

Manager's Summary for Guelph Hydro Electric Systems Inc. 2007 EDR Smart Meter Rate Calculation Model #EB-2007-0534

The following assumptions have been used in completing the 2007 Smart Meter Rate Rider application:

1. This summary includes quantity and cost totals for Guelph and Rockwood combined. **Please note that two separate submissions were filed for the Guelph and Rockwood 2007 Electricity Distribution Rate Applications as follows:** Guelph Hydro Electric Systems Inc. was submitted under **Guelph_APPL_20070126.pdf**, and Wellington Electric Distribution Company was submitted under **WellingtonElectric_APPL_20070126.pdf**.
2. Costs included in this submission are estimates based on pilot project pricing and 2006 budgetary quotations.
3. This submission does not include costs associated with additional Customer Service support, anticipated due to Smart meters and Time-Of-Use rates.

Smart Meter Unit Cost

4. "Smart Meter Unit Cost" is an average of the total required Residential and General Service meters' unit prices.
5. "Smart Meter Other Unit Cost" includes the capital cost of "backhaul communications" equipment utilizing some existing Guelph Hydro infrastructure.
6. "Smart Meter Installation Cost per Unit" is an average of the total required Residential and General Service installation costs.
7. "Smart Meter Other Cost per Unit" is an average cost per meter of "backhaul communications" equipment installation costs.

AMI Capital Cost

8. The existing AMI hardware installed as part of Guelph Hydro's Smart Metering pilot project is adequate; and a hosted AMI service will be used. No additional capital costs are anticipated.

Other Capital Cost

9. Hardware – This includes anticipated upgrades to AS400 hardware to facilitate data requirements.
10. Software - New software required for secure data exchange with MDMR and AMI; modifications to existing CIS; modifications for EBT and Retailer data communications; training for new and modified software.

Incremental AMI Operational Expenses

11. This includes the cost of an AMI hosting service provided by AMI vendor, as well as field service work required to address anticipated operational communications and meter issues (estimated at \$0.40 / meter / month).

Incremental Other Operational Expenses

12. This includes additional annual software licensing and maintenance fees, as well as additional annual data communications expenses.