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December 18, 2013

signed original to follow by courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge Street, 27th floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Toronto Hydro-Electric System Limited (“THESL”)
OEB File No. EB-2012-0064 (the “Application”)
Settlement Proposal**

THESL writes in respect of the above-noted matter.

The parties to the settlement conference convened in this matter on December 5th and 6th, 2013 (“the parties”) have arrived at a complete settlement of the issues in Phase 2 of this proceeding. Pursuant to the OEB’s Procedural Order No. 9, dated December 13th, 2013, please find enclosed the settlement proposal agreed to by the parties.

The parties intend to appear before the OEB to present the settlement proposal tomorrow, December 19th at 9:30 am, as stipulated in the Procedural Order.

Should you have any questions or require additional information, please do not hesitate to contact me.

Yours truly,

[original signed by]

Rob Barrass
Lead Regulatory Counsel
Toronto Hydro-Electric System Limited
regulatoryaffairs@torontohydro.com

:RB

cc: Fred Cass of Aird & Berlis LLP, Counsel for THESL

SETTLEMENT AGREEMENT

TORONTO HYDRO-ELECTRIC SYSTEM LIMITED 2014 ELECTRICITY DISTRIBUTION RATES EB-2012-0064, PHASE 2

December 18, 2013

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PREAMBLE AND OVERVIEW

This Settlement Agreement is filed with the Ontario Energy Board (the Board or OEB) in connection with the application of Toronto Hydro-Electric System Limited (THESL) for an order fixing electricity distribution rates for 2014, effective May 1, 2014. THESL's application for electricity distribution rates for 2014 is Phase 2 of OEB proceeding EB-2012-0064, and is made under the OEB's Incentive Rate Mechanism (IRM) and Incremental Capital Module (ICM) framework.

Previously in Phase 1 of the proceeding, the OEB issued a Partial Decision and Order dated April 2, 2013 ("Phase 1 Decision"), and Decision and Rate Order dated May 9, 2013 ("Phase 1 Rate Order").

In its Issues List Decision and Procedural Order No. 7 for EB-2012-0064, the OEB approved a Final Phase 2 Issues List and established a process for interrogatories, as well as for intervenors to state their intentions with regard to the filing of evidence. In Procedural Order No. 8, the OEB made provision for a Technical Conference, a Settlement Conference and an oral hearing. The Settlement Conference was held on December 5 and 6, 2013 and this Settlement Agreement arises from the Settlement Conference. There was no external facilitator.

THESL and the following intervenors (the "Intervenors"), as well as OEB staff ("Board Staff"), participated in the Settlement Conference:

ASSOCIATION OF MAJOR POWER CONSUMERS IN ONTARIO (AMPCO)
BUILDING OWNERS AND MANAGERS ASSOCIATION TORONTO (BOMA)
CONSUMERS COUNCIL OF CANADA (CCC)
ENERGY PROBE RESEARCH FOUNDATION (Energy Probe)
SCHOOL ENERGY COALITION (SEC)
VULNERABLE ENERGY CONSUMERS COALITION (VECC)

The role of Board staff in the Settlement Conference is set out in page 5 of the Board's *Settlement Conference Guidelines* (the Guidelines).¹ Specifically, Board staff presented options for the consideration of the parties and advised on Board policy as required. Board staff is not a party to this Agreement, as noted in the Guidelines, Board staff who did participate in the Settlement Conference are bound by the same confidentiality standards that apply to the parties to the proceeding. No other intervenors in the proceeding took part in the Settlement Conference and, as such, they take no position on the issues in this Settlement Agreement.

Any reference to "parties" in this Settlement Agreement is intended to refer to THESL and the Intervenors.

¹ Ontario Energy Board *Settlement Conference Guidelines*, page 3.

THESL and the Intervenors have agreed upon a complete settlement of the Phase 2 issues, as described under the heading “The Issues”, below. The description of each issue assumes that all parties participated in the negotiation of the issue, and all parties agreed to the terms of settlement of that issue, unless specifically noted otherwise.

The Settlement Agreement describes the agreements reached on the issues and provides a direct link between each settled issue and the supporting evidence in the record. Appendices have been annexed to this Agreement to supplement the evidence in the Application and the interrogatories. All references in this Agreement to the evidence include the Appendices. The Appendices were prepared by the Applicant. The Intervenors have relied on the accuracy and completeness of the Appendices in entering into this Agreement.

The parties are of the view that the evidence provided is sufficient to support the Settlement Agreement in relation to the settled issues and, moreover, that the quality and detail of the supporting evidence, together with the corresponding rationale, will allow the OEB to make findings agreeing with the proposed resolution of the settled issues. In the event that the OEB does not accept the proposed settlement of any issue, then subject to the parties’ agreement on non-severability set out in the penultimate paragraph below, further evidence may be offered on such issue to assist the OEB in considering it further.

Unless otherwise expressly stated in this Agreement, the agreement by the parties to the settlement of each issue shall be interpreted as being for the purposes of settlement only, and not a statement of principle applicable in any other situation. The parties determined their positions on each issue in this Agreement with the intention of optimizing the overall settlement in the public interest within the context of the specific circumstances applicable to THESL for 2014 and any related years. Where, if at all, the parties have agreed that a particular principle should be applicable generally, this Agreement so states expressly.

Finally, unless stated otherwise, a settlement of any particular issue in this proceeding is without prejudice to the positions parties might take with respect to the same issue in future proceedings, excluding the true-up portion of THESL’s next rebasing application, unless explicitly stated otherwise (this paragraph being referred to herein as “the scope clause”)

For greater certainty, except with respect to a) true-up of the revenue requirement for actual 2013 and 2014 in-service additions relative to the ICM amounts collected; b) inclusion of 2014 in-service additions in 2015 opening rate base; and c) the fact that the ICM work segments proposed in the 2014 work plan are consistent with the ICM work segments approved by the Board in the Phase 1 Decision, all in accordance with this Agreement, nothing in this Agreement shall be construed as limiting the positions parties can take in THESL’s 2015 and subsequent rate cases.

According to the Guidelines, the parties must consider whether a settlement proposal should include an appropriate adjustment mechanism for any settled issue that may be

affected by external factors. The parties consider that no settled issue requires an adjustment mechanism.

None of the parties can withdraw from the Settlement Agreement except in accordance with Rule 32 of the *Ontario Energy Board Rules of Practice and Procedure*.

The Settlement Conference and this Settlement Agreement are subject to the confidentiality provisions of the Guidelines. The parties agree that all positions, negotiations and discussions of any kind whatsoever that took place during the Settlement Conference and all documents exchanged during the conference that were prepared to facilitate settlement discussions are strictly confidential and without prejudice, and inadmissible except to the extent that any document or information is: a) filed with the Board or otherwise made public by or with the consent of the party who provided it; or b) relevant to the resolution of any ambiguity that subsequently arises with respect to the interpretation of any provision of this Settlement Agreement.

The parties explicitly request that the Board consider and accept this Agreement as a package. None of the matters in respect of which a settlement has been reached is severable. Numerous compromises were made by the parties with respect to various matters to arrive at this comprehensive Agreement. The distinct issues addressed in this Agreement are intricately interrelated, and reductions or increases to the agreed-upon amounts may have financial consequences in other areas of this proposal which may be unacceptable to one or more of the parties. If the Board does not accept the Agreement in its entirety, then there is no Agreement unless the parties agree that those portions of the Agreement that the Board does accept may continue as a valid settlement.

The complete settlement of all Phase 2 issues reached by the parties is set out below under headings that correspond with the Final Phase 2 Issues List approved by the OEB.

THE ISSUES

1. Is THESL's interpretation of the Phase 1 Partial Decision and Order of April 2, 2013 appropriate as it relates to Phase 2 of this proceeding?

COMPLETE SETTLEMENT

There is agreement with THESL's interpretation of the Phase 1 Decision only as expressly set out under the Issues below and any interpretation by THESL that is not so expressed is not agreed to by the Intervenors. However, all parties agree that, in view of the complete settlement set out in this Settlement Agreement, it is not necessary to reach a general agreement on this Issue.

2. Are the IRM Model filings by THESL, including the tax sharing proposals for 2014, in accordance with the Board's requirements and, if not, are any proposed departures adequately justified?

COMPLETE SETTLEMENT

THESL proposed the standard IRM adjustments to its base rates for the 2014 rate year, in accordance with the OEB's 3rd Generation IRM framework.² All parties agree that THESL apply IRM adjustments (inflation, productivity, and stretch factors) to its base rates using the OEB's 4th Generation IRM framework³ in making standard adjustments to its base rates for the 2014 rate year. Attached to this Agreement as Appendix A are THESL's IRM models reflecting the updated inflation, productivity and stretch factor parameters. Subject to Issue 5, the parties accept the attached IRM Model filings by THESL .

Effective May 1, 2014, THESL shall implement 2014 base rates pursuant to the IRM Model, a 2014 shared tax savings rider, and 2014 retail transmission service rates.

THESL agrees to evaluate options to measure or estimate actual line losses and the impacts on Account 1588 balances in accordance with the Accounting Procedures Handbook. THESL will file the results in its application for 2015 rates.

² Tab 9, Schedule 1, page 8.

³ Ontario Energy Board *Filing Requirements for Electricity Distribution Rate Applications*, Chapter 3, 4th Generation Incentive Rate-setting and Annual Incentive Rate-setting Index, July 17, 2013.

3. Is THESL's application of the ICM criteria appropriate?

COMPLETE SETTLEMENT

THESL had calculated the materiality threshold for the proposed 2014 ICM in-service capital to be approximately \$163.8 million,⁴ using the same growth factor as was used for the threshold calculation for Phase 1 of this proceeding.⁵ All parties agree that the threshold will be calculated based on an updated growth variable and with updated inflation, productivity, and stretch factors in accordance with the Report of the Board in EB-2013-0379 dated November 21, 2013 (corrected December 4, 2013). The updated growth variable is 0.83%, which is derived from the increase in 2012 Actual Revenues (\$532,388,975) over 2011 Re-Based Forecast Revenues (\$528,018,642).⁶ The updated inflation factor is 1.7%, the updated productivity factor is 0.0%, and the updated stretch factor is 0.6%. With the updated parameters, the ICM materiality threshold for 2014 in-service capital is \$211.1 million.⁷ The full calculation by THESL of the ICM materiality threshold is attached as Appendix B.

With respect to all other aspects of the ICM criteria, see Issue 5 below.

Further, THESL agrees that it will provide a seminar or similar session on the structure and use of its Feeder Investment Model to intervenors registered in this proceeding prior to the filing of THESL's 2015 rates application.

4. Is THESL's interpretation of the ICM Monitoring and Tracking Requirements accurate?

COMPLETE SETTLEMENT

Parties accept THESL's interpretation of the ICM Monitoring and Tracking requirements set out in the Phase 1 Decision, and Phase 1 Rate Order. All parties agree that THESL shall monitor and track work within ICM segments in the manner proposed.⁸ For greater certainty, parties accept THESL's interpretation of the Board's expectations about the type of financial accounting tracking that is required, but do not accept at this time the definition of the underlying terms. As an example, parties do not accept THESL's definition of "in-service additions". Parties agree that this is an issue more appropriately dealt with at true-up and that this issue need not be resolved at this time in order to settle Issue 4.

⁴ Tab 9, Schedule 1, pages 6-7; Tab 9, Schedule D1, page 11.

⁵ Tab 9, Schedule D1, page 10.

⁶ Tab 10B, Schedule 1-4, Response to Board Staff interrogatory 4, part b).

⁷ Tab 10B, Schedule 1-4, Response to Board Staff interrogatory 4, part b).

⁸ Phase 1 DRO Decision, Accounting Order, page 3; 2014 Update Manager's Summary, pages 8-11.

Further, parties agree that THESL shall use its best efforts to track any assets taken out of service before the end of their useful lives associated with the completion of ICM work segments approved in Phase 2 of this proceeding.

5. Are THESL's proposed 2014 ICM Rate Riders, comprised of approved 2012 and 2013 expenditures and proposed 2014 expenditures, appropriate?

COMPLETE SETTLEMENT

For the purpose of achieving a complete settlement of all issues in this proceeding, THESL agrees that there will be no new 2014 ICM rate rider and that, insofar as true-up is concerned, the 2014 rate rider amount will be set at zero.

THESL's proposed 2014 in-service capital, including both ICM projects and THESL's Normal Capital Budget, was forecast to be approximately \$528.7 million.⁹ Based on the originally proposed ICM materiality threshold, the total amount proposed for ICM approval for 2014 in-service capital was approximately \$364.9 million (\$528.7 million less the threshold calculated as \$163.8 million).¹⁰ As set out under Issue 3, above, the parties accept THESL's calculation of the ICM materiality threshold for 2014 as \$211.1 million.

Notwithstanding the scope clause, all parties accept THESL's evidence that its 2014 ICM work segments are consistent with the segments approved by the Board in the Phase 1 Decision.

THESL's current intention is to bring \$528.7 million of capital into service in 2014 (in addition to 2014 capital in-service deferred from 2013 and dealt with in the Phase 1 Decision), made up of:

- a) Capital within the threshold - \$211.1million;
- b) Copeland TS - \$184.1 million;
- c) All other capital in excess of the threshold - \$133.5 million.

Notwithstanding the scope clause, the parties agree that, to the extent that THESL brings these capital projects, segments and jobs into service in 2014, THESL's recovery of its 2014 revenue requirement with respect to those in-service additions, including any variances, will be dealt with through the true-up mechanism at THESL's next rebasing.

At true-up, parties are free to take any position that they feel is appropriate with respect to the prudence of any variances in the amount of THESL's spending on any specific

⁹ Tab 9, Schedule 1, page 14, Table 1; Tab 9, Schedule A1, page 1. Excluding carryovers from 2013.

¹⁰ Tab 9, Schedule D4, page 1.

project, segment or job, subject to the Board's guidance in the Phase 1 Decision and Phase 1 Rate Order.

Based on THESL's most recent estimates, capital projects brought in-service in excess of the threshold in 2013 will be less than the amount included by the Board in the Phase 1 Decision in the calculation of the 2013 ICM rate rider.¹¹ The capital projects that do not come into service in 2013 are expected to be brought into service in 2014 instead. The effect of this will be adjusted through the true-up mechanism so as to make sure both ratepayers and THESL are made whole as if the revenue requirement for these additions had been calculated on a cost of service basis following the Board's ICM policies.

There is no agreement among the parties on what a reasonable amount of capital in-service additions would be in any future year for THESL and, notwithstanding any other provision of this Agreement, nothing in this Agreement shall be interpreted as agreement or acceptance by the Intervenor that either \$528.7 million of capital in-service additions (including the Copeland TS), or \$344.6 million of capital in-service additions (not including the Copeland TS), is a reasonable level for THESL. The Intervenor is of the view that, given the approvals by the Board in Phase 1, 2014 is an unusual case which may not be repeatable in the future. THESL does not agree with this position of the Intervenor, but, in view of the complete settlement set out in this Settlement Agreement, it is not necessary to reach a general agreement on this position taken by Intervenor.

6. Are THESL's proposals relating to rate implementation, including the disposition of the smart meter accounts, currently before the Board as a stand-alone application, appropriate for the year 2014?

COMPLETE SETTLEMENT

As set out under Issue 5, above, all parties agree that there will be no new incremental 2014 ICM rate riders for THESL's proposed 2014 in-service capital. Parties accept that the implementation of the rate changes arising from this proceeding for implementation May 1, 2014, which are the standard IRM adjustments as outlined under Issue 2, and the implementation of any smart meter clearance rate riders that may be determined separately by the OEB as part of the EB-2013-0287 proceeding, which are also proposed for implementation May 1, 2014, will be at the discretion of the OEB panels hearing these two proceedings.

¹¹ Undertaking JT 3.8

7. For proposed capital projects which have changed significantly since Phase 1 of this proceeding, has THESL provided sufficient evidence including consultant reports, business cases and consideration of alternatives, to adequately justify them?

COMPLETE SETTLEMENT

Settled as part of Issue 5.

Listing of Appendices

Appendix A: 2014 IRM Models

Appendix B: 2014 ICM Materiality Threshold

Appendix C: 2014 ICM Workforms (Copeland TS)

Appendix D: 2014 ICM Workforms (Non-Copeland TS)

Appendix E: 2014 Tariff Sheets

Appendix A: 2014 IRM Models



V1.4

 Ontario Energy Board
**3RD Generation Incentive
Regulation Model**

Choose Your Utility:
Toronto Hydro-Electric System Limited
Wasaga Distribution Inc.

Application Type: IRM3
OEB Application #: EB-2011-0144
LDC Licence #: ED-2002-0497

Application Contact Information

Name: Anthony Lam
Title: Economist
Phone Number: 416 542 2876
Email Address: alam@torontohydro.com

We are applying for rates effective:

Please indicate the version of Microsoft Excel that you are currently using: Excel 2007

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION FIELD

Copyright

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

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.



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Select the appropriate rate classes as they appear on your most recent Board-Approved Tariff of Rates and Charges.
Note: The microFIT class does not exist in the drop-down menu below as it will automatically be inserted into your proposed Tariff Schedule.

Rate Class
Residential
Residential Urban
General Service Less Than 50 kW
General Service 50 to 999 kW
General Service 1,000 to 4,999 kW
Large Use > 5000 kW
Standby - General Service 50 - 1,000 kW
Standby - General Service 1,000 - 5,000 kW
Standby - Large Use
Unmetered Scattered Load
Street Lighting
Sentinel Lighting
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class
Choose Rate Class



Toronto Hydro-Electric System Limited - EB-2011-0144

Please note that unlike the Distribution Volumetric Rates, which will be entered in the following two tabs, all current Monthly Fixed Charges, including the base charges, must be entered on this tab. Please enter the descriptions of the current Monthly Fix Charges exactly as they appear on your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct class exactly as it appears on the tariff. Once a description is selected or entered into the green cells, the input cells for the "Unit", "Amount", and "Effective Date" will appear. Please note that the base Monthly Fixed Charge is identified in the drop-down list as a "Service Charge" to coincide with the description on the tariff. Please do not enter more than one "Service Charge" for each class for which a base monthly fixed charge applies. **Note: Do not enter Standard Supply Service Rate. The rate will appear automatically on the final Tariff of Rates and Charges.

Rate Description	Unit	Amount	Effective Until Date
Residential			
Service Charge (Based on 30 day month)	\$	18.43	April 30, 2015
Smart Meter Funding Adder	\$	0.68	April 30, 2015
Rate Rider for Foregone Revenue Recovery	\$	0.07	April 30, 2015
Rate Rider for Smart Metering Entity Charge	\$	0.78	October 31, 2018
Rate Rider for Recovery of Incremental Capital Module Costs	\$	0.73	April 30, 2015
Residential Urban			
Service Charge (Based on 30 day month)	\$	17.16	April 30, 2015
Smart Meter Funding Adder	\$	0.68	April 30, 2015
Rate Rider for Foregone Revenue Recovery	\$	0.06	April 30, 2015
Rate Rider for Smart Metering Entity Charge	\$	0.78	October 31, 2018
Rate Rider for Recovery of Incremental Capital Module Costs	\$	0.68	April 30, 2015
General Service Less Than 50 kW			
Service Charge (Based on 30 day month)	\$	24.53	April 30, 2015
Smart Meter Funding Adder	\$	0.68	April 30, 2015
Rate Rider for Foregone Revenue Recovery	\$	0.09	April 30, 2015
Rate Rider for Smart Metering Entity Charge	\$	0.78	October 31, 2018
Rate Rider for Recovery of Incremental Capital Module Costs	\$	0.97	April 30, 2015
General Service 50 to 999 kW			
Service Charge (Based on 30 day month)	\$	35.90	April 30, 2015
Smart Meter Funding Adder	\$	0.68	April 30, 2015
Rate Rider for Foregone Revenue Recovery	\$	0.13	April 30, 2015
Rate Rider for Recovery of Incremental Capital Module Costs	\$	1.42	April 30, 2015
General Service 1,000 to 4,999 kW			
Service Charge (Based on 30 day month)	\$	693.06	April 30, 2015
Smart Meter Funding Adder	\$	0.68	April 30, 2015
Rate Rider for Foregone Revenue Recovery	\$	2.49	April 30, 2015
Rate Rider for Recovery of Incremental Capital Module Costs	\$	27.34	April 30, 2015
Large Use > 5000 kW			
Service Charge (Based on 30 day month)	\$	3038.05	April 30, 2015
Smart Meter Funding Adder	\$	0.68	April 30, 2015
Rate Rider for Foregone Revenue Recovery	\$	10.90	April 30, 2015

Rate Rider for Recovery of Incremental Capital Module Costs	\$	119.83	April 30, 2015
Unmetered Scattered Load			
Service Charge (Based on 30 day month)	\$	4.89	April 30, 2015
Rate Rider for Foregone Revenue Recovery	\$	0.02	April 30, 2015
Rate Rider for Recovery of Forgone Revenue (per connection)	\$	0.19	April 30, 2015
Rate Rider for Recovery of Incremental Capital Module Costs	\$	0.00	April 30, 2015
Rate Rider for Recovery of Incremental Capital Module Costs (per connection)	\$	0.02	April 30, 2015
Sentinel Lighting			
Service Charge (per connection)	\$	0.49	April 30, 2015
Street Lighting			
Service Charge (Based on 30 day month)	\$	1.31	April 30, 2015
Rate Rider for Foregone Revenue Recovery	\$	0.00	April 30, 2015
Rate Rider for Recovery of Incremental Capital Module Costs	\$	0.05	April 30, 2015
Standby - General Service 50 - 1,000 kW			
Service Charge (Based on 30 day month)	\$	199.81	April 30, 2015
Standby - General Service 1,000 - 5,000 kW			
Service Charge (Based on 30 day month)	\$	199.81	April 30, 2015
Standby - Large Use			
Service Charge (Based on 30 day month)	\$	199.81	April 30, 2015



Toronto Hydro-Electric System Limited - EB-2011-0144

For each class, please enter the base Distribution Volumetric Rates ("DVR") from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus and input cells in columns labeled "Unit" and "Amount".

Rate Description	Unit	Amount
Residential	\$/kWh	0.01521
Residential Urban	\$/kWh	0.02589
General Service Less Than 50 kW	\$/kWh	0.02268
General Service 50 to 999 kW	\$/kVA	5.64950
General Service 1,000 to 4,999 kW	\$/kVA	4.49250
Large Use > 5000 kW	\$/kVA	4.78620
Unmetered Scattered Load	\$/kWh	0.06128
Sentinel Lighting		
Street Lighting	\$/kVA	29.00110
Standby - General Service 50 - 1,000 kW	\$/kVA	5.64950
Standby - General Service 1,000 - 5,000 kW	\$/kVA	4.49250
Standby - Large Use	\$/kVA	4.78620



Ontario Energy Board

**3RD Generation Incentive
 Regulation Model**

Toronto Hydro-Electric System Limited - EB-2011-0144

Please enter the descriptions of all other current Variable Rates, including any applicable low voltage charges, rate riders, rate adders, etc. from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus located under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description of the associated rate in the green cells exactly as it appears on the tariff. Once a description is selected or entered into the green cells, the input cells for the "Unit", "Amount", and "Effective Date" will appear. **Note: Do not enter the WMSR or RRRP Rate below. These rates will appear automatically on the final Tariff of Rates and Charges.

Rate Description	Unit	Amount	Effective Until Date
Residential			
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kWh	(0.00058)	April 30, 2014
Rate Rider for Recovery of Forgone Revenue	\$/kWh	0.00005	April 30, 2015
Rate Rider for Recovery of Incremental Capital Module Costs	\$/kWh	0.00061	April 30, 2015
Rate Rider for Application of Tax Change	\$/kWh	(0.00010)	April 30, 2014
Residential Urban			
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kWh	(0.00065)	April 30, 2014
Rate Rider for Recovery of Forgone Revenue	\$/kWh	0.00009	April 30, 2015
Rate Rider for Recovery of Incremental Capital Module Costs	\$/kWh	0.00103	April 30, 2015
Rate Rider for Application of Tax Change	\$/kWh	(0.00018)	April 30, 2014
General Service Less Than 50 kW			
Rate Rider for Disposition of Deferral/Variance Accounts	\$/kWh	(0.00043)	April 30, 2014
Rate Rider for Recovery of Forgone Revenue	\$/kWh	0.00008	April 30, 2015
Rate Rider for Recovery of Incremental Capital Module Costs	\$/kWh	0.00090	April 30, 2015
Rate Rider for Application of Tax Change	\$/kWh	(0.00007)	April 30, 2014

General Service 50 to 999 kW

Rate Rider for Disposition of Deferral/Variance Accounts	\$/kWh	(0.07400)	April 30, 2014
Rate Rider for Recovery of Forgone Revenue	\$/kWh	0.02020	April 30, 2015
Rate Rider for Recovery of Incremental Capital Module Costs	\$/kWh	0.22250	April 30, 2015
Rate Rider for Application of Tax Change	\$/kWh	(0.01340)	April 30, 2014

General Service 1,000 to 4,999 kW

Rate Rider for Disposition of Deferral/Variance Accounts	\$/kWh	(0.05880)	April 30, 2014
Rate Rider for Recovery of Forgone Revenue	\$/kWh	0.01610	April 30, 2015
Rate Rider for Recovery of Incremental Capital Module Costs	\$/kWh	0.17710	April 30, 2015
Rate Rider for Application of Tax Change	\$/kWh	(0.01130)	April 30, 2014

Large Use > 5000 kW

Rate Rider for Disposition of Deferral/Variance Accounts	\$/kWh	(0.06110)	April 30, 2014
Rate Rider for Recovery of Forgone Revenue	\$/kWh	0.01720	April 30, 2015
Rate Rider for Recovery of Incremental Capital Module Costs	\$/kWh	0.18870	April 30, 2015
Rate Rider for Application of Tax Change	\$/kWh	(0.01180)	April 30, 2014

Unmetered Scattered Load

Rate Rider for Disposition of Deferral/Variance Accounts	\$/kWh	(0.00119)	April 30, 2014
Rate Rider for Recovery of Forgone Revenue	\$/kWh	0.00022	April 30, 2015
Rate Rider for Recovery of Incremental Capital Module Costs	\$/kWh	0.00245	April 30, 2015
Rate Rider for Application of Tax Change	\$/kWh	(0.00015)	April 30, 2014

Sentinel Lighting

The image shows a large rectangular area filled with horizontal bars. The top 15 bars are light blue, and the bottom 4 bars are light green. This appears to be a placeholder for a table or a set of data that has been redacted or is otherwise obscured.



Toronto Hydro-Electric System Limited - EB-2011-0144

Please enter your RTS-Network Rates from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct classes exactly as it appears on the tariff.

Rate Description	Unit	Amount
Residential		
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00820
Residential Urban		
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00820
General Service Less Than 50 kW		
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00794
General Service 50 to 999 kW		
Retail Transmission Rate – Network Service Rate	\$/kW	2.84170
General Service 1,000 to 4,999 kW		
Retail Transmission Rate – Network Service Rate	\$/kW	2.74550
Large Use > 5000 kW		
Retail Transmission Rate – Network Service Rate	\$/kW	3.12980
Unmetered Scattered Load		
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00499
Sentinel Lighting		
Street Lighting		
Retail Transmission Rate – Network Service Rate	\$/kW	2.52740
Standby - General Service 50 - 1,000 kW		
Standby - General Service 1,000 - 5,000 kW		

Standby - Large Use



Ontario Energy Board

**3RD Generation Incentive
 Regulation Model**

Toronto Hydro-Electric System Limited - EB-2011-0144

Please enter your RTS-Connection Rates from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct classes exactly as it appears on the tariff.

Rate Description	Unit	Amount
Residential		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00548
Residential Urban		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00548
General Service Less Than 50 kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00494
General Service 50 to 999 kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.88240
General Service 1,000 to 4,999 kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.88060
Large Use > 5000 kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.08930
Unmetered Scattered Load		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00346
Sentinel Lighting		
Street Lighting		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.24460

Standby - General Service 50 - 1,000 kW
Standby - General Service 1,000 - 5,000 kW
Standby - Large Use



Toronto Hydro-Electric System Limited - EB-2011-0144

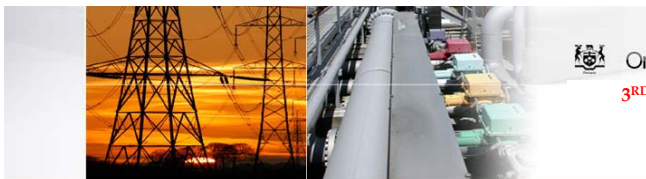
Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 and Account 1562. Enter information into green cells only. Lines 51-61 contain footnotes and further instructions.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DVA schedule below will be the balance sheet date as per your G/L for which you received approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2009 balances, the starting point for your entries below should be the adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 opening balance columns (for both principal and interest) without requiring entries dating back to the beginning of the continuity schedule ie: Jan 1, 2005.

Account Descriptions	Account Number	2005									
		Opening Principal Amounts as of Jan-1-05	Transactions Debit/(Credit) during 2005 excluding interest and adjustments ¹	Board-Approved Disposition during 2005	Adjustments during 2005 - other ³	Closing Principal Balance as of Dec-31-05	Opening Interest Amounts as of Jan-1-05	Interest Jan-1 to Dec-31-05	Board-Approved Disposition during 2005	Adjustments during 2005 - other ³	Closing Interest Amounts as of Dec-31-05
Group 1 Accounts											
LV Variance Account	1550					\$ -					\$ -
RSVA - Wholesale Market Service Charge	1580					\$ -					\$ -
RSVA - Retail Transmission Network Charge	1584					\$ -					\$ -
RSVA - Retail Transmission Connection Charge	1586					\$ -					\$ -
RSVA - Power (excluding Global Adjustment)	1588					\$ -					\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588					\$ -					\$ -
Recovery of Regulatory Asset Balances	1590					\$ -					\$ -
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595					\$ -					\$ -
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595					\$ -					\$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Purpose Charge Assessment Variance Account											
	1521										
Deferred Payments in Lieu of Taxes											
	1562										
Group 1 Total + 1521 + 1562		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variances for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592					\$ -					\$ -
Disposition and Recovery of Regulatory Balances ⁷	1595					\$ -					\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: debit balances are to have a positive figure and credit balance are to have a negative figure) as per the related Board decision.

¹ Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board
² Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write-off, etc.
^{2A} Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the 2006 EDR and account 1595 during the 2008 EDR and subsequent years as ordered by the Board.
³ Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved disposed balances, please provide amounts for adjustments and include supporting documentations.
⁴ Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 and 29.
⁵ For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transactions during the year.
⁶ If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011 on the December 31, 2010 balance adjusted for the disposed balances approved by the Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 11 on the December 31, 2010 balance. The projected interest is recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by the Board in the 2011 rate decision.
⁷ Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has been completed, and the audited financial statements support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include the balances in Account 1595 on a memo basis only (line 49).



Toronto Hydro-Electric System Limited - EB-2011-0144

lease complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 and further instructions.

you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DVA s approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2009 bal r principal and column BA for interest. This will allow for the correct starting point for the 2010 opening balance eginning of the continuity schedule ie: Jan 1, 2005.

		2006									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-06	Transactions Debit/ (Credit) during 2006 excluding interest and adjustments ⁵	Board-Approved Disposition during 2006 ^{2, 2A}	Adjustments during 2006 - other ³	Closing Principal Balance as of Dec-31-06	Opening Interest Amounts as of Jan-1-06	Interest Jan-1 to Dec-31-06	Board-Approved Disposition during 2006 ^{2, 2A}	Adjustments during 2006 - other ³	Closing Interest Amounts as of Dec-31-06
Group 1 Accounts											
LV Variance Account	1550	\$ -				\$ -	\$ -				\$ -
RSVA - Wholesale Market Service Charge	1580	\$ -				\$ -	\$ -				\$ -
RSVA - Retail Transmission Network Charge	1584	\$ -				\$ -	\$ -				\$ -
RSVA - Retail Transmission Connection Charge	1586	\$ -				\$ -	\$ -				\$ -
RSVA - Power (excluding Global Adjustment)	1588	\$ -				\$ -	\$ -				\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -				\$ -	\$ -				\$ -
Recovery of Regulatory Asset Balances	1590	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Purpose Charge Assessment Variance Account											
	1521										
Deferred Payments in Lieu of Taxes											
	1562										\$ -
Group 1 Total + 1521 + 1562		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances ⁷	1595	\$ -				\$ -	\$ -				\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. del figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board. Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the 2 Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dispo: Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 anc For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transacti If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011 in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by the Boar Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has l support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include



Toronto Hydro-Electric System Limited - EB-2011-0144

lease complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 and further instructions.

you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DVA s approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2009 bal r principal and column BA for interest. This will allow for the correct starting point for the 2010 opening balance eginning of the continuity schedule ie: Jan 1, 2005.

		2007									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-07	Transactions Debit/ (Credit) during 2007 excluding interest and adjustments ⁵	Board-Approved Disposition during 2007	Adjustments during 2007 - other ³	Closing Principal Balance as of Dec-31-07	Opening Interest Amounts as of Jan-1-07	Interest Jan-1 to Dec-31-07	Board-Approved Disposition during 2007	Adjustments during 2007 - other ³	Closing Interest Amounts as of Dec-31-07
Group 1 Accounts											
LV Variance Account	1550	\$ -				\$ -	\$ -				\$ -
RSVA - Wholesale Market Service Charge	1580	\$ -				\$ -	\$ -				\$ -
RSVA - Retail Transmission Network Charge	1584	\$ -				\$ -	\$ -				\$ -
RSVA - Retail Transmission Connection Charge	1586	\$ -				\$ -	\$ -				\$ -
RSVA - Power (excluding Global Adjustment)	1588	\$ -				\$ -	\$ -				\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -				\$ -	\$ -				\$ -
Recovery of Regulatory Asset Balances	1590	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Purpose Charge Assessment Variance Account											
	1521										
Deferred Payments in Lieu of Taxes											
	1562	\$ -				\$ -	\$ -				\$ -
Group 1 Total + 1521 + 1562		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances ⁷	1595	\$ -				\$ -	\$ -				\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. del figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board. Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the 2 Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dispo: Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 anc For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transacti If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011 in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by the Boar Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has l support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include



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please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 and further instructions.

you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DVA approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2009 balance principal and column BA for interest. This will allow for the correct starting point for the 2010 opening balance beginning of the continuity schedule ie: Jan 1, 2005.

		2008									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-08	Transactions Debit/ (Credit) during 2008 excluding interest and adjustments ⁵	Board-Approved Disposition during 2008	Adjustments during 2008 - other ³	Closing Principal Balance as of Dec-31-08	Opening Interest Amounts as of Jan-1-08	Interest Jan-1 to Dec-31-08	Board-Approved Disposition during 2008	Adjustments during 2008 - other ³	Closing Interest Amounts as of Dec-31-08
Group 1 Accounts											
LV Variance Account	1550	\$ -				\$ -	\$ -				\$ -
RSVA - Wholesale Market Service Charge	1580	\$ -				\$ -	\$ -				\$ -
RSVA - Retail Transmission Network Charge	1584	\$ -				\$ -	\$ -				\$ -
RSVA - Retail Transmission Connection Charge	1586	\$ -				\$ -	\$ -				\$ -
RSVA - Power (excluding Global Adjustment)	1588	\$ -				\$ -	\$ -				\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -				\$ -	\$ -				\$ -
Recovery of Regulatory Asset Balances	1590	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Purpose Charge Assessment Variance Account											
	1521										
Deferred Payments in Lieu of Taxes											
	1562	\$ -				\$ -	\$ -				\$ -
Group 1 Total + 1521 + 1562		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances ⁷	1595	\$ -				\$ -	\$ -				\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. del figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board. Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the 2006 EDR. Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dispositions, although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 and 29. For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transaction in the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011 in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by the Board. Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has not support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include



Toronto Hydro-Electric System Limited - EB-2011-0144

lease complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 and further instructions.

you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DVA s approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2009 bal r principal and column BA for interest. This will allow for the correct starting point for the 2010 opening balance eginning of the continuity schedule ie: Jan 1, 2005.

		2009									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-09	Transactions Debit/ (Credit) during 2009 excluding interest and adjustments ⁵	Board-Approved Disposition during 2009	Adjustments during 2009 - other ³	Closing Principal Balance as of Dec-31-09	Opening Interest Amounts as of Jan-1-09	Interest Jan-1 to Dec-31-09	Board-Approved Disposition during 2009	Adjustments during 2009 - other ³	Closing Interest Amounts as of Dec-31-09
Group 1 Accounts											
LV Variance Account	1550	\$ -				\$ -	\$ -				\$ -
RSVA - Wholesale Market Service Charge	1580	\$ -				\$ -	\$ -				\$ -
RSVA - Retail Transmission Network Charge	1584	\$ -				\$ -	\$ -				\$ -
RSVA - Retail Transmission Connection Charge	1586	\$ -				\$ -	\$ -				\$ -
RSVA - Power (excluding Global Adjustment)	1588	\$ -				\$ -	\$ -				\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -				\$ -	\$ -				\$ -
Recovery of Regulatory Asset Balances	1590	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595	\$ -				\$ -	\$ -				\$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Purpose Charge Assessment Variance Account											
	1521										
Deferred Payments in Lieu of Taxes											
	1562	\$ -				\$ -	\$ -				\$ -
Group 1 Total + 1521 + 1562		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -				\$ -	\$ -				\$ -
Disposition and Recovery of Regulatory Balances ⁷	1595	\$ -				\$ -	\$ -				\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. del figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board. Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the 2 Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dispo: Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 anc For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transacti If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011 in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by the Boar Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has l support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include



Toronto Hydro-Electric System Limited - EB-2011-0144

Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 and 1562 and follow further instructions.

You have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DVA is approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2009 balance for principal and column BA for interest. This will allow for the correct starting point for the 2010 opening balance commencing of the continuity schedule is: Jan 1, 2005.

		2010										
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-10	Transactions Debit/(Credit) during 2010 excluding interest and adjustments ⁵	Board-Approved Disposition during 2010	Other ³ Adjustments during Q1 2010	Other ³ Adjustments during Q2 2010	Other ³ Adjustments during Q3 2010	Other ³ Adjustments during Q4 2010	Closing Principal Balance as of Dec-31-10	Opening Interest Amounts as of Jan-1-10	Interest Jan-1 to Dec-31-10	Board-Approved Disposition during 2010
Group 1 Accounts												
LV Variance Account	1550	\$ -							\$ -	\$ -		
RSVA - Wholesale Market Service Charge	1580	\$ -							\$ -	\$ -		
RSVA - Retail Transmission Network Charge	1584	\$ -							\$ -	\$ -		
RSVA - Retail Transmission Connection Charge	1586	\$ -							\$ -	\$ -		
RSVA - Power (excluding Global Adjustment)	1588	\$ -							\$ -	\$ -		
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -							\$ -	\$ -		
Recovery of Regulatory Asset Balances	1590	\$ -							\$ -	\$ -		
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595	\$ -							\$ -	\$ -		
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595	\$ -							\$ -	\$ -		
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Purpose Charge Assessment Variance Account	1521											
Deferred Payments in Lieu of Taxes	1562	\$ -							\$ -	\$ -		
Group 1 Total + 1521 + 1562		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
The following is not included in the total claim but are included on a memo basis:												
Board-Approved CDM Variance Account	1567								\$ -	\$ -		
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592								\$ -	\$ -		
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592								\$ -	\$ -		
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -							\$ -	\$ -		
Disposition and Recovery of Regulatory Balances ⁷	1595	\$ -							\$ -	\$ -		

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g. del figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board. Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the 2006 EDR. Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dispositions, although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 and 29. For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transaction in the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011 in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by the Board. Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has not yet supported the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include



Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 and 1562, and follow any further instructions.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DVA is the year of approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2009 balance, you should report principal and column BA for interest. This will allow for the correct starting point for the 2010 opening balance column BA of the continuity schedule ie: Jan 1, 2005.

Account Descriptions	Account Number	Adjustments during 2010 - other ⁷	Closing Interest Amounts as of Dec-31-10
Group 1 Accounts			
LV Variance Account	1550		\$ -
RSVA - Wholesale Market Service Charge	1580		\$ -
RSVA - Retail Transmission Network Charge	1584		\$ -
RSVA - Retail Transmission Connection Charge	1586		\$ -
RSVA - Power (excluding Global Adjustment)	1588		\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588		\$ -
Recovery of Regulatory Asset Balances	1590		\$ -
Disposition and Recovery of Regulatory Balances (2008) ⁷	1595		\$ -
Disposition and Recovery of Regulatory Balances (2009) ⁷	1595		\$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		\$ -	\$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		\$ -	\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -	\$ -
Special Purpose Charge Assessment Variance Account	1521		\$ -
Deferred Payments in Lieu of Taxes	1562		\$ -
Group 1 Total + 1521 + 1562		\$ -	\$ -
The following is not included in the total claim but are included on a memo basis:			
Board-Approved CDM Variance Account	1567		\$ -
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592		\$ -
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592		\$ -
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592		\$ -
Disposition and Recovery of Regulatory Balances ⁷	1595		\$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: del figure) as per the related Board decision.

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board. Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write Adjustments instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the 2006 EDR. Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dispositions, please provide a breakdown in rows 28 and 29. Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 and 29. For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transaction in the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011 in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by the Board. Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has not support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include



In the green shaded cells, enter the most recent Board Approved volumetric forecast. If there is a material difference between the latest Board-approved volumetric forecast and the

Rate Class	Unit	Metered kWh	Metered kW	Billed kWh for Non-RPP Customers	Estimated kW for Non-RPP Customers	Distribution Revenue ¹	1590 Recovery Share Proportion*	1595 Recovery Share Proportion (2008) ²	1595 Recovery Share Proportion (2009) ²
Residential	\$/kWh	4,886,977,489		559,659,628	-	204,720,003			18%
Residential Urban	\$/kWh	99,791,184		11,421,625	-	4,600,284			2%
General Service Less Than 50 kW	\$/kWh	2,139,318,076		437,628,634	-	67,255,470			10%
General Service 50 to 999 kW	\$/kVA	10,116,374,153	26,935,191	6,900,756,638	-	156,294,314			37%
General Service 1,000 to 4,999 kW	\$/kVA	4,626,928,262	10,587,119	4,177,096,302	-	51,343,590			19%
Large Use > 5000 kW	\$/kVA	2,376,778,323	4,993,733	2,272,251,249	-	25,370,430			12%
Unmetered Scattered Load	\$/kWh	56,231,585			-	4,681,925			0%
Sentinel Lighting					-				
Street Lighting	\$/kVA	110,165,016	322,023	110,128,567	-	11,789,364			0%
Standby - General Service 50 - 1,000 kW					-				
Standby - General Service 1,000 - 5,000 kW					-				
Standby - Large Use					-				
Total		24,412,564,088	42,838,067	14,468,942,643	-	526,055,380	0%	0%	100%

Total Claim (including Accounts 1521 and 1562)	\$ 3,487,441
---	--------------

Total Claim for Threshold Test (All Group 1 Accounts)	\$ 3,487,441
--	--------------

Threshold Test ³ (Total Claim per kWh)	0.00014	Claim does not meet the threshold test. If data has been entered on Sheet 9 for Accounts 1521 and 1562, the model will only dispose of Accounts 1521 and 1562.
--	---------	--

¹ For Account 1562, the allocation to customer classes should be performed on the basis of the test year distribution revenue allocation to customer classes found in the Applicant's Cost of Service application that was most recently approved at the time of disposition of the 1562 account balance.
² Residual Account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.
³ The Threshold Test does not include the amount in 1521 nor 1562.



no input required. This worksheet allocates the deferral/variance account balances (Group 1, 1521, 1588 GA and 1562) to the appropriate classes.

Allocation of Group 1 Accounts (Excluding Account 1588 - Global Adjustment)

Rate Class	Units	Billed kWh	% kWh	1550	1580	1584	1586	1588*	1590	1595	(2008) 1595	(2009)	1521	Total
Residential	\$/kWh	4,886,977,489	20.02%	0	0	0	0	0	0	0	0	0	0	0
Residential Urban	\$/kWh	99,791,184	0.41%	0	0	0	0	0	0	0	0	0	0	0
General Service Less Than 50 kW	\$/kWh	2,139,318,076	8.76%	0	0	0	0	0	0	0	0	0	0	0
General Service 50 to 999 kW	\$/kVA	10,116,374,153	41.44%	0	0	0	0	0	0	0	0	0	0	0
General Service 1,000 to 4,999 kW	\$/kVA	4,626,928,262	18.95%	0	0	0	0	0	0	0	0	0	0	0
Large Use > 5000 kW	\$/kVA	2,376,778,323	9.74%	0	0	0	0	0	0	0	0	0	0	0
Unmetered Scattered Load	\$/kWh	56,231,585	0.23%	0	0	0	0	0	0	0	0	0	0	0
Sentinel Lighting	-	-	0.00%	0	0	0	0	0	0	0	0	0	0	0
Street Lighting	\$/kVA	110,165,016	0.45%	0	0	0	0	0	0	0	0	0	0	0
Standby - General Service 50 - 1,000 kW	-	-	0.00%	0	0	0	0	0	0	0	0	0	0	0
Standby - General Service 1,000 - 5,000 kW	-	-	0.00%	0	0	0	0	0	0	0	0	0	0	0
Standby - Large Use	-	-	0.00%	0	0	0	0	0	0	0	0	0	0	0
Total		24,412,564,088	100.00%	788,559	(86,144,351)	37,350,965	18,832,555	5,871	0	2,406,717	0	0	0	0

* RSVA - Power (Excluding Global Adjustment)

1588 RSVA - Power (Global Adjustment Sub-Account)

Rate Class	non-RPP kWh	% kWh	1588
Residential	559,659,628	3.87%	-
Residential Urban	11,421,625	0.08%	-
General Service Less Than 50 kW	437,628,634	3.02%	-
General Service 50 to 999 kW	6,900,756,638	47.69%	-
General Service 1,000 to 4,999 kW	4,177,096,302	28.87%	-
Large Use > 5000 kW	2,272,251,249	15.70%	-
Unmetered Scattered Load	-	0.00%	-
Sentinel Lighting	-	0.00%	-
Street Lighting	110,128,567	0.76%	-
Standby - General Service 50 - 1,000 kW	-	0.00%	-
Standby - General Service 1,000 - 5,000 kW	-	0.00%	-
Standby - Large Use	-	0.00%	-
Total	14,468,942,643	100.00%	30,247,126

Allocation of Account 1562

	% of Distribution Revenue	Allocation of Balance in Account 1562
Residential	38.9%	-
Residential Urban	0.9%	-
General Service Less Than 50 kW	12.8%	-
General Service 50 to 999 kW	29.7%	-
General Service 1,000 to 4,999 kW	9.8%	-
Large Use > 5000 kW	4.8%	-
Unmetered Scattered Load	0.9%	-
Sentinel Lighting	0.0%	-
Street Lighting	2.2%	-
Standby - General Service 50 - 1,000 kW	0.0%	-
Standby - General Service 1,000 - 5,000 kW	0.0%	-
Standby - Large Use	0.0%	-
Total	100.0%	-



No input required. This worksheet calculates rate riders related to the Deferral/Variance Account Disposition (if applicable) and associated rate riders for the global adjustment sub-account.

Please indicate the Rate Rider Recovery Period (in years)

Rate Class	Unit	Billed kWh	Billed kW	Accounts Allocated by kWh/kW (RPP) or Distribution Revenue	Deferral/Variance Account Rate Rider	Account 1588 Global Adjustment	Billed kWh or Estimated kW for Non-RPP	Global Adjustment Rate Rider
Residential	\$/kWh	4,886,977,489	-	\$ -	\$0.00000	\$ -	559,659,628	\$0.00000
Residential Urban	\$/kWh	99,791,184	-	\$ -	\$0.00000	\$ -	11,421,625	\$0.00000
General Service Less Than 50 kW	\$/kWh	2,139,318,076	-	\$ -	\$0.00000	\$ -	437,628,634	\$0.00000
General Service 50 to 999 kW	\$/kVA	10,116,374,153	26,935,191	\$ -	\$0.00000	\$ -	-	\$0.00000
General Service 1,000 to 4,999 kW	\$/kVA	4,626,928,262	10,587,119	\$ -	\$0.00000	\$ -	-	\$0.00000
Large Use > 5000 kW	\$/kVA	2,376,778,323	4,993,733	\$ -	\$0.00000	\$ -	-	\$0.00000
Unmetered Scattered Load	\$/kWh	56,231,585	-	\$ -	\$0.00000	\$ -	-	\$0.00000
Sentinel Lighting	-	-	-	\$ -	\$0.00000	\$ -	-	\$0.00000
Street Lighting	\$/kVA	110,165,016	322,023	\$ -	\$0.00000	\$ -	-	\$0.00000
Standby - General Service 50 - 1,000 kW	-	-	-	\$ -	\$0.00000	\$ -	-	\$0.00000
Standby - General Service 1,000 - 5,000 kW	-	-	-	\$ -	\$0.00000	\$ -	-	\$0.00000
Standby - Large Use	-	-	-	\$ -	\$0.00000	\$ -	-	\$0.00000
Total		24,412,564,088	42,838,067	\$ -		\$ -		



Ontario Energy Board

3RD Generation Incentive
 Regulation Model

Toronto Hydro-Electric System Limited - EB-2011-0144

Below is a listing of the current Monthly Fixed Charges. All rates with expired effective dates have been removed. In columns "B", "K", and "M" (green cells), please enter all additional Monthly Fixed Charges you are proposing (eg: Smart Meter Funding Adder, etc). Please ensure that the word "Rider" or "Adder" is included in the description (as applicable).

Rate Description	Unit	Amount	Effective Until Date	Proposed Amount	Effective Until Date
Residential					
	\$				
	\$				
	\$				
Residential Urban					
	\$				
	\$				
	\$				
General Service Less Than 50 kW					
	\$				
	\$				
	\$				
General Service 50 to 999 kW					
	\$				
	\$				
	\$				
General Service 1,000 to 4,999 kW					
	\$				
	\$				
	\$				
Large Use > 5000 kW					
	\$				
	\$				
	\$				
Unmetered Scattered Load					
	\$				
	\$				
	\$				
Sentinel Lighting					
	\$				
	\$				
	\$				
Street Lighting					
	\$				
	\$				
	\$				
Standby - General Service 50 - 1,000 kW					
	\$				
	\$				
	\$				
Standby - General Service 1,000 - 5,000 kW					
	\$				
	\$				
	\$				
Standby - Large Use					
	\$				
	\$				
	\$				



Toronto Hydro-Electric System Limited - EB-2011-0144

Below is a listing of the current Distribution Volumetric Rates other than the base rates. All rates with expired effective dates have been removed. In columns "B", "K", and "M" (green cells), please enter all additional volumetric rates you are proposing (eg: LRAM/SSM, Tax Adjustments, etc.). Please ensure that the word "Rider" or "Adder" is included in the description (as applicable).

Rate Description	Unit	Amount	Effective Until Date	Proposed Amount	Effective Until Date
Residential					
Rate Rider for Application of Tax Change	\$/kWh			-0.00004	April 30, 2015
Residential Urban					
Rate Rider for Application of Tax Change	\$/kWh			-0.00007	April 30, 2015
General Service Less Than 50 kW					
Rate Rider for Application of Tax Change	\$/kWh			-0.00003	April 30, 2015
General Service 50 to 999 kW					
Rate Rider for Application of Tax Change	\$/kVA			-0.00560	April 30, 2015
General Service 1,000 to 4,999 kW					
Rate Rider for Application of Tax Change	\$/kVA			-0.00470	April 30, 2015
Large Use > 5000 kW					
Rate Rider for Application of Tax Change	\$/kVA			-0.00490	April 30, 2015
Unmetered Scattered Load					
Rate Rider for Application of Tax Change	\$/kWh			-0.00006	April 30, 2015



Toronto Hydro-Electric System Limited - EB-2011-0144

Current RTSR-Network Rates are listed below. In column "K", please enter your proposed RTSR-Network Rates as per Sheet 13 of the Board's RTSR Workform.

Rate Description	Unit	Current Amount	% Adjustment	Proposed Amount
Residential				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00820	-6.646%	0.00766
Residential Urban				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00820	-6.646%	0.00766
General Service Less Than 50 kW				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00794	-6.646%	0.00741
General Service 50 to 999 kW				
Retail Transmission Rate – Network Service Rate	\$/kW	2.84170	-6.646%	2.65285
General Service 1,000 to 4,999 kW				
Retail Transmission Rate – Network Service Rate	\$/kW	2.74550	-6.646%	2.56305
Large Use > 5000 kW				
Retail Transmission Rate – Network Service Rate	\$/kW	3.12980	-6.646%	2.92181
Unmetered Scattered Load				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00499	-6.646%	0.00466
Sentinel Lighting				
Street Lighting				
Retail Transmission Rate – Network Service Rate	\$/kW	2.52740	-6.646%	2.35944
Standby - General Service 50 - 1,000 kW				
Standby - General Service 1,000 - 5,000 kW				
Standby - Large Use				



Toronto Hydro-Electric System Limited - EB-2011-0144

Current RTSR-Connection Rates are listed below. In column "K", please enter your proposed RTSR-Connection Rates as per Sheet 13 of the Board's RTSR Workform.

Rate Description	Unit	Current Amount	% Adjustment	Proposed Amount
Residential				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00548	-5.534%	0.00518
Residential Urban				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00548	-5.534%	0.00518
General Service Less Than 50 kW				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00494	-5.534%	0.00467
General Service 50 to 999 kW				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.88240	-5.534%	1.77823
General Service 1,000 to 4,999 kW				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.88060	-5.534%	1.77653
Large Use > 5000 kW				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.08930	-5.534%	1.97368
Unmetered Scattered Load				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00346	-5.534%	0.00327
Sentinel Lighting				
Street Lighting				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.24460	-5.534%	2.12039
Standby - General Service 50 - 1,000 kW				
Standby - General Service 1,000 - 5,000 kW				
Standby - Large Use				



Toronto Hydro-Electric System Limited - EB-2011-0144

If applicable, please enter any adjustments related to the revenue to cost ratio model into columns H and K.

Price Escalator 1.70% Productivity Factor 0.00% Price Cap Index **1.10%**

Choose Stretch Factor Group III Associated Stretch Factor Value 0.6%

Rate Description	Unit	Current MFC	MFC Adjustment from R/C Model	Current Volumetric Charge	Unit	DVR Adjustment from R/C Model	Price Cap Index	Proposed MFC	Proposed Volumetric Charge
Residential									
Residential Urban	\$	18.43		0.01521	\$/kWh		1.100%	18.63	0.01538
General Service Less Than 50 kW	\$	17.16		0.02589	\$/kWh		1.100%	17.35	0.02617
General Service 50 to 999 kW	\$	24.53		0.02268	\$/kWh		1.100%	24.80	0.02293
General Service 1,000 to 4,999 kW	\$	35.90		5.64950	\$/kVA		1.100%	36.29	5.71164
Large Use > 5000 kW	\$	693.06		4.49250	\$/kVA		1.100%	700.68	4.54192
Unmetered Scattered Load	\$	3,038.05		4.78620	\$/kVA		1.100%	3,071.47	4.83885
Sentinel Lighting	\$	4.89		0.06128	\$/kWh		1.100%	4.94	0.06195
Street Lighting	\$	0.49					1.100%	0.50	
Standby - General Service 50 - 1,000 kW	\$	1.31		29.00110	\$/kVA		1.100%	1.32	29.32011
Standby - General Service 1,000 - 5,000 kW	\$	199.81		5.64950	\$/kVA		1.100%	202.01	5.71164
Standby - Large Use	\$	199.81		4.49250	\$/kVA		1.100%	202.01	4.54192
	\$	199.81		4.78620	\$/kVA		1.100%	202.01	4.83885



Toronto Hydro-Electric System Limited - EB-2011-0144

Please enter the descriptions of the current Loss Factors from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menu in the column labeled "Loss Factors". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct classes.

Loss Factors	Current
Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0376
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.1087
Distribution Loss Factor - Primary Metered Customer < 5,000 kW	1.0272
Distribution Loss Factor - Primary Metered Customer > 5,000 kW	1.0085



Toronto Hydro-Electric System Limited - EB-2011-0144

The standard Allowance rates have been included as default entries. If you have different rates, please make the appropriate corrections in the green cells below. As well, please enter the current Specific Service Charges below. The standard Retail Service Charges have been entered below. If you have different rates, please make the appropriate corrections in columns B, D or E as applicable (cells are unlocked).

UNIT CURRENT

ALLOWANCES

Transformer Allowance for Ownership - per kVA of billing demand/30 days	\$/kVA	(0.62)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor’s Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Customer Administration

Duplicate invoices for previous billing	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Request for other billing information	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque charge (plus bank charges)	\$	15.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

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

Other

Install/Remove load control device - during regular hours	\$	65.00
Install/Remove load control device - after regular hours	\$	185.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
Specific Charge for Access to the Power Poles \$/pole/year	\$	18.55
Specific Charge for Access to the Power Poles \$/pole/year	\$	-22.75

Appendix B: 2014 ICM Materiality Threshold



Incremental Capital Workform for 2014 Filers

Threshold Test

Year	2011	
Price Cap Index	1.10%	A
Growth	0.83%	B
Dead Band	20%	C
Average Net Fixed Assets		
Gross Fixed Assets Opening	\$4,183,572,075	
Add: CWIP Opening	\$ 204,719,106	
Capital Additions	\$ 376,263,596	
Capital Disposals	\$ -	
Capital Retirements	\$ -	
Deduct: CWIP Closing	-\$ 232,060,508	
Gross Fixed Assets - Closing	\$4,532,494,269	
Average Gross Fixed Assets	<u>\$4,358,033,172</u>	
Accumulated Depreciation - Opening	\$2,285,733,698	
Depreciation Expense	\$ 138,815,781	D
Disposals	\$ 2,807,234	
Retirements		
Accumulated Depreciation - Closing	\$2,427,356,713	
Average Accumulated Depreciation	<u>\$2,356,545,206</u>	
Average Net Fixed Assets	<u>\$2,001,487,967</u>	E
Working Capital Allowance		
Working Capital Allowance Base	\$2,479,952,766	
Working Capital Allowance Rate	12%	
Working Capital Allowance	<u>\$ 296,739,314</u>	F
Rate Base	<u>\$2,298,227,281</u>	G = E + F
Depreciation	D \$ 138,815,781	H
Threshold Test	152.07%	I = 1 + (G / H) * (B + A * (1 + B)) + C
Threshold CAPEX	\$ 211,090,773	J = H * I

	2014
	Net Fixed Asset (Full Year)
Projects above Threshold CAPEX	
B17 Copeland (Formerly Bremner) Transformer Station	124,100,000
B18.2 Copeland (Formerly Bremner) Hydro One Capital Contributions	60,000,000
B2 Paper Insulated Lead Covered Cable - Piece Outs and Leakers	3,539,380
B3 Handwell Replacement	13,740,341
B4 Overhead Infrastructure	36,648,425
B5 Box Construction	14,738,418
B6 Rear Lot Construction	16,521,650
B9 Network Vault & Roofs	8,244,019
B10 Fibertop Network Units	5,854,178
B11 Automatic Transfer Switches (ATS) & Reverse Power Breakers (RPB)	1,377,204
B12 Stations Power Transformers	1,362,952
B13.1 & 13.2 Stations Switchgear - Municipal and Transformer Stations	6,782,921
B15 Stations Control & Communicaton Systems	-
B19 Feeder Automation	-
B20 Metering	7,105,239
B21 Externally-Initiated Plant Relocations and Expansions	11,588,282
B1 Underground Infrastructure (Above Threshold)	6,055,718
Projects spanning THRESHOLD CAPEX	
B1 Underground Infrastructure	59,767,546
Projects below THRESHOLD CAPEX	
B1 Underground Infrastructure (Below Threshold)	53,711,828
B7 Polymer SMD-20 Switches	2,188,256
B8 SCADA-Mate R1 Switches	2,452,184
B14 Stations Circuit Breakers	1,267,422
B16 Downtown Station Load Transfers	836,436
B18.1 Hydro One Capital Contributions	2,637,024
2014 Normal Capital	115,719,419
Pre-2012 CWIP	32,278,204
Total	528,749,501
2014 Threshold CAPEX (from ICM model)	211,090,773
	Net Fixed Asset (Full Year)
Values Above Threshold for ICM Model	317,658,727
Threshold CAPEX	211,090,773
Total For Checking	528,749,501

	2014		2014	
	Net Fixed Asset (Full Year)	Net Fixed Asset (Half Year Rule)	Amort. Exp	CCA
Projects above Threshold CAPEX				
B2 Paper Insulated Lead Covered Cable - Piece Outs and Leakers	3,539,380	1,769,690	46,556	141,575
B3 Handwell Replacement	13,740,341	6,870,171	171,754	549,614
B4 Overhead Infrastructure	36,648,425	18,324,213	496,052	1,465,937
B5 Box Construction	14,738,418	7,369,209	192,684	589,537
B6 Rear Lot Construction	16,521,650	8,260,825	259,977	660,866
B9 Network Vault & Roofs	8,244,019	4,122,010	137,408	329,761
B10 Fibertop Network Units	5,854,178	2,927,089	141,259	234,167
B11 Automatic Transfer Switches (ATS) & Reverse Power Breakers (RPB)	1,377,204	688,602	30,635	55,088
B12 Stations Power Transformers	1,362,952	681,476	21,316	54,461
B13.1 & 13.2 Stations Switchgear - Municipal and Transformer Stations	6,782,921	3,391,460	87,173	272,682
B15 Stations Control & Communication Systems	-	-	-	-
B19 Feeder Automation	-	-	-	-
B20 Metering	7,105,239	3,552,620	171,307	284,210
B21 Externally-Initiated Plant Relocations and Expansions	11,588,282	5,794,141	179,491	463,531
B1 Underground Infrastructure (Above Threshold)	6,055,718	3,027,859	103,375	242,229
	Net Fixed Asset (Full Year)	Net Fixed Asset (Half Year)	Amort. Exp	CCA
Values Above Threshold for ICM Model	133,558,727	66,779,364	2,038,987	5,343,657

	2014		2014	
	Net Fixed Asset (Full Year)	Net Fixed Asset (Half Year Rule)	Amort. Exp	CCA
Projects above Threshold CAPEX				
B17 Copeland (Formerly Bremner) Transformer Station	124,100,000	62,050,000	1,640,761	3,817,197
B18.2 Copeland (Formerly Bremner) Hydro One Capital Contributions	60,000,000	30,000,000	1,200,000	-
	Net Fixed Asset (Full Year)	Net Fixed Asset (Half Year)	Amort. Exp	CCA
Values Above Threshold for ICM Model	184,100,000	92,050,000	2,840,761	3,817,197

Appendix C: 2014 ICM Workforms (Copeland TS)



Incremental Capital Workform for 2014 Filers

VERSION 1.1

Applicant Name	Toronto Hydro-Electric System Limited
Service Territory Name	
Application Type	IRM3
LDC Licence Number	ED-2002-0497
Applied for Effective Date	May 1, 2014
Stretch Factor Group	V
Stretch Factor Value	0.60%
Last COS Re-based Year	2011
Last COS OEB Application Number	EB-2010-0142
ICM Billing Determinants for Growth - Numerator	2012 Actual
ICM Billing Determinants for Growth - Denominator	2011 Re-based Forecast



Table of Contents

Sheet Name	Purpose of Sheet
A1.1 LDC Information	Enter LDC Data
A2.1 Table of Contents	Table of Contents
B1.1 Re-Based Bill Det & Rates	Set Up Rate Classes and enter Re-Based Billing Determinants and Tariff Rates
B1.2 Removal of Rate Adders	Removal of Rate Adders
B1.3 Re-Based Rev From Rates	Calculated Re-Based Revenue From Rates
B1.4 Re-Based Rev Req	Detailed Re-Based Revenue From Rates
C1.1 Ld Act-Mst Rcent Yr	Enter Billing Determinants for most recent actual year
D1.1 Current Revenue from Rates	Enter Current Rates to calculate current rate allocation
E1.1 Threshold Parameters	Shows calculation of Price Cap and Growth used for incremental capital threshold calculation
E2.1 Threshold Test	Input sheet to calculate Threshold and Incremental Capital
E3.1 Summary of I C Projects	Summary of Incremental Capital Projects
E4.1 IncrementalCapitalAdjust	Shows Calculation of Incremental Capital Revenue Requirement
F1.1 Incr Cap RRider Opt A FV	Option A - Calculation of Incremental Capital Rate Rider - Fixed & Variable Split
F1.2 Incr Cap RRider Opt B Var	Option B - Calculation of Incremental Capital Rate Rider - Variable Allocation



Rate Class and Re-Based Billing Determinants & Rates

Select the appropriate Rate Groups and Rate Classes from the drop-down menus in Columns C and D respectively. Following your selection, all appropriate input cells will be shaded green. Please input the billing determinants and base distribution rates from your last cost of service based rate application.

Last COS Re-based Year				2011					
Last COS OEB Application Number				EB-2010-0142					
Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Re-based Tariff Service Charge D	Re-based Tariff Distribution Volumetric Rate kWh E	Re-based Tariff Distribution Volumetric Rate kW F
RES	Residential	Customer	kWh	598,508	4,886,977,489		18.25	0.0151	
RES	Residential Urban	Customer	kWh	24,898	99,791,184		17.00	0.0257	
GSLT50	General Service Less Than 50 kW	Customer	kWh	65,792	2,139,318,076		24.30	0.0225	
GSGT50	General Service 50 to 999 kW	Customer	kW	13,067	#####	26,935,191	35.56		5.5956
GSGT50	General Service 1,000 to 4,999 kW	Customer	kW	514	4,626,928,262	10,587,119	686.46		4.4497
LU	Large Use	Customer	kW	47	2,376,778,323	4,993,733	3,009.11		4.7406
SL	Street Lighting	Connection	kW	162,777	110,165,016	322,023	1.30		28.7248
USL	Unmetered Scattered Load	Connection	kWh	1,130	56,231,585		4.84	0.0607	
USL	Unmetered Scattered Load	Connection	kWh	21,729	0		0.49		
NA	Rate Class 10	NA	NA						
NA	Rate Class 11	NA	NA						
NA	Rate Class 12	NA	NA						
NA	Rate Class 13	NA	NA						
NA	Rate Class 14	NA	NA						
NA	Rate Class 15	NA	NA						
NA	Rate Class 16	NA	NA						
NA	Rate Class 17	NA	NA						
NA	Rate Class 18	NA	NA						
NA	Rate Class 19	NA	NA						
NA	Rate Class 20	NA	NA						
NA	Rate Class 21	NA	NA						
NA	Rate Class 22	NA	NA						
NA	Rate Class 23	NA	NA						
NA	Rate Class 24	NA	NA						
NA	Rate Class 25	NA	NA						



Incremental Capital Workform for 2014 Filers

Removal of Rate Adders

Last COS Re-based Year

2011

Last COS OEB Application Number

EB-2010-0142

Rate Class	Re-based	Re-based	Re-based	Service	Distribution	Distribution
	Tariff Service	Tariff	Tariff	Charge Rate	Volumetric	Volumetric
	Charge	Distribution	Distribution	Adders	kWh Rate	kW Rate
	A	Rate kWh	Rate kW	D	E	F
Residential	18.25	0.0151	0.0000	0.00	0.0000	0.0000
Residential Urban	17.00	0.0257	0.0000	0.00	0.0000	0.0000
General Service Less Than 50 kW	24.30	0.0225	0.0000	0.00	0.0000	0.0000
General Service 50 to 999 kW	35.56	0.0000	5.5956	0.00	0.0000	0.0000
General Service 1,000 to 4,999 kW	686.46	0.0000	4.4497	0.00	0.0000	0.0000
Large Use	3,009.11	0.0000	4.7406	0.00	0.0000	0.0000
Street Lighting	1.30	0.0000	28.7248	0.00	0.0000	0.0000
Unmetered Scattered Load	4.84	0.0607	0.0000	0.00	0.0000	0.0000
Unmetered Scattered Load	0.49	0.0000	0.0000	0.00	0.0000	0.0000



Incremental Capital Workform for 2014 Filers

Calculated Re-Based Revenue From Rates

Last COS Re-based Year

2011

Last COS OEB Application Number

EB-2010-0142

Rate Class	Re-based Billed Customers or Connections			Re-based Base Distribution			Service Charge Revenue *12	Distribution Volumetric Rate Revenue kWh	Distribution Volumetric Rate Revenue kW	Revenue Requirement from Rates I
	A	B	C	D	E	F		H = B * E	I = C * F	
Residential	598,508	4,886,977,489	0	18.25	0.0151	0.0000	131,073,252	73,646,751	0	204,720,003
Residential Urban	24,898	99,791,184	0	17.00	0.0257	0.0000	5,079,192	2,559,644	0	7,638,836
General Service Less Than 50 kW	65,792	2,139,318,076	0	24.30	0.0225	0.0000	19,184,993	48,070,477	0	67,255,470
General Service 50 to 999 kW	13,067	#####	26,935,191	35.56	0.0000	5.5956	5,575,758	0	150,718,556	156,294,314
General Service 1,000 to 4,999 kW	514	4,626,928,262	10,587,119	686.46	0.0000	4.4497	4,234,085	0	47,109,505	51,343,590
Large Use	47	2,376,778,323	4,993,733	3,009.11	0.0000	4.7406	1,697,138	0	23,673,292	25,370,430
Street Lighting	162,777	110,165,016	322,023	1.30	0.0000	28.7248	2,539,322	0	9,250,042	11,789,364
Unmetered Scattered Load	1,130	56,231,585	0	4.84	0.0607	0.0000	65,611	3,413,257	0	3,478,868
Unmetered Scattered Load	21,729	0	0	0.49	0.0000	0.0000	127,767	0	0	127,767
							169,577,117	127,690,129	230,751,395	528,018,642



Incremental Capital Workform for 2014 Filers

Detailed Re-Based Revenue From Rates

Last COS Re-based Year 2011

Last COS OEB Application Number EB-2010-0142

Applicants Rate Base

Average Net Fixed Assets

Gross Fixed Assets - Re-based Opening	\$ 4,183,572,075	A		
Add: CWIP Re-based Opening	\$ 204,719,106	B		
Re-based Capital Additions	\$ 376,263,596	C		
Re-based Capital Disposals		D		
Re-based Capital Retirements		E		
Deduct: CWIP Re-based Closing	-\$ 232,060,508	F		
Gross Fixed Assets - Re-based Closing	\$ 4,532,494,269	G		
Average Gross Fixed Assets			\$ 4,358,033,172	H = (A + G) / 2

Accumulated Depreciation - Re-based Opening	\$ 2,285,733,698	I		
Re-based Depreciation Expense	\$ 138,815,781	J		
Re-based Disposals	\$ 2,807,234	K		
Re-based Retirements		L		
Accumulated Depreciation - Re-based Closing	\$ 2,427,356,713	M		
Average Accumulated Depreciation			\$ 2,356,545,206	N = (I + M) / 2

Average Net Fixed Assets

\$ 2,001,487,967 O = H - N

Working Capital Allowance

Working Capital Allowance Base	\$ 2,479,952,766	P		
Working Capital Allowance Rate	12.0%	Q		
Working Capital Allowance			\$ 296,739,314	R = P * Q

Rate Base

\$ 2,298,227,281 S = O + R

Return on Rate Base

Deemed Short Term Debt %	4.00%	T	\$ 91,929,091	W = S * T
Deemed Long Term Debt %	56.00%	U	\$ 1,287,007,277	X = S * U
Deemed Equity %	40.00%	V	\$ 919,290,912	Y = S * V

Short Term Interest	2.46%	Z	\$ 2,261,456	AC = W * Z
Long Term Interest	5.37%	AA	\$ 69,112,291	AD = X * AA
Return on Equity	9.58%	AB	\$ 88,068,069	AE = Y * AB
Return on Rate Base			\$ 159,441,816	AF = AC + AD + AE

Distribution Expenses

OM&A Expenses	\$ 231,014,224	AG		
Amortization	\$ 138,815,781	AH		
Ontario Capital Tax (F1.1 Z-Factor Tax Changes)	\$ 6,802,382	AI		
Grossed Up PILs (F1.1 Z-Factor Tax Changes)	\$ 11,791,223	AJ		
Low Voltage		AK		
Transformer Allowance	\$ 11,479,842	AL		
	\$ -	AM		
		AN		
		AO		
			\$ 399,903,452	AP = SUM (AG : AO)

Revenue Offsets

Specific Service Charges	-\$ 7,580,526	AQ		
Late Payment Charges	-\$ 4,900,000	AR		
Other Distribution Income	-\$ 7,240,556	AS		
Other Income and Deductions	-\$ 6,300,000	AT	\$ 26,021,082	AU = SUM (AQ : AT)

Revenue Requirement from Distribution Rates

\$ 533,324,186 AV = AF + AP + AU

Rate Classes Revenue

Rate Classes Revenue - Total (B1.1 Re-based Revenue - Gen) \$ 528,018,642 AW



Incremental Capital Workform for 2014 Filers

Load Actual - 2012 Actual

Rate Class	Fixed Metric	Vol Metric	Billed			Base Service Charge	Base Distribution Volumetric Rate kWh	Base Distribution Volumetric Rate kW	Service Charge Revenue 12	Distribution Volumetric Rate kWh H = B * E	Distribution Volumetric Rate kW I = C * F	Total Revenue by Rate Class J = G + H + I
			Customers or Connections	Billed kWh	Billed kW							
			A	B	C	D	E	F				
Residential	Customer	kWh	607,249	5,074,162,002	0	\$18.25	\$0.0151	\$0.0000	\$132,987,531	\$76,467,621	\$0	\$209,455,152
Residential Urban	Customer	kWh	24,898	99,791,184	0	\$17.00	\$0.0257	\$0.0000	\$5,079,192	\$2,559,644	\$0	\$7,638,836
General Service Less Than 50 kW	Customer	kWh	67,401	2,127,747,437	0	\$24.30	\$0.0225	\$0.0000	\$19,654,132	\$47,810,485	\$0	\$67,464,617
General Service 50 to 999 kW	Customer	kW	12,129	#####	26,683,616	\$35.56	\$0.0000	\$5.5956	\$5,175,687	\$0	\$149,310,842	\$154,486,529
General Service 1,000 to 4,999 kW	Customer	kW	477	4,828,382,733	10,855,886	\$686.46	\$0.0000	\$4.4497	\$3,929,297	\$0	\$48,305,437	\$52,234,734
Large Use	Customer	kW	52	2,263,227,585	5,199,161	\$3,009.11	\$0.0000	\$4.7406	\$1,877,685	\$0	\$24,647,143	\$26,524,827
Street Lighting	Connection	kW	163,210	112,727,603	322,716	\$1.30	\$0.0000	\$28.7248	\$2,546,076	\$0	\$9,269,953	\$11,816,029
Unmetered Scattered Load	Connection	kWh	880	43,630,362	0	\$4.84	\$0.0607	\$0.0000	\$51,110	\$2,648,363	\$0	\$2,699,473
Unmetered Scattered Load	Connection	kWh	11,697	0	0	\$0.49	\$0.0000	\$0.0000	\$68,778	\$0	\$0	\$68,778
									\$171,369,488	\$129,486,113	\$231,533,374	\$532,388,975



Incremental Capital Workform for 2014 Filers

This sheet is used to determine the applicants most current allocation of revenues (after the most recent revenue to cost ratio adjustment, if applicable) to be used to calculate the incremental capital rate riders.

Current Revenue from Rates

Rate Class	Fixed Metric	Vol Metric	Current Base	Current Base	Current Base	Re-based	Re-based	Re-based	Current Base	Current Base	Current Base	Total Current	Service	Distribution	Distribution	Total %				
			Service Charge	Volumetric Rate	Volumetric Rate	Customers or	Billed kWh	Billed kWh	Service Charge	Volumetric Rate	Volumetric Rate	Base	Charge %	Volumetric	Volumetric	Revenue	Revenue	Revenue	Revenue	
			A	B	C	D	E	F	G = A * D * 12	H = B * E	I = C * F	J = G + H + I	L = G / \$K	M = H / \$K	N = I / \$K	\$K				
Residential	Customer	kWh	18.43	0.0151		598,508	4,886,977,489	0	132,366,029	73,646,751	0	206,012,780	25.0%	13.9%	0.0%	38.9%				
Residential Urban	Customer	kWh	17.16	0.0257		24,898	99,791,184	0	5,126,996	2,559,644	0	7,686,640	1.0%	0.5%	0.0%	1.5%				
General Service Less Than 50 kW	Customer	kWh	24.53	0.0225		65,792	2,139,318,076	0	19,366,579	48,070,477	0	67,437,056	3.7%	9.1%	0.0%	12.7%				
General Service 50 to 999 kW	Customer	kW	35.90		5.5956	13,067	10,116,374,153	26,935,191	5,629,069	0	150,718,556	156,347,626	1.1%	0.0%	28.5%	29.5%				
General Service 1,000 to 4,999 kW	Customer	kW	693.06		4.4497	514	4,626,928,262	10,587,119	4,274,794	0	47,109,505	51,384,299	0.8%	0.0%	8.9%	9.7%				
Large Use	Customer	kW	3,038.05		4.7406	47	2,376,778,323	4,993,733	1,713,460	0	23,673,292	25,386,752	0.3%	0.0%	4.5%	4.8%				
Street Lighting	Connection	kW	1.31		28.7248	162,777	110,165,016	322,023	2,556,589	0	9,250,042	11,806,631	0.5%	0.0%	1.7%	2.2%				
Unmetered Scattered Load	Connection	kWh	4.89	0.0607		1,130	56,231,585	0	66,289	3,413,257	0	3,479,546	0.0%	0.6%	0.0%	0.7%				
Unmetered Scattered Load	Connection	kWh	0.49			21,729	0	0	127,767	0	0	127,767	0.0%	0.0%	0.0%	0.0%				
													171,227,573	127,690,129	230,751,395	529,669,097	32.3%	24.1%	43.6%	100.0%

K



Incremental Capital Workform for 2014 Filers

Threshold Parameters

Price Cap Index

Price Escalator (GDP-IPI)	1.70%
Less Productivity Factor	0.00%
Less Stretch Factor	-0.60%

Price Cap Index **1.10%**

Growth

ICM Billing Determinants for Growth - Numerator : 2012 Actual	<u>\$532,388,975</u>	A
ICM Billing Determinants for Growth - Denominator : 2011 Re-based Forecast	<u>\$528,018,642</u>	B

Growth **0.83%** C = A / B



Incremental Capital Workform for 2014 Filers

Threshold Test

Year	2011	
Price Cap Index	1.10%	A
Growth	0.83%	B
Dead Band	20%	C
Average Net Fixed Assets		
Gross Fixed Assets Opening	\$4,183,572,075	
Add: CWIP Opening	\$ 204,719,106	
Capital Additions	\$ 376,263,596	
Capital Disposals	\$ -	
Capital Retirements	\$ -	
Deduct: CWIP Closing	-\$ 232,060,508	
Gross Fixed Assets - Closing	\$4,532,494,269	
Average Gross Fixed Assets	<u>\$4,358,033,172</u>	
Accumulated Depreciation - Opening	\$2,285,733,698	
Depreciation Expense	\$ 138,815,781	D
Disposals	\$ 2,807,234	
Retirements		
Accumulated Depreciation - Closing	\$2,427,356,713	
Average Accumulated Depreciation	<u>\$2,356,545,206</u>	
Average Net Fixed Assets	<u>\$2,001,487,967</u>	E
Working Capital Allowance		
Working Capital Allowance Base	\$2,479,952,766	
Working Capital Allowance Rate	12%	
Working Capital Allowance	<u>\$ 296,739,314</u>	F
Rate Base	<u>\$2,298,227,281</u>	G = E + F
Depreciation	D \$ 138,815,781	H
Threshold Test	152.07%	I = 1 + (G / H) * (B + A * (1 + B)) + C
Threshold CAPEX	\$ 211,090,773	J = H * I



Incremental Capital Workform for 2014 Filers

Summary of Incremental Capital Projects (ICPs)

Calculation of Eligible Incremental Capital Amount

2014 Non-Discretionary Capital Budget (Including ICM Projects)	\$528,749,501.00	A
Threshold CAPEX (as calculated on sheet E2.1)	\$211,090,773.46	B
Eligible Incremental Capital Amount	= \$317,658,727.54	C = A - B

Summary of Proposed Incremental Capital Projects

Number of ICPs

1

Project ID #	Incremental Capital Non-Discretionary Project Description	Incremental Capital CAPEX	Amortization Expense	CCA
ICP 1	Summary of Projects - COPELAND	\$92,050,000.00	\$2,840,761.43	\$3,817,197.35
Total Proposed Incremental Capital CAPEX		\$92,050,000.00	\$2,840,761.43	\$3,817,197.35

Total Incremental Capital Amount for ICM Rate Rider Calculation **\$92,050,000.00**

Note: The total incremental capital amount for the ICM rate rider calculation cannot exceed the eligible incremental capital amount.



Incremental Capital Workform for 2014 Filers

Incremental Capital Adjustment

Current Revenue Requirement			
Current Revenue Requirement - Total		\$533,324,186	A

Return on Rate Base			
Incremental Capital CAPEX		\$ 92,050,000	B
Depreciation Expense		\$ 2,840,761	C
Incremental Capital CAPEX to be included in Rate Base		\$ 89,209,239	D = B - C
Deemed ShortTerm Debt %	4.0%	E \$ 3,568,370	G = D * E
Deemed Long Term Debt %	56.0%	F \$ 49,957,174	H = D * F
Short Term Interest	2.46%	I \$ 87,782	K = G * I
Long Term Interest	5.37%	J \$ 2,682,700	L = H * J
Return on Rate Base - Interest		\$ 2,770,482	M = K + L
Deemed Equity %	40.0%	N \$ 35,683,695	P = D * N
Return on Rate Base -Equity	9.58%	O \$ 3,418,498	Q = P * O
Return on Rate Base - Total		\$ 6,188,980	R = M + Q

Amortization Expense			
Amortization Expense - Incremental		C \$ 2,840,761	S

Grossed up PIL's			
Regulatory Taxable Income		O \$ 3,418,498	T
Add Back Amortization Expense		S \$ 2,840,761	U
Deduct CCA		\$ 3,817,197	V
Incremental Taxable Income		\$ 2,442,062	W = T + U - V
Current Tax Rate (F1.1 Z-Factor Tax Changes)	26.4%	X	
PIL's Before Gross Up		\$ 644,704	Y = W * X
Incremental Grossed Up PIL's		\$ 875,957	Z = Y / (1 - X)

Ontario Capital Tax			
Incremental Capital CAPEX		\$ 92,050,000	AA
Less : Available Capital Exemption (if any)		\$ -	AB
Incremental Capital CAPEX subject to OCT		\$ 92,050,000	AC = AA - AB
Ontario Capital Tax Rate (F1.1 Z-Factor Tax Changes)	0.000%	AD	
Incremental Ontario Capital Tax		\$ -	AE = AC * AD

Incremental Revenue Requirement			
Return on Rate Base - Total		Q \$ 6,188,980	AF
Amortization Expense - Total		S \$ 2,840,761	AG
Incremental Grossed Up PIL's		Z \$ 875,957	AH
Incremental Ontario Capital Tax		AE \$ -	AI
Incremental Revenue Requirement		\$ 9,905,699	AJ = AF + AG + AH + AI

**Appendix D: 2014 ICM Workforms (Non-Copeland
TS)**



Incremental Capital Workform for 2014 Filers

VERSION 1.1

Applicant Name	Toronto Hydro-Electric System Limited
Service Territory Name	
Application Type	IRM3
LDC Licence Number	ED-2002-0497
Applied for Effective Date	May 1, 2014
Stretch Factor Group	V
Stretch Factor Value	0.60%
Last COS Re-based Year	2011
Last COS OEB Application Number	EB-2010-0142
ICM Billing Determinants for Growth - Numerator	2012 Actual
ICM Billing Determinants for Growth - Denominator	2011 Re-based Forecast



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B1.4 Re-Based Rev Req	Detailed Re-Based Revenue From Rates
C1.1 Ld Act-Mst Rcent Yr	Enter Billing Determinants for most recent actual year
D1.1 Current Revenue from Rates	Enter Current Rates to calculate current rate allocation
E1.1 Threshold Parameters	Shows calculation of Price Cap and Growth used for incremental capital threshold calculation
E2.1 Threshold Test	Input sheet to calculate Threshold and Incremental Capital
E3.1 Summary of I C Projects	Summary of Incremental Capital Projects
E4.1 IncrementalCapitalAdjust	Shows Calculation of Incremental Capital Revenue Requirement
F1.1 Incr Cap RRider Opt A FV	Option A - Calculation of Incremental Capital Rate Rider - Fixed & Variable Split
F1.2 Incr Cap RRider Opt B Var	Option B - Calculation of Incremental Capital Rate Rider - Variable Allocation



Incremental Capital Workform for 2014 Filers

Rate Class and Re-Based Billing Determinants & Rates

Select the appropriate Rate Groups and Rate Classes from the drop-down menus in Columns C and D respectively. Following your selection, all appropriate input cells will be shaded green. Please input the billing determinants and base distribution rates from your last cost of service based rate application.

Last COS Re-based Year: 2011
 Last COS OEB Application Number: EB-2010-0142

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Re-based Tariff Service Charge D	Re-based Tariff Distribution Volumetric Rate kWh E	Re-based Tariff Distribution Volumetric Rate kW F
RES	Residential	Customer	kWh	598,508	4,886,977,489		18.25	0.0151	
RES	Residential Urban	Customer	kWh	24,898	99,791,184		17.00	0.0257	
GSLT50	General Service Less Than 50 kW	Customer	kWh	65,792	2,139,318,076		24.30	0.0225	
GSGT50	General Service 50 to 999 kW	Customer	kW	13,067	10,116,374,153	26,935,191	35.56		5.5956
GSGT50	General Service 1,000 to 4,999 kW	Customer	kW	514	4,626,928,262	10,587,119	686.46		4.4497
LU	Large Use	Customer	kW	47	2,376,778,323	4,993,733	3,009.11		4.7406
SL	Street Lighting	Connection	kW	162,777	110,165,016	322,023	1.30		28.7248
USL	Unmetered Scattered Load	Connection	kWh	1,130	56,231,585		4.84	0.0607	
USL	Unmetered Scattered Load	Connection	kWh	21,729	0		0.49		
NA	Rate Class 10	NA	NA						
NA	Rate Class 11	NA	NA						
NA	Rate Class 12	NA	NA						
NA	Rate Class 13	NA	NA						
NA	Rate Class 14	NA	NA						
NA	Rate Class 15	NA	NA						
NA	Rate Class 16	NA	NA						
NA	Rate Class 17	NA	NA						
NA	Rate Class 18	NA	NA						
NA	Rate Class 19	NA	NA						
NA	Rate Class 20	NA	NA						
NA	Rate Class 21	NA	NA						
NA	Rate Class 22	NA	NA						
NA	Rate Class 23	NA	NA						
NA	Rate Class 24	NA	NA						
NA	Rate Class 25	NA	NA						



Incremental Capital Workform for 2014 Filers

Removal of Rate Adders

Last COS Re-based Year

2011

Last COS OEB Application Number

EB-2010-0142

Rate Class	Re-based Tariff			Service Charge Rate Adders	Distribution Volumetric kWh Rate Adders	Distribution Volumetric kW Rate Adders
	Re-based Tariff Service Charge	Distribution Volumetric Rate kWh	Distribution Volumetric Rate kW			
	A	B	C	D	E	F
Residential	18.25	0.0151	0.0000	0.00	0.0000	0.0000
Residential Urban	17.00	0.0257	0.0000	0.00	0.0000	0.0000
General Service Less Than 50 kW	24.30	0.0225	0.0000	0.00	0.0000	0.0000
General Service 50 to 999 kW	35.56	0.0000	5.5956	0.00	0.0000	0.0000
General Service 1,000 to 4,999 kW	686.46	0.0000	4.4497	0.00	0.0000	0.0000
Large Use	3,009.11	0.0000	4.7406	0.00	0.0000	0.0000
Street Lighting	1.30	0.0000	28.7248	0.00	0.0000	0.0000
Unmetered Scattered Load	4.84	0.0607	0.0000	0.00	0.0000	0.0000
Unmetered Scattered Load	0.49	0.0000	0.0000	0.00	0.0000	0.0000

B1.2 Removal of Rate Adders



Incremental Capital Workform for 2014 Filers

Calculated Re-Based Revenue From Rates

Last COS Re-based Year 2011

Last COS OEB Application Number EB-2010-0142

Rate Class	Re-based Billed Customers or Connections			Re-based Base Distribution			Service Charge Revenue *12	Distribution Volumetric Rate Revenue kWh H = B * E	Distribution Volumetric Rate Revenue kW I = C * F	Revenue Requirement from Rates I
	A	B	C	D	E	F				
Residential	598,508	4,886,977,489	0	18.25	0.0151	0.0000	131,073,252	73,646,751	0	204,720,003
Residential Urban	24,898	99,791,184	0	17.00	0.0257	0.0000	5,079,192	2,559,644	0	7,638,836
General Service Less Than 50 kW	65,792	2,139,318,076	0	24.30	0.0225	0.0000	19,184,993	48,070,477	0	67,255,470
General Service 50 to 999 kW	13,067	#####	26,935,191	35.56	0.0000	5.5956	5,575,758	0	150,718,556	156,294,314
General Service 1,000 to 4,999 kW	514	4,626,928,262	10,587,119	686.46	0.0000	4.4497	4,234,085	0	47,109,505	51,343,590
Large Use	47	2,376,778,323	4,993,733	3,009.11	0.0000	4.7406	1,697,138	0	23,673,292	25,370,430
Street Lighting	162,777	110,165,016	322,023	1.30	0.0000	28.7248	2,539,322	0	9,250,042	11,789,364
Unmetered Scattered Load	1,130	56,231,585	0	4.84	0.0607	0.0000	65,611	3,413,257	0	3,478,868
Unmetered Scattered Load	21,729	0	0	0.49	0.0000	0.0000	127,767	0	0	127,767
							169,577,117	127,690,129	230,751,395	528,018,642



Incremental Capital Workform for 2014 Filers

Detailed Re-Based Revenue From Rates

Last COS Re-based Year 2011

Last COS OEB Application Number EB-2010-0142

Applicants Rate Base

Average Net Fixed Assets

Gross Fixed Assets - Re-based Opening	\$ 4,183,572,075	A		
Add: CWIP Re-based Opening	\$ 204,719,106	B		
Re-based Capital Additions	\$ 376,263,596	C		
Re-based Capital Disposals		D		
Re-based Capital Retirements		E		
Deduct: CWIP Re-based Closing	-\$ 232,060,508	F		
Gross Fixed Assets - Re-based Closing	\$ 4,532,494,269	G		
Average Gross Fixed Assets			\$ 4,358,033,172	H = (A + G) / 2

Accumulated Depreciation - Re-based Opening	\$ 2,285,733,698	I		
Re-based Depreciation Expense	\$ 138,815,781	J		
Re-based Disposals	\$ 2,807,234	K		
Re-based Retirements		L		
Accumulated Depreciation - Re-based Closing	\$ 2,427,356,713	M		
Average Accumulated Depreciation			\$ 2,356,545,206	N = (I + M) / 2

Average Net Fixed Assets

\$ 2,001,487,967 O = H - N

Working Capital Allowance

Working Capital Allowance Base	\$ 2,479,952,766	P		
Working Capital Allowance Rate	12.0%	Q		
Working Capital Allowance			\$ 296,739,314	R = P * Q

Rate Base

\$ 2,298,227,281 S = O + R

Return on Rate Base

Deemed Short Term Debt %	4.00%	T	\$ 91,929,091	W = S * T
Deemed Long Term Debt %	56.00%	U	\$ 1,287,007,277	X = S * U
Deemed Equity %	40.00%	V	\$ 919,290,912	Y = S * V

Short Term Interest	2.46%	Z	\$ 2,261,456	AC = W * Z
Long Term Interest	5.37%	AA	\$ 69,112,291	AD = X * AA
Return on Equity	9.58%	AB	\$ 88,068,069	AE = Y * AB
Return on Rate Base			\$ 159,441,816	AF = AC + AD + AE

Distribution Expenses

OM&A Expenses	\$ 231,014,224	AG		
Amortization	\$ 138,815,781	AH		
Ontario Capital Tax (F1.1 Z-Factor Tax Changes)	\$ 6,802,382	AI		
Grossed Up PILs (F1.1 Z-Factor Tax Changes)	\$ 11,791,223	AJ		
Low Voltage		AK		
Transformer Allowance	\$ 11,479,842	AL		
	\$ -	AM		
		AN		
		AO		
			\$ 399,903,452	AP = SUM (AG : AO)

Revenue Offsets

Specific Service Charges	-\$ 7,580,526	AQ		
Late Payment Charges	-\$ 4,900,000	AR		
Other Distribution Income	-\$ 7,240,556	AS		
Other Income and Deductions	-\$ 6,300,000	AT	\$ 26,021,082	AU = SUM (AQ : AT)

Revenue Requirement from Distribution Rates

\$ 533,324,186 AV = AF + AP + AU

Rate Classes Revenue

Rate Classes Revenue - Total (B1.1 Re-based Revenue - Gen) \$ 528,018,642 AW



Incremental Capital Workform for 2014 Filers

Load Actual - 2012 Actual

Rate Class	Fixed Metric	Vol Metric	Billed			Base Service Charge	Base Distribution Volumetric Rate kWh	Base Distribution Volumetric Rate kW	Service Charge Revenue 12	Distribution Volumetric Rate kWh H = B * E	Distribution Volumetric Rate kW I = C * F	Total Revenue by Rate Class J = G + H + I
			Customers or Connections	Billed kWh	Billed kW							
			A	B	C	D	E	F				
Residential	Customer	kWh	607,249	5,074,162,002	0	\$18.25	\$0.0151	\$0.0000	\$132,987,531	\$76,467,621	\$0	\$209,455,152
Residential Urban	Customer	kWh	24,898	99,791,184	0	\$17.00	\$0.0257	\$0.0000	\$5,079,192	\$2,559,644	\$0	\$7,638,836
General Service Less Than 50 kW	Customer	kWh	67,401	2,127,747,437	0	\$24.30	\$0.0225	\$0.0000	\$19,654,132	\$47,810,485	\$0	\$67,464,617
General Service 50 to 999 kW	Customer	kW	12,129	#####	26,683,616	\$35.56	\$0.0000	\$5.5956	\$5,175,687	\$0	\$149,310,842	\$154,486,529
General Service 1,000 to 4,999 kW	Customer	kW	477	4,828,382,733	10,855,886	\$686.46	\$0.0000	\$4.4497	\$3,929,297	\$0	\$48,305,437	\$52,234,734
Large Use	Customer	kW	52	2,263,227,585	5,199,161	\$3,009.11	\$0.0000	\$4.7406	\$1,877,685	\$0	\$24,647,143	\$26,524,827
Street Lighting	Connection	kW	163,210	112,727,603	322,716	\$1.30	\$0.0000	\$28.7248	\$2,546,076	\$0	\$9,269,953	\$11,816,029
Unmetered Scattered Load	Connection	kWh	880	43,630,362	0	\$4.84	\$0.0607	\$0.0000	\$51,110	\$2,648,363	\$0	\$2,699,473
Unmetered Scattered Load	Connection	kWh	11,697	0	0	\$0.49	\$0.0000	\$0.0000	\$68,778	\$0	\$0	\$68,778
									\$171,369,488	\$129,486,113	\$231,533,374	\$532,388,975



Incremental Capital Workform for 2014 Filers

This sheet is used to determine the applicants most current allocation of revenues (after the most recent revenue to cost ratio adjustment, if applicable) to be used to calculate the incremental capital rate riders.

Current Revenue from Rates

Rate Class	Fixed Metric	Vol Metric	Current Base	Current Base	Current Base	Re-based Billed Customers or Connections D	Re-based Billed kWh E	Re-based Billed kW F	Current Base	Current Base	Current Base	Total Current Base Revenue J = G + H + I	Service	Distribution	Distribution	Total % Revenue \$K
			Service Charge A	Volumetric Rate kWh B	Volumetric Rate kW C				Service Charge Revenue G = A * D * 12	Volumetric Rate kWh Revenue H = B * E	Volumetric Rate kW Revenue I = C * F		Charge % Total Revenue L = G / \$K	Volumetric Rate % Total Revenue M = H / \$K	Volumetric Rate % Total Revenue N = I / \$K	
Residential	Customer	kWh	18.43	0.0151		598,508	4,886,977,489	0	132,366,029	73,646,751	0	206,012,780	25.0%	13.9%	0.0%	38.9%
Residential Urban	Customer	kWh	17.16	0.0257		24,898	99,791,184	0	5,126,996	2,559,644	0	7,686,640	1.0%	0.5%	0.0%	1.5%
General Service Less Than 50 kW	Customer	kWh	24.53	0.0225		65,792	2,139,318,076	0	19,366,579	48,070,477	0	67,437,056	3.7%	9.1%	0.0%	12.7%
General Service 50 to 999 kW	Customer	kW	35.90		5.5956	13,067	10,116,374,153	26,935,191	5,629,069	0	150,718,556	156,347,626	1.1%	0.0%	28.5%	29.5%
General Service 1,000 to 4,999 kW	Customer	kW	693.06		4.4497	514	4,626,928,262	10,587,119	4,274,794	0	47,109,505	51,384,299	0.8%	0.0%	8.9%	9.7%
Large Use	Customer	kW	3,038.05		4.7406	47	2,376,778,323	4,993,733	1,713,460	0	23,673,292	25,386,752	0.3%	0.0%	4.5%	4.8%
Street Lighting	Connection	kW	1.31		28.7248	162,777	110,165,016	322,023	2,556,589	0	9,250,042	11,806,631	0.5%	0.0%	1.7%	2.2%
Unmetered Scattered Load	Connection	kWh	4.89	0.0607		1,130	56,231,585	0	66,289	3,413,257	0	3,479,546	0.0%	0.6%	0.0%	0.7%
Unmetered Scattered Load	Connection	kWh	0.49			21,729	0	0	127,767	0	0	127,767	0.0%	0.0%	0.0%	0.0%
									171,227,573	127,690,129	230,751,395	529,669,097	32.3%	24.1%	43.6%	100.0%

K



Incremental Capital Workform for 2014 Filers

Threshold Parameters

Price Cap Index

Price Escalator (GDP-IPI)	1.70%
Less Productivity Factor	0.00%
Less Stretch Factor	-0.60%

Price Cap Index **1.10%**

Growth

ICM Billing Determinants for Growth - Numerator : 2012 Actual	<u>\$532,388,975</u>	A
ICM Billing Determinants for Growth - Denominator : 2011 Re-based Forecast	<u>\$528,018,642</u>	B

Growth **0.83%** C = A / B



Incremental Capital Workform for 2014 Filers

Threshold Test

Year	2011	
Price Cap Index	1.10%	A
Growth	0.83%	B
Dead Band	20%	C
Average Net Fixed Assets		
Gross Fixed Assets Opening	\$4,183,572,075	
Add: CWIP Opening	\$ 204,719,106	
Capital Additions	\$ 376,263,596	
Capital Disposals	\$ -	
Capital Retirements	\$ -	
Deduct: CWIP Closing	-\$ 232,060,508	
Gross Fixed Assets - Closing	\$4,532,494,269	
Average Gross Fixed Assets	<u>\$4,358,033,172</u>	
Accumulated Depreciation - Opening	\$2,285,733,698	
Depreciation Expense	\$ 138,815,781	D
Disposals	\$ 2,807,234	
Retirements		
Accumulated Depreciation - Closing	\$2,427,356,713	
Average Accumulated Depreciation	<u>\$2,356,545,206</u>	
Average Net Fixed Assets	<u>\$2,001,487,967</u>	E
Working Capital Allowance		
Working Capital Allowance Base	\$2,479,952,766	
Working Capital Allowance Rate	12%	
Working Capital Allowance	<u>\$ 296,739,314</u>	F
Rate Base	<u>\$2,298,227,281</u>	G = E + F
Depreciation	D \$ 138,815,781	H
Threshold Test	152.07%	I = 1 + (G / H) * (B + A * (1 + B)) + C
Threshold CAPEX	\$ 211,090,773	J = H * I



Incremental Capital Workform for 2014 Filers

Summary of Incremental Capital Projects (ICPs)

Calculation of Eligible Incremental Capital Amount			
2014 Non-Discretionary Capital Budget (Including ICM Projects)	\$528,749,501.00		A
Threshold CAPEX (as calculated on sheet E2.1)	\$211,090,773.46		B
Eligible Incremental Capital Amount	=	<u>\$317,658,727.54</u>	C = A - B

Summary of Proposed Incremental Capital Projects				
Number of ICPs				
1				
Project ID #	Incremental Capital Non-Discretionary Project Description	Incremental Capital CAPEX	Amortization Expense	CCA
ICP 1	Summary of Projects without COPELAND	\$66,779,363.53	\$2,038,986.82	\$5,343,657.13
Total Proposed Incremental Capital CAPEX		<u>\$66,779,363.53</u>	<u>\$2,038,986.82</u>	<u>\$5,343,657.13</u>

Total Incremental Capital Amount for ICM Rate Rider Calculation \$66,779,363.53

Note: The total incremental capital amount for the ICM rate rider calculation cannot exceed the eligible incremental capital amount.



Incremental Capital Workform for 2014 Filers

Incremental Capital Adjustment

Current Revenue Requirement			
Current Revenue Requirement - Total		\$533,324,186	A
Return on Rate Base			
Incremental Capital CAPEX		\$ 66,779,364	B
Depreciation Expense		\$ 2,038,987	C
Incremental Capital CAPEX to be included in Rate Base		\$ 64,740,377	D = B - C
Deemed ShortTerm Debt %	4.0%	E \$ 2,589,615	G = D * E
Deemed Long Term Debt %	56.0%	F \$ 36,254,611	H = D * F
Short Term Interest	2.46%	I \$ 63,705	K = G * I
Long Term Interest	5.37%	J \$ 1,946,873	L = H * J
Return on Rate Base - Interest		\$ 2,010,577	M = K + L
Deemed Equity %	40.0%	N \$ 25,896,151	P = D * N
Return on Rate Base -Equity	9.58%	O \$ 2,480,851	Q = P * O
Return on Rate Base - Total		\$ 4,491,428	R = M + Q
Amortization Expense			
Amortization Expense - Incremental		C \$ 2,038,987	S
Grossed up PIL's			
Regulatory Taxable Income		O \$ 2,480,851	T
Add Back Amortization Expense		S \$ 2,038,987	U
Deduct CCA		\$ 5,343,657	V
Incremental Taxable Income		-\$ 823,819	W = T + U - V
Current Tax Rate (F1.1 Z-Factor Tax Changes)	26.4%	X	
PIL's Before Gross Up		-\$ 217,488	Y = W * X
Incremental Grossed Up PIL's		-\$ 295,500	Z = Y / (1 - X)
Ontario Capital Tax			
Incremental Capital CAPEX		\$ 66,779,364	AA
Less : Available Capital Exemption (if any)		\$ -	AB
Incremental Capital CAPEX subject to OCT		\$ 66,779,364	AC = AA - AB
Ontario Capital Tax Rate (F1.1 Z-Factor Tax Changes)	0.000%	AD	
Incremental Ontario Capital Tax		\$ -	AE = AC * AD
Incremental Revenue Requirement			
Return on Rate Base - Total		Q \$ 4,491,428	AF
Amortization Expense - Total		S \$ 2,038,987	AG
Incremental Grossed Up PIL's		Z -\$ 295,500	AH
Incremental Ontario Capital Tax		AE \$ -	AI
Incremental Revenue Requirement		\$ 6,234,915	AJ = AF + AG + AH + AI

Appendix E: 2014 Tariff Sheets

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Proposed Implementation Date May 1, 2014

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

RESIDENTIAL SERVICE CLASSIFICATION

This classification is applicable to an account where electricity is used exclusively for residential purposes in a separately metered living accommodation, where the Competitive Sector Multi-Unit Residential classification is not applicable. Eligibility is restricted to a dwelling unit that consists of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex building, with a residential zoning; a separately metered dwelling within a town house complex or apartment building; and bulk metered residential buildings with six or fewer units. Further details concerning the terms of service are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	18.63	(per 30 days)
Smart Meter Funding Adder	\$	0.68	(per 30 days)
Rate Rider for Smart Metering Entity Charge – effective until October 31, 2018	\$	0.78	(per 30 days)
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$	0.07	(per 30 days)
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$	0.73	(per 30 days)
Distribution Volumetric Rate	\$/kWh	0.01538	
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$/kWh	0.00005	
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$/kWh	0.00061	
Rate Rider for Application of Tax Change – effective until April 30, 2015	\$/kWh	(0.00004)	
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00766	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00518	

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044	
Rural Rate Protection Charge	\$/kWh	0.0012	
Standard Supply Service – Administration Charge (if applicable)	\$	0.25	(per 30 days)

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Proposed Implementation Date May 1, 2014

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

COMPETITIVE SECTOR MULTI-UNIT RESIDENTIAL SERVICE CLASSIFICATION

This classification is applicable to an account where electricity is used exclusively for residential purposes in a multi-unit residential building, where unit metering is provided using technology that is substantially similar to that employed by competitive sector sub-metering providers. Use of electricity in non-residential units of multi-unit buildings does not qualify for this classification and will instead be subject to the applicable commercial classification. Further details concerning the terms of service are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	17.35	(per 30 days)
Smart Meter Funding Adder	\$	0.68	(per 30 days)
Rate Rider for Smart Metering Entity Charge – effective until October 31, 2018	\$	0.78	(per 30 days)
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$	0.06	(per 30 days)
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$	0.68	(per 30 days)
Distribution Volumetric Rate	\$/kWh	0.02617	
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$/kWh	0.00009	
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$/kWh	0.00103	
Rate Rider for Application of Tax Change – effective until April 30, 2015	\$/kWh	(0.00007)	
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00766	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00518	

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044	
Rural Rate Protection Charge	\$/kWh	0.0012	
Standard Supply Service – Administration Charge (if applicable)	\$	0.25	(per 30 days)

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Proposed Implementation Date May 1, 2014

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

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is less than, or is forecast to be less than 50 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	24.80	(per 30 days)
Smart Meter Funding Adder	\$	0.68	(per 30 days)
Rate Rider for Smart Metering Entity Charge – effective until October 31, 2018	\$	0.78	(per 30 days)
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$	0.09	(per 30 days)
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$	0.97	(per 30 days)
Distribution Volumetric Rate	\$/kWh	0.02293	
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$/kWh	0.00008	
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$/kWh	0.00090	
Rate Rider for Application of Tax Change – effective until April 30, 2015	\$/kWh	(0.00003)	
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00741	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00467	

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044	
Rural Rate Protection Charge	\$/kWh	0.0012	
Standard Supply Service – Administration Charge (if applicable)	\$	0.25	(per 30 days)

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Proposed Implementation Date May 1, 2014

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

GENERAL SERVICE 50 to 999 kW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than 50 kW but less than 1,000 kW, or is forecast to be equal to or greater than 50 kW but less than 1,000 kW. This rate also applies to bulk metered residential apartment buildings or the house service of a residential apartment building with more than 6 units. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	36.29	(per 30 days)
Smart Meter Funding Adder	\$	0.68	(per 30 days)
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$	0.13	(per 30 days)
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$	1.42	(per 30 days)
Distribution Volumetric Rate	\$/kVA	5.7116	(per 30 days)
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$/kVA	0.0202	(per 30 days)
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$/kVA	0.2225	(per 30 days)
Rate Rider for Application of Tax Change – effective until April 30, 2015	\$/kVA	(0.0056)	(per 30 days)
Retail Transmission Rate – Network Service Rate	\$/kW	2.6529	(per 30 days)
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7782	(per 30 days)

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044	
Rural Rate Protection Charge	\$/kWh	0.0012	
Standard Supply Service – Administration Charge (if applicable)	\$	0.25	(per 30 days)

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Proposed Implementation Date May 1, 2014

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

GENERAL SERVICE 1,000 to 4,999 kW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than 1,000 kW but less than 5,000 kW, or is forecast to be equal to or greater than 1,000 kW but less than 5,000 kW. This rate also applies to bulk metered residential apartment buildings or the house service of a residential apartment building with more than 6 units. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	700.68	(per 30 days)
Smart Meter Funding Adder	\$	0.68	(per 30 days)
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$	2.49	(per 30 days)
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$	27.34	(per 30 days)
Distribution Volumetric Rate	\$/kVA	4.5419	(per 30 days)
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$/kVA	0.0161	(per 30 days)
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$/kVA	0.1771	(per 30 days)
Rate Rider for Application of Tax Change – effective until April 30, 2015	\$/kVA	(0.0047)	(per 30 days)
Retail Transmission Rate – Network Service Rate	\$/kW	2.5630	(per 30 days)
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7765	(per 30 days)

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044	
Rural Rate Protection Charge	\$/kWh	0.0012	
Standard Supply Service – Administration Charge (if applicable)	\$	0.25	(per 30 days)

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Proposed Implementation Date May 1, 2014

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

LARGE USE > 5000 KW SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	3,071.47	(per 30 days)
Smart Meter Funding Adder	\$	0.68	(per 30 days)
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$	10.90	(per 30 days)
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$	119.83	(per 30 days)
Distribution Volumetric Rate	\$/kVA	4.8388	(per 30 days)
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$/kVA	0.0172	(per 30 days)
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$/kVA	0.1887	(per 30 days)
Rate Rider for Application of Tax Change – effective until April 30, 2015	\$/kVA	(0.0049)	(per 30 days)
Retail Transmission Rate – Network Service Rate	\$/kW	2.9218	(per 30 days)
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.9737	(per 30 days)

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044	
Rural Rate Protection Charge	\$/kWh	0.0012	
Standard Supply Service – Administration Charge (if applicable)	\$	0.25	(per 30 days)

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Proposed Implementation Date May 1, 2014

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

STANDBY POWER SERVICE CLASSIFICATION

These classifications refer to an account that has Load Displacement Generation and requires THESL to provide back-up service. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component - APPROVED ON AN INTERIM BASIS

Standby Charge – for a month where standby power is not provided. The charge is applied to the contracted amount (e.g., nameplate rating of generation facility).

Service Charge	\$	202.01	(per 30 days)
Distribution Volumetric Rate			
For General Service 50 – 999 kW	\$/kVA	5.7116	(per 30 days)
For General Service 1,000 – 4,999 kW	\$/kVA	4.5419	(per 30 days)
For Large Use	\$/kVA	4.8388	(per 30 days)

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Proposed Implementation Date May 1, 2014

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

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand at each location is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by THESL and the customer, based on detailed manufacturer information/ documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	4.94	(per 30 days)
Connection Charge (per connection)	\$	0.50	(per 30 days)
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$	0.02	(per 30 days)
Rate Rider for Recovery of Foregone Revenue (per connection) – effective until April 30, 2015	\$	0.00	(per 30 days)
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$	0.02	(per 30 days)
Rate Rider for Recovery of Incremental Capital Module Costs (per connection) – effective until April 30, 2015	\$	0.19	(per 30 days)
Distribution Volumetric Rate	\$/kWh	0.06195	
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$/kWh	0.00022	
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$/kWh	0.00245	
Rate Rider for Application of Tax Change – effective until April 30, 2014	\$/kWh	(0.00006)	
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00466	
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00327	

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044	
Rural Rate Protection Charge	\$/kWh	0.0012	
Standard Supply Service – Administration Charge (if applicable)	\$	0.25	(per 30 days)

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Proposed Implementation Date May 1, 2014

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

STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	1.32	(per 30 days)
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$	0.00	(per 30 days)
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$	0.05	(per 30 days)
Distribution Volumetric Rate	\$/kVA	29.3201	(per 30 days)
Rate Rider for Recovery of Foregone Revenue – effective until April 30, 2015	\$/kVA	0.1041	(per 30 days)
Rate Rider for Recovery of Incremental Capital Module Costs – effective until April 30, 2015	\$/kVA	1.1439	(per 30 days)
Rate Rider for Application of Tax Change – effective until April 30, 2015	\$/kVA	(0.0354)	(per 30 days)
Retail Transmission Rate – Network Service Rate	\$/kW	2.3594	(per 30 days)
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.1204	(per 30 days)

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044	
Rural Rate Protection Charge	\$/kWh	0.0012	
Standard Supply Service – Administration Charge (if applicable)	\$	0.25	(per 30 days)

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Proposed Implementation Date May 1, 2014

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

microFIT GENERATOR SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	5.33	(per 30 days)
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Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Proposed Implementation Date May 1, 2014

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

ALLOWANCES

Transformer Allowance for Ownership	\$/kVA	(0.62)	(per 30 days)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)	

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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Customer Administration			
Duplicate Invoices for Previous Billing	\$		15.00
Easement Letter	\$		15.00
Income Tax Letter	\$		15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$		30.00
Returned Cheque (plus bank charges)	\$		15.00
Special Meter Reads	\$		30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$		30.00
Non-Payment of Account			
Late Payment - per month	%		1.50
Late Payment - per annum	%		19.56
Collection of Account Charge – No Disconnection	\$		30.00
Disconnect/Reconnect Charges for non-payment of account			
- At Meter During Regular Hours	\$		65.00
- At Meter After Hours	\$		185.00
Install/Remove Load Control Device – During Regular hours	\$		65.00
Install/Remove Load Control Device – After Regular hours	\$		185.00
Disconnect/Reconnect at Pole – During Regular Hours	\$		185.00
Disconnect/Reconnect at Pole – After Regular Hours	\$		415.00
Specific Charge for Access to the Power Poles – per pole/year	\$		22.35
Specific Charge for Access to the Power Poles – per pole/year (Third Party Attachments to Poles)	\$		18.55
Specific Charge for Access to the Power Poles – per pole/year (Hydro Attachments on Third Party Poles)	\$		(22.75)

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Proposed Implementation Date May 1, 2014

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

RETAIL SERVICE CHARGES (if applicable)

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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Retail Service Charges refer to services provided by THESL to retailers or customers related to the supply of competitive electricity and are defined in the 2006 Electricity Distribution Rate Handbook.

Establishing Service Agreements		
Standard charge (one-time charge), per agreement per retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$	0.50
Distributor-Consolidated Billing		
Standard billing charge, per month, per customer, per retailer	\$	0.30
Retailer-Consolidated Billing		
Avoided cost credit, per month, per customer, per retailer	\$	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, regardless of whether or not the STR can be processed	\$	0.25
Processing fee, per request, applied to the requesting party if the request is processed	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year		no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

Toronto Hydro-Electric System Limited

TARIFF OF RATES AND CHARGES

Proposed Implementation Date May 1, 2014

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

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Billing Determinant:

The billing determinant is the customer's metered energy consumption adjusted by the Total Loss Factor as approved by the Board and set out in this Schedule of Rates.

(A) Primary Metering Adjustment	0.9900
(B) Supply Facilities Loss Factor	1.0045
Distribution Loss Factors	
(C) Customer less than 5,000 kW	1.0330
(D) Customer greater than 5,000 kW	1.0141

Total Loss Factors

Secondary Metered Customers	
(E) Customer less than 5,000 kW (B)*(C)	1.0376
(F) Customer greater than 5,000 kW (B)*(D)	1.0187
Primary metered customers	
(G) Customer less than 5,000 kW (A)*(E)	1.0272
(H) Customer greater than 5,000 kW (A)*(F)	1.0085