



Northern Ontario Wires Inc.
153 Sixth Avenue
P.O. Box 640
Cochrane, ON
P0L 1C0

April 24, 2013

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

Re: Cost of Service Application EB-2012-0153

Dear Ms. Walli:

Northern Ontario Wires Inc. hereby submits the outstanding responses to supplementary interrogatories with respect to our COS Application for 2013 rates.

Title
1.0-Staff-42s Updated RRWF and List of Changes
1.0-VECC-42.0s Tracking Sheet RRWF
1.0-AMPCO-16s Updated Revenue Deficiency/Sufficiency
2.0-Staff-43s Changes 2013 Capital Projects
2.0-VECC-46.0s 2012 2013 Capital Budget
4.0-VECC-57.0s LEAP contribution
9.0-Staff-49s IFRS

An electronic copy has been submitted to the Board through the RESS system, and two hard copies of revisions will be delivered to the OEB office.

This document is being filed pursuant to the Board's e-Filing Services.



Yours Truly,

NORTHERN ONTARIO WIRES INC.

Geoffrey Sutton, CPA CA

Chief Financial Officer



Northern Ontario Wires Inc.

**2013 COS Rate Rebasing
Response to Interrogatories
EB-2012-0153**

Rates Effective: May 1, 2013

Date Filed: April 24, 2013

Northern Ontario Wires Inc.

153 Sixth Avenue

P.O. Box 640

Cochrane, ON

P0L 1C0



File Number: EB-2012-0153

Date Filed: April 24, 2013

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Response to Supplementary Interrogatories
Outstanding



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Exhibit 1 Administrative Documents



1 1.0-Staff-42s Updated RRWF and List of Changes

2

3 Ref: 1.0-Staff-4 - Updated RRWF

4

5 On March 21, 2013, the Board issued a Decision and Rate Order (EB-2013- 0067) on the
6 Wholesale Market Service ("WMS") & Rural or Remote Rate Protection Plan ("RRRP") Rates, in
7 which the WMS rate was changed to \$0.0044/kWh and the RRRP rate was changed to
8 \$0.0012/kWh.

9

10 On March 28, 2013, the Board issued a Decision and Order in the proceeding EB-2012-0100 /
11 EB-2012-0211 which approved a Smart Metering Entity ("SME") charge of \$0.79 per month for
12 Residential and General Service < 50 kW customers, effective May 1, 2013.

13

14 a) Please submit a Microsoft Excel file containing an updated RRWF (version
15 3.00) that represents any changes the applicant wishes to make to the
16 amounts in the previous version of the RRWF. Please ensure that the
17 changes noted above to the SME charge and the updated WMS and
18 RRRP rates are reflected also. Column E of Sheet 3 should remain
19 unchanged. Adjustments or changed numbers should be input into cells
20 on columns I or M, as applicable.

21 **NOW Response:**

22 **Please reference Attachment 1 to this interrogatory. Live Excel model also filed.**

23

24 b) Please provide a list of all changes made to NOW's original application (by
25 exhibit), including an updated derivation of its revenue requirement, PILs
26 calculation, base rates, rate adders/riders, and bill impacts.

27 **NOW Response:**



1 **NOW is filing the following models with this submission:**

NOWI IRRs 2013 EDDVAR EB-2012-0153 20130424.xlsm
NOWI IRRs 2013_Test_year_IncomeTax_PILs_Workform_V2_EB-2012-0153 20130424.xlsm
NOWI IRRs Chapter2_Appendices revised by OEB July 2012 v2 EB-2012-0153 20130424 .xlsm
NOWI IRRs 2013_Rev_Reqt_Work_Form_V3_EB-2012-0153 20130424.xlsm
NOWI_IRRs_2013EDR_RateMaker_v1 CGAAP EB-2012-0153 20130424.xls

4 **The following changes have been made to the original application as a result of interrogatories.**

Original Rate Base	\$	7,548,605
Change in Average Gross Assets	\$	3,364,323
Change in Average Accumulated Depreciation	-\$	3,574,013
Change in OM&A Working Capital Allowance (LEAP)	\$	95
Change in Cost of Power Working Capital Allowance	-\$	14,925
IRRs Rate Base	\$	7,324,086
Original Cost of Capital	\$	440,174
Change in STD & Deemed ROE	-\$	17,223
IRRs Cost Of Capital	\$	422,951
Original PILs	\$	26,245
Change in PILs	\$	910
IRRs PILs	\$	27,156
Original MIFRS Adjustment	-\$	6,825
Change IN MIFRS Adjustment	\$	6,825
IRRs MIFRS Adjustment	\$	-
Original Revenue Requirement	\$	2,988,426
Change in STD & Deemed ROE	-\$	17,223
Change in LEAP (OM&A)	\$	734
Change in Depreciation Expense	\$	34,421
Change in PILs	\$	910
Change IN MIFRS Adjustment	\$	6,825
IRRs Revenue Requirement	\$	3,014,093
Original Difficiency/(Sufficiency)	\$	454,824
Changes in Revenue Requirement	\$	25,666
IRRs Difficiency/Sufficiency	\$	480,490

5
6



1 Changes to Application as a result of Interrogatories:

2 Exhibit 2 Rate Base

- 3 • Reversion of transition to IFRS where 2012 was originally
4 converted to NBV and 2012 and 2013 were depreciated using
5 Kenetric depreciation rates. As a result of 9-Staff-49s NOW has
6 continued 2012 gross fixed assets without restatement and used
7 2012 CGAAP depreciation for 2012 and Kinetric depreciation for
8 2013. The IFRS adjustment is no longer required.
- 9 • NOW has restated 2012 capital additions to 2012 actual results and
10 reported actual 2012 depreciation using 2012 depreciation rates.
- 11 • NOW has updated the 2013 capital additions to \$772,204 from
12 \$725,079 based on NOW Board of Directors approved 2013 capital
13 budget. NOW has recalculated depreciation for assets in 2013
14 using Kinetric depreciation rates.
- 15 • NOW working capital allowance is adjusted to reflect the increase
16 in LEAP funding using the updated Revenue Requirement per 4.0-
17 VECC-57.0s.
- 18 • NOW working capital allowance cost of power is adjusted to reflect
19 changes in RTSR rate riders updated to 2013 UTR's. The change
20 to the Wholesale Market Service Rate decreased to \$0.0044 and
21 increase to RRRP rate to \$0.0013.

22

23 Exhibit 3 Operating Revenue

- 24 • Cost of power is adjusted to reflect changes in RTSR rate riders
25 updated to 2013 UTR's. The change to the Wholesale Market
26 Service Rate decreased to \$0.0044 and increase to RRRP rate to
27 \$0.0013 as per above.



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Exhibit 4 Operating Costs

- NOW has increased LEAP funding using the updated Revenue Requirement as per 4.0-VECC-57.0s.

Exhibit 5 - Cost of Capital and Rate of Return

- NOW has reflected the most recent deemed short term debt rate of 2.07% and deemed ROE 8.98% as per 4.0 - VECC - 33.0.
- Reduction to rate base as discussed in Exhibit 2 above lead to a reduction in the Cost of Capital.

Exhibit 8 - Rate Design

- Change in RTSR Rate Riders updated to 2013 UTR's and Hydro One as per 8.0-Staff-26.
- Change to the Wholesale Market Service Rate decreased to \$0.0044 and increase to RRRP rate to \$0.0013 as per above.

Exhibit 9 - Deferral and Variance Accounts

- Change Stranded Meter Rate Rider per 9.0-Staff-52s
- Change Non-RPP billing determinants to reflect metered kWh vs uplifted kWh as per discussion with OEB Manager, Regulatory Audit.
- Removed deferral claim for USoA 1531 and 1532 – Renewable Generation as per 9.0-Staff-36.
- Removed disposition of Account 1508, Other Regulatory Assets, Sub-account Deferred IFRS Transition balance per 9.0-Staff-50s
- Added Smart Meter Entity Rate Rider as per above.



File Number:EB-2012-0153

Tab: 2
Schedule: 1

Date Filed: April 24, 2013

Attachment 1 of 2

1.0-Staff-42s Updated RRWF



Revenue Requirement Workform



Version 3.00

Utility Name	Northern Ontario Wires Inc.
Service Territory	
Assigned EB Number	EB-2012-0153
Name and Title	Geoffrey Sutton
Phone Number	705-272-2918
Email Address	geoffs@nowinc.ca

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



Revenue Requirement Workform

[1. Info](#)

[2. Table of Contents](#)

[3. Data Input Sheet](#)

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[6. Taxes PILs](#)

[7. Cost of Capital](#)

[8. Rev Def Suff](#)

[9. Rev Req](#)

Notes:

- (1) Pale green cells represent inputs
- (2) Pale green boxes at the bottom of each page are for additional notes
- (3) Pale yellow cells represent drop-down lists
- (4) ***Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.***
- (5) ***Completed versions of the Revenue Requirement Work Form are required to be filed in working Microsoft Excel***



Revenue Requirement Workform

Data Input ⁽¹⁾

	Initial Application	(2)	Adjustments	Supplementary Interrogatory Responses	(6)	Adjustments	Per Board Decision
1	Rate Base						
	Gross Fixed Assets (average)		\$3,364,323	\$ 9,619,245			\$9,619,245
	Accumulated Depreciation (average)	(\$633,774)	(\$3,574,013)	-\$4,207,786			-\$4,207,786
	Allowance for Working Capital:						
	Controllable Expenses		\$734	\$ 2,485,105			\$2,485,105
	Cost of Power	\$12,342,221	\$114,809.24	\$ 12,227,411			\$12,227,411
	Working Capital Rate (%)	13.00%	(9)	13.00%	(9)		13.00% (9)
2	Utility Income						
	Operating Revenues:						
	Distribution Revenue at Current Rates	\$2,533,602	-\$0	\$2,533,602			
	Distribution Revenue at Proposed Rates	\$2,988,426	\$25,666	\$3,014,093			
	Other Revenue:						
	Specific Service Charges	\$118,798	\$0	\$118,798			
	Late Payment Charges	\$60,000	\$0	\$60,000			
	Other Distribution Revenue	\$14,881	\$0	\$14,881			
	Other Income and Deductions	\$47,119	\$0	\$47,119			
	Total Revenue Offsets	\$240,798	(7) \$0	\$240,798			
	Operating Expenses:						
	OM+A Expenses	\$2,484,371	\$734	\$ 2,485,105			\$2,485,105
	Depreciation/Amortization	\$285,259	(10) \$34,421	\$ 319,679			\$319,679
	Property taxes						
	Other expenses						
3	Taxes/PILs						
	Taxable Income:						
	Adjustments required to arrive at taxable income	(\$132,294)	(3)	(\$115,040)			
	Utility Income Taxes and Rates:						
	Income taxes (not grossed up)	\$22,177		\$22,946			
	Income taxes (grossed up)	\$23,222		\$27,156			
	Federal tax (%)	11.00%		11.00%			
	Provincial tax (%)	4.50%		4.50%			
	Income Tax Credits	\$ -					
4	Capitalization/Cost of Capital						
	Capital Structure:						
	Long-term debt Capitalization Ratio (%)	56.0%		56.0%			
	Short-term debt Capitalization Ratio (%)	4.0%	(8)	4.0%	(8)		(8)
	Common Equity Capitalization Ratio (%)	40.0%		40.0%			
	Preferred Shares Capitalization Ratio (%)						
		100.0%		100.0%			
	Cost of Capital						
	Long-term debt Cost Rate (%)	3.75%		3.75%			
	Short-term debt Cost Rate (%)	2.08%		2.07%			
	Common Equity Cost Rate (%)	9.12%		8.98%			
	Preferred Shares Cost Rate (%)						
	Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS (\$)	(\$6,825)	(11)		(11)		(11)

Notes:

- General** Data inputs are required on Sheets 3. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.
- (1) All inputs are in dollars (\$) except where inputs are individually identified as percentages (%)
- Data in column E is for Application as originally filed. For updated revenue requirement as a result of interrogatory responses, technical or settlement conferences, etc., use column M and Adjustments in column I
- (2) Net of addbacks and deductions to arrive at taxable income.
- (3) Average of Gross Fixed Assets at beginning and end of the Test Year
- (4) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.
- (5) Select option from drop-down list by clicking on cell M10. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected.
- (6) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement
- (7) 4.0% unless an Applicant has proposed or been approved for another amount.
- (8) Starting with 2013, default Working Capital Allowance factor is 13% (of Cost of Power plus controllable expenses). Alternatively, WCA factor based on lead-lag study or approved WCA factor for another distributor, with supporting rationale.
- (9) Depreciation Expense should include the adjustment resulting from the amortization of the deferred PP&E balance as shown on Appendix 2-EA or Appendix 2-EB of the Chapter 2 Appendices to the Filing Requirements.
- (10) Adjustment should include the adjustment to the return on rate base associated with deferred PP&E balance as shown on Appendix 2-EA or Appendix 2-EB of the Chapter 2 Appendices to the Filing Requirements.



Revenue Requirement Workform

Rate Base and Working Capital

Rate Base

Line No.	Particulars		Initial Application	Adjustments	Supplementary Interrogatory Responses	Adjustments	Per Board Decision
1	Gross Fixed Assets (average) (3)		\$6,254,922	\$3,364,323	\$9,619,245	\$ -	\$9,619,245
2	Accumulated Depreciation (average) (3)		(\$633,774)	(\$3,574,013)	(\$4,207,786)	\$ -	(\$4,207,786)
3	Net Fixed Assets (average) (3)		\$5,621,149	(\$209,690)	\$5,411,459	\$ -	\$5,411,459
4	Allowance for Working Capital (1)		\$1,927,457	(\$14,830)	\$1,912,627	\$ -	\$1,912,627
5	Total Rate Base		\$7,548,605	(\$224,520)	\$7,324,086	\$ -	\$7,324,086

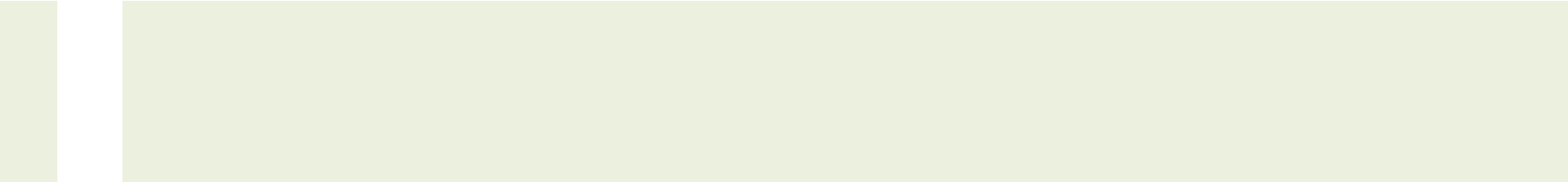
Allowance for Working Capital - Derivation

(1)

6	Controllable Expenses		\$2,484,371	\$734	\$2,485,105	\$ -	\$2,485,105
7	Cost of Power		\$12,342,221	(\$114,809)	\$12,227,411	\$ -	\$12,227,411
8	Working Capital Base		\$14,826,592	(\$114,075)	\$14,712,516	\$ -	\$14,712,516
9	Working Capital Rate % (2)		13.00%	0.00%	13.00%	0.00%	13.00%
10	Working Capital Allowance		\$1,927,457	(\$14,830)	\$1,912,627	\$ -	\$1,912,627

Notes

- (2) Some Applicants may have a unique rate as a result of a lead-lag study. **Default rate for 2013 cost of service applications is 13%.**
- (3) Average of opening and closing balances for the year.





Revenue Requirement Workform

Utility Income

Line No.	Particulars	Initial Application	Adjustments	Supplementary Interrogatory Responses	Adjustments	Per Board Decision
Operating Revenues:						
1	Distribution Revenue (at Proposed Rates)	\$2,988,426	\$25,666	\$3,014,093	\$ -	\$3,014,093
2	Other Revenue (1)	\$240,798	\$ -	\$240,798	\$ -	\$240,798
3	Total Operating Revenues	\$3,229,224	\$25,666	\$3,254,891	\$ -	\$3,254,891
Operating Expenses:						
4	OM+A Expenses	\$2,484,371	\$734	\$2,485,105	\$ -	\$2,485,105
5	Depreciation/Amortization	\$285,259	\$34,421	\$319,679	\$ -	\$319,679
6	Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
7	Capital taxes	\$ -	\$ -	\$ -	\$ -	\$ -
8	Other expense	\$ -	\$ -	\$ -	\$ -	\$ -
9	Subtotal (lines 4 to 8)	\$2,769,630	\$35,155	\$2,804,784	\$ -	\$2,804,784
10	Deemed Interest Expense	\$164,801	(\$4,931)	\$159,870	\$29	\$159,899
11	Total Expenses (lines 9 to 10)	\$2,934,431	\$30,223	\$2,964,654	\$29	\$2,964,683
12	Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS	(\$6,825)	\$6,825	\$ -	\$ -	\$ -
13	Utility income before income taxes	\$301,618	(\$11,382)	\$290,237	(\$29)	\$290,207
14	Income taxes (grossed-up)	\$26,245	\$910	\$27,156	\$ -	\$27,156
15	Utility net income	\$275,373	(\$12,292)	\$263,081	(\$29)	\$263,052

Notes

Other Revenues / Revenue Offsets

(1)	Specific Service Charges	\$118,798	\$ -	\$118,798	\$ -	\$118,798
	Late Payment Charges	\$60,000	\$ -	\$60,000	\$ -	\$60,000
	Other Distribution Revenue	\$14,881	\$ -	\$14,881	\$ -	\$14,881
	Other Income and Deductions	\$47,119	\$ -	\$47,119	\$ -	\$47,119
	Total Revenue Offsets	\$240,798	\$ -	\$240,798	\$ -	\$240,798



Revenue Requirement Workform

Taxes/PILs

Line No.	Particulars	Application	Supplementary Interrogatory Responses	Per Board Decision
<u>Determination of Taxable Income</u>				
1	Utility net income before taxes	\$275,373	\$263,081	\$267,183
2	Adjustments required to arrive at taxable utility income	(\$132,294)	(\$115,040)	(\$132,294)
3	Taxable income	<u>\$143,079</u>	<u>\$148,042</u>	<u>\$134,889</u>
<u>Calculation of Utility income Taxes</u>				
4	Income taxes	\$22,177	\$22,946	\$22,946
6	Total taxes	<u>\$22,177</u>	<u>\$22,946</u>	<u>\$22,946</u>
7	Gross-up of Income Taxes	\$4,068	\$4,209	\$4,209
8	Grossed-up Income Taxes	<u>\$26,245</u>	<u>\$27,156</u>	<u>\$27,156</u>
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	<u>\$26,245</u>	<u>\$27,156</u>	<u>\$27,156</u>
10	Other tax Credits	\$ -	\$ -	\$ -
<u>Tax Rates</u>				
11	Federal tax (%)	11.00%	11.00%	11.00%
12	Provincial tax (%)	4.50%	4.50%	4.50%
13	Total tax rate (%)	<u>15.50%</u>	<u>15.50%</u>	<u>15.50%</u>

Notes



Revenue Requirement Workform

Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		(%)	(\$)	(%)	(\$)
Initial Application					
	Debt				
1	Long-term Debt	56.00%	\$4,227,219	3.75%	\$158,521
2	Short-term Debt	4.00%	\$301,944	2.08%	\$6,280
3	Total Debt	60.00%	\$4,529,163	3.64%	\$164,801
	Equity				
4	Common Equity	40.00%	\$3,019,442	9.12%	\$275,373
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$3,019,442	9.12%	\$275,373
7	Total	100.00%	\$7,548,605	5.83%	\$440,174
Supplementary Interrogatory Responses					
	Debt				
1	Long-term Debt	56.00%	\$4,101,488	3.75%	\$153,806
2	Short-term Debt	4.00%	\$292,963	2.07%	\$6,064
3	Total Debt	60.00%	\$4,394,452	3.64%	\$159,870
	Equity				
4	Common Equity	40.00%	\$2,929,634	8.98%	\$263,081
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	Total Equity	40.00%	\$2,929,634	8.98%	\$263,081
7	Total	100.00%	\$7,324,086	5.77%	\$422,951
Per Board Decision					
	Debt				
8	Long-term Debt	56.00%	\$4,101,488	3.75%	\$153,806
9	Short-term Debt	4.00%	\$292,963	2.08%	\$6,094
10	Total Debt	60.00%	\$4,394,452	3.64%	\$159,899
	Equity				
11	Common Equity	40.00%	\$2,929,634	9.12%	\$267,183
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	Total Equity	40.00%	\$2,929,634	9.12%	\$267,183
14	Total	100.00%	\$7,324,086	5.83%	\$427,082

Notes

(1) Data in column E is for Application as originally filed. For updated revenue requirement as a result of interrogatory responses, technical or settlement conferences, etc., use column M and Adjustments in column I



Revenue Requirement Workform

Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application		Supplementary Interrogatory Responses		Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$454,824		\$480,490		\$485,373
2	Distribution Revenue	\$2,533,602	\$2,533,602	\$2,533,602	\$2,533,602	\$2,533,602	\$2,528,719
3	Other Operating Revenue	\$240,798	\$240,798	\$240,798	\$240,798	\$240,798	\$240,798
	Offsets - net						
4	Total Revenue	\$2,774,401	\$3,229,224	\$2,774,401	\$3,254,891	\$2,774,401	\$3,254,891
5	Operating Expenses	\$2,769,630	\$2,769,630	\$2,804,784	\$2,804,784	\$2,804,784	\$2,804,784
6	Deemed Interest Expense	\$164,801	\$164,801	\$159,870	\$159,870	\$159,899	\$159,899
7	Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS	(\$6,825) (2)	(\$6,825)	\$ - (2)	\$ -	\$ - (2)	\$ -
8	Total Cost and Expenses	\$2,927,606	\$2,927,606	\$2,964,654	\$2,964,654	\$2,964,683	\$2,964,683
9	Utility Income Before Income Taxes	(\$153,205)	\$301,618	(\$190,254)	\$290,237	(\$190,283)	\$290,207
10	Tax Adjustments to Accounting Income per 2013 PILs model	(\$132,294)	(\$132,294)	(\$115,040)	(\$115,040)	(\$115,040)	(\$115,040)
11	Taxable Income	(\$285,499)	\$169,325	(\$305,293)	\$175,197	(\$305,322)	\$175,168
12	Income Tax Rate	15.50%	15.50%	15.50%	15.50%	15.50%	15.50%
13	Income Tax on Taxable Income	(\$44,252)	\$26,245	(\$47,320)	\$27,156	(\$47,325)	\$27,151
14	Income Tax Credits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Utility Net Income	(\$108,953)	\$275,373	(\$142,933)	\$263,081	(\$142,958)	\$263,052
16	Utility Rate Base	\$7,548,605	\$7,548,605	\$7,324,086	\$7,324,086	\$7,324,086	\$7,324,086
17	Deemed Equity Portion of Rate Base	\$3,019,442	\$3,019,442	\$2,929,634	\$2,929,634	\$2,929,634	\$2,929,634
18	Income/(Equity Portion of Rate Base)	-3.61%	9.12%	-4.88%	8.98%	-4.88%	8.98%
19	Target Return - Equity on Rate Base	9.12%	9.12%	8.98%	8.98%	9.12%	9.12%
20	Deficiency/Sufficiency in Return on Equity	-12.73%	0.00%	-13.86%	0.00%	-14.00%	-0.14%
21	Indicated Rate of Return	0.74%	5.83%	0.23%	5.77%	0.23%	5.77%
22	Requested Rate of Return on Rate Base	5.83%	5.83%	5.77%	5.77%	5.83%	5.83%
23	Deficiency/Sufficiency in Rate of Return	-5.09%	0.00%	-5.54%	0.00%	-5.60%	-0.06%
24	Target Return on Equity	\$275,373	\$275,373	\$263,081	\$263,081	\$267,183	\$267,183
25	Revenue Deficiency/(Sufficiency)	\$384,326	\$ -	\$406,014	\$ -	\$410,141	(\$4,131)
26	Gross Revenue Deficiency/(Sufficiency)	\$454,824 (1)		\$480,490 (1)		\$485,373 (1)	

Notes:

- (1) Revenue Deficiency/Sufficiency divided by (1 - Tax Rate)
- (2) Treated as an adjustment pre-tax to avoid an impact on taxes/PILs and hence on revenue sufficiency deficiency



Revenue Requirement Workform

Revenue Requirement

Line No.	Particulars	Application	Supplementary Interrogatory Responses	Per Board Decision
1	OM&A Expenses	\$2,484,371	\$2,485,105	\$2,485,105
2	Amortization/Depreciation	\$285,259	\$319,679	\$319,679
3	Property Taxes	\$ -		
5	Income Taxes (Grossed up)	\$26,245	\$27,156	\$27,156
6	Other Expenses	\$ -		
7	Return			
	Deemed Interest Expense	\$164,801	\$159,870	\$159,899
	Return on Deemed Equity	\$275,373	\$263,081	\$267,183
	Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS	(\$6,825)	\$ -	\$ -
8	Service Revenue Requirement (before Revenues)	<u>\$3,229,224</u>	<u>\$3,254,891</u>	<u>\$3,259,022</u>
9	Revenue Offsets	\$240,798	\$240,798	\$ -
10	Base Revenue Requirement (excluding Transformer Ownership Allowance credit adjustment)	<u>\$2,988,426</u>	<u>\$3,014,093</u>	<u>\$3,259,022</u>
11	Distribution revenue	\$2,988,426	\$3,014,093	\$3,014,093
12	Other revenue	\$240,798	\$240,798	\$240,798
13	Total revenue	<u>\$3,229,224</u>	<u>\$3,254,891</u>	<u>\$3,254,891</u>
14	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	<u>\$ - (1)</u>	<u>\$ - (1)</u>	<u>(\$4,131) (1)</u>

Notes

(1) Line 11 - Line 8



File Number:EB-2012-0153

Tab: 2
Schedule: 1

Date Filed: April 24, 2013

Attachment 2 of 2

1.0-Staff-42s Updated Bill Impacts

Northern Ontario Wires Inc. (ED-2003-0018)
 2013 EDR Application () version: 1
 April 27, 2012

H4 Bill Impact Summary

Enter sample volumes and RPP status

Customer Class Name	Status	RPP Rate Class	Volume		Distribution Charges		Delivery Charges		Total Bill	
			kWh	kW	\$ change	% change	\$ change	% change	\$ change	% change
Residential	Continued	Summer	800		\$6.31	18.5%	\$6.31	18.5%	\$7.40	6.7%
General Service < 50 kW	Continued	Non-res.	2,000		\$16.18	29.5%	\$16.18	29.5%	\$21.00	7.4%
General Service > 50 to 4999 kW	Continued	Non-res.	68,500	190	\$31.20	84.0%	\$31.20	84.0%	\$110.03	1.4%
Unmetered Scattered Load	Continued	Non-res.	397		\$2.84	17.4%	\$2.84	17.4%	\$3.62	6.1%
Street Lighting	Continued	Non-res.	30,000	80	\$69.03	15.4%	\$69.03	15.4%	\$116.78	3.0%

Appendix 2-W Bill Impacts

Customer Class: Residential

Consumption 800 kWh

Charge Unit	Current Board-Approved			Proposed			Impact		
	Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change	
Monthly Service Charge	Monthly	\$ 17.8300	1	\$ 17.83	\$ 21.0300	1	\$ 21.03	\$ 3.20	17.95%
Smart Meter Rate Adder	Monthly	\$ 7.3800	1	\$ 7.38	\$ 7.3800	1	\$ 7.38	\$ -	
Distribution Volumetric Rate	kWh	\$ 0.0135	800	\$ 10.80	\$ 0.0163	800	\$ 13.04	\$ 2.24	20.74%
Smart Meter Disposition Rider	Monthly	\$ -	1	\$ -	\$ 1.6000	1	\$ 1.60	\$ 1.60	
LRAM & SSM Rate Rider	kW	\$ 0.0006	800	\$ 0.48	\$ -	800	\$ -	-\$ 0.48	-100.00%
Sub-Total A				\$ 36.49			\$ 43.05	\$ 6.56	17.98%
Rate Rider for Deferral/Variance Account Disposition (2009)	kW	-\$ 0.0012	800	-\$ 0.96	\$ -	800	\$ -	\$ 0.96	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2012)	kW	-\$ 0.0029	800	-\$ 2.32	\$ -	800	\$ -	\$ 2.32	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2013)	kW	\$ -	800	\$ -	-\$ 0.0056	800	-\$ 4.48	-\$ 4.48	
Low Voltage Service Charge	kWh	\$ 0.0011	800	\$ 0.88	\$ 0.0013	800	\$ 1.04	\$ 0.16	18.18%
Smart Meter Entry Charge	Monthly				\$ 0.7900	1	\$ 0.79	\$ 0.79	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 34.09			\$ 40.40	\$ 6.31	18.51%
RTSR - Network	kWh	\$ 0.0063	836	\$ 5.27	\$ 0.0058	857	\$ 4.97	-\$ 0.29	-5.57%
RTSR - Line and Transformation Connection	kWh	\$ 0.0027	836	\$ 2.26	\$ 0.0026	857	\$ 2.23	-\$ 0.03	-1.23%
Sub-Total C - Delivery (including Sub-Total B)				\$ 41.61			\$ 47.60	\$ 5.99	14.39%
Wholesale Market Service Charge (WMSC)	kWh	\$ 0.0052	836	\$ 4.35	\$ 0.0044	857	\$ 3.77	-\$ 0.57	-13.21%
Rural and Remote Rate Protection (RRRP)	kWh	\$ 0.0011	836	\$ 0.92	\$ 0.0012	857	\$ 1.03	\$ 0.11	11.89%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	836	\$ 5.85	\$ 0.0070	857	\$ 6.00	\$ 0.15	2.57%
Energy - RPP - Tier 1	kWh	\$ 0.0650	600	\$ 39.00	\$ 0.0650	600	\$ 39.00	\$ -	
Energy - RPP - Tier 2	kWh	\$ 0.0750	236	\$ 17.69	\$ 0.0750	257	\$ 19.30	\$ 1.61	9.10%
TOU - Off Peak	kWh	\$ 0.0650	535	\$ 34.77	\$ 0.0650	549	\$ 35.66	\$ 0.89	2.57%
TOU - Mid Peak	kWh	\$ 0.1000	150	\$ 15.05	\$ 0.1000	154	\$ 15.43	\$ 0.39	2.57%
TOU - On Peak	kWh	\$ 0.1170	150	\$ 17.60	\$ 0.1170	154	\$ 18.05	\$ 0.45	2.57%
Total Bill on RPP (before Taxes)				\$ 109.42			\$ 116.70	\$ 7.28	6.66%
HST		13%		\$ 14.22		13%	\$ 15.17	\$ 0.95	6.66%
Total Bill (including HST)				\$ 123.64			\$ 131.87	\$ 8.23	6.66%
<i>Ontario Clean Energy Benefit 1</i>				-\$ 12.36			-\$ 13.19	-\$ 0.83	6.72%
Total Bill on RPP (including OCEB)				\$ 111.28			\$ 118.68	\$ 7.40	6.65%
Total Bill on TOU (before Taxes)				\$ 120.15			\$ 127.55	\$ 7.41	6.16%
HST		13%		\$ 15.62		13%	\$ 16.58	\$ 0.96	6.16%
Total Bill (including HST)				\$ 135.77			\$ 144.14	\$ 8.37	6.16%
<i>Ontario Clean Energy Benefit 1</i>				-\$ 13.58			-\$ 14.41	-\$ 0.83	6.11%
Total Bill on TOU (including OCEB)				\$ 122.19			\$ 129.73	\$ 7.54	6.17%

Loss Factor (%) 4.48% 7.16%

1 Applicable to eligible customers only. Refer to the Ontario Clean Energy Benefit Act, 2010.

Note that the "Charge \$" columns provide breakdowns of the amounts that each bill component contributes to the total monthly bill at the referenced consumption level at existing and proposed rates.

Applicants must provide bill impacts for residential at 800 kWh and GS<50kW at 2000 kWh. In addition, their filing should cover the range that is relevant to their service territory, class by class. A general guideline of consumption levels follows:

- Residential (kWh) - 100, 250, 500, 800, 1000, 1500, 2000
- GS<50kW (kWh) - 1000, 2000, 5000, 10000, 15000
- GS>50kW (kW) - 60, 100, 500, 1000
- Large User - range appropriate for utility
- Lighting Classes and USL - 150 kWh and 1 kW, range appropriate for utility.

Appendix 2-W Bill Impacts

Customer Class: **General Service < 50 kW**

Consumption **2000** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 23.9000	1	\$ 23.90	\$ 27.9500	1	\$ 27.95	\$ 4.05	16.95%
Smart Meter Rate Adder	Monthly	\$ 11.5900	1	\$ 11.59	\$ 11.5900	1	\$ 11.59	\$ -	
Distribution Volumetric Rate	kWh	\$ 0.0134	2000	\$ 26.80	\$ 0.0159	2000	\$ 31.80	\$ 5.00	18.66%
Smart Meter Disposition Rider	Monthly	\$ -	1	\$ -	\$ 7.9400	1	\$ 7.94	\$ 7.94	
LRAM & SSM Rate Rider	kW	\$ 0.0002	2000	\$ 0.40	\$ -	2000	\$ -	-\$ 0.40	-100.00%
Sub-Total A				\$ 62.69			\$ 79.28	\$ 16.59	26.46%
Rate Rider for Deferral/Variance Account Disposition (2009)	kW	-\$ 0.0013	2000	-\$ 2.60	\$ -	2000	\$ -	\$ 2.60	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2012)	kW	-\$ 0.0032	2000	-\$ 6.40	\$ -	2000	\$ -	\$ 6.40	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2013)	kW	\$ -	2000	\$ -	-\$ 0.0057	2000	-\$ 11.40	-\$ 11.40	
Low Voltage Service Charge	kWh	\$ 0.0006	2000	\$ 1.20	\$ 0.0012	2000	\$ 2.40	\$ 1.20	100.00%
Smart Meter Entry Charge	Monthly				\$ 0.7900	1	\$ 0.79	\$ 0.79	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 54.89			\$ 71.07	\$ 16.18	29.48%
RTSR - Network	kWh	\$ 0.0059	2090	\$ 12.33	\$ 0.0054	2143	\$ 11.57	-\$ 0.75	-6.12%
RTSR - Line and Transformation Connection	kWh	\$ 0.0025	2090	\$ 5.22	\$ 0.0024	2143	\$ 5.14	-\$ 0.08	-1.53%
Sub-Total C - Delivery (including Sub-Total B)				\$ 72.44			\$ 87.79	\$ 15.34	21.18%
Wholesale Market Service Charge (WMSC)	kWh	\$ 0.0052	2090	\$ 10.87	\$ 0.0044	2143	\$ 9.43	-\$ 1.44	-13.21%
Rural and Remote Rate Protection (RRRP)	kWh	\$ 0.0011	2090	\$ 2.30	\$ 0.0012	2143	\$ 2.57	\$ 0.27	11.89%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	2090	\$ 14.63	\$ 0.0070	2143	\$ 15.00	\$ 0.38	2.57%
Energy - RPP - Tier 1	kWh	\$ 0.0650	750	\$ 48.75	\$ 0.0650	750	\$ 48.75	\$ -	
Energy - RPP - Tier 2	kWh	\$ 0.0750	1340	\$ 100.47	\$ 0.0750	1393	\$ 104.50	\$ 4.03	4.01%
TOU - Off Peak	kWh	\$ 0.0650	1337	\$ 86.93	\$ 0.0650	1372	\$ 89.16	\$ 2.23	2.57%
TOU - Mid Peak	kWh	\$ 0.1000	376	\$ 37.61	\$ 0.1000	386	\$ 38.58	\$ 0.97	2.57%
TOU - On Peak	kWh	\$ 0.1170	376	\$ 44.01	\$ 0.1170	386	\$ 45.14	\$ 1.13	2.57%
Total Bill on RPP (before Taxes)				\$ 249.45			\$ 268.04	\$ 18.58	7.45%
HST		13%		\$ 32.43	13%		\$ 34.84	\$ 2.42	7.45%
Total Bill (including HST)				\$ 281.88			\$ 302.88	\$ 21.00	7.45%
Ontario Clean Energy Benefit 1				-\$ 28.19			-\$ 30.29	-\$ 2.10	7.45%
Total Bill on RPP (including OCEB)				\$ 253.69			\$ 272.59	\$ 18.90	7.45%
Total Bill on TOU (before Taxes)				\$ 268.78			\$ 287.67	\$ 18.89	7.03%
HST		13%		\$ 34.94	13%		\$ 37.40	\$ 2.46	7.03%
Total Bill (including HST)				\$ 303.72			\$ 325.07	\$ 21.34	7.03%
Ontario Clean Energy Benefit 1				-\$ 30.37			-\$ 32.51	-\$ 2.14	7.05%
Total Bill on TOU (including OCEB)				\$ 273.35			\$ 292.56	\$ 19.20	7.02%

Loss Factor (%) 4.48% 7.16%

1 Applicable to eligible customers only. Refer to the Ontario Clean Energy Benefit Act, 2010.

Note that the "Charge \$" columns provide breakdowns of the amounts that each bill component contributes to the total monthly bill at the referenced consumption level at existing and proposed rates.

Applicants must provide bill impacts for residential at 800 kWh and GS<50kW at 2000 kWh. In addition, their filing should cover the range that is relevant to their service territory, class by class. A general guideline of consumption levels follows:

- Residential (kWh) - 100, 250, 500, 800, 1000, 1500, 2000
- GS<50kW (kWh) - 1000, 2000, 5000, 10000, 15000
- GS>50kW (kW) - 60, 100, 500, 1000
- Large User - range appropriate for utility
- Lighting Classes and USL - 150 kWh and 1 kW, range appropriate for utility.

Appendix 2-W Bill Impacts

Customer Class: **General Service > 50 to 4999 kW**

Consumption **68500** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 181.6100	1	\$ 181.61	\$ 181.6100	1	\$ 181.61	\$ -	
Smart Meter Rate Adder	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Distribution Volumetric Rate	kW	\$ 0.6880	190	\$ 130.72	\$ 0.7143	190	\$ 135.72	\$ 5.00	3.82%
Smart Meter Disposition Rider	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
LRAM & SSM Rate Rider	kW	\$ 0.0163	190	\$ 3.10	\$ -	190	\$ -	\$ -3.10	-100.00%
Sub-Total A				\$ 315.43			\$ 317.33	\$ 1.90	0.60%
Rate Rider for Deferral/Variance Account Disposition (2009)	kW	-\$ 0.5839	190	-\$ 110.94	\$ -	190	\$ -	\$ 110.94	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2012)	kW	-\$ 1.2149	190	-\$ 230.83	\$ -	190	\$ -	\$ 230.83	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2013)	kW	\$ -	190	\$ -	-\$ 1.7609	190	-\$ 334.57	-\$ 334.57	
Low Voltage Service Charge	kW	\$ 0.3342	190	\$ 63.50	\$ 0.4505	190	\$ 85.60	\$ 22.10	34.80%
Smart Meter Entry Charge	Monthly				\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 37.15			\$ 68.35	\$ 31.20	83.97%
RTSR - Network	kW	\$ 2.3850	204	\$ 485.61	\$ 2.1931	204	\$ 446.54	-\$ 39.07	-8.05%
RTSR - Line and Transformation Connection	kW	\$ 0.9844	204	\$ 200.43	\$ 0.9565	204	\$ 194.75	-\$ 5.68	-2.83%
Sub-Total C - Delivery (including Sub-Total B)				\$ 723.20			\$ 709.64	-\$ 13.56	-1.87%
Wholesale Market Service Charge (WMSC)	kWh	\$ 0.0052	71569	\$ 372.16	\$ 0.0044	73407	\$ 322.99	-\$ 49.17	-13.21%
Rural and Remote Rate Protection (RRRP)	kWh	\$ 0.0011	71569	\$ 78.73	\$ 0.0012	73407	\$ 88.09	\$ 9.36	11.89%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	71569	\$ 500.98	\$ 0.0070	73407	\$ 513.85	\$ 12.87	2.57%
Energy - RPP - Tier 1	kWh	\$ 0.0650	750	\$ 48.75	\$ 0.0650	750	\$ 48.75	\$ -	
Energy - RPP - Tier 2	kWh	\$ 0.0750	70819	\$ 5,311.41	\$ 0.0750	72657	\$ 5,449.27	\$ 137.86	2.60%
TOU - Off Peak	kWh	\$ 0.0650	45804	\$ 2,977.26	\$ 0.0650	46980	\$ 3,053.73	\$ 76.47	2.57%
TOU - Mid Peak	kWh	\$ 0.1000	12882	\$ 1,288.24	\$ 0.1000	13213	\$ 1,321.33	\$ 33.09	2.57%
TOU - On Peak	kWh	\$ 0.1170	12882	\$ 1,507.24	\$ 0.1170	13213	\$ 1,545.95	\$ 38.71	2.57%
Total Bill on RPP (before Taxes)				\$ 7,035.22			\$ 7,132.59	\$ 97.37	1.38%
HST		13%		\$ 914.58	13%		\$ 927.24	\$ 12.66	1.38%
Total Bill (including HST)				\$ 7,949.80			\$ 8,059.83	\$ 110.03	1.38%
Ontario Clean Energy Benefit 1				-\$ 794.98			-\$ 805.98	-\$ 11.00	1.38%
Total Bill on RPP (including OCEB)				\$ 7,154.82			\$ 7,253.85	\$ 99.03	1.38%
Total Bill on TOU (before Taxes)				\$ 7,447.80			\$ 7,555.58	\$ 107.77	1.45%
HST		13%		\$ 968.21	13%		\$ 982.23	\$ 14.01	1.45%
Total Bill (including HST)				\$ 8,416.02			\$ 8,537.80	\$ 121.78	1.45%
Ontario Clean Energy Benefit 1				-\$ 841.60			-\$ 853.78	-\$ 12.18	1.45%
Total Bill on TOU (including OCEB)				\$ 7,574.42			\$ 7,684.02	\$ 109.60	1.45%

Loss Factor (%) 4.48% 7.16%

1 Applicable to eligible customers only. Refer to the Ontario Clean Energy Benefit Act, 2010.

Note that the "Charge \$" columns provide breakdowns of the amounts that each bill component contributes to the total monthly bill at the referenced consumption level at existing and proposed rates.

Applicants must provide bill impacts for residential at 800 kWh and GS<50kW at 2000 kWh. In addition, their filing should cover the range that is relevant to their service territory, class by class. A general guideline of consumption levels follows:

- Residential (kWh) - 100, 250, 500, 800, 1000, 1500, 2000
- GS<50kW (kWh) - 1000, 2000, 5000, 10000, 15000
- GS>50kW (kW) - 60, 100, 500, 1000
- Large User - range appropriate for utility
- Lighting Classes and USL - 150 kWh and 1 kW, range appropriate for utility.

Appendix 2-W Bill Impacts

Customer Class: **Unmetered Scattered Load**

Consumption **397** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 12.2300	1	\$ 12.23	\$ 14.4300	1	\$ 14.43	\$ 2.20	17.99%
Smart Meter Rate Adder	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Distribution Volumetric Rate	kWh	\$ 0.0134	397	\$ 5.32	\$ 0.0162	397	\$ 6.43	\$ 1.11	20.90%
Smart Meter Disposition Rider	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
LRAM & SSM Rate Rider	kW	\$ -	397	\$ -	\$ -	397	\$ -	\$ -	
Sub-Total A				\$ 17.55			\$ 20.86	\$ 3.31	18.87%
Rate Rider for Deferral/Variance Account Disposition (2009)	kW	-\$ 0.0011	397	-\$ 0.44	\$ -	397	\$ -	\$ 0.44	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2012)	kW	-\$ 0.0027	397	-\$ 1.07	\$ -	397	\$ -	\$ 1.07	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2013)	kW	\$ -	397	\$ -	-\$ 0.0056	397	-\$ 2.22	-\$ 2.22	
Low Voltage Service Charge	kWh	\$ 0.0006	397	\$ 0.24	\$ 0.0012	397	\$ 0.48	\$ 0.24	100.00%
Smart Meter Entry Charge	Monthly				\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 16.28			\$ 19.11	\$ 2.84	17.42%
RTSR - Network	kWh	\$ 0.0059	415	\$ 2.45	\$ 0.0054	425	\$ 2.30	-\$ 0.15	-6.12%
RTSR - Line and Transformation Connection	kWh	\$ 0.0025	415	\$ 1.04	\$ 0.0024	425	\$ 1.02	-\$ 0.02	-1.53%
Sub-Total C - Delivery (including Sub-Total B)				\$ 19.76			\$ 22.43	\$ 2.67	13.51%
Wholesale Market Service Charge (WMSC)	kWh	\$ 0.0052	415	\$ 2.16	\$ 0.0044	425	\$ 1.87	-\$ 0.28	-13.21%
Rural and Remote Rate Protection (RRRP)	kWh	\$ 0.0011	415	\$ 0.46	\$ 0.0012	425	\$ 0.51	\$ 0.05	11.89%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	415	\$ 2.90	\$ 0.0070	425	\$ 2.98	\$ 0.07	2.57%
Energy - RPP - Tier 1	kWh	\$ 0.0650	415	\$ 26.96	\$ 0.0650	425	\$ 27.65	\$ 0.69	2.57%
Energy - RPP - Tier 2	kWh	\$ 0.0750		\$ -	\$ 0.0750		\$ -	\$ -	
TOU - Off Peak	kWh	\$ 0.0650	265	\$ 17.26	\$ 0.0650	272	\$ 17.70	\$ 0.44	2.57%
TOU - Mid Peak	kWh	\$ 0.1000	75	\$ 7.47	\$ 0.1000	77	\$ 7.66	\$ 0.19	2.57%
TOU - On Peak	kWh	\$ 0.1170	75	\$ 8.74	\$ 0.1170	77	\$ 8.96	\$ 0.22	2.57%
Total Bill on RPP (before Taxes)				\$ 52.24			\$ 55.45	\$ 3.21	6.14%
HST		13%		\$ 6.79	13%		\$ 7.21	\$ 0.42	6.14%
Total Bill (including HST)				\$ 59.03			\$ 62.66	\$ 3.62	6.14%
Ontario Clean Energy Benefit 1				-\$ 5.90			-\$ 6.27	-\$ 0.37	6.27%
Total Bill on RPP (including OCEB)				\$ 53.13			\$ 56.39	\$ 3.25	6.12%
Total Bill on TOU (before Taxes)				\$ 58.74			\$ 62.11	\$ 3.37	5.74%
HST		13%		\$ 7.64	13%		\$ 8.07	\$ 0.44	5.74%
Total Bill (including HST)				\$ 66.37			\$ 70.18	\$ 3.81	5.74%
Ontario Clean Energy Benefit 1				-\$ 6.64			-\$ 7.02	-\$ 0.38	5.72%
Total Bill on TOU (including OCEB)				\$ 59.73			\$ 63.16	\$ 3.43	5.74%

Loss Factor (%) 4.48% 7.16%

1 Applicable to eligible customers only. Refer to the Ontario Clean Energy Benefit Act, 2010.

Note that the "Charge \$" columns provide breakdowns of the amounts that each bill component contributes to the total monthly bill at the referenced consumption level at existing and proposed rates.

Applicants must provide bill impacts for residential at 800 kWh and GS<50kW at 2000 kWh. In addition, their filing should cover the range that is relevant to their service territory, class by class. A general guideline of consumption levels follows:

- Residential (kWh) - 100, 250, 500, 800, 1000, 1500, 2000
- GS<50kW (kWh) - 1000, 2000, 5000, 10000, 15000
- GS>50kW (kW) - 60, 100, 500, 1000
- Large User - range appropriate for utility
- Lighting Classes and USL - 150 kWh and 1 kW, range appropriate for utility.

Appendix 2-W Bill Impacts

Customer Class: **Street Lighting**

Consumption **30000** kWh

	Charge Unit	Current Board-Approved			Proposed			Impact	
		Rate (\$)	Volume	Charge (\$)	Rate (\$)	Volume	Charge (\$)	\$ Change	% Change
Monthly Service Charge	Monthly	\$ 5.2700	1	\$ 5.27	\$ 6.4200	1	\$ 6.42	\$ 1.15	21.82%
Smart Meter Rate Adder	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
Distribution Volumetric Rate	kW	\$ 6.2108	80	\$ 496.86	\$ 7.8692	80	\$ 629.54	\$ 132.67	26.70%
Smart Meter Disposition Rider	Monthly	\$ -	1	\$ -	\$ -	1	\$ -	\$ -	
LRAM & SSM Rate Rider	kW	\$ -	80	\$ -	\$ -	80	\$ -	\$ -	
Sub-Total A				\$ 502.13			\$ 635.96	\$ 133.82	26.65%
Rate Rider for Deferral/Variance Account Disposition (2009)	kW	-\$ 0.2965	80	-\$ 23.72	\$ -	80	\$ -	\$ 23.72	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2012)	kW	-\$ 0.6158	80	-\$ 49.26	\$ -	80	\$ -	\$ 49.26	-100.00%
Rate Rider for Deferral/Variance Account Disposition (2013)	kW	\$ -	80	\$ -	-\$ 1.8246	80	-\$ 145.97	-\$ 145.97	
Low Voltage Service Charge	kW	\$ 0.2454	80	\$ 19.63	\$ 0.3478	80	\$ 27.82	\$ 8.19	41.73%
Smart Meter Entry Charge	Monthly				\$ -	1	\$ -	\$ -	
Sub-Total B - Distribution (includes Sub-Total A)				\$ 448.78			\$ 517.81	\$ 69.03	15.38%
RTSR - Network	kW	\$ 1.7989	86	\$ 154.22	\$ 1.6541	86	\$ 141.81	-\$ 12.41	-8.05%
RTSR - Line and Transformation Connection	kW	\$ 0.7610	86	\$ 65.24	\$ 0.7394	86	\$ 63.39	-\$ 1.85	-2.84%
Sub-Total C - Delivery (including Sub-Total B)				\$ 668.24			\$ 723.01	\$ 54.76	8.20%
Wholesale Market Service Charge (WMSC)	kWh	\$ 0.0052	31344	\$ 162.99	\$ 0.0044	32149	\$ 141.46	-\$ 21.53	-13.21%
Rural and Remote Rate Protection (RRRP)	kWh	\$ 0.0011	31344	\$ 34.48	\$ 0.0012	32149	\$ 38.58	\$ 4.10	11.89%
Standard Supply Service Charge			1	\$ -		1	\$ -	\$ -	
Debt Retirement Charge (DRC)	kWh	\$ 0.0070	31344	\$ 219.41	\$ 0.0070	32149	\$ 225.04	\$ 5.64	2.57%
Energy - RPP - Tier 1	kWh	\$ 0.0650	750	\$ 48.75	\$ 0.0650	750	\$ 48.75	\$ -	
Energy - RPP - Tier 2	kWh	\$ 0.0750	30594	\$ 2,294.55	\$ 0.0750	31399	\$ 2,354.93	\$ 60.38	2.63%
TOU - Off Peak	kWh	\$ 0.0650	20060	\$ 1,303.91	\$ 0.0650	20575	\$ 1,337.40	\$ 33.49	2.57%
TOU - Mid Peak	kWh	\$ 0.1000	5642	\$ 564.19	\$ 0.1000	5787	\$ 578.68	\$ 14.49	2.57%
TOU - On Peak	kWh	\$ 0.1170	5642	\$ 660.10	\$ 0.1170	5787	\$ 677.06	\$ 16.95	2.57%
Total Bill on RPP (before Taxes)				\$ 3,428.42			\$ 3,531.76	\$ 103.34	3.01%
HST		13%		\$ 445.69	13%		\$ 459.13	\$ 13.43	3.01%
Total Bill (including HST)				\$ 3,874.11			\$ 3,990.89	\$ 116.78	3.01%
Ontario Clean Energy Benefit 1				-\$ 387.41			-\$ 399.09	-\$ 11.68	3.01%
Total Bill on RPP (including OCEB)				\$ 3,486.70			\$ 3,591.80	\$ 105.10	3.01%
Total Bill on TOU (before Taxes)				\$ 3,613.33			\$ 3,721.23	\$ 107.90	2.99%
HST		13%		\$ 469.73	13%		\$ 483.76	\$ 14.03	2.99%
Total Bill (including HST)				\$ 4,083.06			\$ 4,204.99	\$ 121.93	2.99%
Ontario Clean Energy Benefit 1				-\$ 408.31			-\$ 420.50	-\$ 12.19	2.99%
Total Bill on TOU (including OCEB)				\$ 3,674.75			\$ 3,784.49	\$ 109.74	2.99%

Loss Factor (%) 4.48% 7.16%

1 Applicable to eligible customers only. Refer to the Ontario Clean Energy Benefit Act, 2010.

Note that the "Charge \$" columns provide breakdowns of the amounts that each bill component contributes to the total monthly bill at the referenced consumption level at existing and proposed rates.

Applicants must provide bill impacts for residential at 800 kWh and GS<50kW at 2000 kWh. In addition, their filing should cover the range that is relevant to their service territory, class by class. A general guideline of consumption levels follows:

- Residential (kWh) - 100, 250, 500, 800, 1000, 1500, 2000
- GS<50kW (kWh) - 1000, 2000, 5000, 10000, 15000
- GS>50kW (kW) - 60, 100, 500, 1000
- Large User - range appropriate for utility
- Lighting Classes and USL - 150 kWh and 1 kW, range appropriate for utility.



1 1.0-VECC-42.0s Tracking Sheet RRWF

2

3 Reference: Exhibits All

4

5 a) Please provide a tracking sheet (table) showing all adjustments arising
6 from the interrogatories (include Reference IR #.; Item description; area of
7 change, i.e. return on capital/rate base/working capital
8 allowance/amortization/PILS/OM&A/ etc.).

9 **NOW Response:**

10 Please reference 1.0-Staff-42s

11

12 b) Please update the RRWF Excel Live spread sheet for these adjustments.

13 **NOW Response:**

14 Please reference 1.0-Staff-42s

15



1.0-AMPCO-16s Updated Revenue

File Number: EB-2012-0153

Tab: 2

Schedule: 3

Page: 1 of 1

Date Filed: April 24, 2013

1 1.0-AMPCO-16s Updated Revenue
2 Deficiency/Sufficiency
3

4 a) Please confirm NOW's updated revenue deficiency/sufficiency as a result of
5 the supplemental interrogatory process.

6 **NOW Response:**

7 Please reference 1.0-Staff-42s
8



File Number: EB-2012-0153

Date Filed: April 24, 2013

Tab 3 of 5

Exhibit 2 - Rate Base



1 **2.0-Staff-43s Changes 2013 Capital Projects**

2

3 Ref: 2.0-VECC-6.0; 2-SEC-2, 1.0-Staff-4 Updated RRWF – 2013 Capital Projects

4

5 In its response to 2.0-VECC-6.0, NOW states that the current forecast for 2013 capital projects
6 has been revised as a result of rearranging of priorities and the forecast for 2013 is \$1,846,336.
7 This represents an increase of \$46,375.

8

9 In its response to 2-SEC-2, NOW states that the insulators replacement project for Cochrane
10 Station (with the total amount of \$43,745) has been deferred to 2013.

11

12 a) Beside the insulators replacement project for Cochrane Station, please
13 identify what other changes have been made to the 2013 capital projects
14 forecast.

15 **NOW Response:**

16 **See Response to AMPCO 17.**

17

18 b) It appears that the Net Fixed Asset (average) of \$5,621,149 as shown on
19 page 3 of the updated RRWF has not been reflected in the revised 2013
20 capital projects. Please provide the updated Gross Fixed Assets
21 (average), Accumulated Depreciation (average) and Net Fixed Asset
22 (average) accordingly.

23 **NOW Response:**

24 **Please reference attachment 1 to 9.0-Staff-49s.**

25



1 **2.0-VECC-46.0s 2012 2013 Capital Budget**

2

3 Reference: 2.0-VECC-6.0/ 2.0-SEC-2.0/ 2.0-SEC-3.0/ Exhibit 2, Tab 4, Schedule 3

4

5 a) The response shown at Attachment 1 appears to show no change in the
 6 2012 actual (unaudited) capital budget (dollar values) from the forecast
 7 capital budget (i.e. \$957,867 in both cases). Please provide the actual
 8 2012 capital spending (unaudited).

9

10 **NOW Response:**

11 **Actual 2012 Audited Capital Spending was \$830,295. Breakdown by project is as**
 12 **follows:**

	2012 Bridge Year Capital Projects Amount	2012 Audited Actual Capital Projects	Difference
Iroquois Falls 12kV extension from Windego to Cambridge	\$ 74,926	\$ 32,956	\$ (41,970)
Iroquois Falls 12kV extension from Mustango to Hillcrest	\$ 50,000	\$ 48,774	\$ (1,226)
Cochrane 11th Avenue Relocate and Upgrade	\$ 44,400	\$ 87,623	\$ 43,223
Cochrane 4th/5th St. laneway reconstruction	\$ 77,651	\$ 13,839	\$ (63,812)
Cochrane Sub Station replace insulators	\$ 43,745	\$ 11,206	\$ (32,539)
Kapuskasing 5kV to 25kV conversion/upgrade/extension from Winnipeg St. To Sofijia	\$ 62,400	\$ 8,141	\$ (54,259)
Kapuskasing 5kv to 25kV conversion/upgrade Cherry St.	\$ 90,000	\$ 103,728	\$ 13,728
Cochrane Pole Changes	\$ 52,000	\$ 80,080	\$ 28,080
Kapuskasing Pole Changes	\$ 52,000	\$ 67,997	\$ 15,997
Iroquois Falls Pole Changes	\$ 52,000	\$ 16,557	\$ (35,443)
Renovate Iroquois Falls Service Centre	\$ 100,000	\$ 116,245	\$ 16,245
Tools and Equipment	\$ 39,400	\$ 24,265	\$ (15,135)
Transportation Equipment	\$ 219,345	\$ 218,112	\$ (1,233)
Miscellaneous Other		\$ 772	\$ 772
Total Capital by Project	\$ 957,867	\$ 830,295	\$ (127,572)

13

14



1 b) Please revise the Table shown at Exhibit 2, Tab 2, Schedule 3,
2 Attachment 1 of 1 to show the actual 2012 and revised 2013 capital
3 budget.

4 **NOW Response:**

5 **Please reference attachment 1 to 9.0-Staff-49s.**

6

7 c) Please revise the table to show the actual and forecast capital
8 contributions separately for each year.

9 **NOW Response:**

10 **NOW has not had any capital contributions and none are forecasted.**



File Number: EB-2012-0153

Date Filed: April 24, 2013

Tab 4 of 5

Exhibit 4 - Operating Costs



1 **4.0-VECC-57.0s LEAP contribution**

2

3 Reference: 4.0-VECC-27.0 LEAP

4

5 a) Does NOW intend to update and apply for a LEAP contribution based on the
6 proposed 2013 revenue requirement?

7 **NOW Response:**

8 **Yes, NOW intends to update and apply for a LEAP contribution based on the proposed**
9 **2013 revenue requirement.**

10 b) Please calculate the 2013 LEAP contribution based on the updated revenue
11 requirement before revenue offsets (line 8, sheet 9 of RRWF).

12 **NOW Response:**

13 **NOW has updated the LEAP amount to \$3,906.**

	Service Revenue Requirement	3,254,891
		0.0012
14	\$	3,905.87

15



File Number: EB-2012-0153

Date Filed: April 24, 2013

Tab 5 of 5

Exhibit 9 - Deferral And Variance Accounts



1 **9.0-Staff-49s IFRS**

2

3 Ref: 9.0-VECC-39 – IFRS

4

5 In its response to 9.0-VECC-39, NOW states that:

6

7 NOW has determined that it is not adopting IFRS for January 1, 2013, based on the recent
8 Accounting Standards Board decision to defer implementation to a future date. However NOW
9 intends to adopt the Boards requirements specified in the Boards letter July 17, 2012 titled
10 “Regulatory accounting policy direction regarding changes to depreciation expense and
11 capitalization policies in 2012 and 2013”.

12

13 On February 14, 2013, the Accounting Standards Board (“AcSB”) has extended the existing
14 deferral of the mandatory IFRS changeover date for entities with qualifying rate-regulated
15 activities by an additional year to January 1, 2015.

16

17 a) Given the recent AcSB update on the deferral of the mandatory IFRS
18 changeover date for entities with qualifying rate-regulated activities by an
19 additional year to January 1, 2015, when does NOW expect to adopt
20 IFRS?

21 **NOW Response:**

22 **Based on the deferral of mandatory IFRS changeover, NOW expects to adopt IFRS on**
23 **January 1, 2015.**

24

25 b) Since NOW is not adopting IFRS for January 1, 2013, please specify the
26 accounting basis NOW is using for its 2013 COS rate application

27 **NOW Response:**



1 NOW is using CGAAP in the application in conjunction with the change in capital assets
2 to conform with the Kinectrics Study

3 c) If NOW continues to adopt CGAAP in its 2013 COS rate application,
4 please confirm NOW is withdrawing its request for disposition of Account
5 1575.

6 NOW Response:

7 NOW confirms that it is withdrawing its request for disposition of account 1575.
8

9 d) Please confirm that NOW made changes to its capitalization and
10 depreciation effective January 1, 2013.

11 NOW Response:

12 Asset useful lives have been adjusted to take into consideration the Kinectrics useful life,
13 and therefore have adjusted the depreciation rates accordingly. NOW's capitalization
14 policy is in the process of being updated by NOW's IFRS consultants.
15

16 e) If NOW is using CGAAP for its 2013 rate application, please update all related
17 schedules using the CGAAP accounting basis including the following schedules:

- 18
- 19 i. Fixed Assets Continuity Schedule –Appendix 2- B for 2013
- 20 ii. Depreciation and Amortization Expense –for 2013
- 21 iii. RRWF: Rate Base Tab and Revenue Requirement Tab

22 NOW Response:

23 Please reference Attachment 1 to this Interrogatory.
24

25 f) Please provide a reconciliation supported by NOW's calculation for the following:

- 26
- 27 i. RRWF: Rate Base and Working Capital Tab - gross fixed asset
28 average and accumulated depreciation amounts compared to the



1 amounts in Appendix 2-B (CGAAP) Fixed Asset Continuity
 2 Schedule for 2013

3 **NOW Response:**

4 **Please reference Attachment 1 to this Interrogatory.**

5
 6 ii. RRWF: Revenue Requirement Tab - Amounts in Amortization and
 7 Adjustment to Return on Rate Base associated with Deferred PP&E balance as a
 8 result of transition from CGAAP to MIFRS lines compared to amortization in the
 9 Depreciation Expense-CGAAP for 2013 and updated Appendix 2-EB.

10 **NOW Response:**

11 **Please reference attachment 2 to this interrogatory**

	RRWF	Appendices	Appendices
	Revenue Requirement	App 2-B FAC 2013	App.2-EB_PP&E Deferral Account
Amortization	\$ 319,679	\$ 319,678	
Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS	\$ -		\$ -

12
 13



File Number:EB-2012-0153

Tab: 5
Schedule: 1

Date Filed: April 24, 2013

Attachment 1 of 2

9.0-Staff-49s e) & f i) response

OEB Appendix 2-B Fixed Asset Continuity Schedule Summary

	CGAAP					Per RRWF Average 2012 / 2013 C = (A + B) / 2
	2009	2010	2011	2012 A	2013 B	
Opening Balance Smart Meters NBV	\$ 6,635,653	\$ 6,751,833	\$ 6,537,468	\$ 7,865,405	\$ 8,695,701	
Additions	\$ 201,928	\$ 437,145	\$ 1,383,278	\$ 830,296	\$ 772,205	
Disposals	-\$ 85,748	-\$ 651,510	-\$ 55,341	\$ -	\$ -	
Closing Balance	<u>\$ 6,751,833</u>	<u>\$ 6,537,468</u>	<u>\$ 7,865,405</u>	<u>\$ 8,695,701</u>	<u>\$ 10,542,789</u>	<u>\$ 9,619,245</u>
Opening Balance Smart Meters	-\$ 2,884,394	-\$ 3,188,720	-\$ 3,119,293	-\$ 3,468,331	-\$ 3,938,570	
Additions	-\$ 390,072	-\$ 384,791	-\$ 404,798	-\$ 470,239	-\$ 438,601	
Disposals	\$ 85,746	\$ 454,218	\$ 55,760	\$ -	\$ -	
Closing Balance	<u>-\$ 3,188,720</u>	<u>-\$ 3,119,293</u>	<u>-\$ 3,468,331</u>	<u>-\$ 3,938,570</u>	<u>-\$ 4,476,999</u>	<u>-\$ 4,207,784</u>
Net Book Value	\$ 3,563,113	\$ 3,418,175	\$ 4,397,074	\$ 4,757,131	\$ 6,065,790	\$ 5,411,461

File Number: EB-2012-0153
 Exhibit:
 Tab:
 Schedule:
 Page:
 Date:

Appendix 2-B
Fixed Asset Continuity Schedule
 CGAAP
 Year 2012 Bridge Year

CCA Class	OEB	Description	Depreciation Rate	Cost			Accumulated Depreciation				Net Book Value	
				Opening Balance	Additions	Disposals	Opening Balance	Additions	Disposals	Closing Balance		
12	1611	Computer Software (Formally known as Account 1925)		\$ 159,158			\$ 159,158	-\$ 68,997	-\$ 21,360		-\$ 90,357	\$ 68,801
CEC	1612	Land Rights (Formally known as Account 1906)		\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1805	Land		\$ 87,700			\$ 87,700	\$ -			\$ -	\$ 87,700
47	1808	Buildings		\$ 385,577	\$ 116,245		\$ 501,822	-\$ 42,478	-\$ 12,436		-\$ 54,914	\$ 446,908
13	1810	Leasehold Improvements		\$ 4,692			\$ 4,692	-\$ 2,345	-\$ 938		-\$ 3,283	\$ 1,409
47	1815	Transformer Station Equipment >50 kV		\$ 3,644			\$ 3,644	-\$ 1,213	-\$ 121		-\$ 1,334	\$ 2,310
47	1820	Distribution Station Equipment <50 kV		\$ 551,343	\$ 16,256		\$ 567,599	-\$ 308,015	-\$ 20,546		-\$ 328,561	\$ 239,038
47	1825	Storage Battery Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures		\$ 2,601,676	\$ 186,320		\$ 2,787,996	-\$ 1,087,795	-\$ 106,343		-\$ 1,194,138	\$ 1,593,858
47	1835	Overhead Conductors & Devices		\$ 1,658,530	\$ 219,276		\$ 1,877,806	-\$ 920,396	-\$ 71,911		-\$ 992,307	\$ 885,499
47	1840	Underground Conduit		\$ 186,674			\$ 186,674	-\$ 156,492	-\$ 9,571		-\$ 166,063	\$ 20,611
47	1845	Underground Conductors & Devices		\$ 3,690			\$ 3,690	-\$ 1,130	-\$ 148		-\$ 1,278	\$ 2,412
47	1850	Line Transformers		\$ 694,792	\$ 54,337		\$ 749,129	-\$ 325,401	-\$ 27,241		-\$ 352,642	\$ 396,487
47	1855	Services (Overhead & Underground)		\$ 0	\$ -		\$ 0	\$ -			\$ -	\$ 0
47	1860	Meters		\$ 39,775	\$ 8,497		\$ 48,272	-\$ 7,815	-\$ 1,278		-\$ 9,093	\$ 22,185
47	1860	Meters (Smart Meters)		\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1905	Land		\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures		\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements		\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)		\$ 17,607	\$ -		\$ 17,607	-\$ 20,273	-\$ 404		-\$ 20,677	-\$ 3,070
8	1915	Office Furniture & Equipment (5 years)		\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware		\$ -			\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		\$ -			\$ -	\$ -			\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$ 87,525	\$ 3,982		\$ 91,507	-\$ 71,903	-\$ 4,618		-\$ 76,521	\$ 14,986
10	1930	Transportation Equipment		\$ 1,202,969	\$ 218,112		\$ 1,421,081	-\$ 355,787	-\$ 169,727		-\$ 525,514	\$ 895,567
8	1935	Stores Equipment		\$ 680			\$ 680	-\$ 638	-\$ 68		-\$ 706	-\$ 26
8	1940	Tools, Shop & Garage Equipment		\$ 168,132	\$ 24,265		\$ 192,397	-\$ 92,481	-\$ 22,078		-\$ 114,559	\$ 77,838
8	1945	Measurement & Testing Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment		\$ 4,638			\$ 4,638	-\$ 1,871	-\$ 791		-\$ 2,662	\$ 1,976
8	1955	Communication Equipment (Smart Meters)		\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment		\$ 6,603			\$ 6,603	-\$ 3,301	-\$ 660		-\$ 3,961	\$ 2,642
47	1975	Load Management Controls Utility Premises		\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets		\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants		\$ -			\$ -	\$ -			\$ -	\$ -
	etc.			\$ -			\$ -	\$ -			\$ -	\$ -
		Total		\$ 7,865,405	\$ 830,296	\$ -	\$ 8,695,701	-\$ 3,468,331	-\$ 470,239	\$ -	-\$ 3,938,570	\$ 4,757,131

Note 1

Note 2

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
 Transportation -\$ 169,727
 Stores Equipment
Net Depreciation -\$ 300,512

Note 1 Services acct 1855 included in Acct 1835 and 1840
 Note 2 Adjusted depreciation for over-amortized asset.

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3 below).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- The depreciation column (D) is not required as the relevant information will be provided in the following 2-C series of appendices.

Appendix 2-B
Fixed Asset Continuity Schedule
 CGAAP
 Year 2013 Test Year

CCA Class	OEB	Description	Depreciation Rate	Cost			Accumulated Depreciation				Net Book Value	
				Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals		Closing Balance
12	1611	Computer Software (Formally known as Account 1925)		\$ 159,158	\$ 21,743		\$ 180,901	-\$ 90,357	-\$ 31,539		-\$ 121,896	\$ 59,005
CEC	1612	Land Rights (Formally known as Account 1906)		\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1805	Land		\$ 87,700			\$ 87,700	\$ -			\$ -	\$ 87,700
47	1808	Buildings		\$ 501,822	\$ 23,854		\$ 525,676	-\$ 54,914	-\$ 19,904		-\$ 74,818	\$ 450,858
13	1810	Leasehold Improvements		\$ 4,692			\$ 4,692	-\$ 3,283	-\$ 938		-\$ 4,221	\$ 471
47	1815	Transformer Station Equipment >50 kV		\$ 3,644			\$ 3,644	-\$ 1,334	-\$ 121		-\$ 1,455	\$ 2,189
47	1820	Distribution Station Equipment <50 kV		\$ 567,599	\$ 15,000		\$ 582,599	-\$ 328,561	-\$ 9,856		-\$ 338,417	\$ 244,182
47	1825	Storage Battery Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures		\$ 2,787,996	\$ 129,488		\$ 2,917,484	-\$ 1,194,138	-\$ 49,433		-\$ 1,243,571	\$ 1,673,913
47	1835	Overhead Conductors & Devices		\$ 1,877,806	\$ 129,488		\$ 2,007,294	-\$ 992,307	-\$ 28,245		-\$ 1,020,552	\$ 986,743
47	1840	Underground Conduit		\$ 186,674			\$ 186,674	-\$ 166,063	-\$ 862		-\$ 166,925	\$ 19,749
47	1845	Underground Conductors & Devices		\$ 3,690			\$ 3,690	-\$ 1,278	-\$ 73		-\$ 1,351	\$ 2,339
47	1850	Line Transformers		\$ 749,129	\$ 112,000		\$ 861,129	-\$ 352,642	-\$ 13,037		-\$ 365,679	\$ 495,450
47	1855	Services (Overhead & Underground)		\$ 0	\$ -		\$ 0	\$ -			\$ -	\$ 0
47	1860	Meters		\$ 31,278	\$ 28,775		\$ 60,053	-\$ 9,093	-\$ 14,053		-\$ 23,146	\$ 36,907
47	1860	Meters (Smart Meters)		\$ -	\$ 1,061,720		\$ 1,061,720	\$ -	-\$ 87,601		-\$ 87,601	\$ 974,119
N/A	1905	Land		\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures		\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements		\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)		\$ 17,607			\$ 17,607	-\$ 20,677	-\$ 436		-\$ 21,113	-\$ 3,506
8	1915	Office Furniture & Equipment (5 years)		\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware		\$ -			\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		\$ -			\$ -	\$ -			\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$ 91,507	\$ 38,169		\$ 129,676	-\$ 76,521	-\$ 25,520		-\$ 102,041	\$ 27,635
10	1930	Transportation Equipment		\$ 1,421,081	\$ 262,000		\$ 1,683,081	-\$ 525,514	-\$ 218,751		-\$ 744,265	\$ 938,816
8	1935	Stores Equipment		\$ 680			\$ 680	-\$ 706	\$ -		-\$ 706	-\$ 26
8	1940	Tools, Shop & Garage Equipment		\$ 192,397	\$ 24,100		\$ 216,497	-\$ 114,559	-\$ 35,410		-\$ 149,969	\$ 66,528
8	1945	Measurement & Testing Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment		\$ 4,638			\$ 4,638	-\$ 2,662	-\$ 791		-\$ 3,453	\$ 1,185
8	1955	Communication Equipment (Smart Meters)		\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment		\$ 6,603	\$ 751		\$ 7,354	-\$ 3,961	-\$ 1,860		-\$ 5,821	\$ 1,533
47	1975	Load Management Controls Utility Premises		\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets - WIP Smart Meters		\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants		\$ -			\$ -	\$ -			\$ -	\$ -
	etc.			\$ -			\$ -	\$ -			\$ -	\$ -
		Total		\$ 8,695,701	\$ 1,847,088	\$ -	\$ 10,542,789	-\$ 3,938,570	-\$ 538,429	\$ -	-\$ 4,476,999	\$ 6,065,790

Note 1

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
 Transportation -\$ 218,751
 Stores Equipment
Net Depreciation -\$ 319,678

Note 1 Services acct 1855 included in Acct 1835 and 1840

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
- The "CCA Class" for fixed assets should agree with the CCA Class used for tax purposes in Tax Returns. Fixed Assets sub-components may be used where the underlying asset components are classified under multiple CCA Classes for tax purposes. If an applicant uses any different classes from those shown in the table, an explanation should be provided. (also see note 3 below).
- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- The depreciation column (D) is not required as the relevant information will be provided in the following 2-C series of appendices.



Revenue Requirement Workform

Rate Base and Working Capital

Rate Base

Line No.	Particulars		Initial Application	Adjustments	Supplementary Interrogatory Responses	Adjustments	Per Board Decision
1	Gross Fixed Assets (average) (3)		\$6,254,922	\$3,364,323	\$9,619,245	\$ -	\$9,619,245
2	Accumulated Depreciation (average) (3)		(\$633,774)	(\$3,574,013)	(\$4,207,786)	\$ -	(\$4,207,786)
3	Net Fixed Assets (average) (3)		\$5,621,149	(\$209,690)	\$5,411,459	\$ -	\$5,411,459
4	Allowance for Working Capital (1)		\$1,927,457	(\$14,830)	\$1,912,627	\$ -	\$1,912,627
5	Total Rate Base		\$7,548,605	(\$224,520)	\$7,324,086	\$ -	\$7,324,086

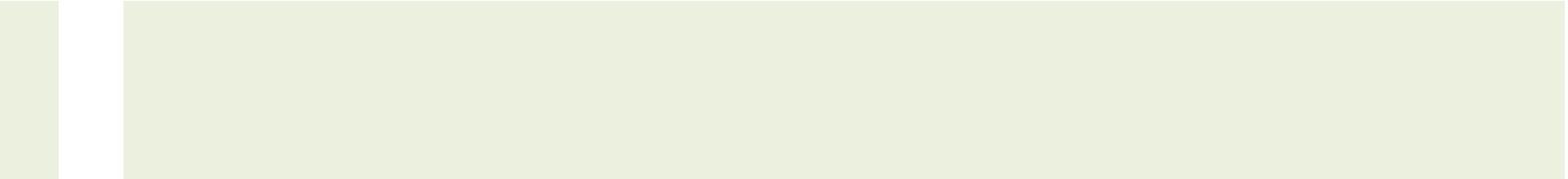
Allowance for Working Capital - Derivation

(1)

6	Controllable Expenses		\$2,484,371	\$734	\$2,485,105	\$ -	\$2,485,105
7	Cost of Power		\$12,342,221	(\$114,809)	\$12,227,411	\$ -	\$12,227,411
8	Working Capital Base		\$14,826,592	(\$114,075)	\$14,712,516	\$ -	\$14,712,516
9	Working Capital Rate % (2)		13.00%	0.00%	13.00%	0.00%	13.00%
10	Working Capital Allowance		\$1,927,457	(\$14,830)	\$1,912,627	\$ -	\$1,912,627

Notes

- (2) Some Applicants may have a unique rate as a result of a lead-lag study. **Default rate for 2013 cost of service applications is 13%.**
- (3) Average of opening and closing balances for the year.





File Number:EB-2012-0153

Tab: 5
Schedule: 1

Date Filed: April 24, 2013

Attachment 2 of 2

9.0-Staff-49s f ii) response



Revenue Requirement Workform

Revenue Requirement

Line No.	Particulars	Application	Supplementary Interrogatory Responses	Per Board Decision
1	OM&A Expenses	\$2,484,371	\$2,485,105	\$2,485,105
2	Amortization/Depreciation	\$285,259	\$319,679	\$319,679
3	Property Taxes	\$ -		
5	Income Taxes (Grossed up)	\$26,245	\$27,156	\$27,156
6	Other Expenses	\$ -		
7	Return			
	Deemed Interest Expense	\$164,801	\$159,870	\$159,899
	Return on Deemed Equity	\$275,373	\$263,081	\$267,183
	Adjustment to Return on Rate Base associated with Deferred PP&E balance as a result of transition from CGAAP to MIFRS	(\$6,825)	\$ -	\$ -
8	Service Revenue Requirement (before Revenues)	<u>\$3,229,224</u>	<u>\$3,254,891</u>	<u>\$3,259,022</u>
9	Revenue Offsets	\$240,798	\$240,798	\$ -
10	Base Revenue Requirement (excluding Transformer Ownership Allowance credit adjustment)	<u>\$2,988,426</u>	<u>\$3,014,093</u>	<u>\$3,259,022</u>
11	Distribution revenue	\$2,988,426	\$3,014,093	\$3,014,093
12	Other revenue	\$240,798	\$240,798	\$240,798
13	Total revenue	<u>\$3,229,224</u>	<u>\$3,254,891</u>	<u>\$3,254,891</u>
14	Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)	<u>\$ -</u>	<u>\$ -</u>	<u>(\$4,131)</u>

Notes

(1) Line 11 - Line 8

Appendix 2-B
Fixed Asset Continuity Schedule
 CGAAP
 Year 2013 Test Year

CCA Class	OEB	Description	Depreciation Rate	Cost			Accumulated Depreciation				Net Book Value	
				Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Additions	Disposals		Closing Balance
12	1611	Computer Software (Formally known as Account 1925)		\$ 159,158	\$ 21,743		\$ 180,901	-\$ 90,357	-\$ 31,539		-\$ 121,896	\$ 59,005
CEC	1612	Land Rights (Formally known as Account 1906)		\$ -			\$ -	\$ -			\$ -	\$ -
N/A	1805	Land		\$ 87,700			\$ 87,700	\$ -			\$ -	\$ 87,700
47	1808	Buildings		\$ 501,822	\$ 23,854		\$ 525,676	-\$ 54,914	-\$ 19,904		-\$ 74,818	\$ 450,858
13	1810	Leasehold Improvements		\$ 4,692			\$ 4,692	-\$ 3,283	-\$ 938		-\$ 4,221	\$ 471
47	1815	Transformer Station Equipment >50 kV		\$ 3,644			\$ 3,644	-\$ 1,334	-\$ 121		-\$ 1,455	\$ 2,189
47	1820	Distribution Station Equipment <50 kV		\$ 567,599	\$ 15,000		\$ 582,599	-\$ 328,561	-\$ 9,856		-\$ 338,417	\$ 244,182
47	1825	Storage Battery Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1830	Poles, Towers & Fixtures		\$ 2,787,996	\$ 129,488		\$ 2,917,484	-\$ 1,194,138	-\$ 49,433		-\$ 1,243,571	\$ 1,673,913
47	1835	Overhead Conductors & Devices		\$ 1,877,806	\$ 129,488		\$ 2,007,294	-\$ 992,307	-\$ 28,245		-\$ 1,020,552	\$ 986,743
47	1840	Underground Conduit		\$ 186,674			\$ 186,674	-\$ 166,063	-\$ 862		-\$ 166,925	\$ 19,749
47	1845	Underground Conductors & Devices		\$ 3,690			\$ 3,690	-\$ 1,278	-\$ 73		-\$ 1,351	\$ 2,339
47	1850	Line Transformers		\$ 749,129	\$ 112,000		\$ 861,129	-\$ 352,642	-\$ 13,037		-\$ 365,679	\$ 495,450
47	1855	Services (Overhead & Underground)		\$ 0	\$ -		\$ 0	\$ -			\$ -	\$ 0
47	1860	Meters		\$ 31,278	\$ 28,775		\$ 60,053	-\$ 9,093	-\$ 14,053		-\$ 23,146	\$ 36,907
47	1860	Meters (Smart Meters)		\$ -	\$ 1,061,720		\$ 1,061,720	\$ -	-\$ 87,601		-\$ 87,601	\$ 974,119
N/A	1905	Land		\$ -			\$ -	\$ -			\$ -	\$ -
47	1908	Buildings & Fixtures		\$ -			\$ -	\$ -			\$ -	\$ -
13	1910	Leasehold Improvements		\$ -			\$ -	\$ -			\$ -	\$ -
8	1915	Office Furniture & Equipment (10 years)		\$ 17,607			\$ 17,607	-\$ 20,677	-\$ 436		-\$ 21,113	-\$ 3,506
8	1915	Office Furniture & Equipment (5 years)		\$ -			\$ -	\$ -			\$ -	\$ -
10	1920	Computer Equipment - Hardware		\$ -			\$ -	\$ -			\$ -	\$ -
45	1920	Computer Equip.-Hardware(Post Mar. 22/04)		\$ -			\$ -	\$ -			\$ -	\$ -
45.1	1920	Computer Equip.-Hardware(Post Mar. 19/07)		\$ 91,507	\$ 38,169		\$ 129,676	-\$ 76,521	-\$ 25,520		-\$ 102,041	\$ 27,635
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8	1935	Stores Equipment		\$ 680			\$ 680	-\$ 706	\$ -		-\$ 706	-\$ 26
8	1940	Tools, Shop & Garage Equipment		\$ 192,397	\$ 24,100		\$ 216,497	-\$ 114,559	-\$ 35,410		-\$ 149,969	\$ 66,528
8	1945	Measurement & Testing Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
8	1950	Power Operated Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
8	1955	Communications Equipment		\$ 4,638			\$ 4,638	-\$ 2,662	-\$ 791		-\$ 3,453	\$ 1,185
8	1955	Communication Equipment (Smart Meters)		\$ -			\$ -	\$ -			\$ -	\$ -
8	1960	Miscellaneous Equipment		\$ 6,603	\$ 751		\$ 7,354	-\$ 3,961	-\$ 1,860		-\$ 5,821	\$ 1,533
47	1975	Load Management Controls Utility Premises		\$ -			\$ -	\$ -			\$ -	\$ -
47	1980	System Supervisor Equipment		\$ -			\$ -	\$ -			\$ -	\$ -
47	1985	Miscellaneous Fixed Assets - WIP Smart Meters		\$ -			\$ -	\$ -			\$ -	\$ -
47	1995	Contributions & Grants		\$ -			\$ -	\$ -			\$ -	\$ -
	etc.			\$ -			\$ -	\$ -			\$ -	\$ -
		Total		\$ 8,695,701	\$ 1,847,088	\$ -	\$ 10,542,789	-\$ 3,938,570	-\$ 538,429	\$ -	-\$ 4,476,999	\$ 6,065,790

Note 1

10	Transportation
8	Stores Equipment

Less: Fully Allocated Depreciation
 Transportation -\$ 218,751
 Stores Equipment
Net Depreciation -\$ 319,678

Note 1 Services acct 1855 included in Acct 1835 and 1840

Notes:

- Tables in the format outlined above covering all fixed asset accounts should be submitted for the Test Year, Bridge Year and all relevant historical years. At a minimum, the applicant must provide data for the earlier of: 1) all historical years back to its last rebasing; or 2) at least three years of historical actuals, in addition to Bridge Year and Test Year forecasts.
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- The table may need to be customized for a utility's asset categories or for any new asset accounts announced or authorized by the Board.
- The depreciation column (D) is not required as the relevant information will be provided in the following 2-C series of appendices.

File Number: EB-2012-0153

Exhibit:

Tab:

Schedule:

Page:

Date:

**Appendix 2-EB
IFRS-CGAAP Transitional PP&E Amounts
2013 Adopters of IFRS for Financial Reporting Purposes**

For applicants that adopt IFRS on **January 1, 2013** for financial reporting purposes

Note: this sheet should be filled out if the applicant adopts IFRS for its financial reporting purpose as of January 1, 2013.

Reporting Basis	2009				2013			
	Rebasing Year	2010	2011	2012	Rebasing Year	2014	2015	2016
Forecast vs. Actual Used in Rebasing Year	CGAAP	IRM	IRM	IRM	MIFRS	IRM	IRM	IRM
	Forecast	Actual	Actual	Forecast	Forecast			
			\$	\$	\$	\$	\$	\$
PP&E Values under CGAAP								
Opening net PP&E - Note 1				4,397,074				
Additions				830,296				
Depreciation (amounts should be negative)				-470,239				
Closing net PP&E (1)				4,757,131				

PP&E Values under MIFRS (Starts from 2012, the transition year)

Opening net PP&E - Note 1				4,397,074				
Additions				830,296				
Depreciation (amounts should be negative)				-470,239				
Closing net PP&E (2)				4,757,131				

Difference in Closing net PP&E, CGAAP vs. MIFRS (Shown as adjustment to rate base on rebasing)				0				
---	--	--	--	---	--	--	--	--

Account 1575 - IFRS-CGAAP Transitional PP&E Amounts

Opening balance				0	0	0	0	0
Amounts added in the year				0				
Sub-total				0	0	0	0	0
Amount of amortization, included in depreciation expense - Note 2					0	0	0	0
Closing balance in deferral account				0	0	0	0	0

Effect on Revenue Requirement

Amortization of deferred balance as above - Note 2	0	WACC	5.83%
Return on Rate Base Associated with deferred PP&E balance at WACC - Note 3	0	Disposition Period - Note 4	4 Years
Amount included in Revenue Requirement on rebasing	0		

Notes:

- For an applicant that adopts IFRS on January 1, 2013, the PP&E values as of January 1, 2012 under both CGAAP and MIFRS should be the same.
- Amortization of the deferred balance in Account 1575 will start from the rebasing year.
Assume the utility requests for a certain disposition period, the amortization that should be included in the depreciation expense is calculated as:
the opening balance of Account 1575 / the approved disposition period
- Return on rate base associated with deferred balance is calculated as:
the deferred account opening balance as of 2013 rebasing year x WACC
* Please note that the calculation should be adjusted once WACC is updated and finalized in the rate application.
- Consistent with the 4 year normal rate cycle, the model is using a 4 year amortization period as a default selection to "clear" the PP&E deferral account through a one-time adjustment to ratebase to capture and remove the impact of the accounting policy changes as caused by the transition from CGAAP to MIFRS.