



# IR Update Report

## Summary

For purposes of completing 1-Staff-3 (updated RRWF) and 1-Staff-4 (Updated Bill Impacts) London Hydro has made adjustments to the following as a result of the IR's:

- Updated the Load Forecast Reference
  - Wholesale purchases updated to include 2016
  - Customer counts updated to include 2016
- Updated calculation of Cost of Power Commodity
- Updated RTSR workform for Load Forecast update
- Updated Revenue Pass-Thru:
  - Cost of Power (Update Commodity Rate and Load Forecast)
  - WMS – Update load forecast
  - RRRP – Update load forecast and change of RRRP Rate to \$0.0021
  - RTSR Connection and Network - update load forecast and RTSR Rates
  - Smart Meter Entity - update load forecast.
- Updated 2016 Fixed Assets to December 31, 2017
  - Closing 2016 Gross Fixed Assets
  - Closing 2016 Accumulated Depreciation
  - Closing 2017 Gross Fixed Assets
  - Closing 2017 Accumulated Depreciation
  - 2017 Amortization expense
  - 2017 Taxes including CCA schedules

The result of all of the above changes has the effect of increasing the requested revenue requirement and therefore revenue deficiency.



## London Hydro IR 2017 vs Orig App 2017

Responses to IR's

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Increase in Average Gross Fixed Assets	\$ (2,109,882)	
Change in Average Accumulated Depreciation	\$ 4,657,423	
Increase in Average Net Fixed Assets	\$ 2,547,541	
Increase in Working Capital	\$ 682,880	
Change in Rate Base	\$ 3,230,421	
Change In Interest	\$ 51,331	
Change in Return on Equity	\$ 113,452	
Change in Return on Rate Base	\$ 164,783	\$ 164,783
Change in OM&A	\$ -	
Change in Depreciation	\$ 150,079	
Change in Grossed-up PILS	\$ (51,632)	
Change in Miscellaneous Revenue	\$ -	
Change in Transformer Ownership Allowance	\$ 4,727	
Net Changes (IR 2017 vs Orig 2017)	\$ 267,957	
Change in Revenue at Existing Rates	\$ (72,683)	
Change in Deficiency Adjustment	\$ 340,640	



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Distributors Rate Base	2017 Application		2017 Orig Application		Change
<b>Average Net Fixed Assets</b>					
Gross Fixed Assets - Re-based Closing	\$ 466,742,423		\$ 469,319,009		
Average Gross Fixed Assets		\$ 458,483,329		\$ 460,593,211	-\$ 2,109,882
Average Accumulated Depreciation		-\$ 192,167,154		-\$ 196,824,577	\$ 4,657,423
<b>Average Net Fixed Assets</b>		<b>\$ 266,316,175</b>		<b>\$ 263,768,634</b>	<b>\$ 2,547,541</b>
<b>Working Capital Allowance</b>					
Working Capital Allowance Base	\$ 446,212,920		\$ 438,336,563		\$ 7,876,357
Working Capital Allowance Rate	8.67%		8.67%		
<b>Working Capital Allowance</b>		<b>\$ 38,686,660</b>		<b>\$ 38,003,780</b>	<b>\$ 682,880</b>
<b>Rate Base</b>		<b>\$ 305,002,835</b>		<b>\$ 301,772,414</b>	<b>\$ 3,230,421</b>
<b>Return on Rate Base</b>					
Deemed ShortTerm Debt %	4.00%	\$ 12,200,113	4.00%	\$ 12,070,897	\$ 129,217
Deemed Long Term Debt %	56.00%	\$ 170,801,587	56.00%	\$ 168,992,552	\$ 1,809,036
Deemed Equity %	40.00%	\$ 122,001,134	40.00%	\$ 120,708,965	\$ 1,292,168
Short Term Interest	1.76%	\$ 214,722	1.76%	\$ 212,448	\$ 2,274
Long Term Interest	2.71%	\$ 4,631,698	2.71%	\$ 4,582,641	\$ 49,056
Return on Equity	8.78%	\$ 10,711,700	8.78%	\$ 10,598,247	\$ 113,452
<b>Return on Rate Base</b>		<b>\$ 15,558,119</b>		<b>\$ 15,393,336</b>	<b>\$ 164,783</b>
<b>Distribution Expenses</b>					
Operation Expenses	\$ 10,050,600		\$ 10,050,600		\$ -
Maintenance Expenses	\$ 8,188,347		\$ 8,188,347		\$ -
Billing & Collecting	\$ 5,600,023		\$ 5,600,023		\$ -
Community Relations	\$ 225,974		\$ 225,974		\$ -
Administration Expenses	\$ 15,032,056		\$ 15,032,056		\$ -
Taxes other than Income taxes	\$ -		\$ -		\$ -
Amortization	\$ 17,278,391		\$ 17,128,312		\$ 150,079
Grossed Up PILs	\$ 1,147,774		\$ 1,199,406		-\$ 51,632
		<b>\$ 57,523,165</b>		<b>\$ 57,424,718</b>	<b>\$ 263,230</b>
<b>Revenue Requirement</b>		<b>\$ 73,081,285</b>		<b>\$ 72,818,055</b>	
<b>Revenue Offsets</b>					
Specific Service Charges	-\$ 1,689,119		-\$ 1,689,119		\$ -
Late Payment Charges	-\$ 1,967,000		-\$ 1,967,000		\$ -
Other Distribution Revenue	-\$ 550,900		-\$ 550,900		\$ -
Other Income and Deductions	-\$ 757,145		-\$ 757,145		\$ -
	\$ -	<b>-\$ 4,964,164</b>	\$ -	<b>-\$ 4,964,164</b>	<b>\$ -</b>
<b>Other Revenue Inclusions</b>					
Transformer Allowance	\$ 796,612		\$ 791,884		\$ 4,727
	\$ -	<b>\$ 796,612</b>	\$ -	<b>\$ 791,884</b>	<b>\$ 4,727</b>
<b>Revenue Requirement from Distribution Rates</b>		<b>\$ 68,913,733</b>		<b>\$ 68,645,776</b>	<b>\$ 267,957</b>
<b>Revenue from Current Rates</b>		<b>\$ 65,459,994</b>		<b>\$ 65,532,676</b>	-\$ 72,683
<b>Transformer Allowance</b>		<b>\$ 796,612</b>		<b>\$ 791,884</b>	\$ 4,727
		<b>\$ 66,256,605</b>		<b>\$ 66,324,561</b>	<b>-\$ 67,955</b>
<b>Revenue Sufficiency (Deficiency)</b>		<b>-\$ 3,453,739</b>		<b>-\$ 3,113,099</b>	<b>-\$ 340,640</b>
<b>1 Resulting Distribution Rate Change</b>		<b>5.28%</b>		<b>4.75%</b>	



1 In addition to the above, London Hydro also includes changes in the calculation of the deferral  
2 and variance account amounts and rates resulting from changes to the load forecast which will  
3 influence the calculated total bill impacts.

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5 Lastly the ACM model has been updated to reflect all the inputs created through the  
6 transactions above.

### 8 ***Deferral Variance Accounts***

9 London Hydro has amended its request for disposition of Deferral and Variance accounts as  
10 shown in the following table.

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<b>DVA Accounts for Disposition</b>	Original Application	IR Responses
Rate Rider for Disposition of Climate Change Projects (2017)	\$ 654,165	\$ 654,165
Rate Rider for Recovery of LRAM Variance Account (2017)	\$ 449,430	\$ 449,430
Rate Rider for Disposition of Deferral/Variance Accounts (2017)	\$ (823,083)	\$ (823,083)
Rate Rider for Disposition of Deferral/Variance Accounts (2017) Applicable for all customers who are not Wholesale Market Participants	\$ (7,601,813)	\$ (7,601,813)
Rate Rider for Disposition of Group Two Deferral/Variance Accounts (2017)	\$ (17,031)	\$ (17,031)
Direct Settlement for Disposition of Global Adjustment Account (2017) Applicable only for Class A	\$ 278,617	\$ 278,617
Rate Rider for Disposition of Global Adjustment Account (2017) Applicable only for Class B, Non-RPP Customers who are not Wholesale Market Participants	\$ (812,013)	\$ (812,013)
Direct Settlement for Disposition of Capacity Based Recovery - Class A (2017)		\$ 6,406
Rate Rider for Disposition of Capacity Based Recovery - Class B (2017)	\$ 831,214	\$ 824,808

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14 The only change made from original filing is to the CBR disposition separating out the Class A  
15 accounts as requested in IR Responses. The following files have been updated to include the  
16 updated load forecast and recalculate the proposed rate riders.

London Hydro IR Responses 2017 DVA Additional IRR Calculation.xlsx

London Hydro IR Responses 2017 DVA Continuity Schedule.xlsm

London Hydro IR Responses Smart Grid Disposal Generator.xlsx

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### 3 **Load Forecast**

4 The following summarizes the changes to the load forecast as a result of updating values. For  
5 details on the calculation please reference the following files.

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London Hydro IR Responses LF Model.xlsx

London Hydro IR Responses WS Forecast Generator.xlsx

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### 9 **Customer Counts**

10 The following customer counts from updated load forecast.

Customer counts			
Rate Class	Original Application	IR Responses	Change
Residential	142,509	141,991	(518)
GS < 50 kW	12,749	12,703	(46)
GS > 50 - 4,999 kW	1,557	1,552	(5)
Wholesale Market Participant	4	4	-
Co-Generation	4	4	-
Standby			-
Large Use	1	1	-
Street Lights	35,912	36,048	136
Sentinel Lights	599	606	7
Unmetered Scattered Load	1,537	1,526	(11)
<b>Total</b>	<b>194,872</b>	<b>194,435</b>	<b>(437)</b>

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1 The following is the customer counts after proposed microFIT/FIT transition.

Customer counts after microFIT/FIT transition			
Rate Class	Original Application	IR Responses	Change
Residential	142,509	141,991	(518)
GS < 50 kW	12,999	12,953	(46)
GS > 50 - 4,999 kW	1,607	1,602	(5)
Wholesale Market Participant	4	4	-
Co-Generation	4	4	-
Standby			-
Large Use	1	1	-
Street Lights	35,912	36,048	136
Sentinel Lights	599	606	7
Unmetered Scattered Load	1,537	1,526	(11)
<b>Total</b>	<b>195,172</b>	<b>194,735</b>	<b>(437)</b>

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3 **Energy kWh**

4 The following is the updated proposed CDM Adjustment to the Load Forecast

Calculation of Load Forecast Adjustment by Rate Class									
Year	Residential	General Service < 50 kW	General Service > 50 kW	Co-Gen	Large Use	Street Lighting (Conn)	Sentinel Lighting (Conn)	Unmetered Scattered Load (Conn)	Total
<b>2016 Load Forecast Adjustment</b>									
2015 Persistence (50%)	1,175,000	6,858,333	1,026,500	-	5,833,333	2,800,000	-	-	17,693,167
2016 Programs (50%)	1,175,000	6,858,333	1,026,500	-	5,833,333	-	-	-	14,893,167
<b>Total</b>	<b>2,350,000</b>	<b>13,716,667</b>	<b>2,053,000</b>	<b>-</b>	<b>11,666,667</b>	<b>2,800,000</b>	<b>-</b>	<b>-</b>	<b>32,586,333</b>
<b>2017 Load Forecast Adjustment</b>									
2015 Persistence (100%)	2,350,000	13,716,667	2,053,000	-	11,666,667	5,600,000	-	-	35,386,333
2016 Persistence (50%)	1,175,000	6,858,333	1,026,500	-	5,833,333	-	-	-	14,893,167
2017 Programs (50%)	1,175,000	6,858,333	1,026,500	-	5,833,333	-	-	-	14,893,167
<b>Total</b>	<b>4,700,000</b>	<b>27,433,333</b>	<b>4,106,000</b>	<b>-</b>	<b>23,333,333</b>	<b>5,600,000</b>	<b>-</b>	<b>-</b>	<b>65,172,667</b>

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1 The following Energy kWh from updated load forecast

Energy kWh			
Rate Class	Original Application	IR Responses	Change
Residential	1,068,686,844	1,069,466,426	779,582
GS < 50 kW	371,917,460	369,565,609	(2,351,852)
GS > 50 - 4,999 kW	1,469,063,753	1,471,000,883	1,937,130
Wholesale Market Participant	17,602,117	17,668,115	65,998
Co-Generation	10,203,417	10,227,711	24,294
Standby	23,988,374	24,045,489	57,116
Large Use	82,924,170	88,987,425	6,063,255
Street Lights	19,502,488	19,597,552	95,064
Sentinel Lights	706,221	696,900	(9,321)
Unmetered Scattered Load	5,464,035	5,414,248	(49,787)
<b>Total</b>	<b>3,070,058,879</b>	<b>3,076,670,357</b>	<b>6,611,478</b>

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4 **Demand kW**

5 The following demand kW from updated load forecast

Demand kW			
Rate Class	Original Application	IR Responses	Change
Residential	-	-	-
GS < 50 kW	-	-	-
GS > 50 - 4,999 kW	3,746,113	3,751,052	4,939
Wholesale Market Participant	31,946	32,066	120
Co-Generation	65,844	72,320	6,476
Standby	154,800	154,800	-
Large Use	159,629	171,301	11,672
Street Lights	54,607	54,873	266
Sentinel Lights	1,907	1,882	(25)
Unmetered Scattered Load	-	-	-
<b>Total</b>	<b>4,214,846</b>	<b>4,238,294</b>	<b>23,448</b>

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1 **Transformer Allowance kW**

2 The following Transformer Allowance kW from updated load forecast

Transformer Allowance			
Rate Class	Original Application	IR Responses	Change
Residential	-	-	-
GS < 50 kW	-	-	-
GS > 50 - 4,999 kW	1,099,174	1,100,566	1,391
Wholesale Market Participant	-	-	-
Co-Generation	65,844	72,320	6,476
Standby	154,800	154,800	-
Large Use			-
Street Lights			-
Sentinel Lights			-
Unmetered Scattered Load	-	-	-
<b>Total</b>	<b>1,319,818</b>	<b>1,327,686</b>	<b>7,868</b>

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5 **Commodity Price**

6 The following is the updated commodity price calculation updated for the most recent OEB RPP  
7 calculation.

Commodity Price			
	Original Application	IR Responses	Change
Weighted Supply Cost (\$/MWh)	109.45	109.57	0.12

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# London Hydro Commodity Price Calculation

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Rate Class	Actual kWh	Non-RPP kWh	RPP kWh
	A	B	C = A - B
Residential	1,084,665,529	63,200,895	1,021,464,634
General Service Less Than 50 kW	399,647,918	66,974,565	332,673,353
General Service 50 to 4,999 kW	1,465,515,148	1,346,935,035	118,580,113
General Service 50 to 4,999 kW (Wholesale Market Participant)	0	0	0
General Service 1,000 To 4,999 kW (co-generation)	38,831,481	38,831,481	0
Standby Power	0	0	0
Large Use	137,445,055	137,445,055	0
Street Lighting	24,640,359	24,640,359	0
Sentinel Lighting	738,971	19,496	719,475
Unmetered Scattered Load	5,465,820	103,474	5,362,346
microFIT	0	0	0
<b>Total</b>	<b>3,156,950,281</b>	<b>1,678,150,360</b>	<b>1,478,799,921</b>
%	100.0%	53.2%	46.8%

Supply Cost (\$/MWh)		RPP		Non-RPP	
for the period from November 1, 2016 through October 31, 2017					
Forecast Wholesale Electricity Price					\$22.59
Load-Weighted Price for RPP Consumers		\$24.63			
Impact of Global Adjustment		\$84.50		\$84.50	
Adjustment to Address Bias Towards Unfavourable Variance		\$1.00			
Adjustment to Clear Existing Variance		\$2.26			
<b>Total Supply Cost (\$/MWh)</b>		<b>\$112.39</b>		<b>\$107.09</b>	
Split		46.8%		53.2%	
Weighted Supply Cost (\$/MWh)		<b>\$109.57</b>	<b>\$52.65</b>		<b>\$56.93</b>

Table ES-1: Average RPP Supply Cost Summary (for the 12 months from May 1, 2016)

RPP Supply Cost Summary	
for the period from November 1, 2016 through October 31, 2017	
Forecast Wholesale Electricity Price	\$22.59
Load-Weighted Price for RPP Consumers (\$ / MWh)	\$24.63
Impact of the Global Adjustment (\$ / MWh)	+ \$84.50
Adjustment to Address Bias Towards Unfavourable Variance (\$ / MWh)	+ \$1.00
Adjustment to Clear Existing Variance (\$ / MWh)	+ \$2.26
<b>Average Supply Cost for RPP Consumers (\$ / MWh)</b>	<b>= \$112.39</b>

Source: Navigant

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### 3 Pass-Thru Revenue

4 The following is the update for the pass-thru revenues. The values change primarily from the  
5 change in load forecast and input prices.



Pass-Thru Revenue			
	Original Application	IR Responses	Change
Electricity	\$ 344,489,030	\$ 345,376,621	\$ 887,591
WMSR	\$ 14,792,612	\$ 14,814,554	\$ 21,942
RRRP	\$ 4,091,574	\$ 6,619,269	\$2,527,695
RTSR - Network	\$ 18,270,488	\$ 20,418,012	\$2,147,523
RTSR - Connection	\$ 16,124,013	\$ 18,571,578	\$2,447,565
Smart Meter Entity Charge	\$ 1,471,846	\$ 1,466,499	\$ (5,347)
	<u>\$ 399,239,563</u>	<u>\$ 407,266,532</u>	<u>\$8,026,969</u>

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Electricity

Rate Class	Metric	Volumetric Charge	Loss Adjusted Billed kWh	Not Used	Electricity
Residential	kWh	0.1096	1,103,154,618	0	120,875,588
General Service Less Than 50 kW	kWh	0.1096	381,206,926	0	41,769,857
General Service 50 to 4,999 kW	kW	0.1096	1,517,337,411	0	166,258,699
General Service 1,000 To 4,999 kW (co-generation)	kW	0.1096	34,427,429	0	3,772,305
Large Use	kW	0.1096	89,387,868	0	9,794,467
Street Lighting	kW	0.1096	20,214,875	0	2,214,998
Sentinel Lighting	kW	0.1096	718,852	0	78,767
Unmetered Scattered Load	kWh	0.1096	5,584,797	0	611,941
microFIT	0	0.1096	0	0	0
					<u>\$ 345,376,621</u>

Wholesale Market Service Rate

Rate Class	Metric	Volumetric Charge	Loss Adjusted Billed kWh	Not Used	WMSR
Residential	kWh	0.0047	1,103,154,618	0	5,184,827
General Service Less Than 50 kW	kWh	0.0047	381,206,926	0	1,791,673
General Service 50 to 4,999 kW	kWh	0.0047	1,517,337,411	0	7,131,486
General Service 1,000 To 4,999 kW (co-generation)	kWh	0.0047	34,427,429	0	161,809
Large Use	kWh	0.0047	89,387,868	0	420,123
Street Lighting	kWh	0.0047	20,214,875	0	95,010
Sentinel Lighting	kWh	0.0047	718,852	0	3,379
Unmetered Scattered Load	kWh	0.0047	5,584,797	0	26,249
microFIT	kWh	0.0000	0	0	0
					<u>\$ 14,814,554</u>

Rural Rate Protection Charge

Rate Class	Metric	Volumetric Charge	Loss Adjusted Billed kWh	Not Used	RRRP
Residential	kWh	0.0021	1,103,154,618	0	2,316,625
General Service Less Than 50 kW	kWh	0.0021	381,206,926	0	800,535
General Service 50 to 4,999 kW	kWh	0.0021	1,517,337,411	0	3,186,409
General Service 1,000 To 4,999 kW (co-generation)	kWh	0.0021	34,427,429	0	72,298
Large Use	kWh	0.0021	89,387,868	0	187,715
Street Lighting	kWh	0.0021	20,214,875	0	42,451
Sentinel Lighting	kWh	0.0021	718,852	0	1,510
Unmetered Scattered Load	kWh	0.0021	5,584,797	0	11,728
microFIT	kWh	0.0000	0	0	0
					<u>\$ 6,619,269</u>

Retail Transmission Rate - Network Service Rate

Rate Class	Metric	Volumetric Charge	Loss Adjusted Billed kWh	Billed kW	RTSR - Network
Residential	kWh	0.0064	1,103,154,618	0	7,105,591
General Service Less Than 50 kW	kWh	0.0061	381,206,926	0	2,313,070
General Service 50 to 4,999 kW	kW	2.5571	1,517,337,411	3,751,052	9,591,631
General Service 1,000 To 4,999 kW (co-generation)	kW	3.1631	34,427,429	72,320	228,754
Standby Power	kW	3.1631	0	154,800	489,644
Large Use	kW	2.8067	89,387,868	171,301	480,784
Street Lighting	kW	1.9813	20,214,875	54,873	103,232
Sentinel Lighting	kW	1.8838	718,852	1,882	3,545
Unmetered Scattered Load	kWh	0.0061	5,584,797	0	33,887
microFIT	0	0.0000	0	0	0
					<u>\$ 20,350,139</u>

Retail Transmission Rate - Connection Service Rate

Rate Class	Metric	Volumetric Charge	Loss Adjusted Billed kWh	Billed kW	RTSR - Connection
Residential	kWh	0.0058	1,103,154,618	0	6,413,191
General Service Less Than 50 kW	kWh	0.0051	381,206,926	0	1,948,681
General Service 50 to 4,999 kW	kW	2.3815	1,517,337,411	3,751,052	8,933,173
General Service 1,000 To 4,999 kW (co-generation)	kW	2.7549	34,427,429	72,320	199,235
Standby Power	kW	2.7549	0	154,800	426,458
Large Use	kW	2.6044	89,387,868	171,301	446,145
Street Lighting	kW	1.6457	20,214,875	54,873	90,306
Sentinel Lighting	kW	1.6479	718,852	1,882	3,101
Unmetered Scattered Load	kWh	0.0051	5,584,797	0	28,549
					<u>\$ 18,488,838</u>

Smart Meter Entity

Rate Class	Metric	Fixed Charge	Customers	Not Used	LV Service Rate
Residential	kWh	0.7900	141,991	0	1,346,075
General Service Less Than 50 kW	kWh	0.7900	12,703	0	120,424
					<u>\$ 1,466,499</u>



1 **Loss Factor**

2 The following is the proposed loss factor as originally filed. This can be found in the following  
3 file.

4 London Hydro IR Responses OEB Appendix 2.xlsm  
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**Appendix 2-R  
Loss Factors**

	Historical Years					5-Year Average	
	2011	2012	2013	2014	2015		
<b>Losses Within Distributor's System</b>							
A(1)	"Wholesale" kWh delivered to distributor (higher value)	3,408,328,233	3,336,687,941	3,326,867,284	3,311,213,633	3,254,153,981	3,327,450,214
A(2)	"Wholesale" kWh delivered to distributor (lower value)	3,396,294,037	3,325,114,395	3,316,478,644	3,300,970,941	3,243,863,115	3,316,544,227
B	Portion of "Wholesale" kWh delivered to distributor for its Large Use Customer(s)	195,484,640	185,197,014	180,922,497	176,577,367	138,819,505	175,400,205
C	Net "Wholesale" kWh delivered to distributor = A(2) - B	3,200,809,398	3,139,917,381	3,135,556,147	3,124,393,574	3,105,043,610	3,141,144,022
D	"Retail" kWh delivered by distributor	3,316,999,124	3,251,924,158	3,212,414,982	3,224,235,609	3,157,007,301	3,232,516,235
E	Portion of "Retail" kWh delivered by distributor to its Large Use Customer(s)	193,549,148	183,363,380	179,131,186	174,829,076	137,445,055	173,663,569
F	Net "Retail" kWh delivered by distributor = D - E	3,123,449,975	3,068,560,778	3,033,283,796	3,049,406,533	3,019,562,247	3,058,852,666
G	Loss Factor in Distributor's system = C / F	1.0248	1.0233	1.0337	1.0246	1.0283	1.0269
<b>Losses Upstream of Distributor's System</b>							
H	Supply Facilities Loss Factor	1.0045	1.0045	1.0045	1.0045	1.0045	1.0045
<b>Total Losses</b>							
I	Total Loss Factor = G x H	1.0294	1.0279	1.0384	1.0292	1.0329	1.0315

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8 **LRAMVA**

9 The following is the proposed LRAMVA

ADJUSTED LRAMVA BASELINE	Residential	General Service < 50 kW	General Service > 50 kW	Co-Gen	Large Use	Street Lighting (Conn)	Sentinel Lighting (Conn)	Unmetered Scattered Load (Conn)	Total
2016 Tasked Savings	5,014,714	29,270,279	4,380,939	-	24,895,742	5,974,978	-	-	69,536,652
2017 Tasked Savings	7,522,071	43,905,419	6,571,409	-	37,343,613	5,974,978	-	-	101,317,489
<b>Total</b>	<b>12,536,784</b>	<b>73,175,698</b>	<b>10,952,348</b>	<b>-</b>	<b>62,239,354</b>	<b>11,949,956</b>	<b>-</b>	<b>-</b>	<b>170,854,141</b>

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1 **Cost Allocation**

2 **Class Load Profiles and Demand Factors**

3 The following is the originally filed demand load profiles as found in the following file

4 London Hydro IR Responses Cost Allocation Model.xlsm

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Customer Classes		Total	1 Residential	2 GS <50	3 GS>50-Regular	5 Cogeneration	6 Large Use >5MW	7 Street Light	8 Sentinel	9 Unmetered Scattered Load	11 Back-up/Standby Power
<b>CO-INCIDENT PEAK</b>											
<b>1 CP</b>											
Transformation CP	TCP1	609,729	247,260	72,409	256,134	4,425	16,043	46	2	511	12,900
Bulk Delivery CP	BCP1	609,729	247,260	72,409	256,134	4,425	16,043	46	2	511	12,900
Total Sytem CP	DCP1	609,729	247,260	72,409	256,134	4,425	16,043	46	2	511	12,900
<b>4 CP</b>											
Transformation CP	TCP4	2,338,764	913,281	287,005	1,001,793	25,006	57,846	182	7	2,043	51,600
Bulk Delivery CP	BCP4	2,338,764	913,281	287,005	1,001,793	25,006	57,846	182	7	2,043	51,600
Total Sytem CP	DCP4	2,338,764	913,281	287,005	1,001,793	25,006	57,846	182	7	2,043	51,600
<b>12 CP</b>											
Transformation CP	TCP12	5,988,397	2,319,997	712,509	2,577,128	46,443	136,832	31,803	1,152	7,733	154,800
Bulk Delivery CP	BCP12	5,988,397	2,319,997	712,509	2,577,128	46,443	136,832	31,803	1,152	7,733	154,800
Total Sytem CP	DCP12	5,988,397	2,319,997	712,509	2,577,128	46,443	136,832	31,803	1,152	7,733	154,800
<b>NON CO INCIDENT PEAK</b>											
<b>1 NCP</b>											
Classification NCP from Load Data Provider											
DNCP1		700,578	304,461	75,863	271,897	13,563	16,422	4,563	165	742	12,900
Primary NCP	PNCP1	700,578	304,461	75,863	271,897	13,563	16,422	4,563	165	742	12,900
Line Transformer NCP	LTNCP1	657,693	304,461	75,863	271,897	-	-	4,563	165	742	-
Secondary NCP	SNCP1	657,693	304,461	75,863	271,897	-	-	4,563	165	742	-
<b>4 NCP</b>											
Classification NCP from Load Data Provider											
DNCP4		2,571,554	1,051,217	294,137	1,039,589	51,143	61,987	18,251	661	2,970	51,600
Primary NCP	PNCP4	2,571,554	1,051,217	294,137	1,039,589	51,143	61,987	18,251	661	2,970	51,600
Line Transformer NCP	LTNCP4	2,406,824	1,051,217	294,137	1,039,589	-	-	18,251	661	2,970	-
Secondary NCP	SNCP4	2,406,824	1,051,217	294,137	1,039,589	-	-	18,251	661	2,970	-
<b>12 NCP</b>											
Classification NCP from Load Data Provider											
DNCP12		6,679,524	2,581,764	775,350	2,825,227	121,036	155,753	54,706	1,981	8,907	154,800
Primary NCP	PNCP12	6,679,524	2,581,764	775,350	2,825,227	121,036	155,753	54,706	1,981	8,907	154,800
Line Transformer NCP	LTNCP12	5,196,085	2,581,764	775,350	1,724,662	48,716	-	54,706	1,981	8,907	-
Secondary NCP	SNCP12	5,196,085	2,581,764	775,350	1,724,662	48,716	-	54,706	1,981	8,907	-

6

7 **Meter Costs and Reading Weights**

8 The following is the originally filed Meter Costs and Reading Weights as found in the following  
9 file.

10 London Hydro IR Responses Cost Allocation Model.xlsm

Sheet 17.1 Meter Capital Worksheet -

	Residential			GS <50			GS>50-Regular			Cogeneration			Large Use >5MW			TOTAL		
	Number of Meters	Weighted Metering Costs	Weighted Average	Number of Meters	Weighted Metering Costs	Weighted Average	Number of Meters	Weighted Metering Costs	Weighted Average	Number of Meters	Weighted Metering Costs	Weighted Average	Number of Meters	Weighted Metering Costs	Weighted Average	Number of Meters	Weighted Metering Costs	Weighted Average Costs (2)
Allocation Percentage			81.04%			8%			10%			0%			0%			100%
Cost Relative to Residential Average Cost			1.00			1.07			11.73			109.83			141.66			1.12
<b>Total</b>	142,509	24,129,847	169	12,749	2,318,836	182	1,561	3,100,586	1,886	7	130,178	18,597	4	95,945	23,986	156,830	29,775,403	189,8678268
<b>Meter Types</b>																		
Cost per Meter (Install+d)																		
Three-phase - Demand with IT	\$ 1,423.50						330	469,755								330	469,755	
Network Meter	\$ 267.33	12,692	3,392,952	324	86,615											13,016	3,479,567	
Central Metering	\$ 426.55	188	80,191	341	145,454											539	229,910	
Internal 3 ph. Demand with ITs	\$ 1,561.48	3	4,684	24	37,476											964	1,489,652	
Primary Metering - Internal 3 Demand with IT and Internal Capability - Secondary	\$ 23,986.23			0			44	1,445,930		1	1,561		4	95,945		53	1,271,270	
Demand with IT and Internal Capability - Special (WMP) Smart Meters	\$ 8,685.50			15	130,283		10	86,855		1	8,688		0			26	225,823	
	\$ 159.32	129,626	20,652,019	12,045	1,919,010		241	38,386								141,912	22,609,425	

11



1 **Service & Billing/Collection Weights**

2 The following is the originally filed Service & Billing/Collection Weights as found in the following  
3 file.

4 London Hydro IR Responses Cost Allocation Model.xlsm  
5

**Sheet 15.2 Weighting Factors Worksheet -**

	1	2	3	5	6	7	8	9	11
	Residential	GS <50	GS>50-Regular	Cogeneration	Large Use >5MW	Street Light	Sentinel	Unmetered Scattered Load	Back-up/Standby Power
Insert Weighting Factor for Services Account 1855	1.0	2.5	7.5	7.5	15.0	0.6	0.6	0.4	7.5
Insert Weighting Factor for Billing and Collecting	1.0	1.3	1.3	23.0	60.5	-	0.6	1.3	23.0

7 **Customer Data**

8 The following is the originally filed Customer Data as found in the following file.

9 London Hydro IR Responses Cost Allocation Model.xlsm  
10

**Sheet 16.2 Customer Data Worksheet -**

		1	2	3	5	6	7	8	9	11	
	ID	Total	Residential	GS <50	GS>50-Regular	Cogeneration	Large Use >5MW	Street Light	Sentinel	Unmetered Scattered Load	Back-up/Standby Power
<b>Billing Data</b>											
Bad Debt 3 Year Historical Average	BDHA	\$417,592	\$339,047	\$39,179	\$39,365	\$0	\$0	\$0	\$0	\$0	\$0
Late Payment 3 Year Historical Average	LPHA	\$1,193,957	\$778,085	\$171,746	\$237,837	\$0	\$6,289				
Number of Bills	CNB	1,875,558	1,702,128	152,232.00	18,834.00	48	12.00	12.00	1,872.00	420.00	
Number of Devices	CDEV							36,048	606	1,526	
Number of Connections (Unmetered)	CCON	18,974						16,842	606	1,526	
Total Number of Customers	CCA	156,447	141,991	12,703	1,556	4	1	1	156	35	
Bulk Customer Base	CCB	156,447	141,991	12,703	1,556	4	1	1	156	35	
Primary Customer Base	CCP	158,720	141,991	12,703	1,556	4	1	2,465			
Line Transformer Customer Base	CCLT	158,687	141,991	12,703	1,528	-	-	2,465			
Secondary Customer Base	CCS	154,948	141,991	12,703	62	-	-	1	156	35	
Weighted - Services	CWCS	185,293	141,991	31,758	465	-	-	10,105	364	610	-
Weighted Meter -Capital	CWMC	29,775,403	24,129,847	2,318,836	3,100,596	130,178	85,945	-	-	-	-
Weighted Meter Reading	CWMR	2,024,694	1,702,800	158,280	163,074	432	108	-	-	-	-
Weighted Bills	CWNB	1,928,082	1,702,128	197,902	24,484	1,104	726	-	1,192	546	-

12 **Direct Allocation – Street Lights**

13 The following is the originally filed Direct Allocation as found in the following file.

14 London Hydro IR Responses Cost Allocation Model.xlsm  
15

**Sheet 19 Direct Allocation Worksheet -**

USoA Account #	Accounts	Direct Allocation	Total Allocated to Rate Classifications?	1 Residential	2 GS <50	3 GS>50-Regular	5 Cogeneration	6 Large Use >5MW	7 Street Light	8 Sentinel	9 Unmetered Scattered Load	11 Back-up/Standby Power
5315	Customer Billing	\$3,770	Yes						\$3,770			



1 **Revenue Cost Ratios – Status Quo**

2 The following is a summary of the updated Revenue Cost Ratios – Status Quo can be found in  
3 the following files.

4 London Hydro IR Responses Cost Allocation Model.xlsm

5 London Hydro IR Responses CA Sheet O1.pdf

6

**Rate Class**

	Service Revenue		Miscellaneous		Base Revenue		Revenue To Expense %
	Requirement	%	Revenue	%	Requirement	%	
Residential	45,742,912	62.59%	3,396,820	68.43%	42,346,092	62.17%	101.66%
General Service Less Than 50 kW	7,814,675	10.69%	582,365	11.73%	7,232,310	10.62%	125.53%
General Service 50 to 4,999 kW	16,620,834	22.74%	845,820	17.04%	15,775,014	23.16%	82.60%
General Service 50 to 4,999 kW (Wholesale Market f	-	0.00%	-	0.00%	-	0.00%	0.00%
General Service 1,000 To 4,999 kW (co-generation)	499,741	0.68%	13,364	0.27%	486,377	0.71%	86.28%
Standby Power	483,418	0.66%	12,861	0.26%	470,557	0.69%	85.26%
Large Use	600,329	0.82%	26,353	0.53%	573,976	0.84%	113.24%
Street Lighting	1,026,638	1.40%	72,818	1.47%	953,820	1.40%	127.82%
Sentinel Lighting	85,162	0.12%	4,181	0.08%	80,981	0.12%	62.95%
Unmetered Scattered Load	207,575	0.28%	9,582	0.19%	197,993	0.29%	73.40%
microFIT	-	0.00%	-	0.00%	-	0.00%	0.00%
	<b>73,081,285</b>	<b>100.00%</b>	<b>4,964,164</b>	<b>100.00%</b>	<b>68,117,121</b>	<b>100.00%</b>	

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8

9 The following summarizes the proposed cost allocation to be used in 2017.

**Impact Analysis Rate Class Change**

Rate Class	Proposed			Current Revenue	Change \$ Revenue	Change % Revenue	Status Quo	Proposed Cost	Target Range	
	Proposed Fixed Service Charge Revenue	Distribution Volumetric Revenue	Proposed Total Revenue				Revenue To Expense %	Allocation Revenue To Expense %		
	A	B	C						Floor	Ceiling
Residential	33,873,373	9,203,978	43,077,351	40,918,450	2,158,901	5.3%	101.7%	101.7%	85.0%	115.0%
General Service Less Than 50 kW	5,114,839	3,998,891	9,113,730	8,759,543	354,187	4.0%	125.5%	124.1%	80.0%	120.0%
General Service 50 to 4,999 kW	3,125,083	10,568,781	13,693,864	12,890,618	803,246	6.2%	82.6%	83.3%	80.0%	180.0%
General Service 50 to 4,999 kW (Wholesale)	0	0	0	0	0	0.0%	0.0%	0.0%	80.0%	180.0%
General Service 1,000 To 4,999 kW (co-genera	127,200	336,027	463,227	440,011	23,215	5.3%	86.3%	86.3%	80.0%	180.0%
Standby Power	0	496,822	496,822	471,923	24,899	5.3%	85.3%	85.3%	0.0%	0.0%
Large Use	256,200	396,884	653,084	620,353	32,730	5.3%	113.2%	113.2%	85.0%	115.0%
Street Lighting	734,754	483,886	1,218,640	1,176,630	42,010	3.6%	127.8%	125.9%	70.0%	120.0%
Sentinel Lighting	27,451	23,444	50,895	46,919	3,977	8.5%	62.9%	64.7%	70.0%	120.0%
Unmetered Scattered Load	41,060	105,058	146,118	135,545	10,573	7.8%	73.4%	75.1%	80.0%	120.0%
microFIT	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0.0%
	<b>43,299,960</b>	<b>25,613,773</b>	<b>68,913,733</b>	<b>65,459,994</b>	<b>3,453,739</b>	<b>5.3%</b>				

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11

12 London Hydro is proposing to transition the Revenue Cost Ratio's to target range as shown  
13 below by 2020.



**OEB Appendix 2P Cost Allocation D) Proposed Rebalancing Revenue-to-Cost Ratio:**

Rate Class	Proposed Ratios				Target Range	
	2017	2018	2019	2020	Floor	Ceiling
Residential	101.6%	101.6%	101.6%	101.6%	85%	115%
General Service Less Than 50 kW	124.1%	122.7%	121.4%	120.0%	80%	120%
General Service 50 to 4,999 kW	83.5%	84.2%	85.0%	85.7%	80%	180%
General Service 1,000 To 4,999 kW (co-ge)	86.7%	86.7%	86.7%	86.7%	80%	180%
Standby Power	86.2%	86.2%	86.2%	86.2%	0%	0%
Large Use	113.2%	113.2%	113.2%	113.2%	85%	115%
Street Lighting	125.8%	123.9%	121.9%	120.0%	70%	120%
Sentinel Lighting	64.7%	66.4%	68.2%	70.0%	70%	120%
Unmetered Scattered Load	75.0%	76.7%	78.3%	80.0%	80%	120%

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3 The following is the 2017 transition calculation for residential rates. This calculation can be  
4 found in the following file.

5 London Hydro IR Responses RRWF.xlsm  
Calculating Test Year Base Rates

Number of Remaining Rate Design Policy Transition Years <sup>2</sup>	3
--	---

	Test Year Revenue @ Current F/V Split	Test Year Base Rates @ Current F/V Split	Reconciliation - Test Year Base Rates @ Current F/V Split
Fixed	\$ 29,354,994.35	17.23	\$ 29,358,059.16
Variable	\$ 13,577,484.32	0.0127	\$ 13,582,223.60
TOTAL	\$ 42,932,478.67	-	\$ 42,940,282.76

	New F/V Split	Revenue @ new F/V Split	Final Adjusted Base Rates	Revenue Reconciliation @ Adjusted Rates
Fixed	78.92%	\$ 33,880,822.46	\$ 19.88	\$ 33,873,372.96
Variable	21.08%	\$ 9,051,656.21	\$ 0.0085	\$ 9,090,464.62
TOTAL	-	\$ 42,932,478.67	-	\$ 42,963,837.58

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8 London Hydro is proposing to dissolve the current microFIT class and assign microFIT/FIT  
9 customers to the GS<50 kW and GS>50 kW rate classes, based on boilerplate ratings without  
10 application of volumetric distribution rates. To accomplish this London Hydro is moving the  
11 customers into the class and allowing the change to be revenue neutral.





**London  
Hydro**

**Proposed microFIT Adjustment**

Responses to IR's

Schedule: 1  
Page: 17 of 25

Date Prepared: January 23, 2017

Fixed Revenue Before microFIT	Customer count Before microFIT	Fixed Rate Before microFIT	Customer Count microFIT	Customer count after microFIT	Fixed Rate After microFIT
A	B	C = A / B / 12	D	E = B + D	F = A / E / 12

GS<50 kW                    \$ 5,114,839.03            12,703    \$    33.55            300            13,003    \$    32.78

**Proposed FIT Adjustment**

Fixed Revenue Before microFIT	Customer count Before FIT Adjustment	Fixed Rate Before FIT Adjustment	Customer Count FIT	Customer count after FIT Adjustment	Fixed Rate After FIT
A	B	C = A / B / 12	D	E = B + D	F = A / E / 12

GS<50 kW                    \$ 5,114,839.03            13,003    \$    32.78            (50)            12,953    \$    32.91  
 GS>50 kW                    \$ 3,125,082.77            1,556    \$    167.37            50            1,606    \$    162.16

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The following is the proof of final rates calculation. This is tested in the RRWF file.

London Hydro IR Responses RRWF.xlsm

**Proposed Revenue After Adjustments**

Rate Class	Metric	Monthly Service Charge	Distribution Volumetric Charge	TOA	Customers or Connections	kWh	kW	TOA kW	Monthly Service Charge Revenue	Distribution Volumetric Charge Revenue	Total Revenue from Distribution Rates	TOA	Total Revenue
Residential	kWh	19.88	0.0086	0.0000	141,991	1,069,466,426	0	0	33,873,373	9,197,411	43,070,784	0	43,070,784
General Service Less Than 50 kW	kWh	32.91	0.0109	0.0000	12,953	369,565,609	0	0	5,115,399	4,028,265	9,143,664	0	9,143,664
General Service 50 to 4,999 kW	kWh	162.16	2.7937	(0.6000)	1,606	1,488,668,998	3,783,118	1,100,566	3,125,148	10,568,897	13,694,045	(660,339)	13,033,705
General Service 1,000 To 4,999 kW (co-generation)	kWh	2,650.00	4.6464	(0.6000)	4	34,273,200	72,320	72,320	127,200	336,029	463,229	(43,382)	419,837
Standby Power	kWh	0.00	3.2095	(0.6000)	0	0	154,800	154,800	0	496,831	496,831	(92,880)	403,951
Large Use	kWh	21,350.00	2.3169	0.0000	1	88,987,425	171,301	0	256,200	396,887	653,087	0	653,087
Street Lighting	kWh	1.70	8.8183	0.0000	36,048	19,597,552	54,873	0	735,379	483,887	1,219,266	0	1,219,266
Sentinel Lighting	kWh	3.78	12.4570	0.0000	606	696,900	1,882	0	27,488	23,444	50,932	0	50,932
Unmetered Scattered Load	kWh	2.25	0.0195	0.0000	1,526	5,414,248	0	0	41,202	105,578	146,780	0	146,780
					194,735	3,076,670,357	4,238,294	1,327,686	\$ 43,301,389	\$ 25,637,229	\$ 68,938,618	-\$ 796,612	\$ 68,142,006

Proposed Revenue Requirement \$ 68,117,121  
 Rounding Error \$ 24,885  
 Rounding Error % 0.037%

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**Revenue Requirement**

**Working Capital**

The following is the calculation of expenses for determination of working capital.

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**Expenses for Working Capital**

**Eligible Distribution Expenses:**

3500-Distribution Expenses - Operation	10,050,600
3550-Distribution Expenses - Maintenance	8,188,347
3650-Billing and Collecting	5,600,023
3700-Community Relations	225,974
3800-Administrative and General Expenses	15,032,056
3950-Taxes Other Than Income Taxes	0
<b>Total Eligible Distribution Expenses</b>	<b>39,097,000</b>

**3350-Power Supply Expenses**

Electricity	345,376,621
WMSR	14,814,554
RRRP	6,619,269
RTSR - Network	20,350,139
RTSR - Connection	18,488,838
RTSR - Line Connection	0
RTSR - Transformation Connection	0
Smart Meter Entity Charge	1,466,499
Low Voltage	0
<b>3350-Power Supply Expenses</b>	<b>407,115,920</b>

<b>Total Expenses for Working Capital</b>	<b>446,212,920</b>
<b>Working Capital factor</b>	<b>8.67%</b>
<b>Working Capital Allowance</b>	<b>38,686,660</b>

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**3 Taxes**

4 The following is the updated CCA schedule. This reflects the changes as a result of updating  
5 the 2016 Fixed Assets

**Schedule 8 CCA Test Year**

Class	Class Description	UCC Test Year Opening Balance	Additions	Disposals	UCC Before 1/2 Yr Adjustment	1/2 Year Rule (1/2 Additions Less Disposals)	Reduced UCC	Rate %	Test Year CCA	UCC End of Test Year
1	Distribution System - post 1987	\$ 67,270,942	\$ -	\$ -	\$ 67,270,942	\$ -	\$ 67,270,942	4%	\$ 2,690,838	\$ 64,580,104
2	Distribution System - pre 1988	\$ 26,474,961	\$ -	\$ -	\$ 26,474,961	\$ -	\$ 26,474,961	6%	\$ 1,588,498	\$ 24,886,463
3	Buildings acquired before 1988	\$ 7,034,102	\$ -	\$ -	\$ 7,034,102	\$ -	\$ 7,034,102	4%	\$ 281,364	\$ 6,752,738
1a	Buildings acquired Post 1988	\$ 2,980,118	\$ 870,000	\$ 567,000	\$ 3,283,118	\$ 151,500	\$ 3,131,618	6%	\$ 187,897	\$ 3,095,221
8	General Office/Stores Equip	\$ 12,176,623	\$ 2,378,000	\$ 7,500	\$ 14,547,123	\$ 1,185,250	\$ 13,361,873	20%	\$ 2,672,375	\$ 11,874,748
10	Certain Automobiles	\$ 2,868,880	\$ 924,000	\$ 19,000	\$ 3,773,880	\$ 452,500	\$ 3,321,380	30%	\$ 996,414	\$ 2,777,466
12	Computer Software	\$ 1,764,628	\$ 4,082,697	\$ 1,289,000	\$ 4,558,324	\$ 1,296,848	\$ 3,161,476	100%	\$ 3,161,476	\$ 1,396,848
47	Electrical Distribution Equipment	\$ 113,252,619	\$ 19,804,000	\$ 600,000	\$ 132,556,619	\$ 9,652,000	\$ 122,904,619	8%	\$ 9,832,370	\$ 122,724,250
50	Data Network Infrastructure Equipment - post Mar 2007	\$ 862,442	\$ 297,200	\$ -	\$ 1,159,642	\$ 148,600	\$ 1,011,042	55%	\$ 556,073	\$ 603,569
38	Power Operated (Major) Equipment	\$ 212,606	\$ 175,000	\$ 8,500	\$ 379,106	\$ 83,250	\$ 295,856	30%	\$ 88,757	\$ 290,349
	<b>TOTAL</b>	<b>\$ 234,897,922</b>	<b>\$ 28,530,897</b>	<b>-\$ 2,391,000</b>	<b>\$ 261,037,818</b>	<b>\$ 13,069,948</b>	<b>\$ 247,967,870</b>		<b>\$ 22,056,061</b>	<b>\$ 238,981,758</b>

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8 The following table calculates the Net Income for Tax purposes.



## Taxable Income Test Year

	T2 S1 line #	Test Year Taxable Income
<b>Net Income Before Taxes</b>		10,711,700
<b>Additions:</b>		
Interest and penalties on taxes	103	0
Amortization of tangible assets <i>2-4 ADJUSTED ACCOUNTING DATA P489</i>	104	18,080,989
Non-deductible meals and entertainment expense	121	46,550
Non-deductible company pension plans	124	309,000
Apprenticeship and Co-op tax credits	294	50,600
SED Tax Credits	295	341,000
<b>Total Additions</b>		<b>18,828,139</b>
<b>Deductions:</b>		
Gain on disposal of assets per financial statements	401	147,000
Capital cost allowance from Schedule 8	403	22,056,061
Cumulative eligible capital deduction from Schedule 10 CEC	405	47,093
SRED labour/contractor reclass from CCA pool	393	1,289,000
Sale of scrap for accounting purposes	394	383,000
Financing fees proration for tax purposes	395	8,900
Tax credits for accounting purposes	396	380,600
Facilities restorations	397	567,000
<b>Total Deductions</b>		<b>24,878,654</b>
<b>NET INCOME FOR TAX PURPOSES</b>		<b>4,661,185</b>

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- 3 The following calculates the Grossed up PIL's values to be used in the calculation of revenue
- 4 requirement.



Responses to IR's

Schedule: 1  
Page: 20 of 25

Date Prepared: January 23, 2017

		<b>Wires Only</b>		
<b>Regulatory Taxable Income</b>			<b>\$ 4,661,185</b>	<b>A</b>
<b>Ontario Income Taxes</b>				
Income tax payable	Ontario income tax	11.50%	<b>\$ 536,036</b>	<b>C = A * B</b>
Small business credit	Ontario Small Business Threshold Rate reduction	\$ - -7.25%	<b>\$ -</b>	<b>F = D * E</b>
Ontario Income tax			<b>\$ 536,036</b>	<b>J = C + F</b>
<b>Combined Tax Rate and PILs</b>				
	Effective Ontario Tax Rate	11.50%		<b>K = J / A</b>
	Federal tax rate	15.00%		<b>L</b>
	Combined tax rate		<b>26.50%</b>	<b>M = L + L</b>
<b>Total Income Taxes</b>				
			<b>\$ 1,235,214</b>	<b>N = A * M</b>
Investment Tax Credits			<b>\$ -</b>	<b>O</b>
Miscellaneous Tax Credits			<b>\$ 391,600</b>	<b>P</b>
<b>Total Tax Credits</b>			<b>\$ 391,600</b>	<b>Q = O + P</b>
<b>Corporate PILs/Income Tax Provision for Test Year</b>			<b>\$ 843,614</b>	<b>R = N - Q</b>
Corporate PILs/Income Tax Provision Gross Up		73.50%	<b>\$ 304,160</b>	<b>T = R / S - N</b>
<b>Income Tax (grossed-up)</b>			<b>\$ 1,147,774</b>	<b>U = R + T</b>
<b>Ontario Capital Tax (not grossed-up)</b>			<b>\$ -</b>	<b>V</b>
<b>1 Tax Provision for Test Year Rate Recovery</b>			<b>\$ 1,147,774</b>	<b>W = U + V</b>

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2 **Debt**

3 The following is as originally filed for purposes of determining the cost of capital used in the  
4 revenue requirement calculation. This can be found in the following file.

5 London Hydro IR Responses OEB Appendix 2.xlsm

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**Appendix 2-OB  
Debt Instruments**

This table must be completed for all required historical years, the bridge year and the test year.  
Year 2017

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%) <sup>2</sup>	Days O/S	Average Balance	Interest (\$) <sup>1</sup>	Additional Comments, if any
1	Unsecured, non-revolving term instalment loan bearing interest at the 7.53 year Bankers' Acceptance rate of 2.48% plus a stamping fee of 0.19%, interest only payments due June 2022	Royal Bank	Third-Party	Fixed Rate	29-Nov-14	8	\$ 85,000,000	2.650%	365	\$ 85,000,000	\$ 2,252,500	
2	Unsecured, non-revolving term instalment loan bearing interest at the 7.75 year Bankers' Acceptance rate of 2.43% plus a stamping fee of 0.9%, payable in monthly instalments of \$192 principal plus interest due August 2019	Royal Bank	Third-Party	Fixed Rate	1-Oct-10	9	\$ 3,826,000	3.330%	365	\$ 3,826,000	\$ 127,406	
3	Unsecured Long Term Debt	Unknown	Third-Party	Fixed Rate	1-Jul-17		\$ 20,000,000	3.000%	183	\$ 10,000,000	\$ 300,000	
4											\$ -	
<b>Total</b>							\$ 108,826,000	2.71%		\$ 98,826,000	\$ 2,679,906	

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1 **Other Operating Revenue**

2 The following is as originally filed for purposes of determining the 2017 other operating revenue  
3 used in the revenue requirement calculation. 2016 has been updated to actual.

USofA	Account Name	2013 Board	2013 Actual	2014 Actual	2014 Actual	2015 Actual	2016	2017 Test
4082	Retail Services Revenues	155,000	119,353	104,398	104,398	92,212	77,802	73,000
4084	Service Transaction Requests (STR) Revenues	8,000	4,180	2,745	2,745	2,951	2,172	3,000
4086	SSS Administration Revenue	405,000	422,537	433,330	433,330	439,506	447,988	455,000
4210	Rent from Electric Property	466,000	487,213	508,751	508,751	520,595	548,232	584,200
4225	Late Payment Charges	1,133,000	1,454,009	1,739,022	1,739,022	1,815,609	1,914,935	1,967,000
4235	Miscellaneous Service Revenues	839,000	804,820	1,082,903	1,082,903	800,275	788,216	904,900
4235	Microfit Fees	7,900	8,978	11,464	11,464	13,684	17,048	-
4235	Miscellaneous Service Revenues (recorded as credits in 5330	667,000	681,510	691,645	691,645	693,806	687,363	714,000
4245	Government and Other Assistance Directly Credited to Income	-	-	-	20,811	78,721	172,620	219,919
4330	Costs and Expenses of Merchandising, Jobbing, Etc.	2,763	2,031	(498)	(498)	78,254	94,819	30,000
4355	Gain on Disposition of Utility and Other Property	128,000	174,516	171,938	171,938	161,676	234,175	147,000
4390	Miscellaneous Non-Operating Income	216,575	499,889	536,878	536,878	326,330	615,774	418,600
4405	Interest and Dividend Income	289,329	187,678	145,545	145,545	184,100	141,068	161,545
	<b>TOTAL</b>	<b>4,317,567</b>	<b>4,846,714</b>	<b>5,428,120</b>	<b>5,448,931</b>	<b>5,207,716</b>	<b>5,742,213</b>	<b>5,678,164</b>
4235	Less: amounts recorded in account 5330 as credits to expense	(667,000)	(681,510)	(691,645)	(691,645)	(693,806)	(687,363)	(714,000)
	<b>TOTAL REVENUE OFFSETS</b>	<b>3,650,567</b>	<b>4,165,204</b>	<b>4,736,476</b>	<b>4,757,287</b>	<b>4,513,910</b>	<b>5,054,850</b>	<b>4,964,164</b>
	<b>OTHER DISTRIBUTION REVENUE</b>							
	Late Payment Charges	1,133,000	1,454,009	1,739,022	1,739,022	1,815,609	1,914,935	1,967,000
	Specific Service Charges	846,900	813,798	1,094,367	1,094,367	813,958	805,264	904,900
	Other Distribution Revenue	1,670,667	1,897,397	1,903,086	1,923,897	1,884,344	2,334,651	2,092,264
		<b>3,650,567</b>	<b>4,165,204</b>	<b>4,736,476</b>	<b>4,757,287</b>	<b>4,513,910</b>	<b>5,054,850</b>	<b>4,964,164</b>

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6 **Calculation of Revenue Requirement**

7 The following is as updated for purposes of determining the proposed revenue requirement.

8 This can be confirmed in the following file.

9 London Hydro IR Responses RRWF.xlsm



Distributors Rate Base	Amended Application	
<b>Average Net Fixed Assets</b>		
Gross Fixed Assets - Re-based Opening	\$ 450,224,234	
Re-based Capital Additions	\$ 28,292,000	
Re-based Capital Disposals	\$ 396,204	
Re-based Capital Retirements	-\$ 12,170,015	
Gross Fixed Assets - Re-based Closing	\$ 466,742,423	
Average Gross Fixed Assets		\$ 458,483,329
Accumulated Depreciation - Re-based Opening	-\$ 189,118,010	
Re-based Depreciation Expense	-\$ 18,080,989	
Re-based Disposals	-\$ 182,089	
Re-based Retirements	\$ 12,164,791	
Accumulated Depreciation - Re-based Closing	-\$ 195,216,298	
Average Accumulated Depreciation		-\$ 192,167,154
<b>Average Net Fixed Assets</b>		<b>\$ 266,316,175</b>
<b>Working Capital Allowance</b>		
Working Capital Allowance Base	\$ 446,212,920	
Working Capital Allowance Rate	8.67%	
<b>Working Capital Allowance</b>		<b>\$ 38,686,660</b>
<b>Rate Base</b>		<b>\$ 305,002,835</b>
<b>Return on Rate Base</b>		
Deemed Short Term Debt %	4.00%	\$ 12,200,113
Deemed Long Term Debt %	56.00%	\$ 170,801,587
Deemed Equity %	40.00%	\$ 122,001,134
Short Term Interest	1.76%	\$ 214,722
Long Term Interest	2.71%	\$ 4,631,698
Return on Equity	8.78%	\$ 10,711,700
<b>Return on Rate Base</b>		<b>\$ 15,558,119</b>
<b>Distribution Expenses</b>		
Operation Expenses	\$ 10,050,600	
Maintenance Expenses	\$ 8,188,347	
Billing & Collecting	\$ 5,600,023	
Community Relations	\$ 225,974	
Administration Expenses	\$ 15,032,056	
Amortization	\$ 17,278,391	
Grossed Up PLs	\$ 1,147,774	
		<b>\$ 57,523,165</b>
<b>Revenue Requirement</b>		<b>\$ 73,081,285</b>
<b>Revenue Offsets</b>		
Specific Service Charges	-\$ 1,689,119	
Late Payment Charges	-\$ 1,967,000	
Other Distribution Revenue	-\$ 550,900	
Other Income and Deductions	-\$ 757,145	
	\$ -	<b>-\$ 4,964,164</b>
<b>Revenue Requirement from Distribution Rates</b>		<b>\$ 68,117,121</b>
<b>Other Revenue Inclusions</b>		
Transformer Allowance	\$ 796,612	
	\$ -	<b>\$ 796,612</b>
<b>Revenue Requirement from Distribution Rates</b>		<b>\$ 68,913,733</b>
<b>Revenue from Current Rates</b>		<b>\$ 65,459,994</b>
<b>Revenue Sufficiency (Deficiency)</b>		<b>-\$ 3,453,739</b>
<b>1 Resulting Distribution Rate Change</b>		<b>5.28%</b>



1 **Fixed Assets Continuity Schedule**

2 This is the updated Fixed Assets Continuity Schedule updated for 2016. The can be found in the  
3 following file.

4 London Hydro IR Responses OEB Appendix 2.xlsm

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**Appendix 2-BA  
Fixed Asset Continuity Schedule <sup>1</sup>**

Accounting Standard MFRS  
Year 2017

CCA Class <sup>2</sup>	OEB Account <sup>3</sup>	Description <sup>3</sup>	Cost					Accumulated Depreciation					Net Book Value
			Opening Balance	Transfers from Reg Deferrals	Additions <sup>4</sup>	Disposals <sup>5</sup>	Closing Balance	Opening Balance	Transfers from Reg Deferrals	Additions	Disposals <sup>6</sup>	Closing Balance	
CEC	1610	Intangible Wholesale Meters	\$ 1,293,406	\$ -	\$ -	\$ -	\$ 1,293,406	\$ 337,201	\$ -	\$ 43,096	\$ -	\$ 380,297	\$ 913,110
12	1611	Computer Software (Formally known as Account 1925)	\$ 23,701,916	\$ 419,897	\$ 3,662,800	\$ 5,778,431	\$ 22,006,181	\$ 11,200,972	\$ 177,973	\$ 4,917,911	\$ 5,778,431	\$ 10,518,425	\$ 11,487,757
CEC	1612	Land Rights (Formally known as Account 1906)	\$ 428,760	\$ -	\$ -	\$ -	\$ 428,760	\$ 234,639	\$ -	\$ 19,275	\$ -	\$ 253,914	\$ 174,848
n/a	1805	Land	\$ 385,690	\$ -	\$ -	\$ -	\$ 385,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 385,690
47	1808	Buildings	\$ 1,132,988	\$ -	\$ 42,000	\$ -	\$ 1,174,988	\$ 746,774	\$ -	\$ 11,435	\$ -	\$ 758,209	\$ 416,778
n/a	1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
n/a	1815	Transformer Station Equipment >50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1820	Distribution Station Equipment <50 kV	\$ 16,360,477	\$ -	\$ 114,500	\$ -	\$ 16,474,977	\$ 7,281,218	\$ -	\$ 288,283	\$ -	\$ 7,569,501	\$ 8,905,476
n/a	1825	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1830	Poles, Towers & Fixtures	\$ 45,222,201	\$ -	\$ 2,193,800	\$ -	\$ 47,416,001	\$ 21,057,414	\$ -	\$ 733,788	\$ -	\$ 21,791,202	\$ 25,624,799
47	1835	Overhead Conductors & Devices	\$ 64,306,862	\$ -	\$ 3,510,900	\$ -	\$ 67,817,762	\$ 25,077,749	\$ -	\$ 1,034,269	\$ -	\$ 26,112,018	\$ 41,705,745
47	1840	Underground Conduit	\$ 48,923,410	\$ -	\$ 4,321,900	\$ 8,957	\$ 53,236,353	\$ 11,295,364	\$ -	\$ 797,880	\$ 8,957	\$ 12,084,287	\$ 41,152,066
47	1845	Underground Conductors & Devices	\$ 93,046,796	\$ -	\$ 5,530,700	\$ 3,787,474	\$ 94,820,021	\$ 42,026,816	\$ -	\$ 3,391,588	\$ 3,787,474	\$ 41,660,030	\$ 53,159,992
47	1850	Line Transformers	\$ 93,698,118	\$ 19,000	\$ 4,275,800	\$ 484,915	\$ 97,498,004	\$ 37,029,875	\$ 4,117	\$ 2,310,860	\$ 484,915	\$ 38,860,037	\$ 58,637,967
47	1855	Services (Overhead & Underground)	\$ 32,598,408	\$ -	\$ 1,695,800	\$ -	\$ 34,194,208	\$ 9,846,285	\$ -	\$ 731,096	\$ -	\$ 10,577,381	\$ 23,616,826
8	1860	Meters	\$ 28,480,190	\$ -	\$ 1,113,500	\$ 453,204	\$ 29,140,488	\$ 11,833,553	\$ -	\$ 1,645,321	\$ 453,204	\$ 13,125,670	\$ 16,014,816
n/a	1905	Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1	1908	Buildings & Fixtures	\$ 22,568,672	\$ -	\$ 870,000	\$ 358,996	\$ 23,079,676	\$ 10,354,408	\$ -	\$ 767,240	\$ 358,996	\$ 10,762,653	\$ 12,317,024
n/a	1910	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	1915	Office Furniture & Equipment (5 years)	\$ 651,484	\$ -	\$ 197,000	\$ 84,536	\$ 763,948	\$ 239,892	\$ -	\$ 141,200	\$ 84,536	\$ 296,557	\$ 467,391
50	1920	Computer Equipment - Hardware	\$ 1,735,368	\$ -	\$ 297,200	\$ 464,181	\$ 1,568,387	\$ 773,449	\$ -	\$ 578,607	\$ 464,181	\$ 887,875	\$ 680,512
10 & 38	1930	Transportation Equipment	\$ 12,775,781	\$ -	\$ 924,000	\$ 524,466	\$ 13,175,315	\$ 7,078,192	\$ -	\$ 927,967	\$ 524,466	\$ 7,481,692	\$ 5,693,622
8	1935	Stores Equipment	\$ 304,757	\$ -	\$ 15,000	\$ 4,348	\$ 315,409	\$ 165,495	\$ -	\$ 19,212	\$ 4,348	\$ 180,360	\$ 135,050
8	1940	Tools, Shop & Garage Equipment	\$ 931,694	\$ -	\$ 155,000	\$ 117,694	\$ 969,910	\$ 454,055	\$ -	\$ 120,394	\$ 117,694	\$ 466,755	\$ 502,155
8	1945	Measurement & Testing Equipment	\$ 783,926	\$ -	\$ 150,000	\$ -	\$ 933,926	\$ 137,193	\$ -	\$ 107,373	\$ -	\$ 244,566	\$ 689,360
38	1950	Power Operated Equipment	\$ 1,028,783	\$ -	\$ 175,000	\$ 100,304	\$ 1,103,479	\$ 652,265	\$ -	\$ 125,212	\$ 95,080	\$ 682,397	\$ 421,082
8	1955	Communications Equipment	\$ 4,068,707	\$ -	\$ 747,500	\$ -	\$ 4,816,207	\$ 1,606,344	\$ -	\$ 273,359	\$ -	\$ 1,879,703	\$ 2,936,504
8	1960	Miscellaneous Equipment	\$ 4,039	\$ -	\$ -	\$ -	\$ 4,039	\$ 547	\$ -	\$ 505	\$ -	\$ 1,062	\$ 2,987
n/a	1970	Load Management Controls Customer Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
n/a	1975	Load Management Controls Utility Premises	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1980	System Supervisor Equipment	\$ 4,036,655	\$ -	\$ 300,600	\$ 32,509	\$ 4,304,748	\$ 1,166,813	\$ -	\$ 245,300	\$ 32,509	\$ 1,379,605	\$ 2,925,141
n/a	1985	Miscellaneous Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
n/a	1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
47	1995	Contributions & Grants	\$ 39,262,043	\$ -	\$ -	\$ -	\$ 39,262,043	\$ 11,315,453	\$ -	\$ 899,701	\$ -	\$ 12,215,154	\$ 27,046,889
43.2	2075	Renewable Generation	\$ 2,463,104	\$ -	\$ -	\$ -	\$ 2,463,104	\$ 549,352	\$ -	\$ 123,159	\$ -	\$ 672,511	\$ 1,790,593
47	2440	Deferred Revenue <sup>7</sup>	\$ 8,972,720	\$ -	\$ 2,101,000	\$ -	\$ 11,073,720	\$ 272,151	\$ -	\$ 250,581	\$ -	\$ 522,732	\$ 10,550,988
		<b>Sub-Total</b>	<b>\$ 452,687,339</b>	<b>\$ 438,897</b>	<b>\$ 28,092,000</b>	<b>\$ 12,170,015</b>	<b>\$ 469,048,220</b>	<b>\$ 189,667,362</b>	<b>\$ 182,089</b>	<b>\$ 18,204,148</b>	<b>\$ 12,164,791</b>	<b>\$ 195,888,809</b>	<b>\$ 273,159,411</b>
		Less Socialized Renewable Energy Generation Investments (input as negative)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
43.2	2075	Less Other Non Rate-Regulated Utility Assets (input as negative)	\$ 2,463,104	\$ -	\$ -	\$ -	\$ 2,463,104	\$ 549,352	\$ -	\$ 123,159	\$ -	\$ 672,511	\$ 1,790,593
		<b>Total PP&amp;E</b>	<b>\$ 450,224,234</b>	<b>\$ 438,897</b>	<b>\$ 28,092,000</b>	<b>\$ 12,170,015</b>	<b>\$ 466,585,116</b>	<b>\$ 189,118,010</b>	<b>\$ 182,089</b>	<b>\$ 18,080,989</b>	<b>\$ 12,164,791</b>	<b>\$ 195,216,298</b>	<b>\$ 271,368,818</b>
		Depreciation Expense adj. from gain or loss on the retirement of assets (pool of like assets), if applicable <sup>8</sup>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		<b>Total</b>											<b>\$ 18,080,989</b>

10	1930	Transportation
38	1950	Power Operated Equipment
47	2440	Deferred Revenue
47	1576	IFRS-GAAP PP&E Transitional Amounts

<b>Less: Fully Allocated Depreciation</b>	
Transportation	\$ 927,967
Power Operated Equipment	\$ 125,212
Deferred Revenue	\$ 250,581
GAAP-IFRS Amortization	\$ -
<b>Net Depreciation</b>	<b>\$ 17,278,301</b>

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7 **OM&A**

8 The following is submitted for purposes of determining the 2017 OM&A used in the revenue  
9 requirement calculation. This has been updated to show 2016 actuals.



Consolidated Cost Elements									
Nature of expenditure	2013 Board			2014 Actual	2015 Actual	2016 Bridge	2017 Proposed Test Year	2013 Actuals to 2017 Test	CAGR
	2013 Actual	Approved							
	\$	\$	\$	\$	\$	\$	\$	\$	%
<b>Labour and services</b>									
Labour and benefits	22,759,881	22,944,600	23,307,175	24,198,583	25,027,613	25,430,900	2,671,019	3%	
Employee expenses and development	951,265	998,500	1,193,244	1,231,533	1,221,676	1,484,900	533,635	12%	
Contractor services	4,612,973	4,823,600	5,372,776	5,678,675	6,002,527	6,214,500	1,601,527	8%	
	28,324,120	28,766,700	29,873,195	31,108,791	32,251,815	33,130,300	4,806,180	4%	
<b>Technology and communications</b>									
Computer software and hardware	1,005,259	1,255,200	1,239,798	1,516,363	1,754,943	2,389,900	1,384,641	24%	
Technology and radio licensing	169,550	263,800	179,671	205,044	215,943	300,000	130,450	15%	
Phone, internet and radio systems	398,578	352,900	445,821	434,205	474,935	560,300	161,722	9%	
	1,573,387	1,871,900	1,865,290	2,155,612	2,445,821	3,250,200	1,676,813	20%	
<b>Bad debts and LEAP donation</b>									
Bad debts	400,000	800,000	700,000	650,400	700,200	700,000	300,000	15%	
Donations (LEAP)	100,000	100,000	150,000	150,000	250,000	200,000	100,000	19%	
	500,000	900,000	850,000	800,400	950,200	900,000	400,000	16%	
<b>Other</b>									
Rate application filing and OEB fees	458,817	507,700	461,790	492,165	538,046	775,000	316,183	14%	
Fleet depreciation	726,900	726,800	814,974	865,252	978,086	1,077,000	350,100	10%	
Facilities repairs and maintenance	870,475	1,011,000	871,934	724,509	707,382	1,035,500	165,025	4%	
Pole and property leasing	215,527	226,700	216,666	311,287	336,782	340,000	124,473	12%	
Other	5,105,176	5,280,900	5,237,415	5,285,735	5,460,906	5,385,700	280,524	1%	
Fleet and materials management allocations	(1,722,056)	(1,869,500)	(1,817,380)	(1,773,405)	(1,963,096)	(2,115,700)	(393,644)	5%	
Cost recoveries	(4,701,041)	(4,444,200)	(4,752,417)	(4,871,695)	(4,902,952)	(4,681,000)	20,041	0%	
	953,800	1,439,400	1,032,982	1,033,848	1,155,154	1,816,500	862,700	17%	
	31,351,306	32,978,000	33,621,467	35,098,651	36,802,990	39,097,000	7,745,694	6%	

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### Bill Impacts

The following are the Bill Impacts for Residential using 750 kWh and General Service Less Than 50 kW using 2,000 kWh. Please reference the following files for more breakdown.

London Hydro IR Responses Bill Impacts Large Customers.pdf

London Hydro IR Responses Bill Impacts Small Customers.pdf

Residential	Volume	CURRENT RATE \$	CHARGE \$	Volume	PROPOSED RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Service Charge	1	16.42	16.42	1	19.88	19.88	3.46	21.1%	14.93%
Distribution Volumetric Rate	750	0.0121	9.08	750	0.0086	6.45	-2.63	(29.0)%	4.84%
<b>Total: Distribution</b>			<b>25.50</b>			<b>26.33</b>	<b>0.83</b>	<b>3.3%</b>	<b>19.77%</b>
Loss Adjustment - Energy			2.92			2.63	-0.29	(9.9)%	1.98%
Fixed Rate Riders			0.80			1.17	0.37	46.3%	0.88%
Volumetric Rate Riders			-0.98			-1.80	-0.82	83.7%	-1.35%
<b>Total: Distribution With Deferrals</b>			<b>28.24</b>			<b>28.33</b>	<b>0.09</b>	<b>0.3%</b>	<b>21.28%</b>
Retail Transmission			9.86			9.44	-0.42	(4.3)%	7.09%
<b>Sub-Total: Delivery (Distribution and Retail Transmission)</b>			<b>38.10</b>			<b>37.77</b>	<b>-0.33</b>	<b>(0.9)%</b>	<b>28.36%</b>
Regulatory			5.52			5.51	-0.01	(0.2)%	4.14%
Energy			83.55			83.55	0.00	0.0%	62.74%
Debt Retirement Charge (DRC)			0.00			0.00	0.00	0.0%	0.00%
HST			16.53			16.49	-0.04	(0.2)%	12.38%
<b>Total Bill Before Adjustments</b>			<b>143.70</b>			<b>143.32</b>	<b>-0.38</b>	<b>(0.3)%</b>	<b>107.62%</b>
Ontario Rebate for Electricity Consumers	127.17	-8%	-10.17	126.83	-8%	-10.15	0.02	(0.2)%	-7.62%
<b>Total Bill After Adjustments</b>			<b>133.53</b>			<b>133.17</b>	<b>-0.36</b>	<b>(0.3)%</b>	<b>100.00%</b>

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**London  
Hydro**

Responses to IR's

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Date Prepared: January 23, 2017

<b>General Service Less Than 50 kW</b>									
	Volume	CURRENT RATE \$	CHARGE \$	Volume	PROPOSED RATE \$	CHARGE \$	Change \$	Change %	% of Total Bill
Service Charge	1	32.25	32.25	1	32.91	32.91	0.66	2.0%	9.40%
Distribution Volumetric Rate	2,000	0.0104	20.80	2,000	0.0109	21.80	1.00	4.8%	6.22%
<b>Total: Distribution</b>			<b>53.05</b>			<b>54.71</b>	<b>1.66</b>	<b>3.1%</b>	<b>15.62%</b>
Loss Adjustment - Energy			7.80			7.02	-0.77	(9.9)%	2.01%
Fixed Rate Riders			0.79			1.09	0.30	38.0%	0.31%
Volumetric Rate Riders			-2.80			-3.40	-0.60	21.4%	-0.97%
<b>Total: Distribution With Deferrals</b>			<b>58.84</b>			<b>59.42</b>	<b>0.59</b>	<b>1.0%</b>	<b>16.97%</b>
Retail Transmission			24.01			23.10	-0.91	(3.8)%	6.60%
<b>Sub-Total: Delivery (Distribution and Retail Transmission)</b>			<b>82.85</b>			<b>82.52</b>	<b>-0.32</b>	<b>(0.4)%</b>	<b>23.56%</b>
Regulatory			14.33			14.28	-0.05	(0.3)%	4.08%
Energy			222.78			222.78	-0.01	(0.0)%	63.60%
Debt Retirement Charge (DRC)			14.00			14.00	0.00	0.0%	4.00%
HST			43.41			43.37	-0.04	(0.1)%	12.38%
<b>Total Bill Before Adjustments</b>			<b>377.37</b>			<b>376.95</b>	<b>-0.42</b>	<b>(0.1)%</b>	<b>107.62%</b>
Ontario Rebate for Electricity Consumers	333.96	-8%	-26.72	333.58	-8%	-26.69	0.03	(0.1)%	-7.62%
<b>Total Bill After Adjustments</b>			<b>350.65</b>			<b>350.26</b>	<b>-0.39</b>	<b>(0.1)%</b>	<b>100.00%</b>