital Cost Allowance and CEC | 7 | 1,020,690 | | 2,231,120 | | 3,251,810 | |
| 35 Employee Benefit Plans - Paid Amounts | 8 | 0 | | 0 | | 0 | |
| 36 Items Capitalized for Regulatory Purposes | 9 | 0 | | 0 | | 0 | |
| 37 Regulatory Adjustments - deduction for tax purposes in item 5 | 10 | 0 | | 0 | | 0 | |
| 38 Interest Expense Deemed/ Incurred | 11 | 1,016,903 | | -977,903 | | 39,000 | |
| 39 Tax reserves - end of year | 4 | 0 | | 0 | | 0 | |
| 40 Change in tax reserves | 4 | 52,250 | | -52,250 | | 0 | |
| 41 Contributions to deferred income plans | 3 | 0 | | 0 | | 0 | |
| 42 Contributions to pension plans | 3 | 0 | | 0 | | 0 | |
| 43 Interest capitalized for accounting but deducted for tax | 11 | 0 | | 0 | | 0 | |
| 44 Other Deductions (See Tab entitled "TAXREC") | | | | | | | |
| 45 "Material" Items from "TAXREC" worksheet | 12 | 0 | | 0 | | 0 | |
| 46 Other Deductions (not "Material") "TAXREC" | 12 | 0 | | 0 | | 0 | |
| 47 Material Items from "TAXREC 2" worksheet | 12 | 0 | | 0 | | 0 | |
| 48 Other Deductions (not "Material") "TAXREC 2" | 12 | 0 | | 0 | | 0 | |
| 49 Items on which true-up does not apply "TAXREC 3" | | | | 1,014,000 | | 1,014,000 | |
| 50 | | | | | | | |
| 51 TAXABLE INCOME/ (LOSS) | | 2,773,254 | | (7,647,064) | Before loss C/F | (4,873,810) | |
| 52 | | | | | | | |
| 53 BLENDED INCOME TAX RATE | | | | | | | |
| 54 Tab Tax Rates - Regulatory from Table 1; Actual from Table 3 | 13 | 40.62% | | 0.0000% | | 40.62% | |
| 55 | | | | | | | |
| 56 REGULATORY INCOME TAX | | 1,126,496 | | -1,126,496 | Actual | 0 | |
| 57 | | | | | | | |
| 58 | | | | | | | |
| 59 Miscellaneous Tax Credits | 14 | 0 | | 0 | Actual | 0 | |
| 60 | | | | | | | |
| 61 Total Regulatory Income Tax | | 1,126,496 | | -1,126,496 | Actual | 0 | |
| 62 | | | | | | | |
| 63 | | | | | | | |
| 64 III CAPITAL TAXES | | | | | | | |
| 65 | | | | | | | |
| 66 Ontario | | | | | | | |
| 67 Base | 15 | 174,041,606 | | 22,334,187 | | 196,375,793 | |
| 68 Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3 | 16 | 5,000,000 | | -5,000,000 | | 0 | |
| 69 Taxable Capital | | 169,041,606 | | 17,334,187 | | 196,375,793 | |
| 70 | | | | | | | |
| 71 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 | 17 | 0.3000% | | 0.0000% | | 0.3000% | |
| 72 | | | | | | | |
| 73 Ontario Capital Tax | | 127,823 | | 20,669 | Overpaid | 148,492 | |
| 74 | | | | | | | |
| 75 Federal Large Corporations Tax | | | | | | | |
| 76 Base | 18 | 174,041,606 | | 5,843,394 | | 179,885,000 | |
| 77 Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3 | 19 | 10,000,000 | | 0 | | 10,000,000 | |
| 78 Taxable Capital | | 164,041,606 | | 5,843,394 | | 169,885,000 | |
| 79 | | | | | | | |
| 80 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 | 20 | 0.2250% | | 0.0000% | | 0.2250% | |
| 81 | | | | | | | |
| 82 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) | | 63,032 | | 3,314 | | 96,346 | |
| 83 Less: Federal Surtax 1.12% x Taxable Income | 21 | 31,060 | | -31,060 | | 0 | |
| 84 | | | | | | | |
| 85 Net LCT | | 61,971 | | 34,374 | | 96,346 | |
| 86 | | | | | | | |
| 87 III INCLUSION IN RATES | | | | | | | |
| 88 | | | | | | | |
| 89 Income Tax Rate used for gross-up (exclude surtax) | | 39.50% | | | | | |
| 90 | | | | | | | |
| 91 Income Tax (proxy tax is grossed-up) | 22 | 1,861,976 | | | Actual 2001 | 0 | |
| 92 LCT (proxy tax is grossed-up) | 23 | 102,432 | | | Actual 2001 | 96,346 | |
| 93 Ontario Capital Tax (no gross-up since it is deductible) | 24 | 127,823 | | | Actual 2001 | 139,266 | |
| 94 | | | | | | | |
| 95 | | | | | | | |
| 96 Total PILs for Rate Adjustment - MUST AGREE WITH 2001 | 25 | 2,092,231 | | | Actual 2001 | 235,612 | |
| 97 RAM DECISION | | | | | | | |
| 98 | | | | | | | |
| 99 | | | | | | | |
| 100 IV FUTURE TRUE-UPS | | | | | | | |
| 101 IV a) Calculation of the True-up Variance | | | | DR/(CR) | | | |
| 102 <i>In Additions:</i> | | | | | | | |
| 103 Employee Benefit Plans - Accrued, Not Paid | 3 | 0 | | 0 | | 0 | |
| 104 Tax reserves deducted in prior year | 4 | 0 | | 0 | | 0 | |
| 105 Reserves from financial statements-end of year | 4 | 0 | | 0 | | 0 | |
| 106 Regulatory Adjustments | 5 | 0 | | 0 | | 0 | |
| 107 Other additions "Material" Items TAXREC | 6 | 0 | | 0 | | 0 | |
| 108 Other additions "Material" Items TAXREC 2 | 6 | 0 | | 0 | | 0 | |
| 109 <i>In Deductions - positive numbers</i> | | | | | | | |
| 110 Employee Benefit Plans - Paid Amounts | 8 | 0 | | 0 | | 0 | |
| 111 Items Capitalized for Regulatory Purposes | 9 | 0 | | 0 | | 0 | |
| 112 Regulatory Adjustments | 10 | 0 | | 0 | | 0 | |
| 113 Interest Adjustment for tax purposes (See Below - cell I204) | 11 | 0 | | 0 | | 0 | |
| 114 Tax reserves claimed in current year | 4 | 0 | | 0 | | 0 | |
| 115 Reserves from F/S beginning of year | 4 | 0 | | -52,250 | | 0 | |
| 116 Contributions to deferred income plans | 3 | 0 | | 0 | | 0 | |
| 117 Contributions to pension plans | 3 | 0 | | 0 | | 0 | |
| 118 Other deductions "Material" Items TAXREC | 12 | 0 | | 0 | | 0 | |
| 119 Other deductions "Material" Item TAXREC 2 | 12 | 0 | | 0 | | 0 | |
| 120 | | | | | | | |
| 121 Total TRUE-UPS before tax effect | 26 | = | | 52,250 | | | |
| 122 | | | | | | | |

| A | B | C | D | E | F | G | H |
|---|------|----------|---|-------------|-----------------|----------------|---|
| 1 PILS TAXES | ITEM | Initial | | M of F | M of F | Tax | |
| 2 PILS DEFERRAL AND VARIANCE ACCOUNTS | | Estimate | | Filing | Filing | Returns | |
| 3 TAX CALCULATIONS (TAXCALC) | | | | Variance | Variance | | |
| 4 ("Wires-only" business - see Tab TAXREC) | | | | G-C | Explanation | | |
| 5 | D | | | | | Version 2009.1 | |
| 6 Utility Name: London Hydro Inc. | | | | | | | |
| 7 Reporting period: 2001 | | | | | | | |
| 8 | | | | | | Column | |
| 9 Days in reporting period: | 92 | days | | | | Brought | |
| 10 Total days in the calendar year: | 365 | days | | | | From | |
| 11 | | | | | | TAXREC | |
| 12 | | \$ | | \$ | | \$ | |
| 13 | | | | | | | |
| 123 Income Tax Rate (excluding surtax) from 2001 Utility's tax return | | | x | 18.00% | | | |
| 124 | | | | | | | |
| 125 Income Tax Effect on True-up adjustments | | | = | 9,405 | | | |
| 126 | | | | | | | |
| 127 Less: Miscellaneous Tax Credits | 14 | | | 0 | | | |
| 128 | | | | | | | |
| 129 Total Income Tax on True-ups | | | | 9,405 | | | |
| 130 | | | | | | | |
| 131 Income Tax Rate used for gross-up (exclude surtax) | | | | 39.50% | | | |
| 132 | | | | | | | |
| 133 TRUE-UP VARIANCE ADJUSTMENT | | | | 15,545 | | | |
| 134 | | | | | | | |
| 135 [V b) Calculation of the Deferral Account Variance caused by changes in legislation | | | | | | | |
| 136 | | | | | | | |
| 137 REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column) | | | = | 2,773,254 | | | |
| 138 | | | | | | | |
| 139 REVISED CORPORATE INCOME TAX RATE | | | x | 40.62% | | | |
| 140 | | | | | | | |
| 141 REVISED REGULATORY INCOME TAX | | | = | 1,126,496 | | | |
| 142 | | | | | | | |
| 143 Less: Revised Miscellaneous Tax Credits | | | - | 0 | | | |
| 144 | | | | | | | |
| 145 Total Revised Regulatory Income Tax | | | = | 1,126,496 | | | |
| 146 | | | | | | | |
| 147 Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60) | | | - | 1,126,496 | | | |
| 148 | | | | | | | |
| 149 Regulatory Income Tax Variance | | | = | 0 | | | |
| 150 | | | | | | | |
| 151 Ontario Capital Tax | | | | | | | |
| 152 Base | | | = | 174,041,606 | | | |
| 153 Less: Exemption from tab Tax Rates, Table 2, cell C39 | | | - | 5,000,000 | | | |
| 154 Revised deemed taxable capital | | | = | 169,041,606 | | | |
| 155 | | | | | | | |
| 156 Rate - Tab Tax Rates cell C54 | | | x | 0.3000% | | | |
| 157 | | | | | | | |
| 158 Revised Ontario Capital Tax | | | = | 127,823 | | | |
| 159 Less: Ontario Capital Tax reported in the initial estimate column (Cell C72) | | | - | 127,823 | | | |
| 160 | | | | | | | |
| 160 Regulatory Ontario Capital Tax Variance | | | = | 0 | | | |
| 161 | | | | | | | |
| 162 Federal LCT | | | | | | | |
| 163 Base | | | = | 174,041,606 | | | |
| 164 Less: Exemption from tab Tax Rates, Table 2, cell C40 | | | - | 10,000,000 | | | |
| 165 Revised Federal LCT | | | = | 164,041,606 | | | |
| 166 | | | | | | | |
| 167 Rate (as a result of legislative changes) tab 'Tax Rates' cell C51 | | | | 0.2250% | | | |
| 168 | | | | | | | |
| 169 Gross Amount | | | = | 93,032 | | | |
| 170 Less: Federal surtax | | | - | 31,060 | | | |
| 171 Revised Net LCT | | | = | 61,971 | | | |
| 172 | | | | | | | |
| 173 Less: Federal LCT reported in the initial estimate column (Cell C84) | | | - | 61,971 | | | |
| 174 Regulatory Federal LCT Variance | | | = | 0 | | | |
| 175 | | | | | | | |
| 176 Actual Income Tax Rate used for gross-up (exclude surtax) | | | | 18.00% | | | |
| 177 | | | | | | | |
| 178 Income Tax (grossed-up) | | | + | 0 | | | |
| 179 LCT (grossed-up) | | | + | 0 | | | |
| 180 Ontario Capital Tax | | | + | 0 | | | |
| 181 | | | | | | | |
| 182 DEFERRAL ACCOUNT VARIANCE ADJUSTMENT | | | = | 0 | | | |
| 183 | | | | | | | |
| 184 TRUE-UP VARIANCE (from cell H132) | | | + | 15,545 | | | |
| 185 | | | | | | | |
| 186 Total Deferral Account Entry (Positive Entry = Debit) | | | = | 15,545 | | | |
| 187 (Deferral Account Variance + True-up Variance) | | | | | | | |
| 188 | | | | | | | |
| 189 | | | | | | | |
| 190 | | | | | | | |
| 191 [V INTEREST PORTION OF TRUE-UP | | | | | | | |
| 192 Variance Caused By Phase-in of Deamed Debt | | | | | | | |
| 193 | | | | | | | |
| 194 Total deemed interest (REGINFO) | | | | 6,700,602 | | | |
| 195 Interest phased-in (Cell C37) | | | | 4,067,611 | 25% for Q4 2001 | | |
| 196 | | | | | | | |
| 197 Variance due to phase-in of debt component of MARR in rates according to the Board's decision | | | | 2,632,991 | | | |
| 198 | | | | | | | |
| 199 | | | | | | | |
| 200 Other Interest Variances (i.e. Borrowing Levels | | | | | | | |
| 201 Above Deamed Debt per Rate Handbook) | | | | | | | |
| 202 Interest deducted on MoF Filing (Cell G36+G41) | | | | 39,000 | | | |
| 203 Total deemed interest (REGINFO CELL D61) | | | | 6,700,602 | | | |
| 204 | | | | | | | |
| 205 Variance caused by excess debt | | | | 0 | | | |
| 206 | | | | | | | |
| 207 Interest Adjustment for Tax Purposes (carry forward to Cell H112) | | | | 0 | | | |
| 208 | | | | | | | |
| 209 Total Interest Variance | | | | 2,632,991 | | | |
| 210 | | | | | | | |
| 211 | | | | | | | |
| 212 | | | | | | | |

| | A | B | C | D | E | F | G | H | I | J |
|----|---|-------------------|---------------|---|----------------|---|--------------------|---|---|---|
| 1 | PILs TAXES | | | | | | | | | |
| 2 | Corporate Tax Rates | | | | | | | | | |
| 3 | Version 2009.1 | | | | | | | | | |
| 4 | Exemptions, Deductions, or Thresholds | | | | | | | | | |
| 5 | Utility Name: London Hydro Inc. | | | | | | | | | |
| 6 | Reporting period: 2001 | | | | | | | | | |
| 7 | Table 1 | | | | | | | | | |
| 8 | Rates Used in 2002 RAM PILs Applications for 2001 Q4 | | | | | | | | | |
| 9 | Income Range | | 0 | | 50,000 | | >175,000 | | | |
| 10 | RAM 2002 | | to | | to | | | | | |
| 11 | | Year | 50,000 | | 175,000 | | | | | |
| 12 | Income Tax Rate | | | | | | | | | |
| 13 | Proxy Tax Year | 2002 | | | | | | | | |
| 14 | Federal (Includes surtax) | | 13.12% | | 28.12% | | 28.12% | | | |
| 15 | and Ontario blended | | 6.00% | | 6.00% | | 12.50% | | | |
| 16 | Blended rate | | 19.12% | | 34.12% | | 40.62% | | | |
| 17 | | | | | | | | | | |
| 18 | Capital Tax Rate | | 0.300% | | | | | | | |
| 19 | LCT rate | | 0.225% | | | | | | | |
| 20 | Surtax | | 1.12% | | | | | | | |
| 21 | Ontario Capital Tax Exemption ** | MAX \$5MM | 5,000,000 | | | | | | | |
| 22 | Federal Large Corporations Tax Exemption ** | MAX \$10MM | 10,000,000 | | | | | | | |
| 23 | **Exemption amounts must agree with the Board-approved 2001 RAM PILs filing | | | | | | | | | |
| 24 | | | | | | | | | | |
| 25 | Table 2 | | | | | | | | | |
| 26 | Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002 | | | | | | | | | |
| 27 | Income Range | | 0 | | 50,000 | | >175,000 | | | |
| 28 | Expected Rates | | to | | to | | | | | |
| 29 | | Year | 50,000 | | 175,000 | | | | | |
| 30 | Income Tax Rate | | | | | | | | | |
| 31 | Current year | 2002 | | | | | | | | |
| 32 | Federal (Includes surtax) | 2002 | 13.12% | | 28.12% | | 26.12% | | | |
| 33 | Ontario | 2002 | 6.00% | | 6.00% | | 12.50% | | | |
| 34 | Blended rate | 2002 | 19.12% | | 34.12% | | 38.62% | | | |
| 35 | | | | | | | | | | |
| 36 | Capital Tax Rate | 2002 | 0.300% | | | | | | | |
| 37 | LCT rate | 2002 | 0.225% | | | | | | | |
| 38 | Surtax | 2002 | 1.12% | | | | | | | |
| 39 | Ontario Capital Tax Exemption *** 2001 | MAX \$5MM | 5,000,000 | | | | | | | |
| 40 | Federal Large Corporations Tax Exemption *** 2001 | MAX \$10MM | 10,000,000 | | | | | | | |
| 41 | ***Allocation of exemptions must comply with the Board's instructions regarding regulated activities. | | | | | | | | | |
| 42 | | | | | | | | | | |
| 43 | Table 3 | | | | | | | | | |
| 44 | Input Information from Utility's Actual 2001 Tax Returns | | | | | | | | | |
| 45 | Income Range | | 0 | | 50,000 | | >175,000 | | | |
| 46 | | | to | | to | | | | | |
| 47 | | Year | 50,000 | | 175,000 | | | | | |
| 48 | Income Tax Rate | | | | | | | | | |
| 49 | Current year | 2001 | | | | | | | | |
| 50 | Federal (Includes surtax) | | 13.12% | | 22.12% | | 28.12% | | | |
| 51 | Ontario | | 6.00% | | 9.75% | | 12.50% | | | |
| 52 | Blended rate | | 19.12% | | 31.87% | | 40.62% | | | |
| 53 | | | | | | | | | | |
| 54 | Capital Tax Rate | | 0.300% | | | | | | | |
| 55 | LCT rate | | 0.225% | | | | | | | |
| 56 | Surtax | | 1.12% | | | | | | | |
| 57 | Ontario Capital Tax Exemption * | MAX \$5MM | 0 | | | | | | | |
| 58 | Federal Large Corporations Tax Exemption * | MAX \$10MM | 10,000,000 | | | | | | | |
| 59 | * Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36 | | | | | | | | | |
| 60 | | | | | | | | | | |
| 61 | | | | | | | | | | |

29,611,572

Adjustments to Accounting Income

| Item # | Description | 2001 | 2002 | 5B 2001 | 5B 2002 |
|--------|--|-----------|-----------|------------|------------|
| 5 | Changes in Reserves | | | | |
| | Reserve for doubtful accounts | | | | |
| | Opening balance on January 1 | 1,497,570 | 2,332,748 | 0 | 2,332,748 |
| | Net change in allowance for doubtful accounts | 835,178 | 21,045 | 208,795 | 21,045 |
| | Estimated closing balance at December 31 | 2,332,748 | 2,353,793 | 0 | 2,353,793 |
| | Reserve for inventory obsolescence | | | | |
| | Opening balance on January 1 | 483,190 | 178,447 | 0 | 178,447 |
| | Net change in reserve for obsolescence | -304,743 | -65,523 | -76,186 | -65,523 |
| | Estimated closing balance at December 31 | 178,447 | 112,924 | 0 | 112,924 |
| | Net change in tax reserves | 530,435 | -44,478 | 132,609 | -44,478 |
| 6 | <u>Regulatory Adjustments - added</u> | | | | |
| | Transitional Items | | | | |
| | Year 2000 CIS capital costs - amortization | | 76,711 | | 20,817 |
| | Year 2000 CIS capital costs - wip | | 64,200 | | 17,422 |
| | Year 2000 transitional operating costs | | 214,946 | | 58,330 |
| | Adjustments to 2001 income re: 2000 transitional costs | | 3,437 | | 933 |
| | Year 2001 interest on 2000 transitional costs | | 359,294 | | 97,502 |
| | | | 0 | | 0 |
| | | | 359,294 | | 97,502 |
| | Z-Factor Costs | | | | |
| | Hydro Ontario Networks Distribution Charges | | 0 | | 0 |
| | Hydro Ontario Networks Low Voltage Service Charges | | 0 | | 0 |
| | Environmental Clean-up | | 0 | | 0 |
| | | | 0 | | 0 |
| | | | 359,294 | | 97,502 |
| | Total | | | | |
| | | | 359,294 | | 97,502 |
| 11 | <u>Regulatory Adjustments - deducted</u> | | | | |
| | Transitional Items | | | | |
| | Year 2000 CIS capital costs - dereg | | 0 | | 0 |
| | Z-Factor Costs | | | | |
| | Hydro Ontario Networks Distribution Charges | | 0 | | 0 |
| | Hydro Ontario Networks Low Voltage Service Charges | | 0 | | 0 |
| | | | 0 | | 0 |
| | | | 0 | | 0 |
| | Total | | | | |
| | | | 0 | | 0 |

| | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O |
|----|--|-----|------------|---|------------|---|------------|---|------------|---|------------|---|------------|---|----------------|
| 1 | PILs TAXES | | | | | | | | | | | | | | |
| 2 | Analysis of PILs Tax Account 1562: | | | | | | | | | | | | | | |
| 3 | Utility Name: London Hydro Inc. | | | | | | | | | | | | | | Version 2009.1 |
| 4 | Reporting period: 2001 | | | | | | | | | | | | | | 0 |
| 5 | Sign Convention: + for increase; - for decrease | | | | | | | | | | | | | | |
| 6 | | | | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | | | | |
| 8 | Year start: | | 10/1/2001 | | 1/1/2002 | | 1/1/2003 | | 1/1/2004 | | 1/1/2005 | | 1/1/2006 | | |
| 9 | Year end: | | 12/31/2001 | | 12/31/2002 | | 12/31/2003 | | 12/31/2004 | | 12/31/2005 | | 4/30/2006 | | Total |
| 10 | | | | | | | | | | | | | | | |
| 11 | Opening balance: | = | 0 | | 2,104,536 | | 8,736,205 | | 17,444,559 | | 24,583,740 | | 26,237,771 | | 0 |
| 12 | Board-approved PILs tax proxy from Decisions (1) | +/- | 2,092,231 | | 6,616,123 | | 8,708,354 | | 7,139,181 | | 1,654,031 | | 0 | | 26,209,921 |
| 13 | PILs proxy from April 1, 2005 - input 9/12 of amount | | | | | | | | | | | | | | 0 |
| 14 | True-up Variance Adjustment Q4, 2001 (2) | +/- | | | 15,545 | | | | | | | | | | 15,545 |
| 15 | True-up Variance Adjustment (3) | +/- | | | | | | | | | | | 0 | | 0 |
| 16 | Deferral Account Variance Adjustment Q4, 2001 (4) | | | | | | | | | | | | | | 0 |
| 17 | Deferral Account Variance Adjustment (5) | +/- | | | | | | | | | | | 0 | | 0 |
| 18 | Adjustments to reported prior years' variances (6) | +/- | | | | | | | | | | | | | 0 |
| 19 | Carrying charges (7) | +/- | 12,305 | | 0 | | | | | | | | | | 12,305 |
| 20 | PILs billed to (collected from) customers (8) | - | 0 | | 0 | | | | | | | | | | 0 |
| 21 | | | | | | | | | | | | | | | |
| 22 | Ending balance: # 1562 | | 2,104,536 | | 8,736,205 | | 17,444,559 | | 24,583,740 | | 26,237,771 | | 26,237,771 | | 26,237,771 |
| 23 | | | | | | | | | | | | | | | |
| 24 | | | | | | | | | | | | | | | |
| 25 | | | | | | | | | | | | | | | |
| 26 | Uncollected PILs | | | | | | | | | | | | | | |
| 27 | | | | | | | | | | | | | | | |
| 28 | NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. | | | | | | | | | | | | | | |
| 29 | For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003. | | | | | | | | | | | | | | |
| 30 | | | | | | | | | | | | | | | |
| 31 | Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: Method 2 | | | | | | | | | | | | | | |
| 32 | | | | | | | | | | | | | | | |
| 33 | (1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. | | | | | | | | | | | | | | |
| 34 | Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. | | | | | | | | | | | | | | |
| 35 | If the Board gave more than one decision in the year, calculate a weighted average proxy. | | | | | | | | | | | | | | |
| 36 | (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13. | | | | | | | | | | | | | | |
| 37 | (iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy. | | | | | | | | | | | | | | |
| 38 | (iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained. | | | | | | | | | | | | | | |
| 39 | (v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005. | | | | | | | | | | | | | | |
| 40 | (vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006. | | | | | | | | | | | | | | |
| 41 | | | | | | | | | | | | | | | |
| 42 | (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be | | | | | | | | | | | | | | |
| 43 | true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation. | | | | | | | | | | | | | | |
| 44 | | | | | | | | | | | | | | | |
| 45 | (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. | | | | | | | | | | | | | | |
| 46 | The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005. | | | | | | | | | | | | | | |
| 47 | | | | | | | | | | | | | | | |
| 48 | (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be | | | | | | | | | | | | | | |
| 49 | true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation. | | | | | | | | | | | | | | |
| 50 | | | | | | | | | | | | | | | |
| 51 | (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. | | | | | | | | | | | | | | |
| 52 | The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005. | | | | | | | | | | | | | | |
| 53 | | | | | | | | | | | | | | | |
| 54 | (6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed. | | | | | | | | | | | | | | |
| 55 | | | | | | | | | | | | | | | |
| 56 | (7) Carrying charges are calculated on a simple interest basis. | | | | | | | | | | | | | | |
| 57 | | | | | | | | | | | | | | | |
| 58 | (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate | | | | | | | | | | | | | | |
| 59 | components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the | | | | | | | | | | | | | | |
| 60 | 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. | | | | | | | | | | | | | | |
| 61 | The 2005 PILs tax proxy is being recovered on a volumetric basis by class. | | | | | | | | | | | | | | |
| 62 | | | | | | | | | | | | | | | |
| 63 | (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied | | | | | | | | | | | | | | |
| 64 | by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; | | | | | | | | | | | | | | |
| 65 | plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components. | | | | | | | | | | | | | | |
| 66 | | | | | | | | | | | | | | | |
| 67 | In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, | | | | | | | | | | | | | | |
| 68 | for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004. | | | | | | | | | | | | | | |
| 69 | | | | | | | | | | | | | | | |
| 70 | In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, | | | | | | | | | | | | | | |
| 71 | for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used | | | | | | | | | | | | | | |
| 72 | to calculate the recovery for the period January 1 to March 31, 2005. | | | | | | | | | | | | | | |
| 73 | | | | | | | | | | | | | | | |
| 74 | (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes | | | | | | | | | | | | | | |
| 75 | will have to include amounts from 1562 and from 1590. | | | | | | | | | | | | | | |
| 76 | | | | | | | | | | | | | | | |
| 77 | | | | | | | | | | | | | | | |

2005 Rate Adjustment Model

Name of Utility: London Hydro Inc.

License Number: ED-1999-0275

File Number: RP-2005-0013

EB-2005-0046

Name of Contact: Dave Williamson

E- Mail Address: williamd@londonhydro.com

Phone Number: 661-5800

Extension: 5745

Date: _____

Version Number: 2005.V1.1

SHEET 1 - 2002 Base Rate Schedule

| | | |
|------------------|--------------------------|-----------------|
| Name of Utility: | London Hydro Inc. | 2005.V1.1 |
| License Number: | ED-1999-0275 | RP-2005-0013 |
| Name of Contact: | Dave Williamson | EB-2005-0046 |
| E- Mail Address: | williamd@londonhydro.com | |
| Phone Number: | 661-5800 | Extension: 5745 |
| Date: | | |

Enter the values for your 2002 Base Rates as shown on sheet 4 of the 2002 RAM or sheet 2 of the 2004 RAM. Using the 2002 base rates removes the impact of 2004 interim Regulatory Assets and the 2004 PILs Proxy, added in the approved rates on April 1, 2004.

Adjustments to rate classes may be made if your LDC has non-standard classes.

RESIDENTIAL

| | |
|---------------------------------------|----------|
| Distribution kWh Rate | \$0.0073 |
| Monthly Service Charge (Per Customer) | \$9.10 |

RESIDENTIAL (TIME OF USE)

| | |
|---------------------------------------|----------|
| Distribution kWh Rate | \$0.0073 |
| Monthly Service Charge (Per Customer) | \$9.10 |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|----------|
| Distribution kWh Rate | \$0.0056 |
| Monthly Service Charge (Per Customer) | \$25.11 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| Distribution KW Rate | \$0.7505 |
| Monthly Service Charge (Per Customer) | \$184.90 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | |
|---------------------------------------|----------|
| Distribution KW Rate | \$0.7505 |
| Monthly Service Charge (Per Customer) | \$184.90 |

SHEET 1 - 2002 Base Rate Schedule

COGENERATION BACKUP (TIME OF USE)

Modifications to rate model as previously filed for London Hydro rate classes

| | |
|---|------------|
| Standby Charge KW Rate (per kW-reserved) | \$1,8327 |
| Distribution KW Rate (per kW incremental) | \$2,5829 |
| Monthly Service Charge (Per Customer) | \$2,280.68 |

LARGE USE

| | |
|---------------------------------------|-------------|
| Distribution KW Rate | \$0.8547 |
| Monthly Service Charge (Per Customer) | \$10,478.69 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---|----------|
| Distribution KW Rate | \$0.8863 |
| Monthly Service Charge (Per Connection) | \$0.38 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | |
|---|----------|
| Distribution KW Rate | \$0.0000 |
| Monthly Service Charge (Per Connection) | \$0.00 |

STREET LIGHTING (NON TIME OF USE)

| | |
|---|----------|
| Distribution KW Rate | \$0.0000 |
| Monthly Service Charge (Per Connection) | \$0.00 |

OR

STREET LIGHTING (TIME OF USE)

| | |
|---|----------|
| Distribution KW Rate | \$0.7862 |
| Monthly Service Charge (Per Connection) | \$0.22 |

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

| | | |
|------------------|--------------------------|-----------------|
| Name of Utility: | London Hydro Inc. | 2005.V1.1 |
| License Number: | ED-1999-0275 | RP-2005-0013 |
| Name of Contact: | Dave Williamson | EB-2005-0046 |
| E- Mail Address: | williamd@londonhydro.com | |
| Phone Number: | 661-5800 | Extension: 5745 |
| Date: | | |

Enter the final MARR installment calculated in the 2001 RUD Model \$ 2,836,791.00

Have you applied for approval of your C&DM plan? application made but approval not yet received no

Enter the amount applied for your C&DM plan \$2,836,791.00

Has the C&DM application been approved? application made but approval not yet received no

Enter the final MARR installment (based on Board-Approved C&DM plan or applied-for amount) \$2,836,791.00

Grossed-up MARR based on 14 months recovery over 13 months. \$ 3,055,005.69

Use the Table below to enter the 1999 data for your LDC from your approved 2001 RUD Model.
 1999 Distribution Revenue Shares will be used to allocate the Board-Approved MARR Value to rate classes.
 You may adjust the rate classes if your LDC has non-standard classes.

| 1999 Data by Class | kW | kWh | Number of Customers (Connections) | Distribution Revenues | 1999 Distribution Shares | Allocation of Board-Approved MARR Value |
|---|------------------|----------------------|-----------------------------------|------------------------------|--------------------------|---|
| Residential Class | - | 1,010,154,173 | 115,402 | \$16,935,806 | 57.41% | \$1,753,749 |
| General Service < 50 KW Class | - | 353,514,874 | 11,112 | \$4,500,883 | 15.26% | \$466,079 |
| General Service > 50 KW Non-Time of Use | 3,125,027 | 1,065,756,045 | 2,226 | \$5,886,635 | 19.95% | \$609,577 |
| General Service > 50 KW Time of Use | 808,217 | 378,183,962 | 41 | \$876,012 | 2.97% | \$90,713 |
| Cogeneration - Fixed and Variable | 14,487 | 920,949 | 2.33 | \$85,733 | 0.29% | \$8,878 |
| Cogeneration - Standby | 126,600 | 8,048,056 | - | \$132,930 | 0.45% | \$13,765 |
| Large Class User | 539,441 | 270,747,660 | 5.5 | \$976,617 | 3.31% | \$101,131 |
| Sentinel Lights | 2,561 | 921,960 | 850 | \$5,200 | 0.02% | \$538 |
| Street Lighting | 56,685 | 20,406,600 | 28,800 | \$102,114 | 0.35% | \$10,574 |
| TOTALS | 4,673,018 | 3,108,654,279 | 158,439 | \$29,501,930 | 100.00% | \$3,055,006 |
| | | | | Grossed-up MARR Value =====> | | \$3,055,006 |

Note: LDCs must enter the fixed-variable split used on Sheet 13 (Sensitivity Analysis 2) of their 2001 Approved RUD Model.

Residential Class

| | Variable Charge Recovery | Service Charge Recovery | Total Board-Approved MARR Recovery |
|---|--------------------------|-------------------------|------------------------------------|
| (A) Allocated MARR | | | \$1,753,749 |
| (B) Fixed-Variable Split (%) | 37.0% | 63.0% | 100% |
| (C) Re-Allocated MARR (\$) | \$648,536 | \$1,105,213 | \$1,753,749 |
| (D) Number of kWh | 1,010,154,173 | | |
| (E) Number of Customers | | 115,402 | |
| (F) Incremental Distribution kWh Rate (\$/kWh) | \$0.0006 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$0.7981 | |

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

General Service < 50 kW Class

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$466,079 |
| (B) Fixed-Variable Split (%) | 37.0% | 63.0% | 100% |
| (C) Re-Allocated MARR (\$) | \$172,356 | \$293,723 | \$466,079 |
| (D) Number of kWh | 353,514,874 | | |
| (E) Number of Customers | | 11,112 | |
| (F) Incremental Distribution kWh Rate (\$/kWh) | \$0.0005 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$2.2027 | |

General Service > 50 kW Class (Non-Time of Use)

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$609,577 |
| (B) Fixed-Variable Split (%) | 37.0% | 63.0% | 100% |
| (C) Re-Allocated MARR (\$) | \$225,422 | \$384,156 | \$609,577 |
| (D) Number of kW | 3,125,027 | | |
| (E) Number of Customers | | 2,226 | |
| (F) Incremental Distribution kWh Rate (\$/kW) | \$0.0721 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$14.3814 | |

General Service > 50 kW Class (Time of Use)

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$90,713 |
| (B) Fixed-Variable Split (%) | 37.0% | 63.0% | 100% |
| (C) Re-Allocated MARR (\$) | \$33,546 | \$57,168 | \$90,713 |
| (D) Number of kW | 808,217 | | |
| (E) Number of Customers | | 41 | |
| (F) Incremental Distribution kW Rate (\$/kW) | \$0.0415 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$116.1943 | |

General Service > 50 kW Class (Non-Time of Use and Time of Use Blended)

Modifications to rate model as previously filed for London Hydro rate classes

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|--|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$700,291 |
| (B) Fixed-Variable Split (%) | 37.0% | 63.0% | 100% |
| (C) Re-Allocated MARR (\$) | \$258,967 | \$441,323 | \$700,291 |
| (D) Number of kW | 3,933,244 | | |
| (E) Number of Customers | | 2,267 | |
| (F) Incremental Distribution kW Rate (\$/kW) | \$0.0658 | | |

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

| | |
|---|-----------|
| (G) Incremental Monthly Service Charge (C)/(E)/12 | \$16.2227 |
|---|-----------|

Cogeneration - Fixed and Variable

Modifications to rate model as previously filed for London Hydro rate classes

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$8,878 |
| (B) Fixed-Variable Split (%) | 37.0% | 63.0% | 100% |
| (C) Re-Allocated MARR (\$) | \$3,283 | \$5,595 | \$8,878 |
| (D) Number of kW | 14,487 | | |
| (E) Number of Customers | | 2.33 | |
| (F) Incremental Distribution kW Rate (\$/kW) | \$0.2266 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$200.1017 | |

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Cogeneration - Standby

Modifications to rate model as previously filed for London Hydro rate classes

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$13,765 |
| (B) Fixed-Variable Split (%) | 100.0% | 0.0% | 100% |
| (C) Re-Allocated MARR (\$) | \$13,765 | \$0 | \$13,765 |
| (D) Number of kW | 126,600 | | |
| (E) Number of Customers | | 0.00 | |
| (F) Incremental Distribution kW Rate (\$/kW) | \$0.1087 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$0.0000 | |

Large User Class

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$101,131 |
| (B) Fixed-Variable Split (%) | 40.0% | 60.0% | 100% |
| (C) Re-Allocated MARR (\$) | \$40,453 | \$60,679 | \$101,131 |
| (D) Number of kW | 539,441 | | |
| (E) Number of Customers | | 5.5 | |
| (F) Incremental Distribution kW Rate (\$/kW) | \$0.0750 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$919.3761 | |

Sentinel Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|---|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$538 |
| (B) Fixed-Variable Split (%) | 37.0% | 63.0% | 100% |
| (C) Re-Allocated MARR (\$) | \$199 | \$339 | \$538 |
| (D) Number of kW | 2,561 | | |
| (E) Number of Connections | | 850 | |
| (F) Incremental Distribution kW Rate (\$/kW) | \$0.0778 | | |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | | \$0.0333 | |

Street Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | Total Board- Approved MARR Recovery |
|------------------------------|--------------------------------|-------------------------------|---|
| (A) Allocated MARR | | | \$10,574 |
| (B) Fixed-Variable Split (%) | 37.0% | 63.0% | 100% |
| (C) Re-Allocated MARR (\$) | \$3,910 | \$6,664 | \$10,574 |
| (D) Number of kW | 56,685 | | |
| (E) Number of Connections | | 28,800 | |

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

| | |
|---|----------|
| (F) Incremental Distribution kW Rate (\$/kW) | \$0.0690 |
| (G) Incremental Monthly Service Charge (C)/(E)/12 | \$0.0193 |

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

| | | |
|------------------|--------------------------|-----------------|
| Name of Utility: | London Hydro Inc. | 2005.V1.1 |
| License Number: | ED-1999-0275 | RP-2005-0013 |
| Name of Contact: | Dave Williamson | EB-2005-0046 |
| E- Mail Address: | williamd@londonhydro.com | |
| Phone Number: | 661-5800 | Extension: 5745 |
| Date: | | |

Residential Class

DISTRIBUTION KWH RATE \$0.0079

MONTHLY SERVICE CHARGE (Per Customer) \$9.90

Residential Class (Time-of-Use)

DISTRIBUTION KWH RATE \$0.0079

MONTHLY SERVICE CHARGE (Per Customer) \$9.90

General Service < 50 KW

DISTRIBUTION KWH RATE \$0.0061

MONTHLY SERVICE CHARGE (Per Customer) \$27.31

General Service > 50 KW (Non-Time of Use)

DISTRIBUTION KW RATE \$0.8163

MONTHLY SERVICE CHARGE (Per Customer) \$201.12

General Service > 50 KW (Time of Use)

DISTRIBUTION KW RATE \$0.8163

MONTHLY SERVICE CHARGE (Per Customer) \$201.12

COGENERATION BACKUP (TIME OF USE)

Modifications to rate model as previously filed for London Hydro rate classes

Standby Charge KW Rate (per kW reserved) \$1.9414

Distribution KW Rate (per kW incremental) \$2.8095

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

| | |
|--|-------------------|
| <u>Monthly Service Charge (Per Customer)</u> | <u>\$2,480.78</u> |
|--|-------------------|

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Large Use

DISTRIBUTION KW RATE \$0.9297

MONTHLY SERVICE CHARGE (Per Customer) \$11,398.07

Sentinel Lights (Non-Time of Use)

DISTRIBUTION KW RATE \$0.9641

MONTHLY SERVICE CHARGE (Per Connection) \$0.41

OR

Sentinel Lights (Time of Use)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

Street Lighting (Non-Time of Use)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

OR

Street Lighting (Time of Use)

DISTRIBUTION KW RATE \$0.8552

MONTHLY SERVICE CHARGE (Per Connection) \$0.24

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

| | | |
|------------------|--------------------------|-----------------|
| Name of Utility: | London Hydro Inc. | 2005.V1.1 |
| License Number: | ED-1999-0275 | RP-2005-0013 |
| Name of Contact: | Dave Williamson | EB-2005-0046 |
| E- Mail Address: | williamd@londonhydro.com | |
| Phone Number: | 661-5800 | Extension: 5745 |
| Date: | | |

This schedule requires LDCs to input the 2003 data which will be used to allocate 2005 PILs to the rate classes.
 The 2005 PILs Proxy is calculated in the 2005 PILs model, TAXCALC Worksheet, Cell C95

Enter the 2005 PILs Proxy Amount \$ 5,652,029.00

Distribution Revenue is used to allocate the 2005 PILs Proxy Amount to the rate classes.

| 2003 Data by Class | kW | kWh | Number of Customers (Connections) | Distribution Revenues | 2003 Distribution Shares | 2005 PILs Proxy Allocation |
|---|-----------|----------------------|-----------------------------------|-------------------------------|--------------------------|----------------------------|
| Residential Class | - | 1,117,118,053 | 121,139 | \$24,928,419 | 60.7% | \$3,431,201 |
| General Service < 50 KW Class | - | 442,493,345 | 11,707 | \$6,996,269 | 17.0% | \$962,982 |
| General Service > 50 KW Non-Time of Use | 1,770,051 | 631,430,912 | 1,299 | \$5,080,860 | 12.4% | \$699,341 |
| General Service > 50 KW Time of Use | 1,929,241 | 871,606,557 | 235 | \$2,412,480 | 5.9% | \$332,059 |
| Cogeneration - Fixed and Variable | 30,491 | 4,449,054 | - | \$217,409 | 0.5% | \$29,925 |
| Cogeneration - Standby | 154,681 | 21,741,872 | 4 | \$307,018 | 0.7% | \$42,259 |
| Large Class User | 441,848 | 227,093,478 | 3 | \$964,273 | 2.3% | \$132,725 |
| Sentinel Lights | 2,590 | 1,031,617 | 817 | \$7,083 | 0.0% | \$975 |
| Street Lighting | 60,493 | 22,338,932 | 30,837 | \$149,402 | 0.4% | \$20,564 |
| TOTALS | | 3,339,303,820 | 166,041 | \$41,063,213 | 1.00 | \$5,652,029 |
| | | | | 2005 PILs Proxy Amount =====> | | \$5,652,029 |

2005 PILs Proxy amount will be recovered only in the distribution kWh charge (Variable Charge).

Residential Class

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------|-------------------------|----------------------------|
| (A) Allocated PILs | | | \$3,431,201 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$3,431,201 | \$0 | \$3,431,201 |
| (D) Number of kWh | 1,117,118,053 | | |
| (E) Incremental Distribution kWh Rate (\$/kWh) | \$0.0031 | | |

General Service < 50 kW Class

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------|-------------------------|----------------------------|
| (A) Allocated PILs | | | \$962,982 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$962,982 | \$0 | \$962,982 |
| (D) Number of kWh | 442,493,345 | | |
| (E) Incremental Distribution kWh Rate (\$/kWh) | \$0.0022 | | |

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

General Service > 50 kW Class (Non-Time of Use)

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------------|----------------------------|----------------------------------|
| (A) Allocated PILs | | | \$699,341 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$699,341 | \$0 | \$699,341 |
| (D) Number of kW | 1,770,051 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.3951 | | |

General Service > 50 kW Class (Time of Use)

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------------|----------------------------|----------------------------------|
| (A) Allocated PILs | | | \$332,059 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$332,059 | \$0 | \$332,059 |
| (D) Number of kW | 1,929,241 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.1721 | | |

General Service > 50 kW Class (Non-Time of Use and Time of Use Blended)

Modifications to rate model as previously filed for London Hydro rate classes

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------------|----------------------------|----------------------------------|
| (A) Allocated PILs | | | \$1,031,399 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$1,031,399 | \$0 | \$1,031,399 |
| (D) Number of kW | 3,699,292 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.2788 | | |

Cogeneration - Fixed and Variable

Modifications to rate model as previously filed for London Hydro rate classes

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|--------------------------------|----------------------------|----------------------------------|
| (A) Allocated PILs | | | \$29,925 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$29,925 | \$0 | \$29,925 |
| (D) Number of kW | 30,491 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.9814 | | |

Cogeneration - Standby

Modifications to rate model as previously filed for London Hydro rate classes

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|---|------------------------------------|---|
| (A) Allocated PILs | | | \$42,259 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$42,259 | \$0 | \$42,259 |
| (D) Number of kW | 154,681 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.2732 | | |

Large User Class

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|---|------------------------------------|---|
| (A) Allocated PILs | | | \$132,725 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$132,725 | \$0 | \$132,725 |
| (D) Number of kW | 441,848 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.3004 | | |

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Sentinel Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|---|------------------------------------|---|
| (A) Allocated PILs | | | \$975 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$975 | \$0 | \$975 |
| (D) Number of kW | 2,590 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.3764 | | |

Street Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | 2005 PILs Proxy Allocation |
|--|---|------------------------------------|---|
| (A) Allocated PILs | | | \$20,564 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated PILs (\$) | \$20,564 | \$0 | \$20,564 |
| (D) Number of kW | 60,493 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.3399 | | |

SHEET 5 - Rate Schedule including 2005 PILs

| | | |
|------------------|--------------------------|-----------------|
| Name of Utility: | London Hydro Inc. | 2005.V1.1 |
| License Number: | ED-1999-0275 | RP-2005-0013 |
| Name of Contact: | Dave Williamson | EB-2005-0046 |
| E- Mail Address: | williamd@londonhydro.com | |
| Phone Number: | 661-5800 | Extension: 5745 |
| Date: | | |

RESIDENTIAL

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0110 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$9.90 |

RESIDENTIAL (TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0110 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$9.90 |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0083 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$27.31 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KW RATE | \$1.0952 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$201.12 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KW RATE | \$1.0952 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$201.12 |

COGENERATION BACKUP (TIME OF USE)

Modifications to rate model as previously filed for London Hydro rate classes

| | |
|---|----------|
| Standby Charge KW Rate (per kW reserved) | \$2.2146 |
| Distribution KW Rate (per kW incremental) | \$3.7909 |

SHEET 5 - Rate Schedule including 2005 PILs

Monthly Service Charge (Per Customer)

\$2,480.78

SHEET 5 - Rate Schedule including 2005 PILs

LARGE USE

DISTRIBUTION KW RATE \$1.2301

MONTHLY SERVICE CHARGE (Per Customer) \$11,398.07

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.3405

MONTHLY SERVICE CHARGE (Per Connection) \$0.41

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE \$1.1951

MONTHLY SERVICE CHARGE (Per Connection) \$0.24

SHEET 6 - December 31, 2003 Regulatory Assets

| | | |
|------------------|--------------------------|-----------------|
| Name of Utility: | London Hydro Inc. | 2005.V1.1 |
| License Number: | ED-1999-0275 | RP-2005-0013 |
| Name of Contact: | Dave Williamson | EB-2005-0046 |
| E- Mail Address: | williamd@londonhydro.com | |
| Phone Number: | 661-5800 | Extension: 5745 |
| Date: | | |

LDCs should enter their December 31, 2003 balances for each regulatory asset account. In the case of distributors that have approved Regulatory Asset recovery rate riders, the distributor should not enter any balances on Sheet 6 and should go directly to Sheet 10. In this instance, the rate schedule on Sheet 5 is identical to Sheet 9.

| Description | Account Number | Amount Applied- for Balance as at Dec. 31, 2003 |
|---|----------------|---|
| RSVA - Wholesale Market Service Charge | 1580 | |
| RSVA - One-time Wholesale Market Service | 1582 | |
| RSVA - Retail Transmission Network Charge | 1584 | |
| RSVA - Retail Transmission Connection Charge | 1586 | |
| RSVA - Power | 1588 | |
| Sub-Total for RSVA Accounts | | \$0 |
| Current Recovery: Amount Entered on Sheet 3, cell G13, of 2004 RAM | | |
| Adjusted 2005 Recovery Amount (RSVA Accounts) | | \$0 |
| Other Regulatory Assets | 1508 | |
| Retail Cost Variance Account - Retail | 1518 | |
| Retail Cost Variance Account - STR | 1548 | |
| Misc. Deferred Debits - incl. Rebate Cheques | 1525 | |
| Deferred Payments in Lieu of Taxes | 1562 | |
| <i>PILs Contra Account</i> | 1563 | |
| Qualifying Transition Costs | 1570 | |
| Pre-Market Opening Energy Variances Total | 1571 | |
| Extra-Ordinary Event Losses | 1572 | |
| Deferred Rate Impact Amounts | 1574 | |
| Other Deferred Credits | 2425 | |
| Sub-Total for Non-RSVA Regulatory Asset Accounts | | \$0 |
| Current Recovery: Amount Entered on Sheet 5, cell G14, of 2004 RAM | | |
| Adjusted 2005 Recovery Amount (Non-RSVA Accounts) | | \$0 |
| Total Adjusted Regulatory Assets | | \$0 |
| 33% of Total Adjusted Regulatory Assets | | \$0.00 |

SHEET 6 - December 31, 2003 Regulatory Assets

| Section 1: For LDCs with Total RSVA adjusted balances greater than 33 % of Total: | | |
|--|-----|-----|
| Total Adjusted Balance for RSVA Accounts | (a) | N/A |
| 33% of Total Adjusted Regulatory Assets | (b) | N/A |
| Remaining Final Amount to be recovered in future periods (a) - (b) | | N/A |

| Section 2: For LDCs with Total RSVA adjusted balances less than 33 % of Total: | | |
|---|--|-----|
| 33% OF Total Adjusted Regulatory Assets | | N/A |
| Total Adjusted Balance for RSVA Accounts | | N/A |
| Amount to be collected from RSVA Accounts | | N/A |
| Amount to be collected from Non-RSVA accounts | | N/A |

Rate Implementation

**Check Box
YES or NO**

Our utility is able to pro-rate the bill so that consumption before April 1 is at the old rates and post April 1 consumption is billed at the new rates.

YES NO

Our utility is not able to pro-rate consumption and therefore our customers will not be charged the new rates until the completion of an entire billing cycle.

YES NO

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

| | | |
|------------------|--------------------------|-----------------|
| Name of Utility: | London Hydro Inc. | 2005.V1.1 |
| License Number: | ED-1999-0275 | RP-2005-0013 |
| Name of Contact: | Dave Williamson | EB-2005-0046 |
| E- Mail Address: | williamd@londonhydro.com | |
| Phone Number: | 661-5800 | Extension: 5745 |
| Date: | | |

Approved Regulatory Asset Recovery from Sheet 4 (either from Section 1 or Section 2) N/A

The share of class kWh sold in 2003 is used to allocate the approved interim RSVA Regulatory Asset amounts.

| 2003 Data by Class | kW | kWh | Number of Customers (Connections) | Distribution Revenues | 2003 kWh Shares | 2003 RSVA Allocations |
|---|-----------|----------------------|-----------------------------------|--|-----------------|-----------------------|
| Residential Class | 0 | 1,117,118,053 | 121,139 | \$24,928,419 | 33.7% | \$0 |
| General Service < 50 KW Class | 0 | 442,493,345 | 11,707 | \$6,996,269 | 13.3% | \$0 |
| General Service > 50 KW Non-Time of Use | 1,770,051 | 631,430,912 | 1,299 | \$5,080,860 | 19.0% | \$0 |
| General Service > 50 KW Time of Use | 1,929,241 | 871,606,557 | 235 | \$2,412,480 | 26.3% | \$0 |
| Intermediate Use | 30,491 | 4,449,054 | 0 | \$217,409 | 0.1% | \$0 |
| Large Class User | 441,848 | 227,093,478 | 3 | \$964,273 | 6.8% | \$0 |
| Sentinel Lights | 2,590 | 1,031,617 | 817 | \$7,083 | 0.0% | \$0 |
| Street Lighting | 60,493 | 22,338,932 | 30,837 | \$149,402 | 0.7% | \$0 |
| TOTALS | | 3,317,561,948 | 166,037 | \$40,756,195.00 | 1.00 | \$0 |
| | | | | Allocated Total for RSVA accounts =====> | | N/A |

Regulatory Assets will be recovered only in the distribution variable charge (\$/kWh or \$/kW).

Residential Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------|-------------------------|----------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kWh | 442,493,345 | | |
| (E) Incremental Distribution kWh Rate (\$/kWh) | \$0.0000 | | |

General Service < 50 kW Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------|-------------------------|----------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kWh | 442,493,345 | | |
| (E) Incremental Distribution kWh Rate (\$/kWh) | \$0.0000 | | |

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

General Service > 50 kW Class (Non-Time of Use)

| | <u>Variable Charge Recovery</u> | <u>Service Charge Recovery</u> | <u>2003 RSVA Allocation</u> |
|--|---|--|---------------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 1,770,051 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

General Service > 50 kW Class (Time of Use)

| | <u>Variable Charge Recovery</u> | <u>Service Charge Recovery</u> | <u>2003 RSVA Allocation</u> |
|--|---|--|---------------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 1,929,241 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

Intermediate Class

| | <u>Variable Charge Recovery</u> | <u>Service Charge Recovery</u> | <u>2003 RSVA Allocation</u> |
|--|---|--|---------------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 30,491 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

Large User Class

| | <u>Variable Charge Recovery</u> | <u>Service Charge Recovery</u> | <u>2003 RSVA Allocation</u> |
|--|---|--|---------------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 441,848 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Sentinel Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|---|--|---------------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 2,590 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

Street Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|---|--|---------------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 60,493 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

| | | |
|------------------|--------------------------|-----------------|
| Name of Utility: | London Hydro Inc. | 2005.V1.1 |
| License Number: | ED-1999-0275 | RP-2005-0013 |
| Name of Contact: | Dave Williamson | EB-2005-0046 |
| E- Mail Address: | williamd@londonhydro.com | |
| Phone Number: | 661-5800 | Extension: 5745 |
| Date: | | |

Approved Regulatory Asset Recovery from Non-RSVA Accounts (Sheet 4, Section 2)

N/A

Distribution Revenue is used to allocate the approved final Regulatory Asset amounts related to the Non-RSVA accounts.

| 2003 Data by Class | kW | kWh | Number of Customers (Connections) | Distribution Revenues | 2003 Distribution Shares | 2002 Regulatory Asset RSVA Allocations |
|---|-----------|--|-----------------------------------|-----------------------|--------------------------|--|
| Residential Class | 0 | 1,117,118,053 | 121,139 | \$24,928,419 | 61.2% | \$0 |
| General Service < 50 KW Class | 0 | 442,493,345 | 11,707 | \$6,996,269 | 17.2% | \$0 |
| General Service > 50 KW Non-Time of Use | 1,770,051 | 631,430,912 | 1,299 | \$5,080,860 | 12.5% | \$0 |
| General Service > 50 KW Time of Use | 1,929,241 | 871,606,557 | 235 | \$2,412,480 | 5.9% | \$0 |
| Intermediate Use | 30,491 | 4,449,054 | 0 | \$217,409 | 0.5% | \$0 |
| Large Class User | 441,848 | 227,093,478 | 3 | \$964,273 | 2.4% | \$0 |
| Sentinel Lights | 2,590 | 1,031,617 | 817 | \$7,083 | 0.0% | \$0 |
| Street Lighting | 60,493 | 22,338,932 | 30,837 | \$149,402 | 0.4% | \$0 |
| TOTALS | | 3,317,561,948 | 166,037 | \$40,756,195 | 1.00 | \$0 |
| | | Allocated Total for Non-RSVA accounts =====> | | | | N/A |

Regulatory Assets will be recovered only in the distribution variable charge (\$/kWh or \$/kW).

Residential Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------|-------------------------|----------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kWh | 442,493,345 | | |
| (E) Incremental Distribution kWh Rate (\$/kWh) | \$0.0000 | | |

General Service < 50 kW Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|--------------------------|-------------------------|----------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kWh | 442,493,345 | | |
| (E) Incremental Distribution kWh Rate (\$/kWh) | \$0.0000 | | |

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

General Service > 50 kW Class (Non-Time of Use)

| | <u>Variable Charge Recovery</u> | <u>Service Charge Recovery</u> | <u>2003 RSVA Allocation</u> |
|--|---|------------------------------------|---------------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 1,770,051 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

General Service > 50 kW Class (Time of Use)

| | <u>Variable Charge Recovery</u> | <u>Service Charge Recovery</u> | <u>2003 RSVA Allocation</u> |
|--|---|------------------------------------|---------------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 1,929,241 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

Intermediate Class

| | <u>Variable Charge Recovery</u> | <u>Service Charge Recovery</u> | <u>2003 RSVA Allocation</u> |
|--|---|------------------------------------|---------------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 30,491 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

Large User Class

| | <u>Variable Charge Recovery</u> | <u>Service Charge Recovery</u> | <u>2003 RSVA Allocation</u> |
|--|---|------------------------------------|---------------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 441,848 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Sentinel Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|---|------------------------------------|---------------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 2,590 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

Street Lighting Class

| | Variable Charge Recovery | Service Charge Recovery | 2003 RSVA Allocation |
|--|---|------------------------------------|---------------------------------|
| (A) Allocated RSVA | | | \$0 |
| (B) Fixed-Variable Split (%) | 100% | 0% | 100% |
| (C) Re-Allocated RSVA (\$) | \$0 | \$0 | \$0 |
| (D) Number of kW | 60,493 | | |
| (E) Incremental Distribution kW Rate (\$/kW) | \$0.0000 | | |

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

| | | |
|------------------|--------------------------|-----------------|
| Name of Utility: | London Hydro Inc. | 2005.V1.1 |
| License Number: | ED-1999-0275 | RP-2005-0013 |
| Name of Contact: | Dave Williamson | EB-2005-0046 |
| E- Mail Address: | williamd@londonhydro.com | |
| Phone Number: | 661-5800 | Extension: 5745 |
| Date: | | |

RESIDENTIAL

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0110 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$9.90 |

RESIDENTIAL (TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0110 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$9.90 |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|----------|
| DISTRIBUTION KWH RATE | \$0.0083 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$27.31 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KW RATE | \$1.0952 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$201.12 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | |
|---------------------------------------|----------|
| DISTRIBUTION KW RATE | \$1.0952 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$201.12 |

COGENERATION BACKUP (TIME OF USE)

Modifications to rate model as previously filed for London Hydro rate classes

| | |
|--|------------|
| Standby Charge KW Rate (per kW reserved) | \$2.2146 |
| DISTRIBUTION KW RATE | \$3.7909 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$2,480.78 |

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

LARGE USE

| | |
|---------------------------------------|-------------|
| DISTRIBUTION KW RATE | \$1.2301 |
| MONTHLY SERVICE CHARGE (Per Customer) | \$11,398.07 |

SENTINEL LIGHTS (NON TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$1.3405 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.41 |

OR

SENTINEL LIGHTS (TIME OF USE)

| | |
|---|--|
| DISTRIBUTION KW RATE | |
| MONTHLY SERVICE CHARGE (Per Connection) | |

STREET LIGHTING (NON TIME OF USE)

| | |
|---|--|
| DISTRIBUTION KW RATE | |
| MONTHLY SERVICE CHARGE (Per Connection) | |

OR

STREET LIGHTING (TIME OF USE)

| | |
|---|----------|
| DISTRIBUTION KW RATE | \$1.1951 |
| MONTHLY SERVICE CHARGE (Per Connection) | \$0.24 |

SHEET 10 - Phase 2 Final Rate Riders

| | |
|--|------------------------|
| Name of Utility: London Hydro Inc. | 2005.V1.1 |
| License Number: ED-1999-0275 | RP-2005-0013 |
| Name of Contact: Dave Williamson | EB-2005-0046 |
| E- Mail Address: williamd@londonhydro.com | |
| Phone Number: 661-5800 | Extension: 5745 |
| Date: | |

This sheet is to be used by those distributors that have final approval of their Regulatory Asset Recovery - Phase 2 rate riders.

| Class | Rate Rider per kWh (or kW) |
|--|-----------------------------------|
| Residential Class - per kWh | \$0.00358 |
| General Service < 50 KW Class - per kWh | \$0.00179 |
| General Service > 50 KW Non-Time of Use - per kW | \$0.60773 |
| General Service > 50 KW Time of Use - per kW | \$0.12785 |
| Cogeneration - Variable - per kW | \$0.06680 |
| Cogeneration - Standby - per kW | \$0.06680 |
| Large Class User - per kW | \$0.11733 |
| Sentinel Lights - per kW | \$0.51205 |
| Street Lighting - per kW | \$0.09854 |

London Hydro Inc.
RP-2005-0013 EB-2005-0046
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$9.90 |
| Distribution Volumetric Rate | (per kWh) | \$0.0146 |

RESIDENTIAL (Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$9.90 |
| Distribution Volumetric Rate | (per kWh) | \$0.0146 |

GENERAL SERVICE < 50 KW

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$27.31 |
| Distribution Volumetric Rate | (per kWh) | \$0.0101 |

GENERAL SERVICE > 50 KW (Non Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$201.12 |
| Distribution Volumetric Rate | (per kW) | \$1.7029 |

GENERAL SERVICE > 50 KW (Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$201.12 |
| Distribution Volumetric Rate | (per kW) | \$1.2230 |

COGENERATION BACKUP (TIME OF USE)

| | | |
|------------------------------|-------------------|------------|
| Standby Charge KW Rate | (per kW reserved) | \$2.2814 |
| Monthly Service Charge | (per month) | \$2,480.78 |
| Distribution Volumetric Rate | (per kW) | \$3.8577 |

LARGE USE

| | | |
|------------------------------|-------------|-------------|
| Monthly Service Charge | (per month) | \$11,398.07 |
| Distribution Volumetric Rate | (per kW) | \$1.3474 |

SENTINEL LIGHTS (Non Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$0.41 |
| Distribution Volumetric Rate | (per kW) | \$1.8525 |

London Hydro Inc.
RP-2005-0013 EB-2005-0046
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

SENTINEL LIGHTS (Time of Use)

| | |
|------------------------------|-------------|
| Monthly Service Charge | (per month) |
| Distribution Volumetric Rate | (per kW) |

STREET LIGHTING (Non Time of Use)

| | |
|------------------------------|-------------|
| Monthly Service Charge | (per month) |
| Distribution Volumetric Rate | (per kW) |

STREET LIGHTING (Time of Use)

| | | |
|------------------------------|-------------|----------|
| Monthly Service Charge | (per month) | \$0.24 |
| Distribution Volumetric Rate | (per kW) | \$1.2937 |

Unmetered Scattered Loads

Distribution volumetric charge for un-metered, scattered loads will be billed as General Service Non-Time of Use (<50 kW) customers with a Monthly Service Charge the same as Sentinel Lighting Rate per connection.

SHEET 12 - Current Rates as of April 1, 2004

| | | |
|------------------|--------------------------|-----------------|
| Name of Utility: | London Hydro Inc. | 2005.V1.1 |
| License Number: | ED-1999-0275 | RP-2005-0013 |
| Name of Contact: | Dave Williamson | EB-2005-0046 |
| E- Mail Address: | williamd@londonhydro.com | |
| Phone Number: | 661-5800 | Extension: 5745 |
| Date: | | |

In order to calculate bill impacts on Sheet 13, enter your current rates as approved in your 2004 Rate Order.

You may adjust the rate classes if your LDC has non-standard classes.

RESIDENTIAL

| | |
|---------------------------------------|----------|
| Distribution kWh Rate | \$0.0100 |
| Monthly Service Charge (Per Customer) | \$11.48 |

RESIDENTIAL (TIME OF USE)

| | |
|---------------------------------------|----------|
| Distribution kWh Rate | \$0.0100 |
| Monthly Service Charge (Per Customer) | \$11.48 |

GENERAL SERVICE < 50 KW

| | |
|---------------------------------------|----------|
| Distribution kWh Rate | \$0.0082 |
| Monthly Service Charge (Per Customer) | \$31.79 |

GENERAL SERVICE > 50 KW (NON TIME OF USE)

| | |
|---------------------------------------|----------|
| Distribution KW Rate | \$1.6229 |
| Monthly Service Charge (Per Customer) | \$250.21 |

GENERAL SERVICE > 50 KW (TIME OF USE)

| | |
|---------------------------------------|----------|
| Distribution KW Rate | \$1.6229 |
| Monthly Service Charge (Per Customer) | \$250.21 |

COGENERATION BACKUP (TIME OF USE)

Modifications to rate model as previously filed for London Hydro rate classes

| | |
|---|----------|
| Standby Charge KW Rate (per kW reserved) | \$2.2396 |
| Distribution KW Rate (per kW incremental) | \$3.8221 |

SHEET 12 - Current Rates as of April 1, 2004

| | |
|---------------------------------------|------------|
| Monthly Service Charge (Per Customer) | \$2,754.29 |
|---------------------------------------|------------|

SHEET 12 - Current Rates as of April 1, 2004

LARGE USE

Distribution KW Rate \$1.9808

Monthly Service Charge (Per Customer) \$13,795.56

SENTINEL LIGHTS (NON TIME OF USE)

Distribution KW Rate \$1.7297

Monthly Service Charge (Per Connection) \$0.48

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate _____

Monthly Service Charge (Per Connection) _____

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate _____

Monthly Service Charge (Per Connection) _____

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate \$1.6555

Monthly Service Charge (Per Connection) \$0.27

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| | | |
|------------------|--------------------------|-----------------|
| Name of Utility: | London Hydro Inc. | 2005.V1.1 |
| License Number: | ED-1999-0275 | RP-2005-0013 |
| Name of Contact: | Dave Williamson | EB-2005-0046 |
| E-Mail Address: | williamd@londonhydro.com | |
| Phone Number: | 661-5800 | Extension: 5745 |
| Date: | | |

Monthly Consumption

RESIDENTIAL CLASS

For the purpose of this estimate, Other Charges include Retail Transmission Rate of \$0.0107, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0239/kWh. These charges may differ slightly for your utility. In addition, consumption has not been adjusted for line losses.

| CURRENT 2004 BILL | | | | FUTURE 2005 BILL | | | | | |
|---------------------------------------|------------------------|-------------|-------------|------------------|------------------------|-------------|-------------|-------------|------------------|
| ENTER DESIRED CONSUMPTION LEVEL (kWh) | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
| 100 | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 11.48 | Monthly Service Charge | N/A | N/A | \$ 9.90 | |
| | Distribution (kWh) | 100 | \$ 0.0100 | \$ 1.00 | Distribution (kWh) | 100 | \$ 0.0146 | \$ 1.46 | |
| | | | Sub-Total | \$ 12.48 | | | Sub Total | \$ 11.36 | \$ (1.12) |
| | Other Charges (kWh) | 100 | \$ 0.0239 | \$ 2.39 | Other Charges (kWh) | 100 | \$ 0.0239 | \$ 2.39 | |
| | Cost of Power (kWh) | 100 | \$ 0.0470 | \$ 4.70 | Cost of Power (kWh) | 100 | \$ 0.0470 | \$ 4.70 | |
| | Current 2004 Bill | | | \$ 19.57 | Adjusted 2005 BILL | | | \$ 18.45 | \$ (1.12) -5.74% |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|------------------------|-------------|-------------|----------|------------------------|-------------|-------------|-------------|------------------|
| 250 | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 11.48 | Monthly Service Charge | N/A | N/A | \$ 9.90 | |
| | Distribution (kWh) | 250 | \$ 0.0100 | \$ 2.50 | Distribution (kWh) | 250 | \$ 0.0146 | \$ 3.65 | |
| | | | Sub-Total | \$ 13.98 | | | Sub Total | \$ 13.55 | \$ (0.43) -3.10% |
| | Other Charges (kWh) | 250 | \$ 0.0239 | \$ 5.98 | Other Charges (kWh) | 250 | \$ 0.0239 | \$ 5.98 | |
| | Cost of Power (kWh) | 250 | \$ 0.0470 | \$ 11.75 | Cost of Power (kWh) | 250 | \$ 0.0470 | \$ 11.75 | |
| | Current 2004 Bill | | | \$ 31.71 | Adjusted 2005 BILL | | | \$ 31.27 | \$ (0.43) -1.37% |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|------------------------|-------------|-------------|----------|------------------------|-------------|-------------|-------------|---------------|
| 500 | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 11.48 | Monthly Service Charge | N/A | N/A | \$ 9.90 | |
| | Distribution (kWh) | 500 | \$ 0.0100 | \$ 5.00 | Distribution (kWh) | 500 | \$ 0.0146 | \$ 7.30 | |
| | | | Sub-Total | \$ 16.48 | | | Sub Total | \$ 17.19 | \$ 0.71 4.34% |
| | Other Charges (kWh) | 500 | \$ 0.0239 | \$ 11.95 | Other Charges (kWh) | 500 | \$ 0.0239 | \$ 11.95 | |
| | Cost of Power (kWh) | 500 | \$ 0.0470 | \$ 23.50 | Cost of Power (kWh) | 500 | \$ 0.0470 | \$ 23.50 | |
| | Current 2004 Bill | | | \$ 51.93 | Adjusted 2005 BILL | | | \$ 52.64 | \$ 0.71 1.38% |

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) | |
|---------------------------------------|------------------------|-----|-------------|-------------|--|------------------------|-------------|-------------|-------------|------------|-------|
| 750 | | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 11.48 | | Monthly Service Charge | N/A | \$ 9.90 | | | |
| | Distribution (kWh) | 750 | \$0.0100 | \$ 7.50 | | Distribution (kWh) | 750 | 0.0146 | \$ 10.95 | | |
| | | | Sub-Total | \$ 18.98 | | | Sub Total | \$ 20.84 | \$ 1.86 | 9.82% | |
| | Other Charges (kWh) | 750 | 0.0239 | \$ 17.93 | | Other Charges (kWh) | 750 | 0.0239 | \$ 17.93 | | |
| | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | | |
| | Current 2004 Bill | | | \$ 72.16 | | Adjusted 2005 BILL | | | \$ 74.02 | \$ 1.86 | 2.58% |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) | |
|---------------------------------------|------------------------|------|-------------|-------------|--|------------------------|-------------|-------------|-------------|------------|-------|
| 1,000 | | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 11.48 | | Monthly Service Charge | N/A | \$ 9.90 | | | |
| | Distribution (kWh) | 1000 | \$0.0100 | \$ 10.00 | | Distribution (kWh) | 1000 | 0.0146 | \$ 14.59 | | |
| | | | Sub-Total | \$ 21.48 | | | Sub Total | \$ 24.49 | \$ 3.01 | 14.02% | |
| | Other Charges (kWh) | 1000 | 0.0239 | \$ 23.90 | | Other Charges (kWh) | 1000 | 0.0239 | \$ 23.90 | | |
| | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | | |
| | Cost of Power (kWh) | 250 | 0.0550 | \$ 13.75 | | Cost of Power (kWh) | 250 | 0.0550 | \$ 13.75 | | |
| | Current 2004 Bill | | | \$ 94.38 | | Adjusted 2005 BILL | | | \$ 97.39 | \$ 3.01 | 3.19% |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) | |
|---------------------------------------|------------------------|------|-------------|-------------|--|------------------------|-------------|-------------|-------------|------------|-------|
| 1,500 | | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 11.48 | | Monthly Service Charge | N/A | \$ 9.90 | | | |
| | Distribution (kWh) | 1500 | \$0.0100 | \$ 15.00 | | Distribution (kWh) | 1500 | 0.0146 | \$ 21.89 | | |
| | | | Sub-Total | \$ 26.48 | | | Sub Total | \$ 31.79 | \$ 5.31 | 20.05% | |
| | Other Charges (kWh) | 1500 | 0.0239 | \$ 35.85 | | Other Charges (kWh) | 1500 | 0.0239 | \$ 35.85 | | |
| | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | | |
| | Cost of Power (kWh) | 750 | 0.0550 | \$ 41.25 | | Cost of Power (kWh) | 750 | 0.0550 | \$ 41.25 | | |
| | Current 2004 Bill | | | \$ 138.83 | | Adjusted 2005 BILL | | | \$ 144.14 | \$ 5.31 | 3.82% |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) | |
|---------------------------------------|------------------------|-------|-------------|-------------|--|------------------------|-------------|-------------|-------------|------------|-------|
| 2,000 | | | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 11.48 | | Monthly Service Charge | N/A | \$ 9.90 | | | |
| | Distribution (kWh) | 2000 | \$0.0100 | \$ 20.00 | | Distribution (kWh) | 2000 | 0.0146 | \$ 29.19 | | |
| | | | Sub-Total | \$ 31.48 | | | Sub Total | \$ 39.09 | \$ 7.61 | 24.16% | |
| | Other Charges (kWh) | 2000 | 0.0239 | \$ 47.80 | | Other Charges (kWh) | 2000 | 0.0239 | \$ 47.80 | | |
| | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | | Cost of Power (kWh) | 750 | 0.0470 | \$ 35.25 | | |
| | Cost of Power (kWh) | 1,250 | 0.0550 | \$ 68.75 | | Cost of Power (kWh) | 1,250 | 0.0550 | \$ 68.75 | | |
| | Current 2004 Bill | | | \$ 183.28 | | Adjusted 2005 BILL | | | \$ 190.89 | \$ 7.61 | 4.15% |

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

GENERAL SERVICE < 50 KW

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$0.0097, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0229/kWh. These charges may differ slightly for your utility. In addition, consumption has not been adjusted for line losses.

| CURRENT 2004 BILL | | | | FUTURE 2005 BILL | | | | | |
|---------------------------------------|--------------------------|-------------|------------------|------------------|---------------------------|-------------|------------------|------------------|-------------------------|
| ENTER DESIRED CONSUMPTION LEVEL (kWh) | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
| 1,000 | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 31.79 | Monthly Service Charge | N/A | N/A | \$ 27.31 | |
| | Distribution (kWh) | 1000 | \$ 0.0082 | \$ 8.20 | Distribution (kWh) | 1000 | \$ 0.0101 | \$ 10.05 | |
| | | | Sub-Total | \$ 39.99 | | | Sub Total | \$ 37.37 | \$ (2.62) -6.56% |
| | Other Charges (kWh) | 1000 | \$ 0.0229 | \$ 22.90 | Other Charges (kWh) | 1000 | \$ 0.0229 | \$ 22.90 | |
| | Cost of Power (kWh) | 1000 | \$ 0.0470 | \$ 47.00 | Cost of Power (kWh) | 1000 | \$ 0.0470 | \$ 47.00 | |
| | Current 2004 Bill | | | \$ 109.89 | Adjusted 2005 BILL | | | \$ 107.27 | \$ (2.62) -2.39% |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|--------------------------|-------------|------------------|------------------|---------------------------|-------------|------------------|------------------|-------------------------|
| 2,000 | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 31.79 | Monthly Service Charge | N/A | N/A | \$ 27.31 | |
| | Distribution (kWh) | 2000 | \$ 0.0082 | \$ 16.40 | Distribution (kWh) | 2000 | \$ 0.0101 | \$ 20.11 | |
| | | | Sub-Total | \$ 48.19 | | | Sub Total | \$ 47.42 | \$ (0.77) -1.60% |
| | Other Charges (kWh) | 2000 | \$ 0.0229 | \$ 45.80 | Other Charges (kWh) | 2,000 | \$ 0.0229 | \$ 45.80 | |
| | Cost of Power (kWh) | 750 | \$ 0.0470 | \$ 35.25 | Cost of Power (kWh) | 750 | \$ 0.0470 | \$ 35.25 | |
| | Cost of Power (kWh) | 1,250 | \$ 0.0550 | \$ 68.75 | Cost of Power (kWh) | 1,250 | \$ 0.0550 | \$ 68.75 | |
| | Current 2004 Bill | | | \$ 197.99 | Adjusted 2005 BILL | | | \$ 197.22 | \$ (0.77) -0.39% |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|--------------------------|-------------|------------------|------------------|---------------------------|-------------|------------------|------------------|----------------------|
| 5,000 | | | | | | | | | |
| | Monthly Service Charge | N/A | N/A | \$ 31.79 | Monthly Service Charge | N/A | N/A | \$ 27.31 | |
| | Distribution (kWh) | 5000 | \$ 0.0082 | \$ 41.00 | Distribution (kWh) | 5000 | \$ 0.0101 | \$ 50.27 | |
| | | | Sub-Total | \$ 72.79 | | | Sub Total | \$ 77.58 | \$ 4.79 6.58% |
| | Other Charges (kWh) | 5000 | \$ 0.0229 | \$ 114.50 | Other Charges (kWh) | 5,000 | \$ 0.0229 | \$ 114.50 | |
| | Cost of Power (kWh) | 750 | \$ 0.0470 | \$ 35.25 | Cost of Power (kWh) | 750 | \$ 0.0470 | \$ 35.25 | |
| | Cost of Power (kWh) | 4,250 | \$ 0.0550 | \$ 233.75 | Cost of Power (kWh) | 4,250 | \$ 0.0550 | \$ 233.75 | |
| | Current 2004 Bill | | | \$ 456.29 | Adjusted 2005 BILL | | | \$ 461.08 | \$ 4.79 1.05% |

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|--------------------------|-------|------------------|------------------|---------------------------|--------|------------------|------------------|-------------|------------|
| 10,000 | Monthly Service Charge | N/A | N/A | \$ -31.79 | Monthly Service Charge | N/A | N/A | \$ 27.31 | | |
| | Distribution (kWh) | 10000 | \$0.0082 | \$ 82.00 | Distribution (kWh) | 10000 | \$0.0101 | \$ 100.54 | | |
| | | | Sub-Total | \$ 113.79 | | | Sub Total | \$ 127.85 | \$ 14.06 | 12.36% |
| | Other Charges (kWh) | 10000 | \$0.0229 | \$ 229.00 | Other Charges (kWh) | 10,000 | \$0.0229 | \$ 229.00 | | |
| | Cost of Power (kWh) | 750 | \$0.0470 | \$ 35.25 | Cost of Power (kWh) | 750 | \$0.0470 | \$ 35.25 | | |
| | Cost of Power (kWh) | 9,250 | \$0.0550 | \$ 508.75 | Cost of Power (kWh) | 9,250 | \$0.0550 | \$ 508.75 | | |
| | Current 2004 Bill | | | \$ 886.79 | Adjusted 2005 BILL | | | \$ 900.85 | \$ 14.06 | 1.59% |

| ENTER DESIRED CONSUMPTION LEVEL (kWh) | | kWh | RATE \$/kWh | CHARGE (\$) | | kWh | RATE \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------------|--------------------------|--------|------------------|--------------------|---------------------------|--------|------------------|--------------------|-------------|------------|
| 15,000 | Monthly Service Charge | N/A | N/A | \$ 31.79 | Monthly Service Charge | N/A | N/A | \$ 27.31 | | |
| | Distribution (kWh) | 15000 | \$0.0082 | \$ 123.00 | Distribution (kWh) | 15000 | \$0.0101 | \$ 150.81 | | |
| | | | Sub-Total | \$ 154.79 | | | Sub Total | \$ 178.12 | \$ 23.33 | 15.07% |
| | Other Charges (kWh) | 15000 | \$0.0229 | \$ 343.50 | Other Charges (kWh) | 15,000 | \$0.0229 | \$ 343.50 | | |
| | Cost of Power (kWh) | 750 | \$0.0470 | \$ 35.25 | Cost of Power (kWh) | 750 | \$0.0470 | \$ 35.25 | | |
| | Cost of Power (kWh) | 14,250 | \$0.0550 | \$ 783.75 | Cost of Power (kWh) | 14,250 | \$0.0550 | \$ 783.75 | | |
| | Current 2004 Bill | | | \$ 1,317.29 | Adjusted 2005 BILL | | | \$ 1,340.62 | \$ 23.33 | 1.77% |

GENERAL SERVICE > 50 KW to 5000 KW - Non Time of Use

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of \$3.91/kWh, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility. Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

| CURRENT 2004 BILL | | | | FUTURE 2005 BILL | | | | IMPACT (\$) | IMPACT (%) | |
|------------------------------------|--------------------------|--------|----------------------|------------------|---------------------------|--------|----------------------|------------------|------------|---------|
| ENTER DESIRED CONSUMPTION LEVEL kW | | kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | |
| 60 | Monthly Service Charge | N/A | N/A | \$ 250.21 | Monthly Service Charge | N/A | N/A | \$ 201.12 | | |
| | Distribution (kW) | 60 | \$1.6229 | \$ 97.37 | Distribution (kW) | 60 | \$1.7029 | \$ 102.17 | | |
| 15,000 | | | Sub-Total | \$ 347.58 | | | Sub Total | \$ 303.30 | \$ (44.29) | -12.74% |
| | Other Charges (kW) | 60 | \$3.9100 | \$ 234.60 | Other Charges (kW) | 60.00 | \$3.9100 | \$ 234.60 | | |
| | Other Charges (kWh) | 15,000 | \$0.0132 | \$ 198.00 | Other Charges (kWh) | 15,000 | \$0.0132 | \$ 198.00 | | |
| | Cost of Power (kWh) | 750 | \$0.0550 | \$ 41.25 | Cost of Power (kWh) | 750 | \$0.0550 | \$ 41.25 | | |
| | Current 2004 Bill | | | \$ 821.43 | Adjusted 2005 BILL | | | \$ 777.15 | \$ (44.29) | -5.39% |

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) | |
|---------------------------------|------------------------|---------|----------------------|-------------|--------------------|---------|----------------------|-------------|-------------|------------|--------|
| kW | | | | | | | | | | | |
| 100 | Monthly Service Charge | N/A | N/A | \$ 250.21 | | N/A | N/A | \$ 201.12 | | | |
| kWh | Distribution (kW) | 100 | \$1.6229 | \$ 162.29 | | 100 | \$1.7029 | \$ 170.29 | | | |
| 40,000 | | | Sub-Total | \$ 412.50 | | | Sub Total | \$ 371.41 | \$ (41.09) | -9.96% | |
| | Other Charges (kW) | 100 | \$3.9100 | \$ 391.00 | | 100.00 | \$3.9100 | \$ 391.00 | | | |
| | Other Charges (kWh) | 40,000 | \$0.0132 | \$ 528.00 | | 40,000 | \$0.0132 | \$ 528.00 | | | |
| | Cost of Power (kWh) | 40,000 | \$0.0550 | \$ 2,200.00 | | 40,000 | \$0.0550 | \$ 2,200.00 | | | |
| Current 2004 Bill | | | | \$ 3,531.50 | Adjusted 2005 BILL | | | | \$ 3,490.41 | \$ (41.09) | -1.16% |

| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) | |
|---------------------------------|------------------------|---------|----------------------|-------------|--------------------|---------|----------------------|-------------|-------------|------------|--------|
| kW | | | | | | | | | | | |
| 500 | Monthly Service Charge | N/A | N/A | \$ 250.21 | | N/A | N/A | \$ 201.12 | | | |
| kWh | Distribution (kW) | 500 | \$1.6229 | \$ 811.45 | | 500 | \$1.7029 | \$ 851.44 | | | |
| 100,000 | | | Sub-Total | \$ 1,061.66 | | | Sub Total | \$ 1,052.56 | \$ (9.10) | -0.85% | |
| | Other Charges (kW) | 500 | \$3.9100 | \$ 1,955.00 | | 500.00 | \$3.9100 | \$ 1,955.00 | | | |
| | Other Charges (kWh) | 100,000 | \$0.0132 | \$ 1,320.00 | | 100,000 | \$0.0132 | \$ 1,320.00 | | | |
| | Cost of Power (kWh) | 100,000 | \$0.0550 | \$ 5,500.00 | | 100,000 | \$0.0550 | \$ 5,500.00 | | | |
| Current 2004 Bill | | | | \$ 9,836.66 | Adjusted 2005 BILL | | | | \$ 9,827.56 | \$ (9.10) | -0.09% |

| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) | |
|---------------------------------|------------------------|---------|----------------------|--------------|--------------------|----------|----------------------|--------------|--------------|------------|-------|
| kW | | | | | | | | | | | |
| 1,000 | Monthly Service Charge | N/A | N/A | \$ 250.21 | | N/A | N/A | \$ 201.12 | | | |
| kWh | Distribution (kW) | 1,000 | \$1.6229 | \$ 1,622.90 | | 1000 | 1.7029 | \$ 1,702.88 | | | |
| 400,000 | | | Sub-Total | \$ 1,873.11 | | | Sub Total | \$ 1,904.00 | \$ 30.89 | 1.65% | |
| | Other Charges (kW) | 1,000 | 3.9100 | \$ 3,910.00 | | 1,000.00 | 3.9100 | \$ 3,910.00 | | | |
| | Other Charges (kWh) | 400,000 | 0.0132 | \$ 5,280.00 | | 400,000 | 0.0132 | \$ 5,280.00 | | | |
| | Cost of Power (kWh) | 400,000 | 0.0550 | \$ 22,000.00 | | 400,000 | 0.0550 | \$ 22,000.00 | | | |
| Current 2004 Bill | | | | \$ 33,063.11 | Adjusted 2005 BILL | | | | \$ 33,094.00 | \$ 30.89 | 0.09% |

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| ENTER DESIRED CONSUMPTION LEVEL | | | | | | | | | | |
|---------------------------------|------------------------|-----------|----------------------|--------------|------------------------|-----------|----------------------|--------------|-------------|------------|
| kw | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
| 3,000 | Monthly Service Charge | N/A | N/A | \$ 250.21 | Monthly Service Charge | N/A | N/A | \$ 201.12 | | |
| kWh | Distribution (kW) | 3,000 | \$1.6229 | \$ 4,868.70 | Distribution (kW) | 3000 | 1.7029 | \$ 5,108.64 | | |
| 1,000,000 | | | Sub-Total | \$ 5,118.91 | | | Sub Total | \$ 5,309.76 | \$ 190.85 | 3.73% |
| | Other Charges (kW) | 3,000 | 3.9100 | \$ 11,730.00 | Other Charges (kW) | 3,000.00 | 3.9100 | \$ 11,730.00 | | |
| | Other Charges (kWh) | 1,000,000 | 0.0132 | \$ 13,200.00 | Other Charges (kWh) | 1,000,000 | 0.0132 | \$ 13,200.00 | | |
| | Cost of Power (kWh) | 1,000,000 | 0.0550 | \$ 55,000.00 | Cost of Power (kWh) | 1,000,000 | 0.0550 | \$ 55,000.00 | | |
| | Current 2004 Bill | | | \$ 85,048.91 | Adjusted 2005 BILL | | | \$ 85,239.76 | \$ 190.85 | 0.22% |

| ENTER DESIRED CONSUMPTION LEVEL | | | | | | | | | | |
|---------------------------------|------------------------|-----------|----------------------|---------------|------------------------|-----------|----------------------|---------------|-------------|------------|
| kw | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
| 4,500 | Monthly Service Charge | N/A | N/A | \$ 250.21 | Monthly Service Charge | N/A | N/A | \$ 201.12 | | |
| kWh | Distribution (kW) | 4,500 | \$1.6229 | \$ 7,303.05 | Distribution (kW) | 4500 | 1.7029 | \$ 7,662.96 | | |
| 1,500,000 | | | Sub-Total | \$ 7,553.26 | | | Sub Total | \$ 7,864.09 | \$ 310.83 | 4.12% |
| | Other Charges (kW) | 4,500 | 3.9100 | \$ 17,595.00 | Other Charges (kW) | 4,500.00 | 3.9100 | \$ 17,595.00 | | |
| | Other Charges (kWh) | 1,500,000 | 0.0132 | \$ 19,800.00 | Other Charges (kWh) | 1,500,000 | 0.0132 | \$ 19,800.00 | | |
| | Cost of Power (kWh) | 1,500,000 | 0.0550 | \$ 82,500.00 | Cost of Power (kWh) | 1,500,000 | 0.0550 | \$ 82,500.00 | | |
| | Current 2004 Bill | | | \$ 127,448.26 | Adjusted 2005 BILL | | | \$ 127,759.09 | \$ 310.83 | 0.24% |

GENERAL SERVICE > 50 KW to 5000 KW - Time of Use

For the purpose of this estimate, Other Charges include Retail Transmission Rate of \$3.91/kWh, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility. Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

| CURRENT 2004 BILL | | | | FUTURE 2005 BILL | | | | | | |
|-------------------|------------------------|---------|----------------------|------------------|------------------------|---------|----------------------|-------------|-------------|------------|
| kw | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
| 60 | Monthly Service Charge | N/A | N/A | \$ 250.21 | Monthly Service Charge | N/A | N/A | \$ 201.12 | | |
| kWh | Distribution (kW) | 60 | \$1.6229 | \$ 97.37 | Distribution (kW) | 60 | \$1.2230 | \$ 73.38 | | |
| 15,000 | | | Sub-Total | \$ 347.58 | | | Sub Total | \$ 274.50 | \$ (73.08) | -21.03% |
| | Other Charges (kW) | 60 | \$3.9100 | \$ 234.60 | Other Charges (kW) | 60.00 | \$3.9100 | \$ 234.60 | | |
| | Other Charges (kWh) | 15,000 | \$0.0132 | \$ 198.00 | Other Charges (kWh) | 15,000 | \$0.0132 | \$ 198.00 | | |
| | Cost of Power (kWh) | 750 | \$0.0550 | \$ 41.25 | Cost of Power (kWh) | 750 | \$0.0550 | \$ 41.25 | | |
| | Current 2004 Bill | | | \$ 821.43 | Adjusted 2005 BILL | | | \$ 748.35 | \$ (73.08) | -8.90% |

| kw | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|--------|------------------------|---------|----------------------|-------------|------------------------|---------|----------------------|-------------|-------------|------------|
| 100 | Monthly Service Charge | N/A | N/A | \$ 250.21 | Monthly Service Charge | N/A | N/A | \$ 201.12 | | |
| kWh | Distribution (kW) | 100 | \$1.6229 | \$ 162.29 | Distribution (kW) | 100 | \$1.2230 | \$ 122.30 | | |
| 40,000 | | | Sub-Total | \$ 412.50 | | | Sub Total | \$ 323.42 | \$ (89.08) | -21.59% |
| | Other Charges (kW) | 100 | \$3.9100 | \$ 391.00 | Other Charges (kW) | 100.00 | \$3.9100 | \$ 391.00 | | |
| | Other Charges (kWh) | 40,000 | \$0.0132 | \$ 528.00 | Other Charges (kWh) | 40,000 | \$0.0132 | \$ 528.00 | | |
| | Cost of Power (kWh) | 40,000 | \$0.0550 | \$ 2,200.00 | Cost of Power (kWh) | 40,000 | \$0.0550 | \$ 2,200.00 | | |
| | Current 2004 Bill | | | \$ 3,531.50 | Adjusted 2005 BILL | | | \$ 3,442.42 | \$ (89.08) | -2.52% |

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| ENTER DESIRED CONSUMPTION LEVEL | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------|------------------------|---------|----------------------|-------------|------------------------|---------|----------------------|-------------|-------------|------------|
| 500 | Monthly Service Charge | N/A | N/A | \$ 250.21 | Monthly Service Charge | N/A | N/A | \$ 201.12 | | |
| kWh | Distribution (kW) | 500 | \$1.6229 | \$ 811.45 | Distribution (kW) | 500 | \$1.2230 | \$ 611.50 | | |
| 100,000 | | | Sub-Total | \$ 1,061.66 | | | Sub Total | \$ 812.62 | \$ (249.04) | -23.46% |
| | Other Charges (kW) | 500 | \$3.9100 | \$ 1,955.00 | Other Charges (kW) | 500.00 | \$3.9100 | \$ 1,955.00 | | |
| | Other Charges (kWh) | 100,000 | \$0.0132 | \$ 1,320.00 | Other Charges (kWh) | 100,000 | \$0.0132 | \$ 1,320.00 | | |
| | Cost of Power (kWh) | 100,000 | \$0.0550 | \$ 5,500.00 | Cost of Power (kWh) | 100,000 | \$0.0550 | \$ 5,500.00 | | |
| | Current 2004 Bill | | | \$ 9,836.66 | Adjusted 2005 BILL | | | \$ 9,587.62 | \$ (249.04) | -2.53% |

| ENTER DESIRED CONSUMPTION LEVEL | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------|------------------------|---------|----------------------|--------------|------------------------|----------|----------------------|--------------|-------------|------------|
| 1,000 | Monthly Service Charge | N/A | N/A | \$ 250.21 | Monthly Service Charge | N/A | N/A | \$ 201.12 | | |
| kWh | Distribution (kW) | 1,000 | \$1.6229 | \$ 1,622.90 | Distribution (kW) | 1000 | \$1.2230 | \$ 1,223.00 | | |
| 400,000 | | | Sub-Total | \$ 1,873.11 | | | Sub Total | \$ 1,424.12 | \$ (448.99) | -23.97% |
| | Other Charges (kW) | 1,000 | 3.9100 | \$ 3,910.00 | Other Charges (kW) | 1,000.00 | 3.9100 | \$ 3,910.00 | | |
| | Other Charges (kWh) | 400,000 | 0.0132 | \$ 5,280.00 | Other Charges (kWh) | 400,000 | 0.0132 | \$ 5,280.00 | | |
| | Cost of Power (kWh) | 400,000 | 0.0550 | \$ 22,000.00 | Cost of Power (kWh) | 400,000 | 0.0550 | \$ 22,000.00 | | |
| | Current 2004 Bill | | | \$ 33,063.11 | Adjusted 2005 BILL | | | \$ 32,614.12 | \$ (448.99) | -1.36% |

| ENTER DESIRED CONSUMPTION LEVEL | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------|------------------------|-----------|----------------------|--------------|------------------------|-----------|----------------------|--------------|---------------|------------|
| 3,000 | Monthly Service Charge | N/A | N/A | \$ 250.21 | Monthly Service Charge | N/A | N/A | \$ 201.12 | | |
| kWh | Distribution (kW) | 3,000 | \$1.6229 | \$ 4,868.70 | Distribution (kW) | 3000 | \$1.2230 | \$ 3,669.00 | | |
| 1,000,000 | | | Sub-Total | \$ 5,118.91 | | | Sub Total | \$ 3,870.12 | \$ (1,248.79) | -24.40% |
| | Other Charges (kW) | 3,000 | 3.9100 | \$ 11,730.00 | Other Charges (kW) | 3,000.00 | 3.9100 | \$ 11,730.00 | | |
| | Other Charges (kWh) | 1,000,000 | 0.0132 | \$ 13,200.00 | Other Charges (kWh) | 1,000,000 | 0.0132 | \$ 13,200.00 | | |
| | Cost of Power (kWh) | 1,000,000 | 0.0550 | \$ 55,000.00 | Cost of Power (kWh) | 1,000,000 | 0.0550 | \$ 55,000.00 | | |
| | Current 2004 Bill | | | \$ 85,048.91 | Adjusted 2005 BILL | | | \$ 83,800.12 | \$ (1,248.79) | -1.47% |

| ENTER DESIRED CONSUMPTION LEVEL | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kw/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) |
|---------------------------------|------------------------|-----------|----------------------|---------------|------------------------|-----------|----------------------|---------------|---------------|------------|
| 4,500 | Monthly Service Charge | N/A | N/A | \$ 250.21 | Monthly Service Charge | N/A | N/A | \$ 201.12 | | |
| kWh | Distribution (kW) | 4,500 | \$1.6229 | \$ 7,303.05 | Distribution (kW) | 4500 | \$1.2230 | \$ 5,503.50 | | |
| 1,500,000 | | | Sub-Total | \$ 7,553.26 | | | Sub Total | \$ 5,704.63 | \$ (1,848.63) | -24.47% |
| | Other Charges (kW) | 4,500 | 3.9100 | \$ 17,595.00 | Other Charges (kW) | 4,500.00 | 3.9100 | \$ 17,595.00 | | |
| | Other Charges (kWh) | 1,500,000 | 0.0132 | \$ 19,800.00 | Other Charges (kWh) | 1,500,000 | 0.0132 | \$ 19,800.00 | | |
| | Cost of Power (kWh) | 1,500,000 | 0.0550 | \$ 82,500.00 | Cost of Power (kWh) | 1,500,000 | 0.0550 | \$ 82,500.00 | | |
| | Current 2004 Bill | | | \$ 127,448.26 | Adjusted 2005 BILL | | | \$ 125,599.63 | \$ (1,848.63) | -1.45% |

COGENERATION BACKUP (TIME OF USE)

For the purpose of this estimate, Other Charges include Retail Transmission Rate of \$4.2138/kWh, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility. Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| CURRENT 2004 BILL | | | | FUTURE 2005 BILL | | | | IMPACT (\$) | IMPACT (%) | |
|---------------------------------|-------------------------------|---------|----------------------|---------------------|-------------------------------|----------|----------------------|---------------------|--------------------|----------------|
| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | |
| kW - reserved | | | | | | | | | | |
| 3,000 | Monthly Service Charge | N/A | N/A | \$ 2,754.29 | Monthly Service Charge | N/A | N/A | \$ 2,480.78 | | |
| | Distribution Reserved (kW) | 3,000 | \$2.2396 | \$ 6,718.80 | Distribution Reserved (kW) | 3,000 | \$2.2814 | \$ 6,844.29 | | |
| kW - incremental | | | | | | | | | | |
| 1,000 | Distribution Incremental (kW) | 1,000 | \$3.8221 | \$ 3,822.10 | Distribution Incremental (kW) | 1,000 | \$3.8577 | \$ 3,857.75 | | |
| kWh | | | | | | | | | | |
| 300,000 | | | Sub-Total | \$ 13,295.19 | | | Sub Total | \$ 13,182.91 | \$ (112.38) | -0.85% |
| | Other Charges (kW) | 4,000 | 4.2138 | \$ 16,855.20 | Other Charges (kWh) | 4,000.00 | 4.2138 | \$ 16,855.20 | | |
| | Other Charges (kWh) | 300,000 | 0.0132 | \$ 3,960.00 | Other Charges (kWh) | 300,000 | 0.0132 | \$ 3,960.00 | | |
| | Cost of Power (kWh) | 300,000 | 0.0550 | \$ 16,500.00 | Cost of Power (kWh) | 300,000 | 0.0550 | \$ 16,500.00 | | |
| | Current 2004 Bill | | | \$ 50,610.39 | Adjusted 2005 BILL | | | \$ 50,498.01 | \$ (112.38) | -0.222% |

| CURRENT 2004 BILL | | | | FUTURE 2005 BILL | | | | IMPACT (\$) | IMPACT (%) | |
|---------------------------------|-------------------------------|---------|----------------------|---------------------|-------------------------------|----------|----------------------|---------------------|--------------------|----------------|
| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | |
| kW - reserved | | | | | | | | | | |
| 3,500 | Monthly Service Charge | N/A | N/A | \$ 2,754.29 | Monthly Service Charge | N/A | N/A | \$ 2,480.78 | | |
| | Distribution Reserved (kW) | 3,500 | \$2.2396 | \$ 7,838.60 | Distribution Reserved (kW) | 3,500 | \$2.2814 | \$ 7,985.00 | | |
| kW - incremental | | | | | | | | | | |
| 500 | Distribution Incremental (kW) | 500 | \$3.8221 | \$ 1,911.05 | Distribution Incremental (kW) | 500 | \$3.8577 | \$ 1,928.87 | | |
| kWh | | | | | | | | | | |
| 600,000 | | | Sub-Total | \$ 12,503.94 | | | Sub Total | \$ 12,394.66 | \$ (109.28) | -0.87% |
| | Other Charges (kW) | 4,000 | 4.2138 | \$ 16,855.20 | Other Charges (kWh) | 4,000.00 | 4.2138 | \$ 16,855.20 | | |
| | Other Charges (kWh) | 600,000 | 0.0132 | \$ 7,920.00 | Other Charges (kWh) | 600,000 | 0.0132 | \$ 7,920.00 | | |
| | Cost of Power (kWh) | 600,000 | 0.0550 | \$ 33,000.00 | Cost of Power (kWh) | 600,000 | 0.0550 | \$ 33,000.00 | | |
| | Current 2004 Bill | | | \$ 70,279.14 | Adjusted 2005 BILL | | | \$ 70,169.86 | \$ (109.28) | -0.156% |

| CURRENT 2004 BILL | | | | FUTURE 2005 BILL | | | | IMPACT (\$) | IMPACT (%) | |
|---------------------------------|-------------------------------|---------|----------------------|---------------------|-------------------------------|----------|----------------------|---------------------|-------------------|----------------|
| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | |
| kW - reserved | | | | | | | | | | |
| 4,400 | Monthly Service Charge | N/A | N/A | \$ 2,754.29 | Monthly Service Charge | N/A | N/A | \$ 2,480.78 | | |
| | Distribution Reserved (kW) | 4,400 | \$2.2396 | \$ 9,854.24 | Distribution Reserved (kW) | 4,400 | \$2.2814 | \$ 10,038.29 | | |
| kW - incremental | | | | | | | | | | |
| 500 | Distribution Incremental (kW) | 500 | \$3.8221 | \$ 1,911.05 | Distribution Incremental (kW) | 500 | \$3.8577 | \$ 1,928.87 | | |
| kWh | | | | | | | | | | |
| 900,000 | | | Sub-Total | \$ 14,519.58 | | | Sub Total | \$ 14,447.94 | \$ (71.64) | -0.49% |
| | Other Charges (kW) | 4,900 | 4.2138 | \$ 20,647.62 | Other Charges (kWh) | 4,900.00 | 4.2138 | \$ 20,647.62 | | |
| | Other Charges (kWh) | 900,000 | 0.0132 | \$ 11,880.00 | Other Charges (kWh) | 900,000 | 0.0132 | \$ 11,880.00 | | |
| | Cost of Power (kWh) | 900,000 | 0.0550 | \$ 49,500.00 | Cost of Power (kWh) | 900,000 | 0.0550 | \$ 49,500.00 | | |
| | Current 2004 Bill | | | \$ 96,547.20 | Adjusted 2005 BILL | | | \$ 96,475.56 | \$ (71.64) | -0.074% |

LARGE USE CLASS (> 5000 KW)

For the purpose of this estimate, Other Charges include Retail Transmission Rate of \$0.047369/kWh, Wholesale Market Service Rate of \$0.0062 and Debt Reduction Charge of \$0.007 for a total of \$0.0132/kWh. These charges may differ slightly for your utility. Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

| CURRENT 2004 BILL | FUTURE 2005 BILL |
|-------------------|------------------|
|-------------------|------------------|

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) | |
|---------------------------------|--------------------------|-----------|----------------------|----------------------|--|---------------------------|----------------------|---------------|----------------------|----------------------|---------------|
| kW | | | | | | | | | | | |
| 6,000 | Monthly Service Charge | N/A | N/A | \$ 13,795.56 | | N/A | N/A | \$ 11,398.07 | | | |
| kWh | Distribution (kW) | 6,000 | \$1.9808 | \$ 11,884.80 | | 6000 | \$1.35 | \$ 8,084.43 | | | |
| 2,800,000 | | | Sub-Total | \$ 25,680.36 | | | Sub Total | \$ 19,482.50 | \$ (6,197.86) | -24.13% | |
| | Other Charges (kW) | 6,000 | 0.0474 | \$ 284.21 | | 6,000.00 | 0.0474 | \$ 284.21 | | | |
| | Other Charges (kWh) | 2,800,000 | 0.0132 | \$ 36,960.00 | | 2,800,000 | 0.0132 | \$ 36,960.00 | | | |
| | Cost of Power (kWh) | 2,800,000 | 0.0550 | \$ 154,000.00 | | 2,800,000 | 0.0550 | \$ 154,000.00 | | | |
| | Current 2004 Bill | | | \$ 216,924.57 | | Adjusted 2005 BILL | | | \$ 210,726.71 | \$ (6,197.86) | -2.86% |

| ENTER DESIRED CONSUMPTION LEVEL | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | | kW/ kWh | RATE \$/kW or \$/kWh | CHARGE (\$) | IMPACT (\$) | IMPACT (%) | |
|---------------------------------|--------------------------|------------|----------------------|----------------------|--|---------------------------|----------------------|---------------|----------------------|-----------------------|---------------|
| kW | | | | | | | | | | | |
| 15,000 | Monthly Service Charge | N/A | N/A | \$ 13,795.56 | | N/A | N/A | \$ 11,398.07 | | | |
| kWh | Distribution (kW) | 15,000 | \$1.9808 | \$ 29,712.00 | | 15000 | \$1.35 | \$ 20,211.07 | | | |
| 10,000,000 | | | Sub-Total | \$ 43,507.56 | | | Sub Total | \$ 31,609.14 | \$ (11,898.42) | -27.35% | |
| | Other Charges (kW) | 15,000 | 0.0474 | \$ 710.54 | | 15,000.00 | 0.0474 | \$ 710.54 | | | |
| | Other Charges (kWh) | 10,000,000 | 0.0132 | \$ 132,000.00 | | 10,000,000 | 0.0132 | \$ 132,000.00 | | | |
| | Cost of Power (kWh) | 10,000,000 | 0.0550 | \$ 550,000.00 | | 10,000,000 | 0.0550 | \$ 550,000.00 | | | |
| | Current 2004 Bill | | | \$ 726,218.10 | | Adjusted 2005 BILL | | | \$ 714,319.68 | \$ (11,898.42) | -1.64% |