

# **MANAGER'S SUMMARY**

## **HAWKESBURY HYDRO INC.**

**RP-2005-0020 - EDR 2006**  
**EB-2005-0379 - EDR 2006**  
**EB-2007-0540- IRM 2007**

**IN THE MATTER OF** an Application by Hawkesbury Hydro inc. in accordance with the Cost of Capital EB –2006-0088 and 2<sup>nd</sup> Generation Incentive Regulation Mechanism EB-2006-0089, issued December 20,2006 by the Ontario Energy Board.

### **1. Introduction**

- 1.1 Hawkesbury Hydro Inc. (the “Company”) is a licensed electricity distribution business operating in the Towns of Hawkesbury under license #ED-2003-0027 with no special conditions in its’ licence.
- 1.2 The Company submits this Application which includes the 2007 Incentive Rate Mechanism Adjustment Model (IMR) Model, and the required documentation to adjust distribution rates effective May 1, 2007 in accordance with the Filing Guidelines issued by the Ontario Energy Board (“Board”) and dated December 20, 2006.
- 1.3 Hawkesbury Hydro Inc. will prorate customer consumptions, with pre-May 1, 2007consumption at the old rates and post-May 1, 2007 consumption at the new rates.

## 2. Incentive Rate Mechanism Adjustment (IRM) Model

The following information summarizes the output of the IRM Model. Only sheets with information inputs are identified.

Sheet 1      LDC INFORMATION

As per the instructions issued by the Board, *LDC* information related to the application has been entered. IRM2007 EB-2007-0540 as per OEB filling instructions dated January 17<sup>th</sup> 2007

Sheet 2      2006 Rate Classes

As per the instructions issued by the Board, Rate Classes have been identified as per Board Approved 2006 Tariff of Rates and Charges.

Sheet 3      2006 Tariff Sheet

As per the instructions issued by the Board, Rate Classes have been identified as per Board Approved 2006 Tariff of Rates and Charges.

Sheet 4      2006 Smart Meter Information

As per the instructions issued by the Board, in accordance with Decision with Reason RP-2005-0020 EB-2005-029 is from the Board approved 2006 EDR EB-2005-0379. The OEB will make necessary adjustments once the Smart Meter rate Adder is available.

Sheet 5      Removal of Smart Meter

No inputs are required for this spreadsheet.

- Sheet 6      CDM Adjustments
- Hawkesbury Hydro Inc. had no CDM incremental spending in 2006.
- Sheet 7      LCT Adjustments
- Hawkesbury Hydro Inc. have not received Board approval for LCT adjustments in 2006.
- Sheet 8      DX IRM Adjustment
- Monthly Service Charge and Volumetric Charge with Price Cap adjustment determined by the Board
- Sheet 9      Add back for Smart Meter Amt
- No inputs are required for this spreadsheet.
- Sheet 10     2007 Tariff Sheet
- No inputs are required for this spreadsheet.
- Sheet 11     Bill Impact Summer (Total Bill)
- Please refer to sheet 11 for bill impact. Large use Loss factor was change from the following cell 452 to cell 455 from Sheet 10.
- Sheet 12     Bill Impact – Winter (Total Bill)
- Please refer to sheet 12 for bill impact. Large use Loss factor was change from the following cell 452 to cell 455 from Sheet 10.

Sheet 13     Bill Impact – Annualized (Total Bill)

Please refer to sheet 13 for bill impact. Large use  
Loss factor was change from the following cell 452 to  
cell 455 from Sheet 10.

Signed this 24th day of January, 2007 in Hawkesbury (Ontario) :

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Mr. Michel Poulin  
Manager  
Hawkesbury Hydro Inc.