

MILTON HYDRO DISTRIBUTION INC.

EXHIBIT 5

COST OF CAPITAL AND
CAPITAL STRUCTURE



EXHIBIT 5 – COST OF CAPITAL AND CAPITAL STRUCTURE

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LIST OF ATTACHMENTS

OVERVIEW

In this Exhibit, Milton Hydro is providing evidence regarding its capital structure, debt financing and the calculation of return on equity and debt for the 2023 Test Year.

Milton Hydro was incorporated August 30, 2000, in accordance with the requirements of the Electricity Act, 1998, S.O. 1998, c.15, Schedule. A.

Milton Hydro is 100% owned by Milton Hydro Holdings Inc. which is 100% owned by the Corporation of the Town of Milton (the "Town").

Share capital consists of 2,000 common shares in the amount of \$17,008,909. Milton Hydro does not have preference shares.

5.1. CAPITAL STRUCTURE

Milton Hydro has a current deemed capital structure of 56.00% long term debt with a return of 4.00%, 4.00% short term debt with a return of 1.65% and 40.00% equity with a return of 9.19% as approved in the Decision and Order on Milton Hydro's 2016 Cost of Service Rate Application ("COS") EB-2015-0089.

Milton Hydro has prepared this 2023 COS Application in accordance with the Ontario Energy Board's ("OEB") guidelines provided in the *Report of the Board on Cost of Capital for Ontario's*



1 *Regulated Utilities* (the “2009 Report”) issued on December 11, 2009. For the purposes of
 2 preparing this Application, Milton Hydro has used the cost of capital parameters issued by the
 3 OEB on October 28, 2021 for its 2023 Test Year Cost of Service rate Application.

4 Milton Hydro acknowledges that the OEB may update the Cost of Capital parameters later in
 5 2022 for rates with effective dates in 2023 and Milton Hydro will update its Application
 6 accordingly.
 7

8 Milton Hydro is not proposing any changes to its current capital structure.
 9

10 The following table provides Milton Hydro’s 2016 OEB Approved capital structure from Milton
 11 Hydro’s 2016 COS Application.
 12

13 **Table 5-1 2016 OEB Approved Capital Structure**
 14
 15
 16

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		(%)		(%)	
			(\$)		(\$)
	Debt				
1	Long-term Debt	56.00%	\$49,598,327	4.00%	\$1,984,844
2	Short-term Debt	4.00% (1)	\$3,542,738	1.65%	\$58,455
3	Total Debt	60.00%	\$53,141,065	3.85%	\$2,043,299
	Equity				
4	Common Equity	40.00%	\$35,427,377	9.19%	\$3,255,776
5	Preferred Shares		\$—		\$—
6	Total Equity	40.00%	\$35,427,377	9.19%	\$3,255,776
7	Total	100.00%	\$88,568,442	5.98%	\$5,299,075



The following table outlines Milton Hydro’s proposed deemed capital structure for the 2023 Test Year:

Table 5-2 Proposed 2023 Test Year Capital Structure

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
		(%)	(\$)	(%)	(\$)
	Debt				
1	Long-term Debt	56.00%	\$63,605,370	3.54%	\$2,250,497
2	Short-term Debt	4.00%	\$4,543,241	1.17%	\$53,156
3	Total Debt	60.00%	\$68,148,611	3.38%	\$2,303,653
	Equity				
4	Common Equity	40.00%	\$45,432,407	8.66%	\$3,934,446
5	Preferred Shares				\$—
6	Total Equity	40.00%	\$45,432,407	8.66%	\$3,934,446
7	Total	100.00%	\$113,581,019	5.49%	\$6,238,100

5.2. COST OF CAPITAL

5.2.1 Overview

Milton Hydro outlines the calculations for Long-Term Debt, Short-Term Debt, and Return on Equity in this section.

Interest charges are pro-rated for the calendar year in which the debt is taken out.

5.2.2 Return on Equity

Milton Hydro is requesting a Return on Equity (“ROE”) for the 2023 Test Year of 8.66% in accordance with the Cost of Capital Parameter Updates for 2022 Cost of Service Applications issued by the OEB on October 28, 2021. As set out in Table 5-2 above, the weighted average cost of capital for the 2023 Test Year is 5.49% subject to adjustment in the cost of capital parameters.



1 **5.2.3 Short-Term Debt**
2

3 Milton Hydro is requesting a return on short-term Debt for the 2023 Test Year of 1.17% in
4 accordance with the Cost of Capital Parameter Updates for 2022 Cost of Service Applications
5 issued by the OEB on October 28, 2021.

6
7 **5.2.4 Revolving Line of Credit**
8

9 Milton Hydro has access to a revolving line of credit in the amount of \$4,000,000 that is secured
10 by a general security agreement over Milton Hydro's assets. Milton Hydro is not proposing any
11 changes to the revolving line of credit relative to the 2016 OEB Approved year application.

12
13 **5.2.5 Long-Term Debt**
14

15 Milton Hydro is requesting a return on long-term debt for the 2023 Test Year of 3.54%. This rate
16 of return represents the weighted average cost of long-term debt for the promissory note and
17 debentures with Infrastructure Ontario and TD Bank.

18
19 Appendix 2-OB is provided at the end of this section for ease of reference.



A summary of Milton Hydro's long-term debt instruments is provided in the following table:

Table 5-3 2023 Test Year and 2016 OEB Approved Year Long-Term Debt Instruments

Description	Issuer	Start Date	End Date	Term	2023 Test Year		2016 Actual	
					Principal	Rate	Principal	Rate
Debenture	Infrastructure Ontario	April 01, 2010	April 01, 2025	25	\$ 381,638	4.49%	\$ 2,880,057	4.49%
Debenture	Infrastructure Ontario	July 15, 2010	July 15, 2035	25	\$ 2,504,271	4.84%	\$ 4,000,000	4.84%
Debenture	Infrastructure Ontario	September 15, 2011	September 15, 2036	25	\$ 2,265,395	4.33%	\$ 3,487,200	4.33%
Debenture	Infrastructure Ontario	February 15, 2012	February 15, 2037	25	\$ 1,674,647	3.92%	\$ 2,550,000	3.92%
Debenture	Infrastructure Ontario	September 17, 2012	September 17, 2037	25	\$ 1,717,877	3.87%	\$ 2,550,000	3.87%
Promissory Note	Infrastructure Ontario	May 01, 2013	May 03, 2038	25	\$ 2,094,841	3.74%	\$ 3,044,000	3.74%
Promissory Note	Infrastructure Ontario	July 15, 2014	July 15, 2039	25	\$ 2,909,830	3.97%	\$ 3,900,000	3.97%
Promissory Note	Infrastructure Ontario	March 16, 2015	March 16, 2040	25	\$ 5,775,049	3.04%	\$ 7,800,000	3.04%
Promissory Note	Infrastructure Ontario	July 15, 2015	July 15, 2040	25	\$ 3,077,791	3.55%	\$ 4,000,000	3.55%
Promissory Note	Infrastructure Ontario	September 01, 2015	September 01, 2040	25	\$ 993,076	3.31%	\$ 1,300,000	3.31%
Term Loan	TD	December 15, 2015	December 16, 2045	30	\$ 3,311,154	3.58%	\$ 4,000,000	3.58%
Promissory Note	Infrastructure Ontario	December 15, 2016	December 22, 2045	30	\$ 2,566,132	3.74%	\$ 2,000,000	3.58%
Term Loan	TD	July 20, 2018	July 20, 2048	30	\$ 3,576,155	3.90%		
Term Loan	TD	October 04, 2019	October 04, 2049	30	\$ 2,732,150	3.15%		
Promissory Note	Infrastructure Ontario	December 16, 2019	December 16, 2049	30	\$ 913,916	3.10%		
Term Loan	TD	July 06, 2020	July 06, 2030	10	\$ 3,673,492	2.35%		
Term Loan	TD	April 01, 2022	March 31, 2052	30	\$ 3,853,578	3.49%		
Term Loan	TD	October 01, 2022	September 30, 2052	30	\$ 3,898,211	3.49%		
Term Loan	TD	October 01, 2022	September 30, 2052	30	\$15,000,000	3.49%		
Promissory Note	Town of Milton	N/A	N/A	N/A			\$14,934,210	4.54%
Total					<u>\$62,919,203 3.54% \$45,852,572 4.00%</u>			

The terms for all promissory notes, debentures and terms loans include payments for principal and interest. Table 5-3 above identifies the principal balances used in the calculation of Milton Hydro's 2023 Test Year weighted average cost of long-term debt.

In 2022, Milton Hydro retired the promissory note with the Town of Milton with a short-term revolving facility. Milton Hydro will engage TD Bank to finance the promissory note with a long-



1 term debt facility in 2022. Milton Hydro has used the OEB's current long-term debt rate of
2 3.49% as an estimate of the interest rate.

3 4 **5.2.5.1 Infrastructure Ontario**

5
6 In 2009, Milton Hydro entered into financing agreements with Ontario Infrastructure and Lands
7 Corporation, formerly Ontario Infrastructure Projects Corporation, ("Infrastructure Ontario") for
8 the purposes of funding capital projects. Infrastructure Ontario's lending rates are posted online
9 and are updated frequently in line with Infrastructure Ontario's cost of borrowing in the capital
10 markets. Rates on long-term debentures/promissory notes are fixed for the entire life of the loan
11 with terms from 5 to 30 years. Construction Loans are for shorter terms with the monthly rates
12 floating throughout the term of the loan until they are replaced on completion of the project by a
13 debenture/promissory note.

14
15 Table 5-6 to Table 5-13 provides the details for the existing fixed term obligations with
16 Infrastructure Ontario for Milton Hydro up to and including the 2023 Test Year.

17
18 Milton Hydro attaches the debenture and promissory note agreements as Appendix A.

19 20 **5.2.5.2 TD Bank ("TD")**

21
22 In October 2015, Milton Hydro financed its capital projects through long-term debt issued by TD.

23 Milton Hydro is proposing the following new financing arrangements with TD:

- 24 • issuance of \$8,000,000 in fixed committed reducing term loan in 2022 for financing
25 incremental balance sheet growth and debt maturities in two tranches; and
- 26 • issuance of \$14,934,210 in interest only bearing loans in 2022 to refinance promissory note
27 with the Town of Milton.
28

29
30 Milton Hydro has set the interest rate for the two long-term debt instruments from TD at the OEB
31 approved long-term debt rate. At the time of filing this Application, the lending rates from TD
32 were not available.

33
34 Table 5-6 to Table 5-13 provides the details for the existing and projected fixed term obligations
35 with TD Bank for Milton Hydro up to and including the 2023 Test Year.



Milton Hydro attaches the term loan agreements as Appendix B.

5.2.5.3 Long-Term Debt Variance Analysis

Milton Hydro's forecasted deemed interest expense (long-term and short-term) in the 2023 Test Year is \$2,303,653, or \$260,354 higher relative to the 2016 OEB Approved of \$2,043,299. The increase is principally attributable to: the increase in the Average Net Book Value of Capital Assets; offset by the decrease in working capital allowance, and the decrease in the weighted average cost of long-term debt of 0.46%.

The changes to rate base are outlined in Exhibit 2, Table 2-1.

The following table provides the key variances in the cost of capital and debt structures between the 2023 Test Year and the 2016 OEB Approved Year.

Table 5-4 Cost of Capital and Debt Structures - 2023 Test Year vs. 2016 OEB Approved

Description	Deemed Rate (%)	Deemed Long-term Debt/ Equity (\$)	Deemed Cost Rate (%)	Deemed Interest Expense/ Return on Equity
Debt				
Long-term Debt	—%	\$14,007,043	(0.46%)	\$265,653
Short-term Debt	—%	\$1,000,503	—%	(\$5,299)
Total debt	—%	\$15,007,546	(0.46%)	\$260,354
Equity				
Common Equity	—%	\$10,005,031	(0.53%)	\$678,671
Preferred Shares	—%	—	—%	—
Total equity	—%	\$10,005,031	(0.53%)	\$678,671
Regulated rate of return	—%	\$25,012,577	(0.49%)	\$939,025

5.2.5.4 Return on Equity Variance Analysis

Milton Hydro's forecasted deemed return on equity in the 2023 Test Year is \$3,934,446, or \$678,671 higher relative to the 2016 OEB Approved of \$3,255,776. The increase is principally attributable to: the increase in the Average Net Book Value of Capital Assets; offset by the decrease in working capital allowance, and the decrease in the deemed return on equity rate of 0.53%.



1 The changes to rate base are outlined in Exhibit 2, Table 2-1.

2
3 **5.2.6 Preferred Shares**

4
5 Milton Hydro has not issued any preference shares. There are no changes relative to the 2016
6 OEB Approved year application.

7
8 **5.2.7 Notional Debt**

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10 Notional debt is the difference between deemed debt and actual debt. Milton Hydro has
11 calculated its notional debt based on the filing requirements as the difference between the
12 deemed debt of 60.0% (56.0% long-term debt and 4.0% short-term debt) and Milton Hydro's
13 actual debt. Milton Hydro's notional debt is \$4,698,124 as set out in the following table. The
14 notional debt represents the weighted average cost of actual long-term debt relative to the
15 deemed long-term debt rate issued by the OEB.

16
17 **Table 5-5 Long-Term Notional Debt**

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Description	Rate Base	Deemed Debt Rate	Deemed per Appendix 2-OA	Actual	Notional Debt
Long-term debt	\$113,581,019	60.0 %	\$68,148,611	\$63,450,487	\$(4,698,124)



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Table 5-6 Appendix 2-OB 2016 Debt Instruments

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%)	Interest (\$)	Additional Comments, if any
1	Promissory Note	Town of Milton	Affiliated	Fixed Rate	1-Oct-01	on demand	\$14,934,210.00	7.25%	\$1,082,730.23	
2	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Apr-10	15	\$1,861,996.25	4.49%	\$87,585.08	Amortized Semi Annual
3	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-10	25	\$3,423,387.23	4.84%	\$167,231.41	Amortized Semi Annual
4	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Sep-11	25	\$3,052,955.43	4.33%	\$134,078.26	Amortized Semi Annual
5	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Feb-12	25	\$2,253,079.14	3.92%	\$89,307.28	Amortized Semi Annual
6	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	17-Sep-12	25	\$2,287,091.63	3.87%	\$89,750.59	Amortized Semi Annual
7	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-May-13	25	\$2,767,648.29	3.74%	\$105,320.28	Amortized Semi Annual
8	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-14	25	\$3,709,193.84	3.97%	\$148,390.88	Amortized Semi Annual
9	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Mar-15	25	\$7,479,319.06	3.04%	\$230,384.82	Amortized Semi Annual
10	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-15	25	\$3,898,412.38	3.55%	\$139,453.43	Amortized Semi Annual
11	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Sep-15	25	\$1,265,895.50	3.35%	\$42,373.81	Amortized Semi Annual
12	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Dec-15	30	\$3,924,275.00	3.58%	\$141,892.62	Amortized Semi Annual
13	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Dec-16	30	\$3,000,000.00	3.50%	\$4,675.00	Amortized Semi Annual
Total							\$53,857,463.75	4.57%	\$2,463,173.69	



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Table 5-7 Appendix 2-OB 2017 Debt Instruments

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%)	Interest (\$)	Additional Comments, if any
1	Promissory Note	Town of Milton	Affiliated	Fixed Rate	1-Oct-01	on demand	\$14,934,210	7.25%	\$1,082,730	
2	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Apr-10	15	\$1,677,620	4.49%	\$79,487	Amortized Semi Annual
3	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-10	25	\$3,310,153	4.84%	\$161,826	Amortized Semi Annual
4	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Sep-11	25	\$2,954,377	4.33%	\$129,892	Amortized Semi Annual
5	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Jan-12	25	\$2,179,752	3.92%	\$86,531	Amortized Semi Annual
6	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	17-Sep-12	25	\$2,214,821	3.87%	\$87,002	Amortized Semi Annual
7	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-May-13	25	\$2,681,881	3.74%	\$102,121	Amortized Semi Annual
8	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-14	25	\$3,608,016	3.97%	\$144,420	Amortized Semi Annual
9	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Mar-15	25	\$7,257,326	3.04%	\$223,729	Amortized Semi Annual
10	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-15	25	\$3,793,186	3.55%	\$135,756	Amortized Semi Annual
11	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Sep-15	25	\$1,230,653	3.35%	\$41,223	Amortized Semi Annual
12	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Dec-15	30	\$3,845,794	3.58%	\$139,134	Amortized Semi Annual
13	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Dec-16	30	\$2,944,742	3.50%	\$111,173	Amortized Semi Annual
Total							\$52,632,529	4.80%	\$2,525,025	



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Table 5-8 Appendix 2-OB 2018 Debt Instruments

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%)	Interest (\$)	Additional Comments, if any
1	Promissory Note	Town of Milton	Affiliated	Fixed Rate	1-Oct-01	on demand	14,934,210	7.25%	1,082,730	
2	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Apr-10	15	1,484,872	4.49%	71,022	Amortized Semi Annual
3	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-10	25	3,191,371	4.84%	156,156	Amortized Semi Annual
4	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Sep-11	25	2,851,485	4.33%	125,523	Amortized Semi Annual
5	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Jan-12	25	2,103,521	3.92%	83,586	Amortized Semi Annual
6	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	17-Sep-12	25	2,139,726	3.87%	84,146	Amortized Semi Annual
7	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-May-13	25	2,592,875	3.74%	98,923	Amortized Semi Annual
8	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-14	25	3,502,781	3.97%	140,289	Amortized Semi Annual
9	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Mar-15	25	7,028,532	3.04%	216,868	Amortized Semi Annual
10	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-15	25	3,684,192	355.00%	131,926	Amortized Semi Annual
11	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Sep-15	25	1,194,234	335.00%	40,034	Amortized Semi Annual
12	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Dec-15	30	3,764,456	358.00%	132,652	Amortized Semi Annual
13	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Dec-16	30	2,887,381	350.00%	109,067	Amortized Semi Annual
14	Promissory Note	TD Bank	Third-Party	Fixed Rate	20-Jul-18	30	3,970,475	390.00%	64,809	Amortized Semi Annual
Total							55,330,111	4.59%	2,537,733	



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Table 5-9 Appendix 2-OB 2019 Debt Instruments

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%)	Interest (\$)	Additional Comments, if any
1	Promissory Note	Town of Milton	Affiliated	Fixed Rate	1-Oct-01	on demand	\$14,934,210	7.25%	\$1,082,730	
2	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Apr-10	15	\$1,283,373	4.49%	\$62,172	Amortized Semi Annual
3	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-10	25	\$3,066,771	4.84%	\$150,209	Amortized Semi Annual
4	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Sep-11	25	\$2,744,088	4.33%	\$120,963	Amortized Semi Annual
5	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Jan-12	25	\$2,024,274	3.92%	\$80,524	Amortized Semi Annual
6	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	17-Sep-12	25	\$2,061,697	3.87%	\$81,179	Amortized Semi Annual
7	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-May-13	25	\$2,500,510	3.74%	\$95,397	Amortized Semi Annual
8	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-14	25	\$3,393,326	3.97%	\$135,993	Amortized Semi Annual
9	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Mar-15	25	\$6,792,731	3.04%	\$209,798	Amortized Semi Annual
10	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-15	25	\$3,571,293	3.55%	\$127,959	Amortized Semi Annual
11	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Sep-15	25	\$1,156,600	3.35%	\$38,853	Amortized Semi Annual
12	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Dec-15	30	\$3,680,159	3.58%	\$133,393	Amortized Semi Annual
13	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Dec-16	30	\$2,827,838	3.50%	\$106,866	Amortized Semi Annual
14	Term Loan	TD Bank	Third-Party	Fixed Rate	20-Jul-18	30	\$3,897,630	3.90%	\$153,556	Amortized Semi Annual
15	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Oct-19	30	\$2,989,946	3.15%	\$15,716	Amortized Semi Annual
16	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Dec-19	30	\$1,000,000	3.10%	\$0	Amortized Semi Annual
Total							\$57,924,446	4.48%	\$2,595,307	



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Table 5-10 Appendix 2-OB 2020 Debt Instruments

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%)	Interest (\$)	Additional Comments, if any
1	Promissory Note	Town of Milton	Affiliated	Fixed Rate	1-Oct-01	on demand	\$14,934,210	7.25%	\$1,082,730	
2	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Apr-10	15	\$1,072,725	4.49%	\$52,921	Amortized Semi Annual
3	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-10	25	\$2,936,068	4.84%	\$144,230	Amortized Semi Annual
4	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Sep-11	25	\$2,631,991	4.33%	\$116,303	Amortized Semi Annual
5	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Jan-12	25	\$1,941,889	3.92%	\$77,474	Amortized Semi Annual
6	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	17-Sep-12	25	\$1,980,619	3.87%	\$77,965	Amortized Semi Annual
7	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-May-13	25	\$2,404,658	3.74%	\$92,034	Amortized Semi Annual
8	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-14	25	\$3,279,484	3.97%	\$131,804	Amortized Semi Annual
9	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Mar-15	25	\$6,549,706	3.04%	\$202,664	Amortized Semi Annual
10	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-15	25	\$3,454,352	3.55%	\$124,021	Amortized Semi Annual
11	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Sep-15	25	\$1,117,709	3.35%	\$37,516	Amortized Semi Annual
12	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Dec-15	30	\$3,592,794	3.58%	\$130,325	Amortized Semi Annual
13	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Dec-16	30	\$2,766,029	3.50%	\$104,444	Amortized Semi Annual
14	Term Loan	TD Bank	Third-Party	Fixed Rate	20-Jul-18	30	\$3,821,892	3.90%	\$150,663	Amortized Semi Annual
15	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Oct-19	30	\$2,928,502	3.15%	\$93,183	Amortized Semi Annual
16	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Dec-19	30	\$979,468	3.10%	\$30,688	Amortized Semi Annual
17	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Jul-20	30	\$3,962,036	2.35%	\$39,512	Amortized Semi Annual
Total							\$60,354,132	4.45%	\$2,688,477	



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Table 5-11 Appendix 2-OB 2021 Debt Instruments

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%)	Interest (\$)	Additional Comments, if any
1	Promissory Note	Town of Milton	Affiliated	Fixed Rate	1-Oct-01	on demand	\$14,934,210	7.25%	\$1,082,730	
2	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Apr-10	15	\$852,512	4.49%	\$37,058	Amortized Semi Annual
3	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-10	25	\$2,798,962	4.84%	\$138,548	Amortized Semi Annual
4	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Sep-11	25	\$2,514,988	4.33%	\$111,559	Amortized Semi Annual
5	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Jan-12	25	\$1,856,243	3.92%	\$74,318	Amortized Semi Annual
6	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	17-Sep-12	25	\$1,896,374	3.87%	\$75,033	Amortized Semi Annual
7	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-May-13	25	\$2,305,188	3.74%	\$88,549	Amortized Semi Annual
8	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-14	25	\$3,161,077	3.97%	\$127,670	Amortized Semi Annual
9	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Mar-15	25	\$6,299,238	3.04%	\$195,485	Amortized Semi Annual
10	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-15	25	\$3,333,222	3.55%	\$120,318	Amortized Semi Annual
11	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Sep-15	25	\$1,077,521	3.55%	\$36,446	Amortized Semi Annual
12	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Dec-15	30	\$3,686,838	3.58%	\$127,146	Amortized Semi Annual
13	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Dec-16	30	\$2,701,869	3.50%	\$100,247	Amortized Semi Annual
14	Term Loan	TD Bank	Third-Party	Fixed Rate	20-Jul-18	30	\$3,743,148	3.90%	\$147,656	Amortized Semi Annual
15	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Oct-19	30	\$2,865,096	3.15%	\$91,222	Amortized Semi Annual
16	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Dec-19	30	\$958,290	3.10%	\$30,151	Amortized Semi Annual
17	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Jul-20	30	\$3,867,933	2.35%	\$91,840	Amortized Semi Annual
Total							\$58,852,708	4.55%	\$2,675,977	



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Table 5-12 Appendix 2-OB 2022 Debt Instruments

Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%)	Interest (\$)	Additional Comments, if any
1	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Apr-10	15	\$622,301	4.49%	\$27,941	Amortized Semi Annual
2	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-10	25	\$2,655,139	4.84%	\$128,509	Amortized Semi Annual
3	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Sep-11	25	\$2,392,864	4.33%	\$103,611	Amortized Semi Annual
4	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Jan-12	25	\$1,767,207	3.92%	\$69,275	Amortized Semi Annual
5	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	17-Sep-12	25	\$1,808,836	3.87%	\$70,002	Amortized Semi Annual
6	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-May-13	25	\$2,201,963	3.74%	\$82,353	Amortized Semi Annual
7	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-14	25	\$3,037,922	3.97%	\$120,606	Amortized Semi Annual
8	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Mar-15	25	\$6,041,097	3.04%	\$183,649	Amortized Semi Annual
9	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-15	25	\$3,207,753	3.55%	\$113,875	Amortized Semi Annual
10	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Sep-15	25	\$1,035,992	3.31%	\$34,291	Amortized Semi Annual
11	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Dec-15	30	\$3,408,409	3.58%	\$122,021	Amortized Semi Annual
12	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Dec-16	30	\$2,635,268	3.74%	\$98,559	Amortized Semi Annual
13	Term Loan	TD Bank	Third-Party	Fixed Rate	20-Jul-18	30	\$3,661,277	3.90%	\$142,790	Amortized Semi Annual
14	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Oct-19	30	\$2,799,667	3.15%	\$88,078	Amortized Semi Annual
15	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Dec-19	30	\$936,446	3.10%	\$29,030	Amortized Semi Annual
16	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Jul-20	30	\$3,771,853	2.35%	\$88,639	Amortized Semi Annual
17	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Apr-22	30	\$3,942,234	3.49%	\$103,659	Amortized Semi Annual
18	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Oct-22	30	\$3,985,658	3.49%	\$35,060	Amortized Semi Annual
Total							\$49,911,886	3.29%	\$1,641,947	



Table 5-13 Appendix 2-OB 2023 Debt Instruments

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Row	Description	Lender	Affiliated or Third-Party Debt?	Fixed or Variable-Rate?	Start Date	Term (years)	Principal (\$)	Rate (%)	Interest (\$)	Additional Comments, if any
1	Term Loan	Open - undetermined	Third-Party	Fixed Rate	1-Jan-22	30	\$ 15,000,000	3.49%	\$ 523,500	Interest Bearing only
1	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	1-Apr-10	15	\$ 381,638	4.49%	\$ 17,136	Amortized Semi Annual
2	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-10	25	\$ 2,504,271	4.84%	\$ 121,207	Amortized Semi Annual
3	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Sep-11	25	\$ 2,265,395	4.33%	\$ 98,092	Amortized Semi Annual
4	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	15-Feb-12	25	\$ 1,674,647	3.92%	\$ 65,646	Amortized Semi Annual
5	Debenture	Infrastructure Ontario	Third-Party	Fixed Rate	17-Sep-12	25	\$ 1,717,877	3.87%	\$ 66,482	Amortized Semi Annual
6	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-May-13	25	\$ 2,094,841	3.74%	\$ 78,347	Amortized Semi Annual
7	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-14	25	\$ 2,909,830	3.97%	\$ 115,520	Amortized Semi Annual
8	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Mar-15	25	\$ 5,775,049	3.04%	\$ 175,561	Amortized Semi Annual
9	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	15-Jul-15	25	\$ 3,077,791	3.55%	\$ 109,262	Amortized Semi Annual
10	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Sep-15	25	\$ 993,076	3.31%	\$ 32,871	Amortized Semi Annual
11	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Dec-15	30	\$ 3,311,154	3.58%	\$ 118,539	Amortized Semi Annual
12	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Dec-16	30	\$ 2,566,132	3.74%	\$ 95,973	Amortized Semi Annual
13	Term Loan	TD Bank	Third-Party	Fixed Rate	20-Jul-18	30	\$ 3,576,155	3.90%	\$ 139,470	Amortized Semi Annual
14	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Oct-19	30	\$ 2,732,150	3.15%	\$ 85,953	Amortized Semi Annual
15	Promissory Note	Infrastructure Ontario	Third-Party	Fixed Rate	1-Dec-19	30	\$ 913,916	3.10%	\$ 28,331	Amortized Semi Annual
16	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Jul-20	30	\$ 3,673,492	2.35%	\$ 86,327	Amortized Semi Annual
17	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Apr-22	30	\$ 3,853,578	3.49%	\$ 134,490	Amortized Semi Annual
18	Term Loan	TD Bank	Third-Party	Fixed Rate	1-Oct-22	30	\$ 3,898,211	3.49%	\$ 136,048	Amortized Semi Annual
Total							\$ 62,919,202	3.54%	\$ 2,228,755	

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