



**5-5 BASE REVENUE REQUIREMENT**

**Service Revenue Requirement** (from Sheet 5-1)

**LESS:**

**Revenue Offsets:**

**Board Approved Charges**

Specific Service Charges (from Sheet 5-2)

Late Payment Charges  
(from Sheet 2-4 ADJUSTED ACCOUNTING DATA)

Other Distribution Revenue (from Sheet 5-3)

Other Income & Deductions  
(from Sheet 2-4 ADJUSTED ACCOUNTING DATA)

**TOTAL REVENUE OFFSETS**

**Base Revenue Requirement**

(defined as SERVICE REVENUE REQUIREMENT NET OF REVENUE OFFSETS)

	\$	\$
Régie de l'énergie		10 657 920
DOSSIER: R-3579-2005		
PIÈCE NO: B-72		
Date: 22 décembre 2005		
	249 425	
	89 838	
	7 200	
	151 899	
	<hr/>	
	498 362	498 362
		<hr/> <hr/>
		10 159 558

Base Revenue Requirement is allocated to classes in three portions:

**B.R.R. #1:** Base Revenue Requirement net of B.R.R. #2 and #3 (below) 9 828 604

**B.R.R. #2:** Low Voltage Wheeling Costs  
(Embedded Distributors only) (from Sheet ADJ3, Item 5) 330 954

**B.R.R. #3:** Directly assigned CDM (from Sheet 5-4) 0

**Base Revenue Requirement (as above)**

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10 159 558



**ALLOCATION - Base Revenue Requirement**

Amount allocated on this sheet -  
 Base Revenue Requirement B.R.R. #1  
 \$9 828 804

	Number of Customers (Connections)	kWh per Customer			Calculated kWh per Customer	Calculated kWh	kW per Customer			Calculated kW per Customer	Calculated kW
		2002	2003	2004			2002	2003	2004		
<b>RESIDENTIAL</b>	2004 Customer count				3 yr average per customer	2004 cust. count x 3 yr average per cust.				3 yr average per customer	2004 cust. count x 3 yr average per cust.
Regular	10 646	8 870.9	8 908.6	8 888.6	8 825.0	138 382 015	0.0	0.0	0.0	0.0	0
Less than 50 kW	2 096	30 632.9	30 306.9	31 458.9	30 076.2	64 080 807	0.0	0.0	0.0	0.0	0
Greater than 50 kW (to 3000 kW)	181	628 803.6	603 034.9	612 920.4	611 023.8	148 706 134	2 263.2	2 424.6	3 295.6	2 956.4	434 026
Unmetered Scattered Load	61	4 636.8	9 284.8	7 968.0	7 287.8	571 858	0.0	0.0	0.0	0.0	0
Sentinel Lighting	420	382.4	814.6	700.0	767.7	314 278	2.8	2.7	2.6	2.6	1 034
Street Lighting	3 800	745.0	922.3	920.4	892.8	3 379 040	2.8	3.0	3.0	2.8	10 780
<b>TOTALS</b>	22 167					368 181 808					442 846



**ALLOCATION - Base Revenue Requirement**

Amount allocated on this sheet -  
 Base Revenue Requirement B.R.R. #1  
 \$9 828 804

	Calculated Revenue for Allocation to Customer Classes: Consumption Determinants x Rates for 2004 test year "Sheet 2"				Allocation to Customer Classes %	Calculated Revenue for Allocation between Fixed and Variables: Consumption Determinants x Rates for 2005 "Sheet 5"				Allocation between Fixed and Variable %	
	Volumeic kWh (\$)	Volumeic kW (\$)	Monthly Fixed Charges (\$)	Total (\$)		Total for customer class as % of Total for all classes	Volumeic kWh (\$)	Volumeic kW (\$)	Monthly Fixed Charges (\$)	Total (\$)	Volumeic as percent of Total for customer class
<b>RESIDENTIAL</b>											
Regular	1 079 350	0	2 819 425	3 898 775	82.00%	1 854 310	0	2 004 420	4 758 730	38.87%	81.00%
Less than 50 kW	240 095	0	781 824	1 021 919	19.13%	683 217	0	887 887	1 461 204	40.12%	68.81%
Greater than 50 kW (to 3000 kW)	0	801 837	326 329	1 017 167	17.28%	0	958 893	381 207	1 320 100	72.84%	27.78%
Unmetered Scattered Load	2 007	0	9 624	11 631	0.20%	3 882	0	10 808	14 080	24.02%	78.03%
Sentinel Lighting	0	1 580	4 848	6 427	0.11%	0	2 050	6 378	8 005	32.24%	87.18%
Street Lighting	0	12 004	24 181	36 179	0.91%	0	18 900	25 904	45 470	41.35%	58.06%
<b>TOTALS</b>	1 427 472	706 414	3 782 340	6 916 125	100.00%	2 447 916	880 484	4 179 501	7 667 904	45.01%	54.07%

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Amount allocated on this sheet:-  
 Base Revenue Requirement B.R.R. #1  
 \$9,828,804

Base Revenue Requirement Allocated (adjusted for Transformer Credit)		
Overall Allocation to Classes	Variable Component	Fixed Component
RESIDENTIAL		
Regular	8,243,308	8,508,967
Less than 50 kW	1,505,083	1,130,480
Greater than 50 kW (to 3000 kW)	1,718,021	470,080
Unmetered Scattered Load	16,805	14,041
Street Lighting	10,439	7,279
Street Lighting	61,101	35,434
TOTALS	8,967,817	6,477,490
	128,453	<< Less Transformer Credit
	9,828,804	<< Base Revenue Req. B.R.R.#1



EDR 2006 MODEL (ver. 2.1)  
 NORFOLK POWER DISTRIBUTION INC.  
 EP-2005-0521 (RP-2005-0020, EB-2005-0304)  
 SEPTEMBER 14, 2005

9-BILL IMPACTS (Monthly Consumption)

**RESIDENTIAL Regular**

Consumption	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Monthly Service Charge			15.43			17.50	2.07	13.42	0.56
Distribution (kWh)	100	0.0180	1.80	100	0.0222	2.22	0.42	23.33	1.34
Regulatory Assets (kWh)	100	0.0045	0.45	100	0.0045	0.45	0.00	0.00	0.00
Sub-Total			17.68			20.17	2.49	14.08	1.36
Other Charges (kWh)	158	0.0220	3.48	158	0.0221	3.48	(0.01)	-0.40	-0.57
Cost of Power Commodity (kWh)	158	0.0500	7.90	158	0.0500	7.90	0.00	0.00	0.00
Total Bill			28.73			31.43	2.69	9.38	8.57

**RESIDENTIAL Regular**

Consumption	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Monthly Service Charge			15.43			17.50	2.07	13.42	3.06
Distribution (kWh)	250	0.0180	4.50	250	0.0222	5.55	1.05	23.33	2.01
Regulatory Assets (kWh)	250	0.0045	1.13	250	0.0045	1.13	0.00	0.00	0.00
Sub-Total			21.06			24.18	3.12	14.82	5.07
Other Charges (kWh)	385	0.0220	8.47	380	0.0221	8.40	(0.07)	-0.80	-0.79
Cost of Power Commodity (kWh)	385	0.0500	19.25	380	0.0500	19.00	(0.25)	-1.14	-0.43
Total Bill			48.80			52.32	3.53	7.46	6.94

**RESIDENTIAL Regular**

Consumption	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Monthly Service Charge			15.43			17.50	2.07	13.42	2.38
Distribution (kWh)	500	0.0180	9.00	500	0.0222	11.10	2.10	23.33	2.41
Regulatory Assets (kWh)	500	0.0045	2.25	500	0.0045	2.25	0.00	0.00	0.00
Sub-Total			26.68			30.85	4.17	15.63	7.80
Other Charges (kWh)	790	0.0220	17.38	780	0.0221	17.22	(0.16)	-0.78	-0.91
Cost of Power Commodity (kWh)	790	0.0500	39.50	780	0.0500	39.00	(0.50)	-1.14	-0.82
Total Bill			83.95			87.14	3.19	3.80	3.80

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EDR 2006 MODEL (ver. 2.1)  
 NORFOLK POWER DISTRIBUTION INC.  
 EP-2005-0521 (RP-2005-0020, EB-2005-0304)  
 SEPTEMBER 14, 2005

9-BILL IMPACTS (Monthly Consumption)

**RESIDENTIAL Regular**

Consumption	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Monthly Service Charge			15.43			17.50	2.07	13.42	1.68
Distribution (kWh)	750	0.0180	13.50	750	0.0222	16.65	3.15	23.33	2.55
Regulatory Assets (kWh)	750	0.0045	3.40	750	0.0045	3.40	0.00	0.00	0.00
Sub-Total			32.33			37.55	5.22	16.15	4.23
Other Charges (kWh)	1,184	0.0220	26.05	1,170	0.0221	25.91	(0.14)	-1.18	-0.97
Cost of Power Commodity (kWh)	1,000	0.0500	50.00	1,000	0.0500	50.00	0.00	0.00	0.00
Cost of Power Commodity (kWh)	164	0.0500	8.20	170	0.0500	8.50	0.30	0.36	0.36
Total Bill			116.88			123.32	6.44	5.48	5.39

**RESIDENTIAL Regular**

Consumption	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Monthly Service Charge			15.43			17.50	2.07	13.42	1.28
Distribution (kWh)	1,000	0.0180	18.00	1,000	0.0222	22.20	4.20	23.33	2.89
Regulatory Assets (kWh)	1,000	0.0045	4.50	1,000	0.0045	4.50	0.00	0.00	0.00
Sub-Total			37.93			44.20	6.27	16.55	4.17
Other Charges (kWh)	1,578	0.0220	34.72	1,560	0.0221	34.35	(0.37)	-2.35	-2.35
Cost of Power Commodity (kWh)	1,000	0.0500	50.00	1,000	0.0500	50.00	0.00	0.00	0.00
Cost of Power Commodity (kWh)	578	0.0500	28.90	580	0.0500	29.00	0.10	0.35	0.35
Total Bill			150.05			161.26	11.21	7.47	7.47

**RESIDENTIAL Regular**

Consumption	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Monthly Service Charge			15.43			17.50	2.07	13.42	0.87
Distribution (kWh)	1,500	0.0180	27.00	1,500	0.0222	33.30	6.30	23.33	2.86
Regulatory Assets (kWh)	1,500	0.0045	6.75	1,500	0.0045	6.75	0.00	0.00	0.00
Sub-Total			49.18			57.55	8.37	16.83	5.39
Other Charges (kWh)	2,367	0.0220	52.05	2,340	0.0221	51.70	(0.35)	-1.48	-1.50
Cost of Power Commodity (kWh)	1,000	0.0500	50.00	1,000	0.0500	50.00	0.00	0.00	0.00
Cost of Power Commodity (kWh)	1,367	0.0500	68.35	1,340	0.0500	67.00	(1.35)	-1.28	-0.88
Total Bill			226.92			237.13	10.21	4.48	4.73



EDR 2006 MODEL (ver. 2.1)  
 NORFOLK POWER DISTRIBUTION INC.  
 ED-2002-0521 (RP-2005-0020, EB-2005-0090)  
 SEPTEMBER 14, 2005

**9-BILL IMPACTS (Monthly Consumption)**

**RESIDENTIAL Regular**

Consumption 2 000 KWH	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE	CHARGE	Volume	RATE	CHARGE	\$	%	% of Total Bill
Monthly Service Charge			15.43			17.50	2.07	13.42	0.08
Distribution (MWh)	2 000	0.1916	383.00	2 000	0.2272	454.40	84.40	23.30	2.89
Regulatory Assets (MWh)	2 000			2 000	0.0045	9.00	0.08	0.02	0.00
Sub-Total			398.43			580.90	182.47	45.72	5.89
Other Charges (MWh)	3 158	0.0229	72.27	3 120	0.0221	68.90	(3.37)	-4.60	-0.01
Cost of Power Community (MWh)	1 000	0.0500	50.00	1 000	0.0500	50.00	0.00	0.00	0.00
Cost of Power Community (MWh)	2 158	0.0500	107.90	2 120	0.0500	106.00	(1.90)	-1.87	-0.07
Total Bill			578.60			755.80	177.20	30.63	5.31

**GENERAL SERVICE Less than 50 KW**

Consumption 1 000 KWH	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE	CHARGE	Volume	RATE	CHARGE	\$	%	% of Total Bill
Monthly Service Charge			34.98			42.90	7.92	22.63	0.23
Distribution (MWh)	1 000	0.1914	191.40	1 000	0.2172	217.20	25.80	13.48	0.13
Regulatory Assets (MWh)	1 000			1 000	0.0023	2.30	2.30	1.21	0.02
Sub-Total			226.38			262.40	36.02	15.72	0.38
Other Charges (MWh)	1 578	0.0219	34.36	1 560	0.0212	33.10	(1.26)	-3.64	-0.05
Cost of Power Community (MWh)	1 000	0.0500	50.00	1 000	0.0500	50.00	0.00	0.00	0.00
Cost of Power Community (MWh)	578	0.0500	28.90	560	0.0500	28.00	(0.90)	-3.11	-0.09
Total Bill			340.64			373.50	32.86	9.64	0.28

**GENERAL SERVICE Less than 50 KW**

Consumption 2 000 KWH	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE	CHARGE	Volume	RATE	CHARGE	\$	%	% of Total Bill
Monthly Service Charge			34.98			42.90	7.92	22.63	0.23
Distribution (MWh)	2 000	0.1914	382.80	2 000	0.2172	434.40	51.60	13.48	0.13
Regulatory Assets (MWh)	2 000			2 000	0.0023	4.60	4.60	1.21	0.02
Sub-Total			387.78			481.90	94.12	24.32	0.38
Other Charges (MWh)	3 158	0.0219	69.12	3 120	0.0212	66.70	(2.42)	-6.92	-0.08
Cost of Power Community (MWh)	1 000	0.0500	50.00	1 000	0.0500	50.00	0.00	0.00	0.00
Cost of Power Community (MWh)	2 158	0.0500	107.90	2 120	0.0500	106.00	(1.90)	-1.87	-0.07
Total Bill			578.60			755.80	177.20	30.63	5.31



EDR 2006 MODEL (ver. 2.1)  
 NORFOLK POWER DISTRIBUTION INC.  
 ED-2002-0521 (RP-2005-0020, EB-2005-0090)  
 SEPTEMBER 14, 2005

**9-BILL IMPACTS (Monthly Consumption)**

**GENERAL SERVICE Less than 50 KW**

Consumption 5 000 KWH	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE	CHARGE	Volume	RATE	CHARGE	\$	%	% of Total Bill
Monthly Service Charge			34.98			42.90	7.92	22.63	0.23
Distribution (MWh)	5 000	0.1914	957.00	5 000	0.2172	1086.00	129.00	13.48	0.13
Regulatory Assets (MWh)	5 000			5 000	0.0023	11.50	11.50	1.21	0.02
Sub-Total			991.98			1140.40	148.42	14.92	1.48
Other Charges (MWh)	7 800	0.0219	170.78	7 800	0.0212	165.50	(5.28)	-2.97	-0.06
Cost of Power Community (MWh)	1 000	0.0500	50.00	1 000	0.0500	50.00	0.00	0.00	0.00
Cost of Power Community (MWh)	6 800	0.0500	340.00	6 800	0.0500	340.00	0.00	0.00	0.00
Total Bill			1462.76			1635.90	173.14	11.84	1.24

**GENERAL SERVICE Less than 50 KW**

Consumption 10 000 KWH	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE	CHARGE	Volume	RATE	CHARGE	\$	%	% of Total Bill
Monthly Service Charge			34.98			42.90	7.92	22.63	0.23
Distribution (MWh)	10 000	0.1914	1914.00	10 000	0.2172	2172.00	258.00	13.48	0.13
Regulatory Assets (MWh)	10 000			10 000	0.0023	23.00	23.00	1.21	0.02
Sub-Total			1948.98			2237.90	288.92	14.72	1.48
Other Charges (MWh)	15 780	0.0219	343.56	15 600	0.0212	331.00	(10.56)	-3.21	-0.06
Cost of Power Community (MWh)	1 000	0.0500	50.00	1 000	0.0500	50.00	0.00	0.00	0.00
Cost of Power Community (MWh)	14 780	0.0500	739.00	14 600	0.0500	730.00	(9.00)	-1.22	-0.12
Total Bill			2732.54			3048.90	316.36	11.58	1.24

**GENERAL SERVICE Less than 50 KW**

Consumption 15 000 KWH	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE	CHARGE	Volume	RATE	CHARGE	\$	%	% of Total Bill
Monthly Service Charge			34.98			42.90	7.92	22.63	0.23
Distribution (MWh)	15 000	0.1914	2871.00	15 000	0.2172	3258.00	387.00	13.48	0.13
Regulatory Assets (MWh)	15 000			15 000	0.0023	34.50	34.50	1.21	0.02
Sub-Total			2906.98			3335.40	428.42	14.72	1.48
Other Charges (MWh)	23 970	0.0219	525.03	23 400	0.0212	496.40	(56.63)	-10.70	-0.23
Cost of Power Community (MWh)	1 000	0.0500	50.00	1 000	0.0500	50.00	0.00	0.00	0.00
Cost of Power Community (MWh)	22 970	0.0500	1148.50	22 400	0.0500	1120.00	(28.50)	-1.25	-0.12
Total Bill			4131.49			4631.80	500.31	12.11	1.24



Bill Impacts Monthly Consumption

GENERAL SERVICE Greater than 50 kW (to 3000 kW)

	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Consumption									
400 000 kWh	400 000	0.0000	188.88	400 000	0.0000	243.32	56.39	30.14	0.11
1 000 kWh	1 000	3.7448	3 744.80	1 000	3.2482	3 248.21	(506.56)	-13.55	(0.99)
Regulatory Assets (RW)	0	0.1320	7.98	0	0.1320	7.98	0.00	0.00	0.00
Sub-Total			442.25			442.25	0.00	0.00	0.00
Other Charges (RW)	0	0.0122	265.48	0	0.0122	265.48	(3.29)	-1.14	-0.14
Other Charges (RW)	0	0.0500	340.33	0	0.0500	340.33	(26.85)	-8.07	-0.94
Cost of Power Community (RW)	0	0.0500	0.00	0	0.0500	0.00	0.00	0.00	0.00
Cost of Power Community (RW)	0	0.0500	1 357.20	0	0.0500	1 357.20	(15.89)	-1.14	-0.94
Total Bill			2 444.98			2 428.04	(16.94)	-0.69	-0.62

GENERAL SERVICE Greater than 50 kW (to 3000 kW)

	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Consumption									
40 000 kWh	40 000	0.0000	188.88	40 000	0.0000	243.32	56.39	30.14	0.26
100 kWh	100	3.7448	374.48	100	3.2482	324.82	(50.66)	-13.55	-0.26
Regulatory Assets (RW)	0	0.1320	7.98	0	0.1320	7.98	0.00	0.00	0.00
Sub-Total			422.25			422.25	0.00	0.00	0.00
Other Charges (RW)	0	0.0122	265.48	0	0.0122	265.48	(3.29)	-1.14	-0.14
Other Charges (RW)	0	0.0500	340.33	0	0.0500	340.33	(26.85)	-8.07	-0.94
Cost of Power Community (RW)	0	0.0500	0.00	0	0.0500	0.00	0.00	0.00	0.00
Cost of Power Community (RW)	0	0.0500	1 357.20	0	0.0500	1 357.20	(15.89)	-1.14	-0.94
Total Bill			2 444.98			2 428.04	(16.94)	-0.69	-0.62



Bill Impacts Monthly Consumption

GENERAL SERVICE Greater than 50 kW (to 3000 kW)

	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Consumption									
40 000 kWh	40 000	0.0000	188.88	40 000	0.0000	243.32	56.39	30.14	0.06
100 kWh	100	3.7448	374.48	100	3.2482	324.82	(50.66)	-13.55	-0.06
Regulatory Assets (RW)	0	0.1320	7.98	0	0.1320	7.98	0.00	0.00	0.00
Sub-Total			422.25			422.25	0.00	0.00	0.00
Other Charges (RW)	0	0.0122	265.48	0	0.0122	265.48	(3.29)	-1.14	-0.14
Other Charges (RW)	0	0.0500	340.33	0	0.0500	340.33	(26.85)	-8.07	-0.94
Cost of Power Community (RW)	0	0.0500	0.00	0	0.0500	0.00	0.00	0.00	0.00
Cost of Power Community (RW)	0	0.0500	1 357.20	0	0.0500	1 357.20	(15.89)	-1.14	-0.94
Total Bill			2 444.98			2 428.04	(16.94)	-0.69	-0.62

GENERAL SERVICE Greater than 50 kW (to 3000 kW)

	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Consumption									
40 000 kWh	40 000	0.0000	188.88	40 000	0.0000	243.32	56.39	30.14	0.02
100 kWh	100	3.7448	374.48	100	3.2482	324.82	(50.66)	-13.55	-0.02
Regulatory Assets (RW)	0	0.1320	7.98	0	0.1320	7.98	0.00	0.00	0.00
Sub-Total			422.25			422.25	0.00	0.00	0.00
Other Charges (RW)	0	0.0122	265.48	0	0.0122	265.48	(3.29)	-1.14	-0.16
Other Charges (RW)	0	0.0500	340.33	0	0.0500	340.33	(26.85)	-8.07	-0.96
Cost of Power Community (RW)	0	0.0500	0.00	0	0.0500	0.00	0.00	0.00	0.00
Cost of Power Community (RW)	0	0.0500	1 357.20	0	0.0500	1 357.20	(15.89)	-1.14	-0.78
Total Bill			2 444.98			2 428.04	(16.94)	-0.69	-1.48

GENERAL SERVICE Greater than 50 kW (to 3000 kW)

	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Consumption									
1 000 000 kWh	1 000 000	0.0000	188.88	1 000 000	0.0000	243.32	56.39	30.14	0.04
3 000 kWh	3 000	3.7448	11 234.40	3 000	3.2482	9 738.84	(1 505.56)	-13.55	-1.11
Regulatory Assets (RW)	0	0.1320	7.98	0	0.1320	7.98	0.00	0.00	0.00
Sub-Total			11 431.33			10 378.28	(1 053.05)	-9.21	-2.79
Other Charges (RW)	0	0.0122	265.48	0	0.0122	265.48	(3.29)	-1.14	-0.19
Other Charges (RW)	0	0.0500	340.33	0	0.0500	340.33	(26.85)	-8.07	-1.09
Cost of Power Community (RW)	0	0.0500	0.00	0	0.0500	0.00	0.00	0.00	0.00
Cost of Power Community (RW)	0	0.0500	1 357.20	0	0.0500	1 357.20	(15.89)	-1.14	-0.78
Total Bill			13 186.88			12 034.29	(1 152.59)	-8.73	-2.80

GENERAL SERVICE Greater than 50 kW (to 3000 kW)

	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Consumption									
1 000 000 kWh	1 000 000	0.0000	188.88	1 000 000	0.0000	243.32	56.39	30.14	0.04
3 000 kWh	3 000	3.7448	11 234.40	3 000	3.2482	9 738.84	(1 505.56)	-13.55	-1.11
Regulatory Assets (RW)	0	0.1320	7.98	0	0.1320	7.98	0.00	0.00	0.00
Sub-Total			11 431.33			10 378.28	(1 053.05)	-9.21	-2.79
Other Charges (RW)	0	0.0122	265.48	0	0.0122	265.48	(3.29)	-1.14	-0.19
Other Charges (RW)	0	0.0500	340.33	0	0.0500	340.33	(26.85)	-8.07	-1.09
Cost of Power Community (RW)	0	0.0500	0.00	0	0.0500	0.00	0.00	0.00	0.00
Cost of Power Community (RW)	0	0.0500	1 357.20	0	0.0500	1 357.20	(15.89)	-1.14	-0.78
Total Bill			13 186.88			12 034.29	(1 152.59)	-8.73	-2.80

GENERAL SERVICE Greater than 50 kW (to 3000 kW)

	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Consumption									
100 000 kWh	100 000	0.0000	188.88	100 000	0.0000	243.32	56.39	30.14	0.06
300 kWh	300	3.7448	1 123.44	300	3.2482	973.88	(150.56)	-13.55	-0.06
Regulatory Assets (RW)	0	0.1320	7.98	0	0.1320	7.98	0.00	0.00	0.00
Sub-Total			1 319.30			1 229.18	(90.12)	-6.83	-0.24
Other Charges (RW)	0	0.0122	265.48	0	0.0122	265.48	(3.29)	-1.14	-0.14
Other Charges (RW)	0	0.0500	340.33	0	0.0500	340.33	(26.85)	-8.07	-1.06
Cost of Power Community (RW)	0	0.0500	0.00	0	0.0500	0.00	0.00	0.00	0.00
Cost of Power Community (RW)	0	0.0500	1 357.20	0	0.0500	1 357.20	(15.89)	-1.14	-0.96
Total Bill			3 033.91			2 925.79	(108.12)	-3.56	-3.23

GENERAL SERVICE Greater than 50 kW (to 3000 kW)

	2005 BILL			2006 BILL			IMPACT		
	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	Change \$	%	% of Total Bill
Consumption									
100 000 kWh	100 000	0.0000	188.88	100 000	0.0000	243.32	56.39	30.14	0.06
300 kWh	300	3.7448	1 123.44	300	3.2482	973.88	(150.56)	-13.55	-0.06
Regulatory Assets (RW)	0	0.1320	7.98	0	0.1320	7.98	0.00	0.00	0.00
Sub-Total			1 319.30			1 229.18	(90.12)	-6.83	-0.24
Other Charges (RW)	0	0.0122	265.48	0	0.0122	265.48	(3.29)	-1.14	-0.14
Other Charges (RW)	0	0.0500	340.33	0	0.0500	340.33	(26.85)	-8.07	-1.06
Cost of Power Community (RW)	0	0.0500	0.00	0	0.0500	0.00	0.00	0.00	0.00
Cost of Power Community (RW)	0	0.0500	1 357.20	0	0.0500	1 357.20	(15.89)	-1.14	-0.96
Total Bill			3 033.91			2 925.79	(108.12)	-3.56	-3.23



## Chapter 5

### Cost of Capital

#### 5.1 - Maximum Allowed Return on Equity

NPDI is applying for the maximum allowed return on equity of 9.00% in accordance with the Handbook.

#### 5.2 - Debt Rate

Based on the size of NPDI's rate base, using the size-related debt formula table as provided in the 2006 EDR Handbook, the deemed capital structure and deemed debt rate are as set out below:

Rate Base	Deemed Capital Structure		Deemed Debt Rate
	Debt (D)	Equity (1-D)	
< \$100 million	50%	50%	6.25%

However, NPDI has a weighted average debt rate of 6.51% as shown in the EDR model at Tab 3-4 resulting from loans and debentures held with third parties.

#### 5.3 - Capital Structure

The capital structure is included in the EDR model at Tab 3-3. This information is consistent with the 2004 audited statements.

#### 5.4 - Working Capital Allowance

The working capital allowance used by NPDI is in accordance with the 2006 EDR Handbook and is as calculated in the model.

## Chapter 13

### Mitigation

In order to address bill impacts in the residential class that are greater than 10%, NPDI is proposing to reduce the monthly service charge calculated by the EDR model for the residential class from \$20.24 to \$17.50 and in turn increase the distribution volumetric rate from \$0.0184 per kWh to \$0.0222 per kWh to maintain revenue neutrality for the residential class.



**8-5 DISTRIBUTION RATES**

Volumetric Rate Type	Calculated Rates (\$)								
	Rate per kWh				Rate per kW				Fixed Service Charge
	Base (from 8-1)	LVI Wheeling (from 8-2)	CDM (from 8-3)	Combined	Base (from 8-1)	LVI Wheeling (from 8-2)	CDM (from 8-3)	Combined	Base (from 8-1)
<b>RESIDENTIAL</b>									
Regular	kWh	0.0176	0.0008	0.0184					20.24
<b>GENERAL SERVICE</b>									
Less than 50 kW	kWh	0.0119	0.0006	0.0127					45.88
Greater than 50 kW (to 3000 kW)	kW				2,8753	0.3710		3,2482	243.32
Unmetered Scattered Load	kWh	0.0127	0.0008	0.0135					24.41
Sentinel Lighting	kW				3,4428	0.2338		3,6763	1.52
Street Lighting	kW				2,3415	0.2523		2,5938	0.79
<b>TOTALS</b>									



**8-5 DISTRIBUTION RATES**

Volumetric Rate Type	Direct Rate Mitigation (\$)			Rate Application (\$)			Regulatory Assets per kWh (from 8-4)	Regulatory Assets per kW (from 8-4)
	Rate per kWh	Rate per kW	Fixed Service Charge	Rate per kWh	Rate per kW	Fixed Service Charge		
	Enter only as applicable to override a calculated rate.							
<b>RESIDENTIAL</b>								
Regular	0.0222	17.50	0.0222	17.50	0.0046			
<b>GENERAL SERVICE</b>								
Less than 50 kW			0.0127	45.88	0.0023			
Greater than 50 kW (to 3000 kW)				3,2462	243.32		0.1326	
Unmetered Scattered Load	0.0127	22.95	0.0127	22.95	0.0023			
Sentinel Lighting				3,6783	1.52		0.2820	
Street Lighting				2,5938	0.79		0.3011	
<b>TOTALS</b>								

(7)

3-2 COST OF CAPITAL (Input)

Cost of Capital

Deemed Debt Rate and D/E Structures

Rate Base (from Sheet Ratebase Calc.)	\$36,021,857
Size of LDC (based on Rate Base)	Small
Debt Rate (based on Size)	6.25%
Deemed Debt (based on Size)	50%
Deemed Equity (based on Size)	50%

Size of Utility Rate Base	Descriptor	Equity	Debt	DR
		CER %	(CER) %	
Greater than \$1.0 Billion	Large	35%	65%	5,80%
Between \$250 Million and \$1.0 Billion	Medium-Large	40%	60%	5,90%
Between \$100 Million and \$250 Million	Medium-Small	45%	55%	6,00%
Under \$100 Million	Small	50%	50%	6,25%

Debt Rate (DR)

Deemed or proposed Debt Rate for Revenue Requirement calculation.	6.51%
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Weighted debt rate calculated on Weighted Debt Cost (%)	6.51%
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Return on Equity

Utility's Proposed ROE	9.00%
Allowed ROE for Revenue Requirement Calculation	9.00%
Target ROE per Board	9.00%

Cost of Capital

Cost of Capital	7.75%
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