

Derivation of Distribution Rates- Oil									
	Units	Calculation	SGSRO	SGSC	GS	CGS	CLGS_LFO	HFO	
1	Alternative Energy Price	CAN\$/l	Retail Oil Price	\$0.8333	\$0.8133	\$0.8033	\$0.7933	\$0.7833	\$0.3832
2	Assumed Efficiency factor		Assigned	78.16%	78.16%	81.25%	81.25%	100%	100%
3	Typical Annual Oil Consumption	GJs/year	Line 10 / Line 2	107	285	1,124	6,087	33,474	132,327
4	Conversion Factor	l/GJ	Assigned	25.8532	25.8532	25.8532	25.8532	25.8532	25.8532
5	Typical Annual Consumption	in litres	Line 3 x Line 4	2,766.29	7,368.16	29,059.00	157,368.43	865,410.02	3,421,076.40
6	Total Alternative Energy Cost	\$/ year	Line 1 x Line 5	\$2,305.16	\$5,992.56	\$23,343.24	\$124,841.17	\$677,880.06	\$1,310,956.48
7	Target Savings Level	%	Assigned	20%	20%	15%	15%	10%	5%
8	Target Savings Amount	\$	Line 6 x Line 7	\$461.03	\$1,198.51	\$3,501.49	\$18,726.18	\$67,788.01	\$65,547.82
9	Target Natural Gas Cost	\$	Line 6 - Line 8	\$1,844.13	\$4,794.05	\$19,841.75	\$106,114.99	\$610,092.05	\$1,245,408.66
10	Typical Annual Natural Gas Consumption	GJs/ year	Typical Customer	84	223	913	4,946	33,474	132,327
11	Target Burner Tip Price	\$/GJ	Line 9 / 10	\$21.9539	\$21.4980	\$21.7325	\$21.4547	\$18.2258	\$9.4116
12	Commodity Cost	\$/GJ	EUG or EVP price	\$7.5723	\$7.5723	\$7.5723	\$7.5723	\$7.4352	\$7.4352
13	Target Distribution Rate	\$/GJ	Line 11 - Line 13	\$14.3816	\$13.9257	\$14.1602	\$13.8824	\$10.7906	\$1.9764
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14	Target Annual Distribution Charge	\$	Line 13 x Line 10	\$1,208.05	\$3,105.42	\$12,928.24	\$68,662.21	\$361,205.98	\$261,536.75
15	Monthly Customer Charge	\$	Assigned	\$16.00	\$16.00	\$16.00			
16	Annual Customer Charge	\$	Line 15 * 12	\$192.00	\$192.00	\$192.00	0	0	
17	Average Contract Demand	GJs	Average				46	275	865
18	Contract Demand Charge	\$	Assigned	0	0	0	\$5.20	\$5.20	\$3.90
19	Revenue from Demand Charge	\$	Line 17 * Line 18 * 12	0	0	0	\$2,870.40	\$17,160.00	\$3,373.50
20	Target Revenue From Delivery Charge	\$	Line 14 - Lines 16 or 19	\$1,016.05	\$2,913.42	\$12,736.24	\$65,791.81	\$344,045.98	\$258,163.25
21	Distribution Delivery Charge	\$/GJ	Line 20/Line 10	\$12.0959	\$13.0647	\$13.9499	\$13.3020	\$10.2780	\$1.9509

**Delivery Rates      2011**

SGS-RE	10.5142		
SGS-RO	12.0959		
SGS-C	13.0647		
GS	13.9499		
CGS	13.3020		
LFO	6.4324	Jan-Jun	as per June 3, 2010 rate approval
LFO	8.7786	Jul-Dec	as per June 3, 2010 rate approval
HFO	1.9509		

<b>Derivation of Distribution Rates- Electricity</b>			
	<b>Units</b>	<b>Calculation</b>	<b>SGSRE</b>
<b>1 Lines 1 - 5 not used</b>			
<b>6 Total Alternative Energy Cost</b>	\$/ year	Retail Electricity Cost	\$2,749.51
<b>7 Target Savings Level</b>	%	Assigned	20%
<b>8 Target Savings Amount</b>	\$	Line 6 x Line 7	\$549.90
<b>9 Target Natural Gas Cost</b>	\$	Line 6 - Line 8	\$2,199.61
<b>10 Typical Annual Natural Gas Consumption</b>	GJs/ year	Typical Customer	111
<b>11 Target Burner Tip Price</b>	\$/GJ	Line 9 / 10	19.8163
<b>12 Commodity Cost</b>	\$/GJ	EUG Price	7.5723
<b>13 Target Distribution Rate</b>	\$/GJ	Line 11 - Line 13	12.2440
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<b>14 Target Annual Distribution Charge</b>	\$	Line 13 x Line 10	\$1,359.08
<b>15 Monthly Customer Charge</b>	\$	Assigned	\$16.00
<b>16 Annual Customer Charge</b>	\$	Line 15 * 12	\$192.00
<b>17 Average Contract Demand</b>	GJs	Average	
<b>18 Contract Demand Charge</b>	\$	Assigned	0
<b>19 Revenue from Demand Charge</b>	\$	Line 17 * Line 18 * 12	0
<b>20 Target Revenue From Delivery Charge</b>	\$	Line 14 - Lines 16 or 19	\$1,167.08
<b>21 Distribution Delivery Charge</b>	\$/GJ	Line 20/Line 10	\$10.5142

**Foreign Exchange**

2-Jul-2010  
6-Jul-2010  
7-Jul-2010  
8-Jul-2010  
9-Jul-2010  
12-Jul-2010  
13-Jul-2010  
14-Jul-2010  
15-Jul-2010  
16-Jul-2010  
19-Jul-2010  
20-Jul-2010  
21-Jul-2010  
22-Jul-2010  
23-Jul-2010  
26-Jul-2010  
27-Jul-2010  
28-Jul-2010  
29-Jul-2010  
30-Jul-2010  
2-Aug-2010

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Average US/Can  
Average \$CAN/US

**Electricity Pricing**

Month	Expected Increase	Base kWh	Electric Heating Usage		Electric Water Heater Usage		Total Usage	Water Heater Rental	Total Electric Cost
			Usage Profile	kWh usage	Usage Profile	kWh usage			
Jan-11		806	21.67%	4,708	9.80%	472	5,986	\$7.79	\$518.02
Feb-11		806	17.39%	3,778	9.20%	443	5,027	\$7.79	\$423.57
Mar-11		806	14.86%	3,229	9.80%	472	4,507	\$7.79	\$372.34
Apr-11	3%	806	8.22%	1,786	9.70%	467	3,059	\$8.02	\$236.62
May-11	3%	806	4.33%	941	8.10%	390	2,137	\$8.02	\$143.07
Jun-11	3%	806	0.35%	76	7.00%	337	1,219	\$8.02	\$49.94
Jul-11	3%	806	1.04%	226	6.50%	313	1,345	\$8.02	\$62.71
Aug-11	3%	806	1.62%	352	6.40%	308	1,466	\$8.02	\$75.01
Sep-11	3%	806	2.44%	530	6.80%	327	1,663	\$8.02	\$95.02
Oct-11	3%	806	2.50%	543	7.80%	376	1,725	\$8.02	\$101.23
Nov-11	3%	806	10.90%	2,368	8.80%	424	3,598	\$8.02	\$291.27
Dec-11	3%	806	14.67%	3,187	10.10%	486	4,479	\$8.02	\$380.71
		<b>9,672</b>	<b>100%</b>	<b>21,727</b>	<b>100.0%</b>	<b>4,816</b>	<b>36,212</b>	<b>\$95.58</b>	<b>\$ 2,749.51</b>

Price for electricity	
All kilowatt hours	<b>\$0.0985</b>
Estimated Heating Use	<b>21727</b>
Estimated Water Heater Use	<b>4816</b>
Estimated Plug and Light	<b>9672</b>
Water Heater Rental (60 Gallon)	<b>\$7.79</b>

## No.2 Heating Oil Pricing

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2-Jul-10  
6-Jul-10  
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8-Jul-10  
9-Jul-10  
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26-Jul-10  
27-Jul-10  
28-Jul-10  
29-Jul-10  
30-Jul-10  
2-Aug-10

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### AVERAGE (US\$/gal)

Checks (42 Day Average)

CAN\$/litre

#### Market Spreads (Can\$/litre)

SGSRO  
SGSC  
GS  
CGS  
LFO

#### Monthly Price (Can\$/litre)

SGSRO  
SGSC  
GS  
CGS  
LFO

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#### Usage Profile & Weighted Average

SGSRO		
	\$	0.8320
SGSC		
	\$	0.8116
GS		
	\$	0.8023
CGS		
	\$	0.7935
LFO		
	\$	0.7830

**Set Market Spreads**

	Month num	CDN \$/litre				
		SGSRO	SGSC	GS	CGS	LFO
<b>Jan</b>	<b>1</b>	0.225	0.205	0.195	0.185	0.175
<b>Feb</b>	<b>2</b>	0.225	0.205	0.195	0.185	0.175
<b>Mar</b>	<b>3</b>	0.225	0.205	0.195	0.185	0.175
<b>Apr</b>	<b>4</b>	0.225	0.205	0.195	0.185	0.175
<b>May</b>	<b>5</b>	0.225	0.205	0.195	0.185	0.175
<b>Jun</b>	<b>6</b>	0.225	0.205	0.195	0.185	0.175
<b>Jul</b>	<b>7</b>	0.225	0.205	0.195	0.185	0.175
<b>Aug</b>	<b>8</b>	0.225	0.205	0.195	0.185	0.175
<b>Sep</b>	<b>9</b>	0.225	0.205	0.195	0.185	0.175
<b>Oct</b>	<b>10</b>	0.225	0.205	0.195	0.185	0.175
<b>Nov</b>	<b>11</b>	0.225	0.205	0.195	0.185	0.175
<b>Dec</b>	<b>12</b>	0.225	0.205	0.195	0.185	0.175

**WTI Crude Oil Pricing**

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
2-Jul-2010	74.48	74.83	75.18	75.52	75.86	76.20	76.48	76.66	76.81	76.96	77.14	77.34
6-Jul-2010	74.70	75.11	75.51	75.91	76.30	76.68	77.00	77.19	77.34	77.48	77.65	77.84
7-Jul-2010	76.85	77.27	77.67	78.07	78.46	78.84	79.15	79.34	79.49	79.63	79.79	79.97
8-Jul-2010	78.27	78.69	79.10	79.49	79.88	80.25	80.58	80.78	80.93	81.07	81.22	81.39
9-Jul-2010	78.65	79.05	79.42	79.78	80.13	80.46	80.76	80.93	81.07	81.20	81.33	81.48
12-Jul-2010	77.48	77.89	78.27	78.64	78.98	79.30	79.61	79.79	79.93	80.06	80.19	80.34
13-Jul-2010	79.61	80.02	80.40	80.77	81.12	81.45	81.76	81.93	82.05	82.17	82.28	82.41
14-Jul-2010	79.33	79.74	80.11	80.47	80.81	81.13	81.44	81.61	81.73	81.85	81.96	82.09
15-Jul-2010	78.92	79.31	79.68	80.03	80.36	80.67	80.97	81.15	81.28	81.41	81.54	81.65
16-Jul-2010	78.37	78.77	79.15	79.51	79.86	80.19	80.50	80.68	80.82	80.96	81.09	81.22
19-Jul-2010	78.75	79.13	79.50	79.85	80.19	80.51	80.81	80.99	81.12	81.25	81.38	81.51
20-Jul-2010	79.23	79.58	79.93	80.28	80.63	80.95	81.25	81.43	81.56	81.68	81.80	81.93
21-Jul-2010	78.56	78.97	79.35	79.74	80.12	80.49	80.84	81.06	81.23	81.39	81.55	81.71
22-Jul-2010	80.98	81.35	81.70	82.05	82.41	82.76	83.10	83.31	83.48	83.64	83.79	83.94
23-Jul-2010	80.74	81.11	81.47	81.83	82.19	82.54	82.88	83.09	83.26	83.42	83.58	83.74
26-Jul-2010	80.81	81.23	81.61	81.98	82.34	82.69	83.02	83.22	83.38	83.53	83.68	83.83
27-Jul-2010	79.40	79.85	80.27	80.67	81.06	81.43	81.77	81.98	82.15	82.30	82.45	82.61
28-Jul-2010	79.13	79.63	80.10	80.53	80.94	81.32	81.69	81.91	82.09	82.24	82.39	82.55
29-Jul-2010	80.53	81.04	81.52	81.97	82.40	82.81	83.18	83.40	83.57	83.72	83.87	84.03
30-Jul-2010	81.06	81.55	82.00	82.43	82.83	83.22	83.59	83.81	83.98	84.13	84.28	84.44
2-Aug-2010	83.30	83.74	84.15	84.54	84.91	85.26	85.59	85.80	85.97	86.14	86.30	86.47
Average	79.0071	79.4219	79.8138	80.1933	80.5610	80.9119	81.2367	81.4314	81.5829	81.7252	81.8695	82.0233
72.00% US\$/bbl	56.8851	57.1838	57.4659	57.7392	58.0039	58.2566	58.4904	58.6306	58.7397	58.8421	58.9460	59.0568
HFO \$Can/bbl	59.3430	59.6547	60.0542	60.3398	60.6165	61.0102	61.2550	61.4018	61.6601	61.7676	61.8766	62.1382
HFO \$Can/Litre	0.3733	0.3752	0.3777	0.3795	0.3813	0.3837	0.3853	0.3862	0.3878	0.3885	0.3892	0.3908
Average Price	0.3832											



**WTI Natural Gas**

2-Jul-2010  
6-Jul-2010  
7-Jul-2010  
8-Jul-2010  
9-Jul-2010  
12-Jul-2010  
13-Jul-2010  
14-Jul-2010  
15-Jul-2010  
16-Jul-2010  
19-Jul-2010  
20-Jul-2010  
21-Jul-2010  
22-Jul-2010  
23-Jul-2010  
26-Jul-2010  
27-Jul-2010  
28-Jul-2010  
29-Jul-2010  
30-Jul-2010  
2-Aug-2010

Average

**12 Month Forward EUG Cu**

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**EUG**

SGSRE

SGSRO

SGSC

GS

CGS

EUG Price     \$   7.5723

## EVP Calculation

	Jan-11
NYMEX NG price (US\$/mmbtu)	5.316333
Exchange Rate	1.043209
Markup (US\$/mmbtu)	\$2.2500
NB Retail Price Can\$/mmbtu	7.8933
NB Retail price \$/gj	7.4814
12-month average	\$7.4352

## Usage Profiles

	Month num	<b>SGSRE</b>	<b>SGSRO</b>	<b>SGSC</b>	<b>GS</b>	<b>CGS</b>	<b>LFO</b>
<b>Jan</b>	<b>1</b>	21.67%	20.17%	20.99%	19.97%	18.23%	8.33%
<b>Feb</b>	<b>2</b>	17.39%	17.65%	17.90%	15.44%	14.55%	8.33%
<b>Mar</b>	<b>3</b>	14.86%	13.15%	15.05%	13.57%	12.95%	8.33%
<b>Apr</b>	<b>4</b>	8.22%	8.50%	8.41%	8.25%	9.02%	8.33%
<b>May</b>	<b>5</b>	4.33%	5.29%	4.43%	4.63%	5.08%	8.33%
<b>Jun</b>	<b>6</b>	0.35%	1.46%	1.66%	2.77%	3.02%	8.33%
<b>Jul</b>	<b>7</b>	1.04%	1.81%	1.98%	2.57%	2.84%	8.33%
<b>Aug</b>	<b>8</b>	1.62%	1.91%	1.87%	2.40%	2.77%	8.33%
<b>Sep</b>	<b>9</b>	2.44%	2.46%	2.40%	2.87%	3.05%	8.33%
<b>Oct</b>	<b>10</b>	2.50%	4.04%	3.75%	5.51%	6.06%	8.33%
<b>Nov</b>	<b>11</b>	10.90%	7.92%	8.05%	9.09%	9.70%	8.33%
<b>Dec</b>	<b>12</b>	14.67%	15.67%	13.58%	12.96%	12.91%	8.33%
		99.99%	100.03%	100.07%	100.03%	100.18%	99.96%