

**John A.D. Vellone**  
T (416) 367-6730  
F (416) 361-2758  
[jvellone@blg.com](mailto:jvellone@blg.com)

**James K. Little**  
T (416) 367-6299  
F (416) 361-7332  
[jlittle@blg.com](mailto:jlittle@blg.com)

Borden Ladner Gervais LLP  
Scotia Plaza, 40 King Street W  
Toronto, ON, Canada M5H 3Y4  
T 416.367.6000  
F 416.367.6749  
[blg.com](http://blg.com)



November 13, 2015

**Delivered by RESS, Email and Courier**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
Suite 2701  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Board File No. EB-2015-0108  
Waterloo North Hydro (“WNH”)  
Updated Settlement Proposal**

Please find attached WNH’s amended Settlement Proposal. The version that was previously filed with the Ontario Energy Board on October 1, 2015 has been amended with respect to the appropriate use of the terms “privilege” and “confidentiality”, as described in the Board Decision and Procedural Order No. 3 issued on November 6, 2015.

All amended sections have been side barred for ease of reference.

Instructions for updating copies of previously filed evidence in this matter are provided as Attachment A to this letter.

Yours very truly,

**BORDEN LADNER GERVAIS LLP**

Per:

*Original signed by James K. Little*

James K. Little  
Encl.

cc: Chris Amos, Waterloo North Hydro  
Parties in EB-2015-0108

## Waterloo North Hydro Inc. Board File No. EB-2015-0108

### Attachment A

### Settlement Proposal Update Instructions

|                     |                      |  |        |      |   |
|---------------------|----------------------|--|--------|------|---|
| Settlement Proposal | Cover                | Date   | Update | Page | 1 |
| Settlement Proposal | Table of Contents,   | Update Page References                         | Update | Page | 2 |
| Settlement Proposal | Settlement Proposal, | Filed with the Ontario Energy Board: Dates     | Update | Page | 3 |
| Settlement Proposal | Settlement Proposal, | Update Board Rules References                  | Update | Page | 3 |
| Settlement Proposal | Settlement Proposal, | Replace 'Guidelines' with 'Practice Direction' | Update | Page | 4 |
| Settlement Proposal | Settlement Proposal, | Update Confidentiality References              | Update | Page | 4 |
| Settlement Proposal | Settlement Proposal, | Replace 'Guidelines' with 'Practice Direction' | Update | Page | 5 |

**EB-2015-0108**

**IN THE MATTER OF** the *Ontario Energy Board Act*,  
1998, S.O. 1998, c. 15, (Schedule B);

**AND IN THE MATTER OF** an application by Waterloo  
Hydro Inc. for an order approving just and reasonable rates  
and other charges for electricity distribution to be effective  
January 1, 2016.

**WATERLOO NORTH HYDRO INC.**

**SETTLEMENT PROPOSAL**

**Originally filed: October 1, 2015**

**Amended: November 13, 2015**

## Waterloo North Hydro Inc.

EB-2015-0108

### Settlement Proposal

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#### LIVE EXCEL MODELS

In addition to the Appendices listed above, the following live excel models have been filed together with and form an integral part of this Settlement Proposal:

Waterloo\_2016\_COS\_2015\_EDDVAR\_Continuity Schedule\_Settlement\_20151001  
Waterloo\_2016\_COS\_Cost\_Allocation\_Model\_Settlement\_20151001  
Waterloo\_2016\_Test\_Year\_Income\_Tax\_PILs\_Workform\_Settlement\_20151001  
Waterloo\_2016\_Bill\_Impacts\_Appendix 2-W\_Settlement\_20151001  
Waterloo\_2016\_Load\_Forecast\_Model\_Settlement\_20151001  
Waterloo\_2016\_Revised\_Rev\_Reqt\_Work\_Form\_V6\_Settlement\_20151001  
Waterloo\_2016\_Proposed\_Tariff\_Schedule\_Appendix 2-Z\_Settlement\_20151001

**Waterloo North Hydro Inc.**

**EB-2015-0108**

**Settlement Proposal**

**Filed with OEB:** October 1, 2015

**Amended:** November 13, 2015

Waterloo North Hydro Inc. (the “Applicant” or “WNH”) filed an application with the Ontario Energy Board (the “Board”) on May 1, 2015, as updated on May 12, 2015 under section 78 of the Ontario Energy Board Act, 1998, S.O. 1998, c. 15, (Schedule B) (the “Act”), seeking approval for changes to the rates that WNH charges for electricity distribution, to be effective January 1, 2016 (Board Docket Number EB-2015-0108) (the “Application”).

The Board issued and WNH published a Notice of Application and Hearing dated June 5, 2015 and Procedural Order No. 1 on June 22, 2015, the latter of which required the parties to the proceeding to develop a draft issues list.

WNH filed its interrogatory responses with the Board on July 31, 2015 and August 7, 2015, pursuant to which WNH updated several models and submitted them to the Board as Excel documents. To clarify matters arising from interrogatories, a technical conference was held on August 19, 2015. On August 24, 2015, following the interrogatories and technical conference, OEB staff submitted a proposed issues list as agreed to by the parties. On August 31, 2015 the Board issued its decision on the proposed issues list, approving the list submitted by OEB staff, and made provision for a settlement conference.

This Settlement Proposal is filed with the Board in connection with the Application.

Further to the Board’s Procedural Order No. 1 and its Issues List Decision, a settlement conference was convened on September 3, 2015 and continued to September 4, 2015 in accordance with the Board’s *Rules of Practice and Procedure* (the “Rules”) and the Board’s *Practice Direction on Settlement Conferences* (the “Practice Direction”). Jim Faught acted as facilitator for the settlement conference which lasted for two days.

WNH and the following intervenors (the “Intervenors”), participated in the settlement conference:

University of Waterloo via E2 Energy Inc. (“UofW”);  
Energy Probe Research Foundation (“EP”);  
School Energy Coalition (“SEC”); and  
Vulnerable Energy Consumers Coalition (“VECC”).

WNH and the Intervenors are collectively referred to below as the “Parties”.

Ontario Energy Board staff (“OEB staff”) also participated in the settlement conference. The role adopted by OEB staff is set out in page 5 of the Practice Direction. Although OEB staff is not a

party to this Settlement Proposal, as noted in the Practice Direction, OEB staff who did participate in the settlement conference are bound by the same confidentiality requirements that apply to the Parties to the proceeding.

This document is called a “Settlement Proposal” because it is a proposal by the Parties to the Board to settle the issues in this proceeding. It is termed a proposal as between the Parties and the Board. However, as between the Parties, and subject only to the Board’s approval of this Settlement Proposal, this document is intended to be a legal agreement, creating mutual obligations, and binding and enforceable in accordance with its terms. As set forth later in this Preamble, this agreement is subject to a condition subsequent, that if it is not accepted by the Board in its entirety, then unless amended by the Parties it is null and void and of no further effect. In entering into this agreement, the Parties understand and agree that, pursuant to the Act, the Board has exclusive jurisdiction with respect to the interpretation and enforcement of the terms hereof.

The Parties acknowledge that this settlement proceeding is confidential in accordance with the Practice Direction. The Parties understand that confidentiality in that context does not have the same meaning as confidentiality in the Board’s Practice Direction on Confidential Filings, and the rules of that latter document do not apply. Instead, in this settlement conference, and in this Agreement, the Parties have interpreted “confidential” to mean that the documents and other information provided during the course of the settlement proceeding, the discussion of each issue, the offers and counter-offers, and the negotiations leading to the settlement – or not – of each issue during the settlement conference are strictly privileged and without prejudice. None of the foregoing is admissible as evidence in this proceeding, or otherwise, with one exception, the need to resolve a subsequent dispute over the interpretation of any provision of this Settlement Proposal. Further, the Parties shall not disclose those documents or other information to persons who were not attendees at the settlement conference. However, the Parties agree that “attendees” is deemed to include, in this context, persons who were not physically in attendance at the settlement conference but were a) any persons or entities that the Parties engage to assist them with the settlement conference, and b) any persons or entities from whom they seek instructions with respect to the negotiations; in each case provided that any such persons or entities have agreed to be bound by the same confidentiality provisions.

This Settlement Proposal provides a brief description of each of the settled and partially settled issues, as applicable, together with references to the evidence. The Parties agree that references to the “evidence” in this Settlement Proposal shall, unless the context otherwise requires, include (a) additional information included by the Parties in this Settlement Proposal, and (b) the Appendices to this document. The supporting Parties for each settled and partially settled issue, as applicable, agree that the evidence in respect of that settled or partially settled issue, as applicable, is sufficient in the context of the overall settlement to support the proposed settlement, and the sum of the evidence in this proceeding provides an appropriate evidentiary record to support acceptance by the Board of this Settlement Proposal.

There are Appendices to this Settlement Proposal which provide further support for the proposed settlement. The Parties acknowledge that the Appendices were prepared by WNH. While the Intervenor has reviewed the Appendices, the Intervenor is relying on the accuracy of the underlying evidence in entering into this Settlement Proposal.

Outlined below are the final positions of the Parties following the settlement conference. For ease of reference, this Settlement Proposal follows the format of the final approved issues list for the Application attached to Procedural Order No. 2.

The Parties are pleased to advise the Board that they have reached a complete agreement with respect to the settlement of all of the issues in this proceeding. Specifically:

|   |  |
|---|--|
| <b>“Complete Settlement”</b> means an issue for which complete settlement was reached by all Parties, and if this Settlement Proposal is accepted by the Board, the Parties will not adduce any evidence or argument during the oral hearing in respect of these issues.  | # issues settled:<br><b>All</b>            |
| <b>“Partial Settlement”</b> means an issue for which there is partial settlement, as WNH and the Intervenors who take any position on the issue were able to agree on some, but not all, aspects of the particular issue. If this Settlement Proposal is accepted by the Board, the Parties who take any position on the issue will only adduce evidence and argument during the hearing on those portions of the issues not addressed in this Settlement Proposal. | # issues partially settled:<br><b>None</b> |
| <b>“No Settlement”</b> means an issue for which no settlement was reached. WNH and the Intervenors who take a position on the issue will adduce evidence and/or argument at the hearing on the issue.   | # issues not settled:<br><b>None</b>       |

If applicable, a Party who is noted as taking no position on an issue may or may not have participated in the discussion on that particular issue, but in either case such Party takes no position a) on the settlement reached, and b) on the sufficiency of the evidence filed to date.

According to the Practice Direction (p. 3), the Parties must consider whether a Settlement Proposal should include an appropriate adjustment mechanism for any settled issue that may be affected by external factors. These adjustments are specifically set out in the text of the Settlement Proposal.

The Parties have settled the issues as a package, and none of the parts of this Settlement Proposal are severable. If the Board does not accept this Settlement Proposal in its entirety, then there is no settlement (unless the Parties agree in writing that any part(s) of this Settlement Proposal that the Board does accept may continue as a valid settlement without inclusion of any part(s) that the Board does not accept).

In the event that the Board directs the Parties to make reasonable efforts to revise the Settlement Proposal, the Parties agree to use reasonable efforts to discuss any potential revisions, but no Party will be obligated to accept any proposed revision. The Parties agree that all of the Parties who took on a position on a particular issue must agree with any revised Settlement Proposal as it relates to that issue prior to its resubmission to the Board.

Unless stated otherwise, the settlement of any particular issue in this proceeding and the positions of the Parties in this Settlement Proposal are without prejudice to the rights of Parties to raise the same issue and/or to take any position thereon in any other proceeding, whether or not WNH is a party to such proceeding.



## SUMMARY

In reaching this complete settlement, the Parties have been guided by the Filing Requirements for 2015 rates, the approved issues list attached as Schedule A to the Board's decision of August 31, 2015, and the Report of the Board titled *Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* dated October 18, 2012 ("RRFE").

This Settlement Proposal reflects a complete settlement of the issues in this proceeding.

The Parties believe that, since there are no areas of disagreement among the Parties, no oral hearing is required if this Settlement Proposal is accepted.

Based on the foregoing, and the evidence and rationale provided below, the parties agree that this Settlement Proposal is appropriate and recommend its acceptance by the Board. Please refer to Appendix A for the schedule of draft tariffs resulting if this settlement is accepted by the Board, subject only to updating the cost of capital parameters as discussed expressly in the settlement below. This Settlement Proposal reflects the Parties agreement on an effective date for new rates of January 1, 2016.

## 1. Planning

### 1.1 Capital

*Is the level of planned capital expenditures appropriate and is the rationale for planning and pacing choices appropriate and adequately explained, giving due consideration to:*

- *customer feedback and preferences;*
- *productivity;*
- *benchmarking of costs;*
- *reliability and service quality;*
- *impact on distribution rates;*
- *trade-offs with OM&A spending;*
- *government-mandated obligations; and*
- *the objectives of the Applicant and its customers*

**Complete Settlement:** For the purposes of the settlement of all of the issues in this proceeding, WNH agrees to adjust its 2015 rate base and test year capital plan to reflect the following changes:

- WNH agrees to remove MS3 from the 2016 opening rate base which amounts to a reduction of the Net Book Value of \$2,112 (Cost \$22,648, Accumulated Depreciation \$20,536 = \$2,112 Net Book Value) to reflect the fact that MS3 was taken out of service before January 1, 2016 as described in 1-EP-5 and JTC1.1.;
- WNH agrees to remove MS1 from 2016 closing rate base which amounts to a reduction of the Net Book Value of \$26,562 (Cost \$50,783, Accumulated Depreciation \$24,221 = \$26,562 Net Book Value) to reflect the fact that MS1 is forecast to be taken out of service by December 31, 2016 as described in 1-EP-5 and JTC1.1.;
- Recognizing the Board intends to address the method for accounting of OPEBs in rates as part of a generic policy process, WNH agrees to increase its test year capital expenditures by \$86,000 to account for the capitalization of the cash amount to reflect the recovery of OPEBs on a cash, rather than an accrual, basis,<sup>1</sup> subject to the approval of a new variance account as described further in the settlement of issue 4.2 below to record the difference in rates between these two methodologies pending the Board's final determination on the generic policy issue;
- A reduction of \$500,000 to in capital additions for the test year. This will allow for a steadier pacing of capital expenditures and an incentive for WNH to increase its productivity for its capital program. WNH proposes to achieve this reduction

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<sup>1</sup> All of the Parties recognize that the Board intends to hold a generic policy discussion on this matter, and that nothing in this settlement is intended to limit the positions any of the Parties may take in that more general policy discussion.

in capital additions, in part, by deferring some of the projects originally planned for the test year in a manner largely consistent with the prioritization process described in the Distribution System Plan (Exhibit 2, Appendix 2-A).

With the above adjustments, and for the purposes of settlement of all the issues in this proceeding, the Parties accept that the level of planned capital expenditures and the rationale for planning and pacing choices are appropriate and adequately explained, giving due consideration to:

- The customer feedback and preferences as more fully detailed in Exhibit 1 at Section 2.4.3 pp 76-108, Attachment 1-6, Attachment 1-7 and Attachment 1-8;
- The past and planned productivity initiatives of WNH as more fully detailed in Exhibit 1 at Section 2.4.1 pp 11-19 and Section 2.4.1.1, and Section 2.4.1.2.
- WNH's benchmarking performance as more fully detailed in Exhibit 1 at Section 2.4.1, Section 2.4.3, Attachment 1-14 and in the Board's 2014 scorecard which was filed on September 2, 2015;
- WNH's past reliability and service quality performance as well as WNH's targets for performance in the test year as more fully detailed in Interrogatory 1-Staff-3;
- The total impact on distribution rates, as more fully detailed in Appendix D of this Settlement Proposal;
- The settlement on OM&A as described under issue 1.2 of this Settlement Proposal;
- WNH's performance meeting government mandated obligations as more fully detailed in Exhibit 1 at Section 2.4.1.2, Section 2.4.3 and Attachment 1-14; and
- WNH's targets and objectives as more fully detailed in Exhibit 1 at Section 2.4.1.2, Section 2.4.2 and Attachment 1-1, and Exhibit 2 at Attachment 2-1.

The Parties further agree that the Distribution System Plan filed in this proceeding, combined with the resources made available to WNH in the Test Year under the terms of this Settlement Proposal, provide a foundation to WNH in the Test Year to continue to: (a) pursue continuous improvement in productivity; (b) maintain system reliability and service quality objectives; and (c) maintain reliable and safe operation of its distribution system.

Appendix B of this Settlement Proposal provides updated Appendix 2-AB to reflect this settlement. Appendix C of this Settlement Proposal provides an updated 2016 Fixed Asset Continuity Schedule to reflect this settlement.

Capital Additions as a result of the Settlement are produced below in Table 1.

**Table 1 – Gross Capital Additions Summary**

| Capital Additions                              | Application        | IRR - Changes  | Settlement Changes | Settlement Proposal |
|--|--------------------|----------------|--------------------|---------------------|
| 2015 Opening Balance                           | 316,996,025        | -              | -                  | 316,996,025         |
| 2015 Additions                                 | 21,308,611         | 1,530,366      | -                  | 22,838,977          |
| 2015 Contributed Capital                       | (4,914,818)        | (1,374,120)    | -                  | (6,288,938)         |
| 2015 Disposals                                 | (642,135)          | -              | -                  | (642,135)           |
| 2015 Closing Balance /<br>2016 Opening Balance | 332,747,683        | 156,246        | -                  | 332,903,929         |
| 2016 Adjust Opening<br>Balance - MS Disposal   | -                  | -              | (22,648)           | (22,648)            |
| 2016 Additions                                 | 19,078,917         | 4,141,804      | (414,000)          | 22,806,721          |
| 2016 Contributed Capital                       | (2,289,738)        | (4,082,571)    | -                  | (6,372,309)         |
| 2016 Disposals                                 | (316,071)          | -              | (50,783)           | (366,854)           |
| <b>2016 Closing Balance</b>                    | <b>349,220,791</b> | <b>215,478</b> | <b>(487,431)</b>   | <b>348,948,838</b>  |

**Evidence:**

*Application:* Exhibit 1 - pages 15-17, 19-20, 21-53, 56, 58-67, 76-108, Attachments 1-7, 1-8, 1-14; Exhibit 2, including Tables 2-5, 2-10, 2-11, 2-17, 2-18, 2-31, 2-38, Attachments 2-1 (DSP), 2-2; Exhibit 4 Tables 4-44, 4-45, 4-51, 4-52, pages 80-99; Exhibit 9 pages 14-24

*IRRs:* 1-Staff-3, 11, 12, 13, 14, 17, 1-Energy Probe-2, 5, 1-SEC-3, 1.0-VECC-1, 2, 4, 6; 2-Staff-19, 21, 25, 26, 29, 30, 31, 36, 39, 40, 41, 42, 43, 45, 46, 48, 49, 50, 51, 54, 55, 56, 57, 58, 60, 64, 66, 68, 69, 70, 72, 73, 74, 75, 78, 79, 80, 81, 82, 83, 85, 87, 88, 89, 90, 91, 92, 2-Energy Probe- 14, 15, 17, 18, 1-E2-5, 2-SEC-7, 8, 9, 11, 13, 18, 20, 21, 22, 28, 29, 31, 35, 36, 2.0-VECC-10, 11, 15, 16

*TC Transcript:* August 19, 2015 TC Transcript at pages 6-7, 10-12, 15-22, 26-46, 48-54, 57-59, 63-67, 69-71, 73, 75-76, 83-84, 89-90

*Undertaking Responses:* JTC1.1, JTC1.2, JTC1.3, JTC1.5, JTC1.6, JTC1.8, JTC1.22

*Appendices to this Settlement Proposal:* Appendix A, Appendix B, Appendix C, Appendix D]

**Supporting Parties:** All

## 1.2 OM&A

*Is the level of planned OM&A expenditures appropriate and is the rationale for planning choices appropriate and adequately explained, giving due consideration to:*

- *customer feedback and preferences;*
- *productivity;*
- *benchmarking of costs;*
- *reliability and service quality;*
- *impact on distribution rates;*
- *trade-offs with capital spending;*
- *government-mandated obligations; and*
- *the objectives of the Applicant and its customers.*

**Complete Settlement:** For the purposes of the settlement of all of the issues in this proceeding, WNH agrees to reduce its proposed OM&A expenses in the test year by \$310,000.

Subject to the creation of a deferral and variance account described below in issue 4.2, the Parties agree to a reduction in OM&A of a further \$262,000 to reflect the adjustment to OPEBs from an accrual to cash basis. \$176,000 will be recorded in a deferral account as discussed in item 4.2 below and \$86,000 is to be recorded in capital in item 1.1 above. Table 2 below provides a reconciliation of OPEBs in OM&A.<sup>2</sup>

**Table 2 – Reconciliation of OPEB Charges in OM&A**

| <b>Reconciliation of Changes to OM&amp;A for OPEB</b> |                   |
|---|-------------------|
| Amounts included in Application, OM&A                 | \$ 391,999        |
| Annual Premiums Paid                                  | \$ (215,973)      |
| <b>Cash vs Accrual Difference</b>                     | <b>\$ 176,026</b> |
| <b>Moved from OM&amp;A to Deferral Account</b>        | <b>\$ 176,000</b> |

|  |                  |
|--|------------------|
| Annual Premiums Paid                         | \$ 215,973       |
| <b>Allocate 40% to Capital from OM&amp;A</b> | <b>\$ 86,389</b> |
| <b>Moved from OM&amp;A to Capital</b>        | <b>\$ 86,000</b> |

The Parties agree with WNH's overall objectives, and have agreed that the revised OM&A budget will allow WNH to achieve those objectives in the Test Year. Based on the foregoing and the evidence filed by WNH, the Parties agree that the level of planned OM&A expenditures and the rationale for planning and pacing choices are appropriate and adequately explained, giving due consideration to:

<sup>2</sup> All of the Parties recognize that the Board intends to hold a generic policy discussion on this matter, and that nothing in this settlement is intended to limit the positions any of the Parties may take in that more general policy discussion.

- The customer feedback and preferences as more fully detailed in Exhibit 1 at Section 2.4.3 pp 76-108, Attachment 1-6, Attachment 1-7 and Attachment 1-8;
- The past and planned productivity initiatives of WNH as more fully detailed in Exhibit 1 at Section 2.4.1 pp 11-19, and Section 2.4.1.1, and Section 2.4.1.2.
- WNH's benchmarking performance as more fully detailed in Exhibit 1 at Section 2.4.1, Section 2.4.3, Attachment 1-14 and the Board's 2014 scorecard which was filed on September 2, 2015;
- WNH's past reliability and service quality performance as well as WNH's targets for performance in the test year as more fully detailed in Interrogatory 1-Staff-3;
- The total impact on distribution rates, as more fully detailed in Appendix D of this Settlement Proposal;
- The changes in capital spending as described under issue 1.1 of this Settlement Proposal;
- WNH's performance meeting government mandated obligations as more fully detailed in Exhibit 1 at Section 2.4.1.2, Section 2.4.3 and Attachment 1-14; and
- WNH's targets and objectives as more fully detailed in Exhibit 1 at Section 2.4.1.2, Section 2.4.2 and Attachment 1-1, and Exhibit 2 at Attachment 2-1.

WHN has considered possible adjustments to its budget on a preliminary basis and has provided, in Settlement Table 2: a revised OM&A budget based on the proposed total amount. The breakdown of the budget into categories is not intended by the Parties to be in any way a deviation from the normal rule that, once the budget is established, it is up to management to determine through the year how best to spend that budget given the actual circumstances and priorities of the company throughout the test year.

Changes to OM&A are reproduced below as Table 3.

**Table 3 – OM&A**

| OM&A                     | Application       | IRR - Changes | Settlement Changes | Settlement Proposal |
|--------------------------|-------------------|---------------|--------------------|---------------------|
| Operations               | 5,799,381         |               | (110,000)          | 5,689,381           |
| Maintenance              | 1,613,140         |               |                    | 1,613,140           |
| Billing & Collecting     | 2,902,731         |               | (100,000)          | 2,802,731           |
| Community Relations      | 142,200           |               |                    | 142,200             |
| Administrative & General | 3,221,882         | 10,000        | (362,000)          | 2,869,882           |
| LEAP                     | 42,000            |               |                    | 42,000              |
| <b>Total OM&amp;A</b>    | <b>13,721,334</b> | <b>10,000</b> | <b>(572,000)</b>   | <b>13,159,334</b>   |

Finally, for the purposes of settlement of the issues in this proceeding, WNH agrees to, prior to its next rebasing application, undertake a review of executive compensation incentive plans with its board of directors to evaluate the potential for more objective measures, and to identify potential opportunities for even better alignment with the Board's RRFE outcomes and the metrics of the DSP.

**Evidence:**

*Application:* Exhibit 1 pages 15-18, 19, 21-53, 55-56, 67-69, 76-108, Attachments 1-7, 1-8, 1-14; Exhibit 2 Tables 2-2, 2-24, Attachment 2-1 DSP including Appendix C, D; Exhibit 4 including Tables 4-1, 4-6, 4-6A

*IRRs:* 1-Staff-6, 11, 14, 17, 1-Energy Probe-2, 8, 1-SEC-3, 1.0-VECC-2, 3; 2-Staff-21, 26, 46, 2-SEC-18, 30, 38; 4-Staff-113, 114, 115, 116, 118, 119, 120, 121, 122, 123, 124, 126, 130, 131, 4-Energy Probe-30, 31, 33, 34, 35, 36, 39, 4-SEC-39, 41, 42, 45, 46, 4.0-VECC-26, 27, 28, 30, 31, 32, 33, 34, 36, 37, 39

*TC Transcript:* August 19, 2015 TC Transcript at pages 9-14, 48-49, 73-75, 85-86, 98, -120, 122-127

*Undertaking Responses:* JTC1.4, JTC1.15, JTC1.16, JTC1.17, JTC1.18, JTC1.19, JTC1.22

*Appendices to this Settlement Proposal:* Appendix A, Appendix D

**Supporting Parties:** All

## 2. Revenue Requirement

### 2.1 Are all elements of the Base Revenue Requirement reasonable, and have they been appropriately determined in accordance with OEB policies and practices?

**Complete Settlement:** The Parties agree that all elements of the Base Revenue Requirement have been correctly determined in accordance with Board policies and practices. Specifically:

- a) *Rate Base:* Based on the adjustment to OPEBs described above in issue 1.1, WNH agrees to an increase of \$ 86,000 to its rate base calculation for the test year. WNH further agrees to adjust its rate base calculations to reflect the removal of MS1 and MS3 from service as described in issue 1.1 above. Finally, WNH further agrees to adjust its rate base calculations to reflect a reduction in test year capital additions of \$500,000 as described in issue 1.1 above. For clarity, a summary of the rate base calculation and adjustments has been provided below as Table 4. Subject to this adjustment, and any other adjustments contained herein, the Parties agree that the test year rate base is correct and based on Board policies and practices.

**Table 4 – Rate Base Calculation**

| Rate Class / Details             | Application<br>( A ) | Interrogatories<br>( B ) | Variance<br>( C ) = ( B ) - ( A ) | Settlement<br>( D ) | Variance<br>( E ) = ( D ) - ( B ) |
|----------------------------------|----------------------|--------------------------|-----------------------------------|---------------------|-----------------------------------|
| Average Gross Fixed Assets       | 340,984,237          | 341,170,099              | 185,862                           | 340,915,060         | (255,040)                         |
| Average Accumulated Depreciation | 146,617,358          | 146,624,329              | 6,972                             | 146,552,361         | (71,968)                          |
| Average Net Book Value           | 194,366,880          | 194,545,770              | 178,890                           | 194,362,699         | (183,071)                         |
| Working Capital                  | 177,783,549          | 187,813,339              | 10,029,790                        | 190,606,909         | 2,793,571                         |
| Working Capital Allowance (%)    | 13.0%                | 7.5%                     | -5.5%                             | 7.5%                | -                                 |
| Working Capital Allowance (\$)   | 23,111,861           | 14,086,000               | (9,025,861)                       | 14,295,518          | 209,518                           |
| <b>Rate Base</b>                 | <b>217,478,741</b>   | <b>208,631,771</b>       | <b>(8,846,971)</b>                | <b>208,658,217</b>  | <b>26,446</b>                     |

- b) *Working Capital:* The Parties agree that the working capital calculations, as updated by this Settlement Proposal, are reasonable and have been appropriately determined in accordance with OEB policies and practices.
- c) *Cost of Capital:* For the purposes of settlement of the issues in this proceeding, WNH agrees to adjust the debt rate applicable to the forecasted long-term debt of \$7,200,000 expected to be issued in June, 2016 to 3.43%, which is reflective of the best information available at the time of the settlement negotiations. Subject to this adjustment, the Parties agree that the proposed capital structure, rate of return on equity and short and long-term debt costs are determined in accordance with Board policy. All the Parties agree that the cost of capital calculation must be adjusted to reflect the updated cost of capital parameters currently anticipated to be announced in November, 2015.



- d) *Other Revenue:* For the purposes of settlement of the issues in this proceeding, WNH agrees to increase its forecast of other revenues by \$40,000, which is reflective of a historic average of other revenue excluding one-time amounts. The Parties agree that this methodology is appropriate.
- e) *Depreciation:* For the purposes of settlement of the issues in this proceeding, WNH agrees to update its depreciation calculations to reflect the following changes:
  - a. *Overhead Conductors:* With respect to this asset category, WNH agrees to depreciate overhead conductions over a period of 50 years, which is within the Kinectrics range for this asset category. 2016 Depreciation in Account # 1835 decreased \$70,036 for this change;
  - b. *Communication Towers:* With respect to this asset category, WNH agrees to depreciate this equipment asset over a period of 60 years, which is within the Kinectrics range for this asset category. 2016 Depreciation in Account # 1808 decreased \$3,488 for this change;
  - c. *Disposal of MS # 1:* WNH agrees to remove MS # 1 from Rate Base in 2016 and the associated 2016 depreciation in Account # 1808 of \$747 has also been removed;
  - d. *Reduction of 2016 Rate Base in Issue 1.1 and 2.1(a):* WNH agrees to remove the 2016 depreciation associated with the reduction of Rate Base of \$500,000 detailed in Issue 1.1 and 2.1(a). 2016 Depreciation was removed in Account # 1835 in the amount of \$2,778 and Account # 1845 in the amount of \$3,571; and
  - e. *Addition of OPEB Capital Portion in Issue 1.2:* WNH agrees to the addition of \$86,000, the capital portion of OPEB premiums paid, the 2016 Depreciation in Account # 1845 in the amount of \$1,229 was added for this item.

Depreciation adjustments are reflected in Table 5 below.

**Table 5 – Depreciation**

| Details  | USoA | Undertaking      | Settlement Agreement |                  |
|--|------|------------------|----------------------|------------------|
|  |      | JTC1.22<br>RRWF  | Change               | Balance          |
| Net Depreciation   |      | 8,157,240        |                      | 8,157,240        |
| <i>Settlement Agreement Changes</i>                                      |      |                  |                      |                  |
| <i>Buildings and Fixtures</i>  |      |                  |                      |                  |
| Remove MS # 1 2016 Depreciation  | 1808 |                  | (747)                |                  |
| Change Tower Useful Life to 60 Years from 50 Years                       |      |                  | (3,488)              |                  |
| <i>Overhead Conductors and Devices</i>                                   |      |                  |                      |                  |
| Change Overhead Conductors/Devices Useful Life to 50 Years from 45 Years | 1835 |                  | (70,036)             |                  |
| Allocated 1/2 of \$500k Decrease to USoA 1835 - Change in Depreciation   |      |                  | (2,778)              |                  |
| <i>Underground Conductors and Devices</i>                                |      |                  |                      |                  |
| Allocated 1/2 of \$500k Decrease to USoA 1845- Change in Depreciation    | 1845 |                  | (3,571)              |                  |
| Depreciation on \$86k Increase in OPEB                                   |      |                  | 1,229                | (79,391)         |
| <b>Net Depreciation after Changes</b>                                    |      | <b>8,157,240</b> | <b>(79,391)</b>      | <b>8,077,849</b> |

Subject to the adjustments above and adjustments to rate base as noted herein, the Parties accept that the WNH depreciation/amortization expenses are appropriate and reflect the useful lives of the assets and the Board's accounting policies.

- f) *Taxes*: For the purposes of settlement of the issues in this proceeding, and subject to the other adjustments arising in this Settlement Proposal, the parties agree that the proposed level of taxes are accurate. A working Microsoft Excel format of the PILs workform reflecting this Settlement Proposal is provided as part of the supporting material in file named "Waterloo\_2016\_Test\_Year\_Income\_Tax\_PILs\_Workform\_Settlement\_20151001".

A revised Appendix 2-W (Bill Impacts) in working Microsoft Excel format reflecting this Settlement Proposal is provided as part of the supporting material in file named "Waterloo\_2016\_Bill Impacts\_Appendix 2-W\_Settlement\_20151001".

WNH has made changes to the Revenue Requirement as reproduced below in Table 6 to reflect the Settlement Proposal.

**Table 6 – Revenue Requirement**

| Details                     | Application<br>( A ) | Interrogatories<br>( B ) | Variance              | Settlement<br>( D ) | Variance              |
|-----------------------------|----------------------|--------------------------|-----------------------|---------------------|-----------------------|
|                             |                      |                          | ( C ) = ( B ) - ( A ) |                     | ( E ) = ( D ) - ( B ) |
| OM&A Expenses               | 13,679,334           | 13,689,334               | 10,000                | 13,117,334          | (572,000)             |
| Donations - LEAP            | 42,000               | 42,000                   | -                     | 42,000              | -                     |
| Property Taxes              | 489,734              | 489,734                  | -                     | 489,734             | -                     |
| Amortization Expenses       | 8,151,672            | 8,157,240                | 5,568                 | 8,077,849           | (79,392)              |
| Regulated Return On Capital | 13,427,518           | 12,881,291               | (546,227)             | 12,789,608          | (91,683)              |
| PILs                        | 803,815              | 740,537                  | (63,279)              | 718,460             | (22,077)              |
| Service Revenue Requirement | 36,594,073           | 36,000,135               | (593,938)             | 35,234,984          | (765,152)             |
| Less: Revenue Offsets       | 1,181,606            | 1,183,596                | 1,990                 | 1,223,596           | 40,000                |
| Base Revenue Requirement    | 35,412,467           | 34,816,540               | (595,928)             | 34,011,388          | (805,152)             |
| Revenue at Existing Rates   | 31,257,951           | 31,276,093               | 18,142                | 31,669,501          | 393,408               |
| Revenue Deficiency          | 4,154,517            | 3,540,447                | (614,070)             | 2,341,887           | (1,198,559)           |

**Evidence:**

*Application:* Exhibit 1 pages 53-54, Tables 1-5, 1-16; Exhibit 2, including at Tables 2-1, 2-2, 2-3, 2-24, 2-25; Exhibit 3 pages 38-45, Tables 3-1, 3-37 through 3-43; Exhibit 4; Exhibit 5; Exhibit 6

*IRRs:* 1-Staff-8, 21, 22, 23, 24; 2-Energy Probe-12; 3-Staff-110, 111, 3-Energy Probe-26, 3.0-VECC-25; 4-Staff 128, 129, 4-Energy Probe-40, 41, 42, 43, 44, 45, 4.0-VECC-38; 5-Staff-133, 5-Energy Probe-46, 47, 48, 5-SEC-48, 5.0-VECC-42; 9-Staff-149

*TC Transcript:* August 19, 2015 TC Transcript at pages 92-93, 106-107, 128-129

*Undertaking Responses:* JTC1.10, JTC1.12, JTC1.21, JTC1.22

*Appendices to this Settlement Proposal:* Appendix C, Appendix D

**Supporting Parties:** All

**2.2** Has the Base Revenue Requirement been accurately determined based on these elements?

**Complete Settlement:** For the purposes of settlement of the issues in this proceeding, and subject to the adjustments expressly noted in this Settlement Proposal, the Parties agree that the proposed Base Revenue Requirement has been accurately determined in the Appendices.

In Sheet 10 of the RRWF property taxes have not been included in the OM&A or Taxes/PILs category but it has been included in the total Service Revenue Requirement.

A revised Revenue Requirement Workform in working Microsoft Excel format reflecting this Settlement Proposal is provided as part of the supporting material in file named "Waterloo\_2016\_Revised\_Rev\_Reqt\_Work\_Form\_V6\_Settlement\_20151001".

**Evidence:**

*Application:* Exhibit 6, including Tables 6-1 through 6-5, Attachment 6-1

*IRRs:* 6-Energy Probe-49, 1-E2-3

*TC Transcript:* N/A

*Undertaking Responses:* JTC1.22

*Appendices to this Settlement Proposal:* N/A

**Supporting Parties:** All

### 3. Load Forecast, Cost Allocation and Rate Design

#### 3.1 Are the proposed load and customer forecast, loss factors, CDM adjustments and resulting billing determinants appropriate, and, to the extent applicable, are they an appropriate reflection of the energy and demand requirements of the applicant's customers?

**Complete Settlement:** For the purposes of the settlement of the issues in this proceeding, WNH agrees to the following adjustments:

- an increase of 148 residential customers and 10 GS>50 customers for the customer forecast;
- an increase in load forecast for the test year resulting in a load forecast of 1540 GWh.
- 2016 annualized savings for LRAMVA purposes is a total of 14,950,000 kWh, allocated in Table 7 below.
- As outlined in Section 4.2 below, for the purposes of settlement of the issues in this proceeding, the Parties agree that the LRAMVA calculations for 2011 to 2014 should be updated to reflect the latest IESO results. As a result, the 2016 annualized savings for LRAMVA of 14,950,000 kWh has been split by rate class in Table 5 to reflect the final 2011 to 2014 OPA CDM Results. Prior to the preparation of this settlement proposal the 14,950,000 kWh was split by rate class to reflect the final 2011 to 2013 OPA CDM Results.

**Table 7 – CDM Savings**

| LRAMVA Split kWh 11-14 |               | CDM Savings       |        |
|------------------------|---------------|-------------------|--------|
|                        |               | kWh               | kW     |
| Residential            | 18.7%         | 2,793,968         |        |
| GS < 50 kW             | 24.7%         | 3,691,547         |        |
| GS >50 kW              | 42.4%         | 6,337,140         | 15,626 |
| Large User             | 14.2%         | 2,127,346         | 3,895  |
| <b>Total</b>           | <b>100.0%</b> | <b>14,950,000</b> |        |

Subject to the adjustments above, the Parties agree that the customer forecast, loss factors, CDM adjustments and the resulting billing determinates are appropriate and are reflective of the energy and demand requirements of the applicant's customers. The adjusted 2016 load forecast is presented below as Table 8:

**Table 8 – Load Forecast**

| Rate Class / Details                      | Application<br>( A ) | Interrogatories<br>( B ) | Variance<br>( C ) = ( B ) - ( A ) | Settlement<br>( D ) | Variance<br>( E ) = ( D ) - ( B ) |
|---|----------------------|--------------------------|-----------------------------------|---------------------|-----------------------------------|
| <b>Predicted kWh Purchases</b>            | 1,513,105,368        | 1,513,105,368            | -                                 | 1,540,000,000       | 26,894,632                        |
| <b>CDM Purchase Adjustment</b>            | (14,562,388)         | (14,558,610)             | 3,778                             | (15,534,181)        | (975,571)                         |
| <b>Predicted kWh Purchases after CDM</b>  | 1,498,542,980        | 1,498,546,758            | 3,778                             | 1,524,465,819       | 25,919,062                        |
| <b>Residential</b>                        |                      |                          |                                   |                     |                                   |
| Customers                                 | 49,305               | 49,305                   | -                                 | 49,453              | 148                               |
| kWh                                       | 399,341,268          | 399,471,640              | 130,373                           | 408,868,804         | 9,397,164                         |
| <b>General Service &lt; 50 kW</b>         |                      |                          |                                   |                     |                                   |
| Customers                                 | 5,632                | 5,632                    | -                                 | 5,642               | 10                                |
| kWh                                       | 192,108,795          | 192,172,348              | 63,554                            | 196,732,916         | 4,560,568                         |
| <b>General Service &gt; 50 to 4999 kW</b> |                      |                          |                                   |                     |                                   |
| Customers                                 | 693                  | 693                      | -                                 | 693                 | -                                 |
| kWh                                       | 710,364,299          | 712,810,799              | 2,446,499                         | 721,724,020         | 8,913,222                         |
| kW  | 1,746,786            | 1,752,802                | 6,016                             | 1,774,720           | 21,918                            |
| <b>Large User</b>                         |                      |                          |                                   |                     |                                   |
| Customers                                 | 1                    | 1                        | -                                 | 1                   | -                                 |
| kWh                                       | 95,063,906           | 92,802,320               | (2,261,586)                       | 94,944,937          | 2,142,617                         |
| kW  | 173,581              | 169,451                  | (4,130)                           | 173,364             | 3,912                             |
| <b>Direct Market Participant</b>          |                      |                          |                                   |                     |                                   |
| Customers                                 | 2                    | 2                        | -                                 | 2                   | -                                 |
| kWh                                       | 6,823,514            | 6,823,514                | -                                 | 6,823,514           | -                                 |
| kW  | 12,620               | 12,620                   | -                                 | 12,620              | -                                 |
| <b>Street Lights</b>                      |                      |                          |                                   |                     |                                   |
| Connections                               | 13,828               | 13,828                   | -                                 | 13,828              | -                                 |
| kWh                                       | 7,594,660            | 7,594,660                | -                                 | 7,594,660           | -                                 |
| kW  | 21,115               | 21,115                   | -                                 | 21,115              | -                                 |
| <b>Unmetered Loads</b>                    |                      |                          |                                   |                     |                                   |
| Connections                               | 563                  | 563                      | -                                 | 563                 | -                                 |
| kWh                                       | 3,140,372            | 3,140,372                | -                                 | 3,140,372           | -                                 |
| <b>Embedded Distributor</b>               |                      |                          |                                   |                     |                                   |
| Customers                                 | 1                    | 1                        | -                                 | 1                   | -                                 |
| kWh                                       | 31,378,863           | 31,378,863               | -                                 | 31,378,863          | -                                 |
| kW  | 71,406               | 71,406                   | -                                 | 71,406              | -                                 |
| <b>Total</b>                              |                      |                          |                                   |                     |                                   |
| Customer/Connections                      | 70,025               | 70,025                   | -                                 | 70,183              | 158                               |
| kWh                                       | 1,445,815,676        | 1,446,194,516            | 378,840                           | 1,471,208,086       | 25,013,570                        |
| kW from applicable classes                | 2,025,508            | 2,027,394                | 1,886                             | 2,053,224           | 25,830                            |

| Rate Class / Details                      | Settlement<br>before CDM<br>( A ) | Settlement after<br>CDM<br>( B ) | CDM<br>Adjustment<br>( C ) = ( B ) - ( A ) |
|---|-----------------------------------|----------------------------------|--|
| <b>Predicted kWh Purchases</b>            | 1,540,000,000                     | 1,524,465,819                    | (15,534,181)                               |
| <b>Residential</b>                        |                                   |                                  |  |
| Customers                                 | 49,453                            | 49,453                           | -  |
| kWh                                       | 411,670,526                       | 408,868,804                      | (2,801,722)                                |
| <b>General Service &lt; 50 kW</b>         |                                   |                                  |  |
| Customers                                 | 5,642                             | 5,642                            | -  |
| kWh                                       | 200,434,708                       | 196,732,916                      | (3,701,791)                                |
| <b>General Service &gt; 50 to 4999 kW</b> |                                   |                                  |  |
| Customers                                 | 693                               | 693                              | -  |
| kWh                                       | 728,078,747                       | 721,724,020                      | (6,354,726)                                |
| kW  | 1,790,346                         | 1,774,720                        | (15,626)                                   |
| <b>Large User</b>                         |                                   |                                  |  |
| Customers                                 | 1                                 | 1                                | -  |
| kWh                                       | 97,078,186                        | 94,944,937                       | (2,133,250)                                |
| kW  | 177,259                           | 173,364                          | (3,895)                                    |
| <b>Direct Market Participant</b>          |                                   |                                  |  |
| Customers                                 | 2                                 | 2                                | -  |
| kWh                                       | 6,823,514                         | 6,823,514                        | -  |
| kW  | 12,620                            | 12,620                           | -  |
| <b>Street Lights</b>                      |                                   |                                  |  |
| Connections                               | 13,828                            | 13,828                           | -  |
| kWh                                       | 7,594,660                         | 7,594,660                        | -  |
| kW  | 21,115                            | 21,115                           | -  |
| <b>Unmetered Loads</b>                    |                                   |                                  |  |
| Connections                               | 563                               | 563                              | -  |
| kWh                                       | 3,140,372                         | 3,140,372                        | -  |
| <b>Embedded Distributor</b>               |                                   |                                  |  |
| Customers                                 | 1                                 | 1                                | -  |
| kWh                                       | 31,378,863                        | 31,378,863                       | -  |
| kW  | 71,406                            | 71,406                           | -  |
| <b>Total</b>                              |                                   |                                  |  |
| Customer/Connections                      | 70,183                            | 70,183                           | -  |
| kWh                                       | 1,486,199,575                     | 1,471,208,086                    | (14,991,489)                               |
| kW from applicable classes                | 2,072,746                         | 2,053,224                        | (19,521)                                   |

For the purposes of settlement, Parties agreed the manual CDM adjustment would be updated to include the persistence of 2014 programs into 2016 that were outlined in the final 2011 to 2014 OPA CDM Results.

A revised load forecast model in working Microsoft Excel format reflecting this Settlement Proposal is included together with this Settlement Proposal under file named “Waterloo\_2016\_Load Forecast Model\_Settlement\_20151001”.

**Evidence:**

*Application:* Exhibit 1 page 57; Exhibit 3 including pages 2-37, Tables 3-2 through 3-36

*IRRs:* 1-Staff-15; 3-Staff-94, 95, 96, 99, 100, 102, 104, 105, 107, 3-Energy Probe-21, 23, 24, 25, 3.0-VECC-17, 18, 19, 21, 23, 24

*TC Transcript:* August 19, 2015 TC Transcript at pages 88-92, 96-97

*Undertaking Responses:* JTC1.11, JTC1.12, JTC1.13, JTC1.14, JTC1.22

*Appendices to this Settlement Proposal:* N/A

**Supporting Parties:** All



**3.2** Are the proposed cost allocation methodology, allocations, and revenue-to-cost ratios appropriate?

**Complete Settlement:** For the purposes of the settlement of the issues in this proceeding, the Parties agree that the base numbers prepared in response to Undertaking JTC1.22 are appropriate.

Subject to the above, the Parties agree that the cost allocation methodology is appropriate and results in revenue-to-cost ratios that are within the Board’s permitted ranges. These revenue-to-cost ratios are reproduced below in Table 9.

**Table 9: Revenue-to-Cost Ratios**

| Rate Class               | 2016 Settlement<br>Cost Allocation<br>Study | 2016 Settlement<br>Proposed Ratios |
|--------------------------|---|------------------------------------|
| Residential              | 103.06%                                     | 103.02%                            |
| GS < 50 kW               | 102.45%                                     | 102.45%                            |
| GS >50 to 4999 kW        | 94.42%                                      | 94.42%                             |
| Large Use                | 76.97%                                      | 85.00%                             |
| Unmetered Scattered Load | 190.15%                                     | 120.00%                            |
| Street Lighting          | 103.29%                                     | 103.02%                            |
| Embedded Distributor     | 67.67%                                      | 100.00%                            |

A revised working Microsoft Excel format of the cost allocation model from this Settlement Proposal is provided as part of the supporting material in file named “Waterloo\_2016\_COS\_Cost\_Allocation\_Model\_Settlement\_20151001”.

On a best effort basis, WNH agrees to provide notice to the University of Waterloo, and specifically to the attention of its Director, Maintenance & Utilities, Rick Zalagenas via email at rszalagenas@uwaterloo.ca and also to its consultant, E2 Energy, specifically to the attention of its CEO, Scott Walker via email at swalker@e2energyinc.com, if WNH believes that a new or existing customer may likely qualify as a (new) Large User customer in its service territory. This notification will be as soon as reasonably possible but no later than when it first begins to bill a customer as a Large User. Currently, WNH does not commence billing a customer as a Large User until such a time as the customer has proven 12 consecutive months of billing data, meeting or exceeding the Large User threshold parameter).

**Evidence:**

*Application:* Exhibit 1 pages 70-72; Exhibit 7 including pages 2-13, Tables 7-1 through 7-8, Attachment 7-1

*IRRs:* 7-Staff-135, 136, 137, 7-Energy Probe-50, 51, 1-E2-1, 1-E2-2, 1-E2-3, 7.0-VECC-44

*TC Transcript:* August 19, 2015 TC Transcript at pages 86-88, 93-95, 130-133

*Undertaking Responses:* JTC1.22, JTC1.23

*Appendices to this Settlement Proposal:* N/A

**Supporting Parties:** All

**3.3** Are the applicant's proposals, including the proposed fixed/variable splits, for rate design appropriate?

**Complete Settlement:** For the purposes of settlement of the issues in this proceeding, WNH has increased the Residential fixed charge to \$19.87. WNH used the fixed charge of \$16.32 based on the current fixed/variable revenue proportions as the starting point for the calculation in Appendix 2-PA since \$16.32 was below the ceiling fixed charge from the cost allocation model of \$19.64. WNH has adjusted the \$16.32 fixed charge to \$19.87 as calculated by the Board's Appendix 2-PA which reflects the first year of a four year transition to a 100% fixed charge. Appendix 2-PA is shown in Table 11 below.

For the purpose of settlement of the issues in this proceeding, the Parties agree to maintain the current 2015 monthly fixed charge for all non-residential rate classes, where the proposed fixed charge is above the Customer Unit Cost per month - Minimum System with PLCC (Peak Load Carrying Capability). This results in the following adjustments:

- General Service < 50 kW fixed charge is reduced to \$31.96, with a corresponding change to the variable charge;
- General Service > 50 kW fixed charge is reduced to \$119.38, with a corresponding change to the variable charge;
- Large Use fixed charge is reduced to \$6,975.72, with a corresponding change to the variable charge;
- Street Lighting fixed charge is reduced to \$0.33, with a corresponding change to the variable charge;

For the purposes of settlement of the issues in this proceeding, WNH has reduced the Unmetered Scattered Load fixed charge to \$10.70. The ceiling fixed charge from the cost allocation model is \$9.69 and the current 2015 fixed charge is \$15.20. WNH has adjusted to the fixed charge based on the current fixed/variable revenue proportions.

Subject to the above, the Parties agree that WNH's proposals, including the proposed fixed/variable splits, for rate design are appropriate. The distribution charges resulting from this Settlement Proposal are produced below as Table 10.

**Table 10: Distribution Charges**

| Rate Class               | Proposed Monthly Service Charge | Unit of Measure | Proposed Distribution Volumetric Charge |
|--------------------------|---------------------------------|-----------------|---|
| Residential              | \$ 19.87                        | \$/kWh          | \$ 0.0155                               |
| GS < 50 kW               | \$ 31.96                        | \$/kWh          | \$ 0.0161                               |
| GS >50 to 4999 kW        | \$ 119.38                       | \$/kW           | \$ 5.1046                               |
| Large Use                | \$ 6,975.72                     | \$/kW           | \$ 4.0579                               |
| Unmetered Scattered Load | \$ 10.70                        | \$/kWh          | \$ 0.0133                               |
| Street Lighting          | \$ 0.33                         | \$/kW           | \$ 9.4838                               |

**Table 11 – OEB Appendix 2-PA Residential Service Charge Transition**

**Appendix 2-PA  
New Rate Design Policy For Residential Customers**

Please complete the following tables.

**A) Data Inputs**

| Test Year Billing Determinants for Residential Class     |                  |
|--|------------------|
| Customers  | 49,453           |
| kWh  | 408,916,548      |
| Proposed Residential Class Specific Revenue Requirement1 | \$ 18,111,250.31 |
| Residential Base Rates on Current Tariff                 |                  |
| Monthly Fixed Charge (\$)                                | 16.32            |
| Distribution Volumetric Rate (\$/kWh)                    | 0.0206           |

**B) Current Fixed/Variable Split**

|              | Base Rates | Billing Determinants | Revenue          | % of Total Revenue |
|--------------|------------|----------------------|------------------|--------------------|
| Fixed        | 16.32      | 49,453               | \$ 9,684,875.52  | 53.48%             |
| Variable     | 0.0206     | 408,916,548          | \$ 8,423,680.88  | 46.52%             |
| <b>TOTAL</b> | -          | -                    | \$ 18,108,556.40 | -                  |

**C) Calculating Test Year Base Rates**

|   |   |
|---|---|
| Number of Required Rate Design Policy Transition Years2 | 4 |
|---|---|

|              | Test Year Revenue @ Current F/V Split | Test Year Base Rates @ Current F/V Split | Reconciliation - Test Year Base Rates @ Current F/V Split |
|--------------|---------------------------------------|--|---|
| Fixed        | \$ 9,686,316.28                       | 16.32                                    | \$ 9,684,875.52   |
| Variable     | \$ 8,424,934.03                       | 0.0206                                   | \$ 8,423,680.88   |
| <b>TOTAL</b> | \$ 18,111,250.31                      | -  | \$ 18,108,556.40  |

|              | New F/V Split | Revenue @ new F/V Split | Final Adjusted Base Rates | Reconciliation @ Adjusted Rates |
|--------------|---------------|-------------------------|---------------------------|---------------------------------|
| Fixed        | 65.11%        | \$ 11,792,549.79        | 19.87                     | \$ 11,791,573.32                |
| Variable     | 34.89%        | \$ 6,318,700.52         | 0.0155                    | \$ 6,338,206.49                 |
| <b>TOTAL</b> | -             | \$ 18,111,250.31        | -                         | \$ 18,129,779.81                |

| Checks3   |              |
|---|--------------|
| Change in Fixed Rate  | \$ 3.55      |
| Difference Between Revenues @ Proposed Rates and Class Specific Revenue Requirement | \$ 18,529.50 |
|   | 0.10%        |

The reconciliation of revenue reflecting the rate design from this Settlement Proposal is provided in Table 12 below.

**Table 12 – Revenue Reconciliation**

| Rate Class                 | Customers/<br>Connections | Number of<br>Customers/Connections |                     |         | Test Year Consumption |           | Proposed Rates               |            |           | Revenues at<br>Proposed<br>Rates | Class<br>Specific<br>Revenue<br>Requirement | Transformer<br>Allowance<br>Credit | Total        | Difference |
|----------------------------|---------------------------|------------------------------------|---------------------|---------|-----------------------|-----------|------------------------------|------------|-----------|----------------------------------|---|------------------------------------|--------------|------------|
|                            |                           | Start of<br>Test Year              | End of<br>Test Year | Average | kWh                   | kW        | Monthly<br>Service<br>Charge | Volumetric |           |                                  |   |                                    |              |            |
|                            |                           |                                    |                     |         |                       |           |                              | kWh        | kW        |                                  |   |                                    |              |            |
| Residential                | Customers                 | 49,005                             | 49,901              | 49,453  | 408,868,804           |           | \$ 19.87                     | \$ 0.0155  |           | \$ 18,129,040                    | \$ 18,111,250                               |                                    | \$18,111,250 | \$ 17,789  |
| GS < 50 kW                 | Customers                 | 5,615                              | 5,669               | 5,642   | 196,732,916           |           | \$ 31.96                     | \$ 0.0161  |           | \$ 5,331,220                     | \$ 5,265,016                                | \$ 74,612                          | \$ 5,339,628 | \$ 8,409   |
| GS > 50 kW                 | Customers                 | 695                                | 695                 | 695     |                       | 1,787,340 | \$ 119.38                    |            | \$ 5.1046 | \$ 10,119,287                    | \$ 9,477,308                                | \$ 641,990                         | \$10,119,298 | \$ 11      |
| Large User                 | Customers                 | 1                                  | 1                   | 1       |                       | 173,364   | \$ 6,975.72                  |            | \$ 4.0579 | \$ 787,201                       | \$ 787,202                                  |                                    | \$ 787,202   | \$ 2       |
| Unmetered Scattered Load   | Connections               | 552                                | 574                 | 563     | 3,140,372             |           | \$ 10.70                     | \$ 0.0133  |           | \$ 114,077                       | \$ 114,167                                  |                                    | \$ 114,167   | \$ 90      |
| Streetlighting             | Connections               | 13,818                             | 13,838              | 13,828  |                       | 21,115    | \$ 0.33                      |            | \$ 9.4838 | \$ 255,006                       | \$ 255,006                                  |                                    | \$ 255,006   | \$ 0       |
| Embedded Distributor Class | Customers                 | 1                                  | 1                   | 1       |                       | 71,406    | \$ -                         |            | \$ 0.0201 | \$ 1,435                         | \$ 1,437                                    |                                    | \$ 1,437     | \$ 2       |
| Total                      |                           |                                    |                     |         |                       |           |                              |            |           | \$ 34,737,265                    | \$ 34,011,388                               | \$ 716,602                         | \$34,727,990 | \$ 9,275   |

**Evidence:**

*Application:* Exhibit 1 pages 70, 72; Exhibit 8 including Tables 8-1 through 8-7 and Table 8-11 through 8-14, Attachments 8-2 through 8-4

*IRRs:* 1-Energy Probe-7; 8-Staff-138, 8-Energy Probe-52, 53, 8.0-VECC-46

*TC Transcript:* N/A

*Undertaking Responses:* JTC1.9, JTC1.22, JTC1.24, JTC1.25

*Appendices to this Settlement Proposal:* N/A

**Supporting Parties: All**

**3.4** Are the proposed Retail Transmission Service Rates and Low Voltage service rates appropriate?

**Complete Settlement:** For the purposes of the settlement of the issues in this proceeding, the Parties agree that the proposed forecast of other regulated rates and charges including the proposed Retail Transmission Service Rates and Low Voltage service rates are appropriate. Retail Transmission Service Rates and Low Voltage service rates have been reproduced below as Tables 13 and 14, respectively.

**Table 13: Retail Transmission Service Rates**

| Rate Class   | Unit of Measure | Proposed RTSR - Network | Proposed RTSR - Connection |
|--|-----------------|-------------------------|----------------------------|
| Residential  | \$/kWh          | \$ 0.0074               | \$ 0.0023                  |
| General Service < 50 kW  | \$/kWh          | \$ 0.0067               | \$ 0.0021                  |
| General Service 50 To 4,999 KW (less than 1,000 kW)                  | \$/kW           | \$ 2.7741               | \$ 0.8036                  |
| General Service 50 To 4,999 KW (Interval Metered less than 1,000 kW) | \$/kW           | \$ 2.9465               | \$ 1.0037                  |
| General Service 50 To 4,999 KW (Interval Metered 1,000 to 4,999 kW)  | \$/kW           | \$ 2.9427               | \$ 1.0026                  |
| Large Use  | \$/kW           | \$ 3.2624               | \$ 1.0072                  |
| Unmetered Scattered Load   | \$/kWh          | \$ 0.0067               | \$ 0.0021                  |
| Street Lighting  | \$/kW           | \$ 2.0924               | \$ 0.6210                  |

**Table 14: Low Voltage service rates**

| Rate Class               | Unit of Measure | Proposed Low Voltage Charges |
|--------------------------|-----------------|------------------------------|
| Residential              | \$/kWh          | \$ 0.0002                    |
| GS < 50 kW               | \$/kWh          | \$ 0.0002                    |
| GS > 50 kW               | \$/kW           | \$ 0.0738                    |
| Large Use                | \$/kW           | \$ 0.0925                    |
| Unmetered Scattered Load | \$/kWh          | \$ 0.0002                    |
| Street Lighting          | \$/kW           | \$ 0.0570                    |

**Evidence:**

*Application:* Exhibit 8 including pages 10-11 and 12-14, Tables 8-8, 8-9, 8-10, Attachment 8-1

*IRRs:* N/A

*TC Transcript:*

*Undertaking Responses:* August 19, 2015 TC Transcript at pages 142 - 143

*Appendices to this Settlement Proposal:* N/A

**Supporting Parties:** All

#### **4. Accounting**

- 4.1** Have all impacts of any changes in accounting standards, policies, estimates and adjustments been properly identified and recorded, and is the rate-making treatment of each of these impacts appropriate?

**Complete Settlement:** For the purposes of the settlement of the issues in this proceeding, and subject to the adjustment in the depreciation calculations noted in the settlement of issue 2.1 above, the Parties agree that the impacts of any changes in accounting standards, policies, estimates and adjustments have been properly identified, and the treatment of each of these impacts is appropriate.

An updated EDDVAR Continuity Schedule is provided in working Microsoft Excel format reflecting this Settlement Proposal provided under file named “Waterloo\_2016\_COS\_2015\_EDDVAR\_Continuity Schedule\_Settlement\_20151001”. This file also includes the calculation of the various riders discussed below.

**Evidence:**

*Application:* Exhibit 1 pages 109 -112; Exhibit 2 pages 3-4, 23-24, 52-56, 79-86; Exhibit 4 pages 80-99; Exhibit 9 pages 9-24

*IRRs:* N/A

*TC Transcript:* N/A

*Undertaking Responses:* JTC1.22

*Appendices to this Settlement Proposal:* N/A

**Supporting Parties:** All

**4.2** Are the applicant's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition, and the continuation of existing accounts, appropriate?

**Complete Settlement:** For the purposes of the settlement of the issues in this proceeding, the Parties agree to the following:

- i) The disposition of the balance and the discontinuance of the Other Regulatory Asset – Sub-Account – Other Capital Gain Variance – 2011 COS Settlement Agreement Item Account 1508 related to the Administration Building and Service Centre on Northfield Drive in Waterloo, as was created in EB-2010-0144, is appropriate as further described in Exhibit 9;
- ii) The disposition of the balance and the discontinuance of the Other Regulatory Asset – Sub-Account – Other OMERS Difference – 2011 COS Settlement Agreement Item Account 1508 related to the difference in actual OMERS costs to the amounts included in rates, as was created in EB-2010-0144, is appropriate as further described in Exhibit 9;
- iii) The disposition of the balance of Account 1576 as described in issue 4.1 above is appropriate, as further described in as further described in Exhibit 9 9.0-VECC-47. The Weighted Average Cost of Capital will be adjusted when the Board updated rates are published, as discussed in item 2.1 (c) above. A revised OEB Appendix 2-EC, Account 1576, is reflected in Appendix E of this Settlement Proposal;
- iv) The disposition of the balance and the discontinuance of the Other Regulatory Asset – Sub-Account – 1508 - Deferred IFRS Transition Costs is appropriate as further described in Exhibit 9;
- v) The disposition of the balance and the discontinuance of the PILs and Tax Variances for 2006 and Subsequent Years, including the Sub-Account – 1592 , is appropriate as further described in Exhibit 9;
- vi) The disposition of the balance and the discontinuance of the Smart Meter Capital and Recovery Offset Variance –Sub Account – Stranded Meter Costs - 1555 , is appropriate as further described in Exhibit 9;
- vii) The disposition of the balance and the discontinuance of the Disposition and Recovery/Refund of Regulatory Balances (2010 – 2013) - 1595, is appropriate as further described in Exhibit 9;



- viii) The creation of a variance account 1508 Other Regulatory Assets - Sub-account Wireless and Wireline to record two items: 1) the net (less any related costs) incremental revenues received from any wireless attachments during the IRM period; and 2) any changes in revenue received due to any change in the currently regulated wireline attachment rate of \$22.35 per attachment per pole per year. For clarity, the latter is a symmetrical account that reflects changes to the rate rather than change in number of wireline attachments. Any balance in this variance account is to be cleared in WNH's next Cost of Service Application. A draft accounting order for this account is attached as Appendix F to this Settlement Proposal;
- ix) The creation of a variance account 1508 Other Regulatory Asset - Sub-account Gains/Losses on Disposition of Municipal Stations, to capture net gains and losses on disposition of various Municipal Station properties inclusive of remediation costs. Upon disposition, the balance of this account will be distributed with 75% to ratepayers and 25% to WNH. For clarity, this account is not symmetrical in that the Parties agree ratepayers will not owe a credit to WNH if this account is in a net loss scenario at the time of disposition. Any applicable balance is to be disposed of in WNH's next Cost of Service Application. A draft accounting order for this account is attached as Appendix G to this Settlement Proposal;
- x) WNH is to establish a new variance account 1508 Other Regulatory Asset Sub-account OPEB for the purpose of recording the difference in revenue requirement each year, starting in the test year, between both the capitalized and OM&A components of OPEBs accounted for using a cost basis (as to be reflected in rates if this settlement is accepted by the Board) and both capitalized and OM&A components of OPEBs accounted for using an accrual basis together with related PILs adjustments. This account will accrue interest until final disposition. If the Board determines that LDCs must only include in rates OPEBs accounted for using a cash basis, WNH will seek to discontinue this account without seeking disposition of the amounts recorded in this account. If the Board determines that LDCs may recover OPEBs in rates using an accrual accounting methodology, the Parties agree that WNH will be permitted to seek disposition of this account to recover the amounts so recorded in its rate application following the Board's Decision. WNH will propose a disposition period over which the account should be recovered depending on the quantum in the account and the potential rate impacts at the time. A draft accounting order for this account is attached as Appendix H to this Settlement Proposal.; and
- xi) The disposition of the balance of Account the remaining deferral and variance accounts are reflected in EDDVAR Model which is attached to this Settlement Proposal as "Waterloo\_2016\_COS\_2015\_EDDVAR\_ContinuitySchedule\_Settlement\_20151001".

WNH notes that it has now received verified final results from the IESO for 2014 CDM. This report is attached as Appendix I in this Settlement Proposal.

For the purposes of settlement of the issues in this proceeding, the Parties agree that the LRAMVA calculations for 2011 to 2014 should be updated to reflect the latest IESO results. In addition, the Parties agree that WNH is now entitled to seek disposition of 2014 LRAMVA amounts and for the purposes of settlement of the issues in this proceeding, the Parties agree that it would be appropriate for WNH to do so now. An update of the LRAMVA numbers for 2011 to 2014 is shown in Tables 15 – 17 below.

**Table 15 - Summary of Requested LRAM Amounts**

| LRAM Rate Rider                 | LRAMVA           | CDM \$ in 2011 COS | Net LRAMVA     | Interest      | Total LRAMVA Claim | 2016 Proposed Billing Determinant | UOM | LRAMVA Rider |
|---------------------------------|------------------|--------------------|----------------|---------------|--------------------|-----------------------------------|-----|--------------|
| Residential                     | 229,389          | 163,011            | 66,378         | 2,003         | 68,381             | 408,916,548                       | kWh | \$ 0.0002    |
| General Service Less Than 50 kW | 225,354          | 55,489             | 169,865        | 5,126         | 174,991            | 196,359,585                       | kWh | \$ 0.0009    |
| General Service 50 to 4,999 kW  | 548,117          | 108,485            | 439,632        | 13,266        | 452,898            | 1,788,910                         | kW  | \$ 0.2532    |
| Large User                      | 44,212           | 10,161             | 34,051         | 1,027         | 35,078             | 172,792                           | kW  | \$ 0.2030    |
| <b>Total</b>                    | <b>1,047,072</b> | <b>337,146</b>     | <b>709,926</b> | <b>21,422</b> | <b>731,348</b>     |                                   |     |              |

**Table 16 - Allocation of OPA Results**

| LRAMVA Calculation for 2011 to 2014 final results of OPA Program |              |                |                   |            |                       |                       |                       |                       |                        |
|--|--------------|----------------|-------------------|------------|-----------------------|-----------------------|-----------------------|-----------------------|------------------------|
| Net KWh saved from OPA program                                   |              |                |                   |            |                       |                       |                       |                       |                        |
| OPA Initiative Name  | Program Year | Results Status | Rate Class        | Market     | 2011 kWh Saved        | 2012 kWh Saved        | 2013 kWh Saved        | 2014 kWh Saved        | Total kWh Saved        |
| Appliance Retirement   | 2011         | Final          | Residential       | Consumer   | 180,566               | 180,566               | 180,566               | 180,463               | 722,161                |
| Appliance Exchange   | 2011         | Final          | Residential       | Consumer   | 3,051                 | 3,051                 | 3,051                 | 1,895                 | 11,046                 |
| HVAC Incentives  | 2011         | Final          | Residential       | Consumer   | 650,749               | 650,749               | 650,749               | 650,749               | 2,602,995              |
| Conservation Instant Coupon Booklet                              | 2011         | Final          | Residential       | Consumer   | 189,312               | 189,312               | 189,312               | 189,312               | 757,248                |
| Bi-Annual Retailer Event   | 2011         | Final          | Residential       | Consumer   | 316,302               | 316,302               | 316,302               | 316,302               | 1,265,210              |
| Equipment Replacement Incentive Initiative                       | 2011         | Final          | <50 kW - 12%      | Business   | 172,665               | 172,665               | 172,665               | 172,665               | 690,658                |
|  |              |                | >50 kW - 88%      | Business   | 1,260,457             | 1,260,457             | 1,260,457             | 1,260,457             | 5,041,828              |
| Direct Install Lighting  | 2011         | Final          | <50 kW            | Business   | 635,841               | 635,841               | 635,841               | 419,046               | 2,326,569              |
| Energy Audit   | 2011         | Final          | <50 kW            | Business   | 79,195                | 79,195                | 79,195                | 79,195                | 316,780                |
| Demand Response 3  | 2011         | Final          | >50 kW            | Business   | 4,323                 | -                     | -                     | -                     | 4,323                  |
| Equipment Replacement Incentive Initiative                       | 2011         | Final          | >50 kW            | Industrial | 1,128,878             | 1,128,878             | 1,128,878             | 1,128,878             | 4,515,511              |
| Demand Response 3  | 2011         | Final          | >50 kW            | Industrial | 23,003                | -                     | -                     | -                     | 23,003                 |
| Electricity Retrofit Incentive Program                           | 2011         | Final          | <50 kW            | Business   | 913,663               | 913,663               | 913,663               | 913,663               | 3,654,650              |
| High Performance New Construction                                | 2011         | Final          | >50 kW            | Business   | 346,664               | 346,664               | 346,664               | 346,664               | 1,386,657              |
| Appliance Retirement   | 2012         | Final          | Residential       | Consumer   | -                     | 99,292                | 99,292                | 99,292                | 297,876                |
| Appliance Exchange   | 2012         | Final          | Residential       | Consumer   | -                     | 18,832                | 18,832                | 18,832                | 56,496                 |
| HVAC Incentives  | 2012         | Final          | Residential       | Consumer   | -                     | 450,936               | 450,936               | 450,936               | 1,352,808              |
| Conservation Instant Coupon Booklet                              | 2012         | Final          | Residential       | Consumer   | -                     | 14,008                | 14,008                | 14,008                | 42,025                 |
| Bi-Annual Retailer Event   | 2012         | Final          | Residential       | Consumer   | -                     | 268,321               | 268,321               | 268,321               | 804,962                |
| Retrofit   | 2012         | Final          | <50 kW - 6.2%     | Business   | -                     | 336,278               | 336,278               | 330,681               | 1,003,237              |
|  |              |                | >50 kW - 37.4%    | Business   | -                     | 2,034,971             | 2,034,971             | 2,001,102             | 6,071,044              |
|  |              |                | Large Use - 56.4% | Business   | -                     | 3,062,531             | 3,062,531             | 3,011,560             | 9,136,621              |
| Direct Install Lighting  | 2012         | Final          | <50 kW            | Business   | -                     | 307,810               | 307,810               | 307,692               | 923,312                |
| New Construction   | 2012         | Final          | >50 kW            | Business   | -                     | 5,261                 | 5,261                 | 5,261                 | 15,782                 |
| Energy Audit   | 2012         | Final          | <50 kW            | Business   | -                     | 208,243               | 208,243               | 208,243               | 624,728                |
| Demand Response 3  | 2012         | Final          | >50 kW            | Business   | -                     | 1,614                 | -                     | -                     | 1,614                  |
| Demand Response 3  | 2012         | Final          | >50 kW            | Industrial | -                     | 30,360                | -                     | -                     | 30,360                 |
| Home Assistance Program  | 2012         | Final          | Residential       | Consumer   | -                     | 29,893                | 29,893                | 29,862                | 89,649                 |
| High Performance New Construction                                | 2012         | Final          | >50 kW            | Business   | -                     | 105,383               | 105,383               | 105,383               | 316,150                |
| Appliance Retirement   | 2013         | Final          | Residential       | Consumer   | -                     | -                     | 63,885                | 63,885                | 127,770                |
| Appliance Exchange   | 2013         | Final          | Residential       | Consumer   | -                     | -                     | 23,275                | 23,275                | 46,549                 |
| HVAC Incentives  | 2013         | Final          | Residential       | Consumer   | -                     | -                     | 427,746               | 427,746               | 855,492                |
| Conservation Instant Coupon Booklet                              | 2013         | Final          | Residential       | Consumer   | -                     | -                     | 77,457                | 77,457                | 154,913                |
| Bi-Annual Retailer Event   | 2013         | Final          | Residential       | Consumer   | -                     | -                     | 172,122               | 172,122               | 344,243                |
| Residential Demand Response                                      | 2013         | Final          | Residential       | Consumer   | -                     | -                     | 652                   | -                     | 652                    |
| Retrofit   | 2013         | Final          | <50 kW - 17.4%    | Business   | -                     | -                     | 645,460               | 643,144               | 1,288,604              |
|  |              |                | >50 kW - 78.9%    | Business   | -                     | -                     | 2,920,048             | 2,909,570             | 5,829,618              |
|  |              |                | Large Use - 3.7%  | Business   | -                     | -                     | 137,217               | 136,725               | 273,942                |
| Direct Install Lighting  | 2013         | Final          | <50 kW            | Business   | -                     | -                     | 408,878               | 408,878               | 817,756                |
| New Construction   | 2013         | Final          | >50 kW            | Business   | -                     | -                     | 8,839                 | 8,839                 | 17,679                 |
| Energy Audit   | 2013         | Final          | <50 kW            | Business   | -                     | -                     | 1,696,902             | 1,696,902             | 3,393,803              |
| Small Commercial Demand Response                                 | 2013         | Final          | <50 kW            | Business   | -                     | -                     | 10                    | -                     | 10                     |
| Demand Response 3  | 2013         | Final          | >50 kW            | Business   | -                     | -                     | 1,504                 | -                     | 1,504                  |
| Energy Manager   | 2013         | Final          | >50 kW            | Business   | -                     | -                     | 69,300                | 69,300                | 138,600                |
| Demand Response 3  | 2013         | Final          | >50 kW            | Industrial | -                     | -                     | 30,917                | -                     | 30,917                 |
| Home Assistance Program  | 2013         | Final          | Residential       | Consumer   | -                     | -                     | 188,705               | 187,478               | 376,183                |
| Appliance Retirement   | 2014         | Final          | Residential       | Consumer   | -                     | -                     | -                     | 80,001                | 80,001                 |
| Appliance Exchange   | 2014         | Final          | Residential       | Consumer   | -                     | -                     | -                     | 52,460                | 52,460                 |
| HVAC Incentives  | 2014         | Final          | Residential       | Consumer   | -                     | -                     | -                     | 544,462               | 544,462                |
| Conservation Instant Coupon Booklet                              | 2014         | Final          | Residential       | Consumer   | -                     | -                     | -                     | 515,369               | 515,369                |
| Bi-Annual Retailer Event   | 2014         | Final          | Residential       | Consumer   | -                     | -                     | -                     | 1,231,340             | 1,231,340              |
| Retrofit   | 2014         | Final          | <50 kW - 11.8%    | Business   | -                     | -                     | -                     | 575,911               | 575,911                |
|  |              |                | >50 kW - 87.9%    | Business   | -                     | -                     | -                     | 4,289,821             | 4,289,821              |
|  |              |                | Large Use - .3%   | Business   | -                     | -                     | -                     | 15,620                | 15,620                 |
| Direct Install Lighting  | 2014         | Final          | <50 kW            | Business   | -                     | -                     | -                     | 349,433               | 349,433                |
| New Construction   | 2014         | Final          | >50 kW            | Business   | -                     | -                     | -                     | 147,947               | 147,947                |
| Energy Audit   | 2014         | Final          | <50 kW            | Business   | -                     | -                     | -                     | 391,641               | 391,641                |
| Energy Manager   | 2014         | Final          | >50 kW            | Business   | -                     | -                     | -                     | 91,627                | 91,627                 |
| Home Assistance Program  | 2014         | Final          | Residential       | Consumer   | -                     | -                     | -                     | 48,046                | 48,046                 |
| Program Enabled Savings  | 2014         | Final          | >50 kW            | Business   | -                     | -                     | -                     | 125,622               | 125,622                |
|  |              |                |                   |            |                       |                       |                       |                       | -                      |
|  |              |                |                   |            |                       |                       |                       |                       | -                      |
| <b>Total</b>   |              |                |                   |            | <b>5,904,668</b>      | <b>12,851,074</b>     | <b>19,692,018</b>     | <b>27,795,080</b>     | <b>66,242,840</b>      |
| <b>Rate Class Allocation (kWh)</b>                               |              |                |                   |            | <b>2011 kWh Saved</b> | <b>2012 kWh Saved</b> | <b>2013 kWh Saved</b> | <b>2014 kWh Saved</b> | <b>Total kWh Saved</b> |
| <b>Residential</b>   |              |                |                   |            | <b>1,339,980</b>      | <b>2,221,262</b>      | <b>3,175,104</b>      | <b>5,643,612</b>      | <b>12,379,958</b>      |
| <b>General Service &lt; 50 kW</b>                                |              |                |                   |            | <b>1,801,363</b>      | <b>2,653,693</b>      | <b>5,404,943</b>      | <b>6,497,092</b>      | <b>16,357,092</b>      |
| <b>General Service 50 to 4,999 kW</b>                            |              |                |                   |            | <b>2,763,326</b>      | <b>4,913,588</b>      | <b>7,912,223</b>      | <b>12,490,471</b>     | <b>28,079,607</b>      |
| <b>Large Use</b>   |              |                |                   |            | <b>3,062,531</b>      | <b>3,199,748</b>      | <b>3,163,905</b>      | <b>9,426,183</b>      | <b>9,426,183</b>       |
| <b>Total</b>   |              |                |                   |            | <b>5,904,668</b>      | <b>12,851,074</b>     | <b>19,692,018</b>     | <b>27,795,080</b>     | <b>66,242,840</b>      |

Waterloo North Hydro Inc.  
EB-2015-0108  
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| Net KW saved from OPA program              |              |                |                   |                    |                 |                 |                 |                 |                  |
|--|--------------|----------------|-------------------|--------------------|-----------------|-----------------|-----------------|-----------------|------------------|
| OPA Initiative Name                        | Program Year | Results Status | Rate Class        | Market             | 2011 kW Saved   | 2012 kW Saved   | 2013 kW Saved   | 2014 kW Saved   | Total kW Saved   |
| Appliance Retirement                       | 2011         | Final          | Residential       | Consumer           | 24.31           | 24.3            | 24.3            | 24.20           | 97.1             |
| Appliance Exchange                         | 2011         | Final          | Residential       | Consumer           | 2.36            | 2.4             | 2.4             | 1.06            | 8.1              |
| HVAC Incentives                            | 2011         | Final          | Residential       | Consumer           | 349.92          | 349.9           | 349.9           | 349.92          | 1,399.7          |
| Conservation Instant Coupon Booklet        | 2011         | Final          | Residential       | Consumer           | 11.66           | 11.7            | 11.7            | 11.66           | 46.6             |
| Bi-Annual Retailer Event                   | 2011         | Final          | Residential       | Consumer           | 17.93           | 17.9            | 17.9            | 17.93           | 71.7             |
| Residential Demand Response                | 2011         | Final          | Residential       | Consumer           | 72.24           | -               | -               | -               | 72.2             |
| Equipment Replacement Incentive Initiative | 2011         | Final          | <50 kW - 16%      | Business           | 41.17           | 41.2            | 41.2            | 41.17           | 164.7            |
|  |              |                | >50 kW - 84%      | Business           | 221.42          | 221.4           | 221.4           | 221.42          | 885.7            |
| Direct Install Lighting                    | 2011         | Final          | <50 kW            | Business           | 256.29          | 256.3           | 249.11          | 184.53          | 946.2            |
| Energy Audit                               | 2011         | Final          | <50 kW            | Business           | 16.27           | 16.27           | 16.27           | 16.27           | 65.1             |
| Commercial Demand Response                 | 2011         | Final          | <50 kW            | Business           | 5.12            | -               | -               | -               | 5.1              |
| Demand Response 3                          | 2011         | Final          | >50 kW            | Business           | 110.39          | -               | -               | -               | 110.4            |
| Equipment Replacement Incentive Initiative | 2011         | Final          | >50 kW            | Industrial         | 179.85          | 179.9           | 179.9           | 179.85          | 719.4            |
| Demand Response 3                          | 2011         | Final          | >50 kW            | Industrial         | 391.88          | -               | -               | -               | 391.9            |
| Electricity Retrofit Incentive Program     | 2011         | Final          | <50 kW            | Consumer, Business | 180.79          | 180.8           | 180.8           | 180.79          | 723.2            |
| High Performance New Construction          | 2011         | Final          | >50 kW            | Business           | 187.08          | 187.1           | 187.1           | 187.08          | 748.3            |
| Appliance Retirement                       | 2012         | Final          | Residential       | Consumer           |                 | 14.45           | 14.45           | 14.45           | 43.4             |
| Appliance Exchange                         | 2012         | Final          | Residential       | Consumer           |                 | 10.78           | 10.78           | 10.78           | 32.4             |
| HVAC Incentives                            | 2012         | Final          | Residential       | Consumer           |                 | 261.32          | 261.32          | 261.32          | 784.0            |
| Conservation Instant Coupon Booklet        | 2012         | Final          | Residential       | Consumer           |                 | 2.31            | 2.31            | 2.31            | 6.9              |
| Bi-Annual Retailer Event                   | 2012         | Final          | Residential       | Consumer           |                 | 14.83           | 14.83           | 14.83           | 44.5             |
| Retrofit                                   | 2012         | Final          | <50 kW - 9.8%     | Business           |                 | 87.98           | 86.95           | 86.28           | 261.2            |
|  |              |                | >50 kW - 50.2%    | Business           |                 | 451.75          | 446.43          | 443.00          | 1,341.2          |
|  |              |                | Large Use - 40.0% | Business           |                 | 360.74          | 356.49          | 353.75          | 1,071.0          |
| Direct Install Lighting                    | 2012         | Final          | <50 kW            | Business           |                 | 82.23           | 82.23           | 82.21           | 246.7            |
| New Construction                           | 2012         | Final          | >50 kW            | Business           |                 | 4.66            | 4.66            | 4.66            | 14.0             |
| Energy Audit                               | 2012         | Final          | <50 kW            | Business           |                 | 42.80           | 42.80           | 42.80           | 128.4            |
| Demand Response 3                          | 2012         | Final          | >50 kW            | Business           |                 | 111.06          | -               | -               | 111.1            |
| Demand Response 3                          | 2012         | Final          | >50 kW            | Industrial         |                 | 1,259.75        | -               | -               | 1,259.8          |
| Home Assistance Program                    | 2012         | Final          | Residential       | Consumer           |                 | 2.81            | 2.81            | 2.81            | 8.4              |
| High Performance New Construction          | 2012         | Final          | >50 kW            | Business           |                 | 21.44           | 21.44           | 21.44           | 64.3             |
| Appliance Retirement                       | 2013         | Final          | Residential       | Consumer           |                 |                 | 9.67            | 9.67            | 19.3             |
| Appliance Exchange                         | 2013         | Final          | Residential       | Consumer           |                 |                 | 13.05           | 13.05           | 26.1             |
| HVAC Incentives                            | 2013         | Final          | Residential       | Consumer           |                 |                 | 251.03          | 251.03          | 502.1            |
| Conservation Instant Coupon Booklet        | 2013         | Final          | Residential       | Consumer           |                 |                 | 5.18            | 5.18            | 10.4             |
| Bi-Annual Retailer Event                   | 2013         | Final          | Residential       | Consumer           |                 |                 | 11.86           | 11.86           | 23.7             |
| Residential Demand Response                | 2013         | Final          | Residential       | Consumer           |                 |                 | 195.75          |                 | 195.7            |
| Retrofit                                   | 2013         | Final          | <50 kW - 22.4%    | Business           |                 |                 | 167.10          | 166.25          | 333.4            |
|  |              |                | >50 kW - 73.5%    | Business           |                 |                 | 546.97          | 544.19          | 1,091.2          |
|  |              |                | Large Use - 4.1%  | Business           |                 |                 | 30.79           | 30.64           | 61.4             |
| Direct Install Lighting                    | 2013         | Final          | <50 kW            | Business           |                 |                 | 114.01          | 114.01          | 228.0            |
| New Construction                           | 2013         | Final          | >50 kW            | Business           |                 |                 | 20.65           | 20.65           | 41.3             |
| Energy Audit                               | 2013         | Final          | <50 kW            | Business           |                 |                 | 308.65          | 308.65          | 617.3            |
| Small Commercial Demand Response           | 2013         | Final          | <50 kW            | Business           |                 |                 | 6.40            |                 | 6.4              |
| Demand Response 3                          | 2013         | Final          | >50 kW            | Business           |                 |                 | 112.64          |                 | 112.6            |
| Energy Manager                             | 2013         | Final          | >50 kW            | Business           |                 |                 | 33.09           | 33.09           | 66.2             |
| Demand Response 3                          | 2013         | Final          | >50 kW            | Industrial         |                 |                 | 1,150.81        |                 | 1,150.8          |
| Home Assistance Program                    | 2013         | Final          | Residential       | Consumer           |                 |                 | 13.89           | 13.83           | 27.7             |
| Appliance Retirement                       | 2014         | Final          | Residential       | Consumer           |                 |                 |                 | 12.2            | 12.2             |
| Appliance Exchange                         | 2014         | Final          | Residential       | Consumer           |                 |                 |                 | 29.4            | 29.4             |
| HVAC Incentives                            | 2014         | Final          | Residential       | Consumer           |                 |                 |                 | 296.2           | 296.2            |
| Conservation Instant Coupon Booklet        | 2014         | Final          | Residential       | Consumer           |                 |                 |                 | 42.3            | 42.3             |
| Bi-Annual Retailer Event                   | 2014         | Final          | Residential       | Consumer           |                 |                 |                 | 80.6            | 80.6             |
| Residential Demand Response                | 2014         | Final          | Residential       | Consumer           |                 |                 |                 | 365.2           | 365.2            |
| Retrofit                                   | 2014         | Final          | <50 kW - 13.5%    | Business           |                 |                 |                 | 108.5           | 108.5            |
|  |              |                | >50 kW - 86.3%    | Business           |                 |                 |                 | 695.4           | 695.4            |
|  |              |                | Large Use - 2%    | Business           |                 |                 |                 | 1.5             | 1.5              |
| Direct Install Lighting                    | 2014         | Final          | <50 kW            | Business           |                 |                 |                 | 94.3            | 94.3             |
| New Construction                           | 2014         | Final          | >50 kW            | Business           |                 |                 |                 | 30.3            | 30.3             |
| Energy Audit                               | 2014         | Final          | <50 kW            | Business           |                 |                 |                 | 80.2            | 80.2             |
| Small Commercial Demand Response           | 2014         | Final          | <50 kW            | Business           |                 |                 |                 | 8.4             | 8.4              |
| Demand Response 3                          | 2014         | Final          | >50 kW            | Business           |                 |                 |                 | 104.2           | 104.2            |
| Energy Manager                             | 2014         | Final          | >50 kW            | Business           |                 |                 |                 | 23.5            | 23.5             |
| Demand Response 3                          | 2014         | Final          | >50 kW            | Industrial         |                 |                 |                 | 1,081.1         | 1,081.1          |
| Home Assistance Program                    | 2014         | Final          | Residential       | Consumer           |                 |                 |                 | 4.2             | 4.2              |
| Program Enabled Savings                    | 2014         |                | >50 kW            | Business           |                 |                 |                 | 88.6            | 88.6             |
| Time-of-Use Savings                        | 2014         |                | Residential       | Consumer           |                 |                 |                 | 650.5           | 650.5            |
|  |              |                |                   |                    |                 |                 |                 |                 | -                |
|  |              |                |                   |                    |                 |                 |                 |                 | -                |
| <b>Total</b>                               |              |                |                   |                    | <b>2,068.69</b> | <b>4,217.98</b> | <b>5,820.89</b> | <b>8,075.27</b> | <b>20,182.83</b> |
| <b>General Service 50 to 4,999 kW (kW)</b> |              |                |                   |                    | <b>1,090.6</b>  | <b>2,437.0</b>  | <b>2,925.0</b>  | <b>3,678.4</b>  | <b>10,131.1</b>  |
| <b>Large Use kW (kW)</b>                   |              |                |                   |                    |                 | <b>360.7</b>    | <b>387.3</b>    | <b>385.9</b>    | <b>1,133.9</b>   |

**Table 17 - Calculation of LRAMVA**

| Summary Units Lost                                    | 2011 kWh Saved   | 2012 kWh Saved   | 2013 kWh Saved   | 2014 kWh Saved   | Total kWh Saved  |            |
|---|------------------|------------------|------------------|------------------|------------------|------------|
| Residential (/kWh)                                    | 1,339,980        | 2,221,262        | 3,175,104        | 5,643,612        | 12,379,958       |            |
| General Service Less Than 50 kW (/kWh)                | 1,801,363        | 2,653,693        | 5,404,943        | 6,497,092        | 16,357,092       |            |
| General Service 50 to 4,999 kW (/kW)                  | 13,088           | 29,244           | 35,100           | 44,141           | 121,574          |            |
| Large Use (/kW)                                       | -                | 4,329            | 4,647            | 4,631            | 13,607           |            |
|   |                  |                  |                  |                  |                  |            |
| Rate Class Distribution Volumetric Rates              | Eff: Apr 1, 2010 | Eff: May 1, 2011 | Eff: May 1, 2012 | Eff: May 1, 2013 | Eff: May 1, 2014 |            |
| Residential (/kWh)                                    | 0.0131           | 0.0184           | 0.0186           | 0.0187           | 0.0190           |            |
| General Service Less Than 50 kW (/kWh)                | 0.0104           | 0.0137           | 0.0138           | 0.0139           | 0.0141           |            |
| General Service 50 to 4999 kW (/kW)                   | 3.5420           | 4.3073           | 4.4733           | 4.6141           | 4.6787           |            |
| Large User (/kW)                                      | 2.6959           | 3.1991           | 3.2337           | 3.2492           | 3.2947           |            |
|   |                  |                  |                  |                  |                  |            |
| Rate Class Distribution Volumetric Rates (Annualized) | 2011             | 2012             | 2013             | 2014             |                  |            |
| Residential (/kWh)                                    | 0.0166           | 0.0185           | 0.0187           | 0.0189           |                  |            |
| General Service Less Than 50 kW (/kWh)                | 0.0126           | 0.0138           | 0.0139           | 0.0140           |                  |            |
| General Service 50 to 4,999 kW (/kW)                  | 4.0522           | 4.4180           | 4.5672           | 4.6572           |                  |            |
| Large User  | 3.0314           | 3.2222           | 3.2440           | 3.2795           |                  |            |
|   |                  |                  |                  |                  |                  |            |
| LRAM \$   | 2011             | 2012             | 2013             | 2014             | Total            |            |
| Residential (/kWh)                                    | 22,288           | 41,167           | 59,269           | 106,664          | 229,389          |            |
| General Service Less Than 50 kW (/kWh)                | 22,697           | 36,533           | 74,949           | 91,176           | 225,354          |            |
| General Service 50 to 4,999 kW (/kW)                  | 53,034           | 129,200          | 160,309          | 205,574          | 548,117          |            |
| Large User (/kW)                                      | -                | 13,948           | 15,076           | 15,187           | 44,212           |            |
| Total   | 98,019           | 220,849          | 309,602          | 418,601          | 1,047,072        |            |
|   |                  |                  |                  |                  |                  |            |
| CDM in 2011 Forecast                                  | Unit             | 2011             | 2012             | 2013             | 2014             |            |
| Residential (/kWh)                                    | kWh              | 2,241,213        | 2,241,213        | 2,241,213        | 2,241,213        |            |
| General Service Less Than 50 kW (/kWh)                | kWh              | 1,022,523        | 1,022,523        | 1,022,523        | 1,022,523        |            |
| General Service 50 to 4,999 kW (/kW)                  | kW               | 6,131            | 6,131            | 6,131            | 6,131            |            |
| Large User (/kW)                                      | kW               | 795              | 795              | 795              | 795              |            |
|   |                  |                  |                  |                  |                  |            |
| CDM in 2011 Forecast \$                               | Unit             | 2011             | 2012             | 2013             | 2014             | Total      |
| Residential (/kWh)                                    | kWh              | \$ 37,279        | \$ 41,537        | \$ 41,836        | \$ 42,359        | \$ 163,011 |
| General Service Less Than 50 kW (/kWh)                | kWh              | \$ 12,884        | \$ 14,077        | \$ 14,179        | \$ 14,349        | \$ 55,489  |
| General Service 50 to 4,999 kW (/kW)                  | kW               | \$ 24,844        | \$ 27,087        | \$ 28,001        | \$ 28,553        | \$ 108,485 |
| Large User (kW)                                       | kW               | \$ 2,411         | \$ 2,562         | \$ 2,580         | \$ 2,608         | \$ 10,161  |
| Total   |                  | \$ 77,417        | \$ 85,263        | \$ 86,596        | \$ 87,869        | \$ 337,146 |
|   |                  |                  |                  |                  |                  |            |
| LRAMVA - LRAM \$ vs CDM in 2011 Forecast \$           | Unit             | 2011             | 2012             | 2013             | 2014             | Total      |
| Residential (/kWh)                                    | kWh              | \$ (14,991)      | \$ (370)         | \$ 17,433        | \$ 64,305        | \$ 66,378  |
| General Service Less Than 50 kW (/kWh)                | kWh              | \$ 9,813         | \$ 22,456        | \$ 60,770        | \$ 76,826        | \$ 169,865 |
| General Service 50 to 4,999 kW (/kW)                  | kW               | \$ 28,190        | \$ 102,114       | \$ 132,308       | \$ 177,021       | \$ 439,632 |
| Large User (kW)                                       | kW               | \$ (2,411)       | \$ 11,386        | \$ 12,496        | \$ 12,579        | \$ 34,051  |
| Total   |                  | \$ 20,602        | \$ 135,586       | \$ 223,006       | \$ 330,732       | \$ 709,926 |

For the purposes of the settlement of the issues in this proceeding, and subject to the above, the Parties agree that the Applicant's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition and the continuation of existing accounts, are appropriate.

*Eligible Investments for Connection of Qualifying Generation Facilities to be funded by the IESO*

WNH had one qualifying Expansion Generation Facility connected in 2013, allocated in Table 18 below.

**Table 18 - Calculation of the Direct Benefit / Provincial Portion of Qualifying Expansion Generation Facility**

|                                     |                   |
|-------------------------------------|-------------------|
| <b>Expansion Connection Project</b> | <b>\$ 117,320</b> |
| Direct Benefit - 17%                | \$ 19,944         |
| Provincial - 83%                    | \$ 97,376         |
| <b>Total</b>                        | <b>\$ 117,320</b> |

WNH recorded the total cost of the project in its Rate Base and recorded the IESO revenue to be received, in the amount of \$9,766, as a Revenue Offset.

*IESO Funding for Connection of Qualifying Generation Facilities for Board Approval*

The amount of Eligible Investments for Connection of Qualifying Generation Facilities to be funded by the IESO for which WNH is seeking Board Approval is shown in Table 19 below.

**Table 19 - Schedule of IESO Payments Requesting Approval**

| <b>IESO Payments Requesting Board Approval</b> |               |                |
|--|---------------|----------------|
| <b>Year</b>                                    | <b>Annual</b> | <b>Monthly</b> |
| 2016   | \$ 9,766      | \$ 814         |
| 2017   | \$ 9,499      | \$ 792         |
| 2018   | \$ 9,232      | \$ 769         |
| 2019   | \$ 8,965      | \$ 747         |
| 2020   | \$ 8,698      | \$ 725         |

Appendix 2-FA and 2-FC were filed in response to 9-Staff-149 which provides the calculation of this funding request.

The Parties anticipate that the Board will facilitate the compensation payments from the IESO to WNH as per O.Reg. 330/09.

**Evidence:**

*Application:* Exhibit 1 page 73; Exhibit 2 pages 3-4, 23-24, 52-56, 79-86; Exhibit 4 pages 80-99; Exhibit 9

*IRRs:* 2-Staff-25; 4-Staff-131, 4.0-VECC-39, 40, 41; 9-Staff-143, 145, 146, 147, 148, 149, 150, 9-Energy Probe-54, 2-E2-1, 9.0-VECC-47

*TC Transcript:* August 19, 2015 TC Transcript at pages 143-145

*Undertaking Responses:* JTC1.2, JTC1.22

*Appendices to this Settlement Proposal:* Appendix E, Appendix F, Appendix G, Appendix H

**Supporting Parties:** All

## **Appendix A – WNH 2016 Tariff Sheet**

Please see below the Proposed 2016 Tariff Sheet, as revised to reflect this Settlement Proposal.



**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2016**

**This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges and Loss Factors**

**EB-2015-0108**

**Appendix 2-Z**

**RESIDENTIAL SERVICE CLASSIFICATION**

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

|  |        |          |
|--|--------|----------|
| Service Charge   | \$     | 19.87    |
| Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018   | \$     | 0.79     |
| Distribution Volumetric Rate   | \$/kWh | 0.0155   |
| Low Voltage Service Rate   | \$/kWh | 0.0002   |
| Retail Transmission Rate - Network Service Rate  | \$/kWh | 0.0074   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kWh | 0.0023   |
| Rate Rider for Tax Change (2015) - effective until April 30, 2016  | \$/kWh | (0.0001) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016   | \$/kWh | (0.0014) |
| Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers    | \$/kWh | 0.0006   |
| Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016                                      | \$/kWh | 0.0016   |
| Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers | \$/kWh | 0.0031   |
| Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016                            | \$/kWh | (0.0016) |
| Rate Rider for Disposition of Stranded Meter Costs - effective until December 31, 2018   | \$     | 0.58     |
| Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until December 31, 2016        | \$/kWh | 0.0002   |

**MONTHLY RATES AND CHARGES - Regulatory Component**

|   |        |        |
|---|--------|--------|
| Wholesale Market Service Rate                                   | \$/kWh | 0.0044 |
| Rural Rate Protection Charge                                    | \$/kWh | 0.0013 |
| Standard Supply Service - Administrative Charge (if applicable) | \$     | 0.25   |

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2016**

**This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges and Loss Factors**

**EB-2015-0108**

**Appendix 2-Z**

**GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION**

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

|   |        |           |
|---|--------|-----------|
| Service Charge  | \$     | 31.96     |
| Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018  | \$     | 0.79      |
| Distribution Volumetric Rate  | \$/kWh | 0.0161    |
| Low Voltage Service Rate  | \$/kWh | 0.0002    |
| Retail Transmission Rate - Network Service Rate   | \$/kWh | 0.0067    |
| Retail Transmission Rate - Line and Transformation Connection Service Rate  | \$/kWh | 0.0021    |
| Rate Rider for Tax Change (2015) - effective until April 30, 2016   | \$/kWh | (0.00005) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016                                  | \$/kWh | (0.0014)  |
| Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016                                   | \$/kWh | 0.0006    |
| Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016                                   | \$/kWh | 0.0006    |
| Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016                               | \$/kWh | 0.0017    |
| Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016                                | \$/kWh | 0.0031    |
| Rate Rider for Disposition of Stranded Meter Costs - effective until December 31, 2018  | \$     | 1.3800    |
| Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016                     | \$/kWh | (0.0016)  |
| Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until December 31, 2016 | \$/kWh | 0.0009    |

**MONTHLY RATES AND CHARGES - Regulatory Component**

|   |        |        |
|---|--------|--------|
| Wholesale Market Service Rate                                   | \$/kWh | 0.0044 |
| Rural Rate Protection Charge                                    | \$/kWh | 0.0013 |
| Standard Supply Service - Administrative Charge (if applicable) | \$     | 0.25   |

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2016**

**This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges and Loss Factors**

**EB-2015-0108**

**Appendix 2-Z**

**GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION**

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply: General Service 50 to 999 kW non-interval metered General Service 50 to 999 kW interval metered General Service 1,000 to 4,999 kW interval metered.

**APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

|   |       |          |
|---|-------|----------|
| Service Charge  | \$    | 119.38   |
| Distribution Volumetric Rate  | \$/kW | 5.1046   |
| Low Voltage Service Rate  | \$/kW | 0.0738   |
| Retail Transmission Rate - Network Service Rate - (less than 1,000 kW)  | \$/kW | 2.7741   |
| Retail Transmission Rate - Network Service Rate - Interval Metered (less than 1,000 kW)   | \$/kW | 2.9465   |
| Retail Transmission Rate - Network Service Rate - Interval Metered (1,000 to 4,999 kW)  | \$/kW | 2.9427   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate - (less than 1,000 kW)   | \$/kW | 0.8036   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered (less than 1,000 kW)  | \$/kW | 1.0037   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered (1,000 to 4,999 kW)   | \$/kW | 1.0026   |
| Rate Rider for Tax Change (2015) - effective until April 30, 2016   | \$/kW | (0.0099) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016 Applicable only for Non Wholesale Market Participants              | \$/kW | (0.6502) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016 Applicable only for Wholesale Market Participants                  | \$/kW | (0.1945) |
| Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers                               | \$/kW | 0.2675   |
| Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016 Applicable Only for Non Wholesale Market Participants           | \$/kW | 0.7720   |
| Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers                            | \$/kW | 1.2659   |
| Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016 Applicable only for Non Wholesale Market Participants | \$/kW | (0.6395) |
| Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until December 31, 2016                                   | \$/kW | 0.2552   |
| Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016 Applicable Only for Wholesale Market Participants               | \$/kW | 0.1181   |
| Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016 Applicable only for Wholesale Market Participants     | \$/kW | (0.8502) |

**GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION**

**MONTHLY RATES AND CHARGES - Regulatory Component**

|   |        |        |
|---|--------|--------|
| Wholesale Market Service Rate                                   | \$/kWh | 0.0044 |
| Rural Rate Protection Charge                                    | \$/kWh | 0.0013 |
| Standard Supply Service - Administrative Charge (if applicable) | \$     | 0.25   |

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2016**

**This schedule supersedes and replaces all previously  
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**EB-2015-0108**

**Appendix 2-Z**

**LARGE USE SERVICE CLASSIFICATION**

This classification applies to an account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

|   |       |          |
|---|-------|----------|
| Service Charge  | \$    | 6,975.72 |
| Distribution Volumetric Rate  | \$/kW | 4.0579   |
| Low Voltage Service Rate  | \$/kW | 0.0925   |
| Retail Transmission Rate - Network Service Rate   | \$/kW | 3.2624   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate  | \$/kW | 1.0072   |
| Rate Rider for Tax Change (2015) - effective until April 30, 2016   | \$/kW | (0.0072) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016                                  | \$/kW | (0.7541) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016                               | \$/kW | 1.0507   |
| Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016                     | \$/kW | (0.8612) |
| Rate Rider for Recovery of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2016) - effective until December 31, 2016 | \$/kW | 0.2023   |

**MONTHLY RATES AND CHARGES - Regulatory Component**

|   |        |        |
|---|--------|--------|
| Wholesale Market Service Rate                                   | \$/kWh | 0.0044 |
| Rural Rate Protection Charge                                    | \$/kWh | 0.0013 |
| Standard Supply Service - Administrative Charge (if applicable) | \$     | 0.25   |

**Waterloo North Hydro Inc.**  
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**Appendix 2-Z**

**UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION**

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

|   |        |          |
|---|--------|----------|
| Service Charge  | \$     | 10.70    |
| Distribution Volumetric Rate  | \$/kWh | 0.0133   |
| Low Voltage Service Rate  | \$/kWh | 0.0002   |
| Retail Transmission Rate - Network Service Rate   | \$/kWh | 0.0067   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate                                    | \$/kWh | 0.0021   |
| Rate Rider for Tax Change (2015) - effective until April 30, 2016   | \$/kWh | (0.0002) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016              | \$/kWh | (0.0015) |
| Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016               | \$/kWh | 0.0006   |
| 2016 Applicable only for Non RPP Customers  |        |          |
| Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016           | \$/kWh | 0.0016   |
| Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016            | \$/kWh | 0.0031   |
| 2016 Applicable only for Non RPP Customers  |        |          |
| Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016 | \$/kWh | (0.0016) |

**MONTHLY RATES AND CHARGES - Regulatory Component**

|   |        |        |
|---|--------|--------|
| Wholesale Market Service Rate                                   | \$/kWh | 0.0044 |
| Rural Rate Protection Charge                                    | \$/kWh | 0.0013 |
| Standard Supply Service - Administrative Charge (if applicable) | \$     | 0.25   |

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
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**EB-2015-0108**

**Appendix 2-Z**

**STREET LIGHTING SERVICE CLASSIFICATION**

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

|  |       |          |
|--|-------|----------|
| Service Charge   | \$    | 0.33     |
| Distribution Volumetric Rate   | \$/kW | 9.4838   |
| Low Voltage Service Rate   | \$/kW | 0.0570   |
| Retail Transmission Rate - Network Service Rate  | \$/kW | 2.0924   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kW | 0.6210   |
| Rate Rider for Tax Change (2015) - effective until April 30, 2016  | \$/kW | (0.0208) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016   | \$/kW | (0.5199) |
| Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers    | \$/kW | 0.2139   |
| Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016                                      | \$/kW | 0.7019   |
| Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers | \$/kW | 1.1196   |
| Rate rider for Disposition of Accounting Changes Under CGAAP Account 1576 - effective until December 31, 2016                            | \$/kW | (0.5656) |

**MONTHLY RATES AND CHARGES - Regulatory Component**

|   |        |        |
|---|--------|--------|
| Wholesale Market Service Rate                                   | \$/kWh | 0.0044 |
| Rural Rate Protection Charge                                    | \$/kWh | 0.0013 |
| Standard Supply Service - Administrative Charge (if applicable) | \$     | 0.25   |

**Waterloo North Hydro Inc.**  
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**EB-2015-0108**

**Appendix 2-Z**

**microFIT SERVICE CLASSIFICATION**

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

|                |    |      |
|----------------|----|------|
| Service Charge | \$ | 5.40 |
|----------------|----|------|



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**EB-2015-0108**

**Appendix 2-Z**

**EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION**

This classification applies to an electricity distributor licensed by the Board that is provided electricity by means of this distributor's facilities. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

|  |       |          |
|--|-------|----------|
| Distribution Volumetric Rate   | \$/kW | 0.0201   |
| Rate Rider for Disposition of Deferral/Variance Accounts (2015) - effective until April 30, 2016   | \$/kW | (0.5823) |
| Rate Rider for Disposition of Global Adjustment Account (2015) - effective until April 30, 2016 Applicable only for Non RPP Customers    | \$/kW | 0.2396   |
| Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until December 31, 2016                                      | \$/kW | 0.5306   |
| Rate Rider for Disposition of Global Adjustment Account (2016) - effective until December 31, 2016 Applicable only for Non RPP Customers | \$/kW | 1.3679   |

**MONTHLY RATES AND CHARGES - Regulatory Component**

|   |        |        |
|---|--------|--------|
| Wholesale Market Service Rate                                   | \$/kWh | 0.0044 |
| Rural Rate Protection Charge                                    | \$/kWh | 0.0013 |
| Standard Supply Service - Administrative Charge (if applicable) | \$     | 0.25   |

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**

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**EB-2015-0108**

**Appendix 2-Z**

**ALLOWANCES**

|   |       |        |
|---|-------|--------|
| Transformer Allowance for Ownership - per kW of billing                                   | \$/kW | (0.60) |
| Primary Metering Allowance for transformer losses – applied to measured demand and energy | \$    | (1.00) |

**SPECIFIC SERVICE CHARGES**

**APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

**Customer Administration**

|   |    |       |
|---|----|-------|
| Easement letter   | \$ | 15.00 |
| Notification charge   | \$ | 15.00 |
| Credit reference/credit check (plus credit agency costs)                      | \$ | 15.00 |
| Returned cheque charge (plus bank charges)                                    | \$ | 15.00 |
| Duplicate invoices for previous billing                                       | \$ | 15.00 |
| Income tax letter   | \$ | 15.00 |
| Account set up charge/change of occupancy charge (plus credit agency costs if | \$ | 30.00 |
| Meter dispute charge plus Measurement Canada fees (if meter found correct)    | \$ | 30.00 |

**Non-Payment of Account**

|  |    |        |
|--|----|--------|
| Late Payment - per month                                   | %  | 1.50   |
| Late Payment - per annum                                   | %  | 19.56  |
| Disconnect/Reconnect at meter - during regular hours       | \$ | 65.00  |
| Disconnect/Reconnect at meter - after regular hours        | \$ | 185.00 |
| Specific Charge for Access to the Power Poles \$/pole/year | \$ | 22.35  |

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**Appendix 2-Z**

**RETAIL SERVICE CHARGES (if applicable)**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

|   |                   |
|---|-------------------|
| One-time charge, per retailer, to establish the service agreement between the distributor and the retailer  | \$ 100.00         |
| Monthly Fixed Charge, per retailer  | \$ 20.00          |
| Monthly Variable Charge, per customer, per retailer   | \$/cust. 0.5000   |
| Distributor-consolidated billing monthly charge, per customer, per retailer   | \$/cust. 0.3000   |
| Retailer-consolidated billing monthly credit, per customer, per retailer  | \$/cust. (0.3000) |
| Service Transaction Requests (STR)  |                   |
| Request fee, per request, applied to the requesting party   | \$ 0.25           |
| Processing fee, per request, applied to the requesting party  | \$ 0.50           |
| Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party |                   |
| Up to twice a year  | \$ no charge      |
| More than twice a year, per request (plus incremental delivery costs)   | \$ 2.00           |

**LOSS FACTORS**

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

|   |        |
|---|--------|
| Total Loss Factor – Secondary Metered Customer < 5,000 kW | 1.0362 |
| Total Loss Factor – Secondary Metered Customer > 5,000 kW | 1.0147 |
| Total Loss Factor – Primary Metered Customer < 5,000 kW   | 1.0259 |
| Total Loss Factor – Primary Metered Customer > 5,000 kW   | 1.0047 |

## Appendix B – OEB Appendix 2-AB

Please see below for an updated Appendix 2-AB revised to reflect this Settlement Proposal.

| OEB Investment Category | Historical Period |               |      |               |      |               |      |               |      |               | Bridge Year | Test Year     | Forecast Period |               |               |               | Average       |
|-------------------------|-------------------|---------------|------|---------------|------|---------------|------|---------------|------|---------------|-------------|---------------|-----------------|---------------|---------------|---------------|---------------|
|                         | 2011              |               | 2012 |               | 2013 |               | 2014 |               | 2015 |               |             | 2016          | 2017            | 2018          | 2019          | 2020          | 2016 - 2020   |
|                         | Plan              | Actual        | Plan | Actual        | Plan | Actual        | Plan | Actual        | Plan | Budgeted (2)  |             |               |                 |               |               |               |               |
| System Access           | (1)               | \$ 5,616,458  | (1)  | \$ 7,835,847  | (1)  | \$ 8,667,885  | (1)  | \$ 5,625,933  | (1)  | \$ 11,905,668 |             | \$ 11,171,628 | \$ 7,520,910    | \$ 6,020,046  | \$ 5,946,859  | \$ 6,085,796  | \$ 7,349,048  |
| System Renewal          | (1)               | \$ 9,731,967  | (1)  | \$ 9,253,544  | (1)  | \$ 7,569,002  | (1)  | \$ 9,711,737  | (1)  | \$ 7,101,086  |             | \$ 7,360,065  | \$ 10,001,084   | \$ 9,438,200  | \$ 8,800,764  | \$ 8,975,779  | \$ 8,915,178  |
| System Service          | (1)               | \$ 1,832,799  | (1)  | \$ 1,649,794  | (1)  | \$ 1,573,868  | (1)  | \$ 2,311,676  | (1)  | \$ 1,571,473  |             | \$ 2,405,950  | \$ 1,680,000    | \$ 1,725,200  | \$ 1,175,404  | \$ 1,175,612  | \$ 1,632,433  |
| General Plant           | (1)               | \$ 29,572,430 | (1)  | \$ 3,380,268  | (1)  | \$ 2,140,562  | (1)  | \$ 2,044,660  | (1)  | \$ 2,260,750  |             | \$ 1,869,078  | \$ 2,813,765    | \$ 1,661,176  | \$ 1,670,309  | \$ 1,649,525  | \$ 1,932,771  |
| Totals                  |                   | \$ 46,753,654 |      | \$ 22,119,452 |      | \$ 19,951,316 |      | \$ 19,694,006 |      | \$ 22,838,977 |             | \$ 22,806,721 | \$ 22,015,759   | \$ 18,844,622 | \$ 17,593,336 | \$ 17,886,713 | \$ 19,829,430 |
| System Operations       |                   | \$ 3,567,713  |      | \$ 4,464,684  |      | \$ 6,122,581  |      | \$ 6,246,577  |      | \$ 6,018,379  |             | \$ 5,689,381  |                 |               |               |               |               |
| System Maintenance      |                   | \$ 1,287,857  |      | \$ 1,266,289  |      | \$ 1,283,983  |      | \$ 1,845,659  |      | \$ 1,607,062  |             | \$ 1,613,140  |                 |               |               |               |               |
| Total O&M               |                   | \$ 4,855,570  |      | \$ 5,730,973  |      | \$ 7,406,564  |      | \$ 8,092,236  |      | \$ 7,625,441  |             | \$ 7,302,521  |                 |               |               |               |               |

(1) This is Waterloo North Hydro's first Distribution System Plan and as such planned expenditures are not provided.

(2) due to the timing of the Application there are no actual expenditures available for 2015

## Appendix C – 2016 Fixed Asset Continuity Schedule

Please see below for an updated 2016 Fixed Asset Continuity Schedule to reflect this Settlement Proposal.

Appendix 2-BA  
Fixed Asset Continuity Schedule  
Accounting Standard: MIFRS  
Year: 2016

|           |      |   | Cost               |                   |                  |                    | Accumulated Depreciation |                  |                |                    | Net Book Value     |
|-----------|------|---|--------------------|-------------------|------------------|--------------------|--------------------------|------------------|----------------|--------------------|--------------------|
| CCA Class | OEB  | Description   | Opening Balance    | Additions         | Disposals        | Closing Balance    | Opening Balance          | Additions        | Disposals      | Closing Balance    |                    |
| N/A       | 1805 | Land  | 2,321,684          |                   | 15,095           | 2,306,589          | 0                        |                  |                | 0                  | 2,306,589          |
| 1b        | 1612 | Land Rights   | 697,180            | 43,259            |                  | 740,439            | 0                        |                  |                | 0                  | 740,439            |
| 1b        | 1808 | Buildings and Fixtures                                  | 30,493,333         | 128,050           | 35,688           | 30,585,695         | 3,962,605                | 839,579          | 23,473         | 4,778,711          | 25,806,984         |
| 13        | 1810 | Leasehold Improvements                                  | 0                  |                   |                  | 0                  | 0                        |                  |                | 0                  | 0                  |
| 47        | 1815 | Transformer Station Equipment - Normally Primary above  | 32,702,772         | 516,518           |                  | 33,219,290         | 13,396,067               | 1,137,573        |                | 14,533,640         | 18,685,650         |
| 47        | 1820 | Distribution Station Equipment - Normally Primary below | 5,597,083          | 94,587            |                  | 5,691,670          | 3,710,322                | 137,510          |                | 3,847,832          | 1,843,838          |
| 47        | 1825 | Storage Battery Equipment                               | 0                  |                   |                  | 0                  | 0                        |                  |                | 0                  | 0                  |
| 47        | 1830 | Poles, Towers and Fixtures                              | 68,420,424         | 3,611,587         |                  | 72,032,011         | 26,053,752               | 1,176,513        |                | 27,230,264         | 44,801,746         |
| 47        | 1835 | Overhead Conductors and Devices                         | 37,985,703         | 3,319,842         |                  | 41,305,544         | 11,439,265               | 832,160          |                | 12,271,425         | 29,034,120         |
| 47        | 1840 | Underground Conduit                                     | 19,166,859         | 1,964,870         |                  | 21,131,729         | 8,425,233                | 280,113          |                | 8,705,346          | 12,426,383         |
| 47        | 1845 | Underground Conductors and Devices                      | 44,392,197         | 5,336,630         |                  | 49,728,827         | 20,205,930               | 1,023,385        |                | 21,229,315         | 28,499,512         |
| 47        | 1850 | Line Transformers                                       | 57,507,844         | 4,106,004         |                  | 61,613,848         | 24,113,855               | 1,146,132        |                | 25,259,987         | 36,353,861         |
| 47        | 1855 | Services  | 26,409,533         | 1,044,553         |                  | 27,454,086         | 12,779,915               | 364,147          |                | 13,144,063         | 14,310,024         |
| 8         | 1860 | Meters  | 13,677,132         | 644,367           |                  | 14,321,499         | 5,172,592                | 861,031          |                | 6,033,622          | 8,287,877          |
| N/A       | 1865 | Other Installations on Customer's Premises              | 0                  |                   |                  | 0                  | 0                        |                  |                | 0                  | 0                  |
| N/A       | 1905 | Land  | 0                  |                   |                  | 0                  | 0                        |                  |                | 0                  | 0                  |
| CEC       | 1906 | Land Rights   | 0                  |                   |                  | 0                  | 0                        |                  |                | 0                  | 0                  |
| 47        | 1908 | Buildings and Fixtures                                  | 0                  |                   |                  | 0                  | 0                        |                  |                | 0                  | 0                  |
| 13        | 1910 | Leasehold Improvements                                  | 0                  |                   |                  | 0                  | 0                        |                  |                | 0                  | 0                  |
| 8         | 1915 | Office Furniture and Equipment                          | 1,577,130          | 7,000             |                  | 1,584,130          | 1,016,580                | 106,957          |                | 1,123,536          | 460,593            |
| 45/50     | 1920 | Computer Equipment - Hardware                           | 4,234,789          | 108,650           |                  | 4,343,439          | 3,917,361                | 132,136          |                | 4,049,497          | 293,943            |
| 12/50     | 1611 | Computer Software                                       | 6,823,715          | 871,760           |                  | 7,695,475          | 5,793,849                | 476,948          |                | 6,270,797          | 1,424,678          |
| 10        | 1930 | Transportation Equipment                                | 9,126,170          | 619,409           | 316,071          | 9,429,508          | 5,472,270                | 589,154          | 305,084        | 5,756,340          | 3,673,169          |
| 8         | 1935 | Stores Equipment  | 542,506            |                   |                  | 542,506            | 334,631                  | 46,942           |                | 381,573            | 160,933            |
| 8         | 1940 | Tools, Shop and Garage Equipment                        | 1,447,361          | 77,000            |                  | 1,524,361          | 1,131,371                | 117,919          |                | 1,249,290          | 275,072            |
| 8         | 1945 | Measurement and Testing Equipment                       | 941,204            | 15,000            |                  | 956,204            | 822,680                  | 44,963           |                | 867,642            | 88,562             |
| 8         | 1950 | Power Operated Equipment                                | 0                  |                   |                  | 0                  | 0                        |                  |                | 0                  | 0                  |
| 8         | 1955 | Communication Equipment                                 | 944,263            |                   |                  | 944,263            | 607,835                  | 92,368           |                | 700,203            | 244,060            |
| 8         | 1960 | Miscellaneous Equipment                                 | 2,621,400          | 32,000            |                  | 2,653,400          | 1,713,374                | 242,943          |                | 1,956,317          | 697,083            |
| 47        | 1970 | Load Management Controls - Customer Premises            | 0                  |                   |                  | 0                  | 0                        |                  |                | 0                  | 0                  |
| 47        | 1975 | Load Management Controls - Utility Premises             | 0                  |                   |                  | 0                  | 0                        |                  |                | 0                  | 0                  |
| 8         | 1980 | System Supervisory Equipment                            | 4,964,601          | 265,636           |                  | 5,230,237          | 2,923,239                | 210,279          |                | 3,133,518          | 2,096,718          |
| 47        | 1985 | Sentinel Lighting Rentals                               | 0                  |                   |                  | 0                  | 0                        |                  |                | 0                  | 0                  |
| 47        | 1990 | Other Tangible Property                                 | 0                  |                   |                  | 0                  | 0                        |                  |                | 0                  | 0                  |
| 47        | 1995 | Contributions and Grants                                | (33,424,664)       |                   |                  | (33,424,664)       | (10,527,550)             | (778,853)        |                | (11,306,403)       | (22,118,261)       |
| 2005      |      | Property under Capital Lease                            | 0                  |                   |                  | 0                  | 0                        |                  |                | 0                  | 0                  |
| 47        | 2440 | Deferred Revenue - Contributed Capital                  | (6,288,938)        | (6,372,309)       |                  | (12,661,248)       | (164,469)                | (248,033)        |                | (412,501)          | (12,248,746)       |
|           |      | <b>Total before Work in Process</b>                     | <b>332,881,281</b> | <b>16,434,411</b> | <b>366,854</b>   | <b>348,948,838</b> | <b>142,300,708</b>       | <b>8,831,862</b> | <b>328,557</b> | <b>150,804,014</b> | <b>198,144,825</b> |
| WIP       | 2070 | Other utility plant                                     | 0                  |                   |                  | 0                  |                          |                  |                | 0                  | 0                  |
| WIP       | 2055 | Work in Process   | 1,704,604          | 1,703,555         | 1,704,604        | 1,703,555          | 0                        |                  |                | 0                  | 1,703,555          |
| WIP       | 2040 | Electric Plant Held for Future Use                      | 834,656            |                   |                  | 834,656            |                          |                  |                |                    | 834,656            |
|           |      | <b>Total after Work in Process</b>                      | <b>335,420,541</b> | <b>18,137,966</b> | <b>2,071,458</b> | <b>351,487,049</b> | <b>142,300,708</b>       | <b>8,831,862</b> | <b>328,557</b> | <b>150,804,014</b> | <b>200,683,036</b> |

|   |                  |
|---|------------------|
| <b>Less: Fully Allocated Depreciation</b> |                  |
| Transportation                            | 589,154          |
| Truck Tools                               | 117,919          |
| Stores                                    | 46,942           |
| <b>Net Depreciation</b>                   | <b>8,077,849</b> |

## Appendix D – Bill Impacts

Please see below for updated Bill Impacts to reflect this Settlement Proposal.

| Rate Class                 | kWh       | kW     | # of Connections | 2015 Bill \$ | 2016 Bill \$ | \$ Difference | Total Bill Impact % | Distribution Bill Impact %<br>* | Distribution Bill Impact %<br>** |
|----------------------------|-----------|--------|------------------|--------------|--------------|---------------|---------------------|---------------------------------|----------------------------------|
| Residential<br>Time-of-Use | 100       |        |                  | 32.89        | 35.66        | 2.77          | 8.43%               | 13.66%                          | 13.60%                           |
|                            | 250       |        |                  | 54.23        | 56.38        | 2.15          | 3.97%               | 8.42%                           | 9.30%                            |
|                            | 500       |        |                  | 89.78        | 90.90        | 1.12          | 1.25%               | 2.18%                           | 4.27%                            |
|                            | 800       |        |                  | 132.46       | 132.34       | (0.12)        | -0.09%              | -2.90%                          | 0.27%                            |
|                            | 1,000     |        |                  | 160.91       | 159.96       | (0.95)        | -0.59%              | -5.40%                          | -1.67%                           |
|                            | 1,500     |        |                  | 232.03       | 229.00       | (3.03)        | -1.31%              | -9.82%                          | -5.07%                           |
|                            | 2,000     |        |                  | 303.16       | 298.06       | (5.10)        | -1.68%              | -12.73%                         | -7.27%                           |
| GS < 50 kW<br>Time-of-Use  | 1,000     |        |                  | 175.53       | 173.60       | (1.93)        | -1.10%              | -5.85%                          | -2.95%                           |
|                            | 2,000     |        |                  | 311.89       | 312.23       | 0.34          | 0.11%               | -2.92%                          | 1.22%                            |
|                            | 5,000     |        |                  | 720.97       | 728.13       | 7.16          | 0.99%               | 1.26%                           | 6.86%                            |
|                            | 10,000    |        |                  | 1,402.78     | 1,421.28     | 18.50         | 1.32%               | 3.82%                           | 10.13%                           |
|                            | 15,000    |        |                  | 2,084.58     | 2,114.43     | 29.85         | 1.43%               | 4.93%                           | 11.51%                           |
| GS 50-4,999 kW             | 20,000    | 60     |                  | 3,368.95     | 3,491.39     | 122.44        | 3.63%               | -0.29%                          | 24.41%                           |
|                            | 40,000    | 100    |                  | 6,420.55     | 6,621.22     | 200.67        | 3.13%               | -0.32%                          | 25.77%                           |
|                            | 100,000   | 250    |                  | 15,848.61    | 16,350.28    | 501.66        | 3.17%               | -0.37%                          | 28.60%                           |
|                            | 200,000   | 500    |                  | 31,562.05    | 32,565.37    | 1,003.33      | 3.18%               | -0.39%                          | 29.69%                           |
|                            | 400,000   | 1,000  |                  | 60,412.51    | 62,419.16    | 2,006.65      | 3.32%               | -0.40%                          | 30.26%                           |
| Large Use                  | 8,000,000 | 14,500 |                  | 1,163,016.08 | 1,179,982.70 | 16,966.62     | 1.46%               | 1.61%                           | 33.37%                           |
| USL                        | 150       |        | 1                | 43.19        | 36.01        | (7.18)        | -16.63%             | -34.35%                         | -32.64%                          |
| Street Lighting            | 150       | 1      | 1                | 33.43        | 35.63        | 2.20          | 6.59%               | 2.61%                           | 21.58%                           |
|                            | 50        | 0.14   | 1                | 9.14         | 9.43         | 0.29          | 3.21%               | 2.13%                           | 15.77%                           |
| Embedded Distributor       | 2,615,000 | 6,000  |                  | 337,870.45   | 350,697.78   | 12,827.33     | 3.80%               | 59.52%                          | 1750.37%                         |

\* Excludes Pass Through Items

\*\* Includes Pass Through Items

## Appendix E – OEB Appendix 2-EC, Account 1576

Please see below for an updated OEB Appendix 2-EC, Account 1576, to reflect this Settlement Proposal.

### Appendix 2-EC Account 1576 - Accounting Changes under CGAAP 2013 Changes in Accounting Policies under CGAAP

For applicants that made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013

| Reporting Basis   | Rebasing Year | 2011   | 2012   | 2013         | 2014        | 2015         | 2016 Rebasing Year |
|---|---------------|--------|--------|--------------|-------------|--------------|--------------------|
|   | CGAAP         | IRM    | IRM    | IRM          | IRM         | MIFRS        | MIFRS              |
|   | Forecast      | Actual | Actual | Actual       | Actual      | Forecast     | Forecast           |
|   |               |        |        | \$           | \$          | \$           | \$                 |
| <b>PP&amp;E Values under former CGAAP</b>                                 |               |        |        |              |             |              |                    |
| Opening net PP&E - Note 1   |               |        |        | 164,787,950  | 173,961,321 | 181,552,703  |                    |
| Net Additions - Note 4  |               |        |        | 20,339,324   | 13,206,059  | 18,222,841   |                    |
| Net Depreciation (amounts should be negative) - Note 4                    |               |        |        | (11,165,953) | (5,614,676) | (11,366,992) |                    |
| <b>Closing net PP&amp;E (1)</b>   |               |        |        | 173,961,321  | 181,552,703 | 188,408,552  |                    |
| <b>PP&amp;E Values under revised CGAAP (Starts from 2013)</b>             |               |        |        |              |             |              |                    |
| Opening net PP&E - Note 1   |               |        |        | 164,787,950  | 174,590,342 | 183,020,607  |                    |
| Net Additions - Note 4  |               |        |        | 17,881,164   | 11,001,407  | 15,907,904   |                    |
| Net Depreciation (amounts should be negative) - Note 4                    |               |        |        | (8,078,771)  | (2,571,143) | (8,345,826)  |                    |
| <b>Closing net PP&amp;E (2)</b>   |               |        |        | 174,590,342  | 183,020,607 | 190,582,685  |                    |
| <b>Difference in Closing net PP&amp;E, former CGAAP vs. revised CGAAP</b> |               |        |        | (629,021)    | (1,467,904) | (2,174,132)  |                    |

#### Effect on Deferral and Variance Account Rate Riders

|  |                    |
|--|--------------------|
| Closing balance in Account 1576  | (2,174,132)        |
| Return on Rate Base Associated with Account 1576 balance at WACC - Note 2      | (89,974)           |
| <b>Amount included in Deferral and Variance Account Rate Rider Calculation</b> | <b>(2,264,107)</b> |

WACC 6.13%

# of years of rate rider disposition period 1

## **Appendix F – Draft Accounting Order – Wireless and Wireline**

Please see below for a Draft Accounting Order - Wireless, to reflect this Settlement Proposal.

### **Accounting Order Requested – 1508 Other Regulatory Asset – Sub-account Wireless and Wireline**

WNH requests a new variance account 1508 Other Regulatory Asset – Sub-account Wireless and Wireline Attachments, in relation to the creation of a variance account to record two items: 1) the net (less any related costs) incremental revenues received from any wireless attachments during the IRM period; and 2) any changes in revenue received due to any change in the currently regulated wireline attachment rate of \$22.35 per attachment per pole per year. For clarity, this is a symmetrical account that reflects changes to the rate rather than change in number of wireline attachments.

The Boards *Filing Requirements* indicate that in the event an applicant seeks an accounting order to establish a new deferral/variance account, the eligibility criteria must be met, including causation, materiality and prudence. The eligibility criteria has been met.

In the absence of a general variance account for this purpose, WNH requests that the Board approve an Accounting Order for WNH as part of this settlement, and that such an Accounting Order include the following:

- 1) The net (less any related costs) incremental revenues received from any wireless attachments during the IRM period. These incremental revenues will be recorded as follows:

*Accounting Entry:*

*Debit - Account 4210, Rent from Electric Property*

*Credit - Account 1508, Other Regulatory Asset – Sub-account Wireless and Wireline*

- 2) Any changes in revenue received due to any change in the currently regulated wireline attachment rate of \$22.35 per attachment per pole per year;

*Accounting Entry:*

*Debit/Credit - Account 4210, Rent from Electric Property*

*Credit/Debit - Account 1508, Other Regulatory Asset – Sub-account Wireless and Wireline*

- 3) The account is symmetrical that reflects changes to the rate rather than change in number of wireline attachments;
- 4) The balance in the variance account is to be disposed of at WNH's next Cost of Service Filing; and



- 5) Carrying charges, at the Board's Prescribed Interest Rate for Deferral and Variance Accounts, would be applied until final disposition.

## **Appendix G – Draft Accounting Order – MS Disposition**

Please see below for a Draft Accounting Order – MS Disposition, to reflect this Settlement Proposal.

### **Accounting Order Requested – 1508 Other Regulatory Asset – Sub-account MS Disposition**

WNH requests a new deferral/variance account 1508 Other Regulatory Asset – Sub-account MS Disposition, in relation creation of a variance account to capture net gains and losses on disposition of various Municipal Station properties inclusive of remediation costs and taxes. Upon disposition, the balance of this account will be distributed with 75% to ratepayers and 25% to WNH. For clarity, this account is not symmetrical in that the Parties agree ratepayers will not owe a credit to WNH if this account is in a net loss scenario at the time of disposition. The balance in the variance account is to be disposed of at WNH's next Cost of Service Filing

The Boards *Filing Requirements* indicate that in the event an applicant seeks an accounting order to establish a new deferral/variance account, the eligibility criteria must be met, including causation, materiality and prudence. The eligibility criteria has been met.

In the absence of a general variance account for this purpose, WNH requests that the Board approve an Accounting Order for WNH as part of this settlement, and that such an Accounting Order include the following:

- 1) The net gains and losses on disposition of various Municipal Station properties inclusive of remediation costs;

*Accounting Entry:*

*Debit/Credit - Account 4355/4360, Gain/Loss on Disposition of Utility and Other Property*

*Debit/Credit - Account 1508, Other Regulatory Asset – MS Disposition*

- 2) Upon disposition, the balance of this account will be distributed with 75% to ratepayers and 25% to WNH;
- 3) The account is not symmetrical in that the Parties agree ratepayers will not owe a credit to WNH if this account is in a net loss scenario at the time of disposition;
- 4) The balance in the variance account is to be disposed of at WNH's next Cost of Service Filing; and
- 5) Carrying charges, at the Board's Prescribed Interest Rate for Deferral and Variance Accounts, would be applied until final disposition.

## **Appendix H – Draft Accounting Order – OPEB**

Please see below for a Draft Accounting Order – OPEB Disposition, to reflect this Settlement Proposal.

### **Accounting Order Requested – 1508 Other Regulatory Asset – Sub-account OPEB**

WNH requests a new deferral/variance account 1508 Other Regulatory Asset – Sub-account OPEB, for the purpose of recording the difference in revenue requirement each year, starting in the test year, between both the capitalized and OM&A components of OPEBs accounted for using a cost basis (as to be reflected in rates if this settlement is accepted by the Board) and both capitalized and OM&A components of OPEBs accounted for using an accrual basis together with related PILs adjustments. This account will accrue interest until final disposition. If the Board determines that LDCs must only include in rates OPEBs accounted for using a cash basis, WNH will seek to discontinue this account without seeking disposition of the amounts recorded in this account. If the Board determines that LDCs may recover OPEBs in rates using an accrual accounting methodology, the Parties agree that WNH will be permitted to seek disposition of this account to recover the amounts so recorded in its next Rate Application following the Board's Decision. WNH will propose a disposition period over which the account should be recovered depending on the quantum in the account and the potential rate impacts at the time.

The Boards *Filing Requirements* indicate that in the event an applicant seeks an accounting order to establish a new deferral/variance account, the eligibility criteria must be met, including causation, materiality and prudence. The eligibility criteria has been met.

In the absence of a general variance account for this purpose, WNH requests that the Board approve an Accounting Order for WNH as part of this settlement, and that such an Accounting Order include the following:

- 1) The recording the difference in revenue requirement each year, starting in the test year, between both the capitalized and OM&A components of OPEBs accounted for using a cost basis (as to be reflected in rates if this settlement is accepted by the Board) and both capitalized and OM&A components of OPEBs accounted for using an accrual basis together with related PILs adjustments;

*Accounting Entry:*

*Debit - Account 1508, Other Regulatory Asset – Sub-account*  
*Credit – Account 5645, Employee Pensions and Benefits*

- 2) If the Board determines that LDCs must only include in rates OPEBs accounted for using a cash basis, WNH will seek to discontinue this account without seeking disposition of the amounts recorded in this account;

- 3) If the Board determines that LDCs may recover OPEBs in rates using an accrual accounting methodology, the Parties agree that WNH will be permitted to seek disposition of this account to recover the amounts so recorded in its next Rate Application following the Board's Decision. WNH will propose a disposition period over which the account should be recovered depending on the quantum in the account and the potential rate impacts at the time; and
- 4) Carrying charges, at the Board's Prescribed Interest Rate for Deferral and Variance Accounts, would be applied until final disposition.

**Appendix I - OPA/IESO Final 2011-2014 CDM Results**

Please see attached.



saveONenergy™

### Message from the Vice President:

The IESO is pleased to provide the enclosed 2011-2014 Final Results Report. This report is designed to help populate LDC Annual Reports that will be submitted to the Ontario Energy Board (OEB) in September 2015.

### 2011-2014 Conservation Framework Highlights:

- LDCs have made significant achievements against dual energy and peak demand savings targets. Collectively, the LDCs have achieved 109% of the energy target and 70% of the peak demand target.
- Momentum has built as we transition to the Conservation First Framework. 2014 demonstrated an achievement of over 1 TWh of net incremental energy savings, positioning us well for average net incremental energy savings of 1.2 TWh required in the new framework to meet our 2020 CDM targets.
- Throughout the past framework, program results have become more predictable year over year as noted in the increasingly smaller variance between quarterly preliminary results and verified final results.
- Customer engagement continued to increase in both the Consumer and Business Programs. Between 2011 - 2014 consumers have purchased over 10 million energy efficient products through the saveONenergy COUPONS program. Customers in RETROFIT continue to declare a positive experience participating in the program with 86% likely to recommend.
- saveONenergy has seen a steady and significant increase in unaided brand awareness by 33% from 2011-2014
- Conservation is becoming even more cost-effective as programs become more efficient and effective. 2014 proved early investments in long lead time projects will pay off with the high savings now being realized in programs like PROCESS & SYSTEMS and RETROFIT. Within 4 cents per kWh, Conservation programs continue to be a valuable and cost effective resource for customers across the province.

The 2011-2014 Final Results within this report vary from the Draft 2011-2014 Final Results Report for the following reasons:

- Savings from Time of Use pricing are included in the Final Results Report. Overall the province saved 55 MWs from Time-of-Use pricing in 2014, or 0.73% of residential summer peak demand.
- Between August 4th and August 28th, the IESO and LDCs have worked collaboratively to reconcile projects from 2011-2014 Final Results Report to ensure every eligible project was captured and accurately reported.
- Verified savings from Innovation Fund pilots are also included for participating LDCs.

All results will be considered final for the 2011-2014 Conservation Framework. Any additional program activity not captured in the 2011-2014 Final Results Report will not be included as part of a future adjustment process.

Please continue to monitor saveONenergy E-blasts for future updates and should you have any other questions or comments please contact [LDC.Support@ieso.ca](mailto:LDC.Support@ieso.ca).

We appreciate your collaboration and cooperation throughout the reporting and evaluation process and we look forward to the success ahead in the Conservation First Framework.

Sincerely,

Terry Young

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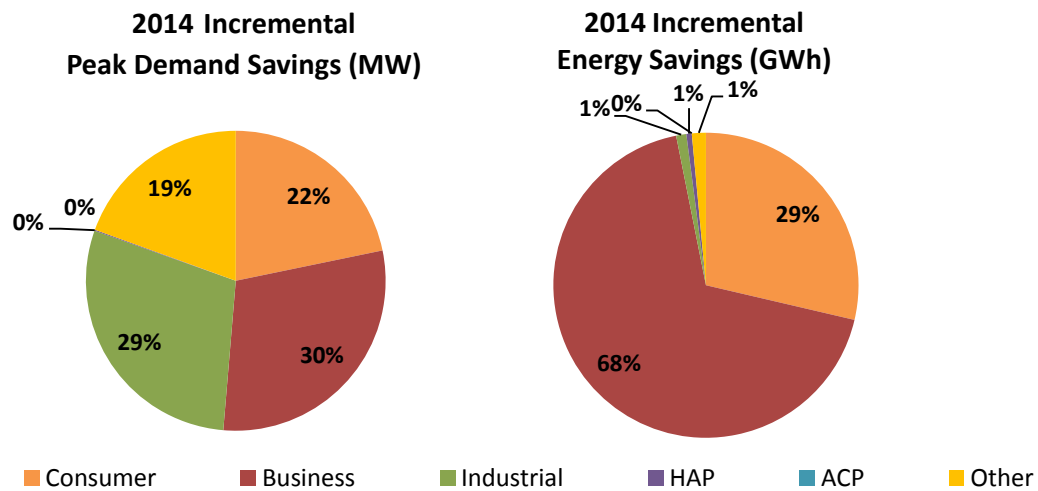
## IESO-Contracted Province-Wide CDM Programs: 2011-2014 Final Results Report

**LDC:** Waterloo North Hydro Inc.

| Final 2014 Achievement Against Targets     | 2014 Incremental | 2011-2014 Achievement Against Target | % of Target Achieved |
|--|------------------|--------------------------------------|----------------------|
| <b>Net Annual Peak Demand Savings (MW)</b> | 4.2              | 8.1                                  | <b>51.1%</b>         |
| <b>Net Energy Savings (GWh)</b>            | 9.9              | 66.2                                 | <b>99.6%</b>         |

*Unless otherwise noted, results are presented using scenario 1 which assumes that demand response resources have a persistence of 1 year*

### Achievement by Sector



### Comparison: LDC Achievement vs. LDC Community Achievement (Progress to Target)

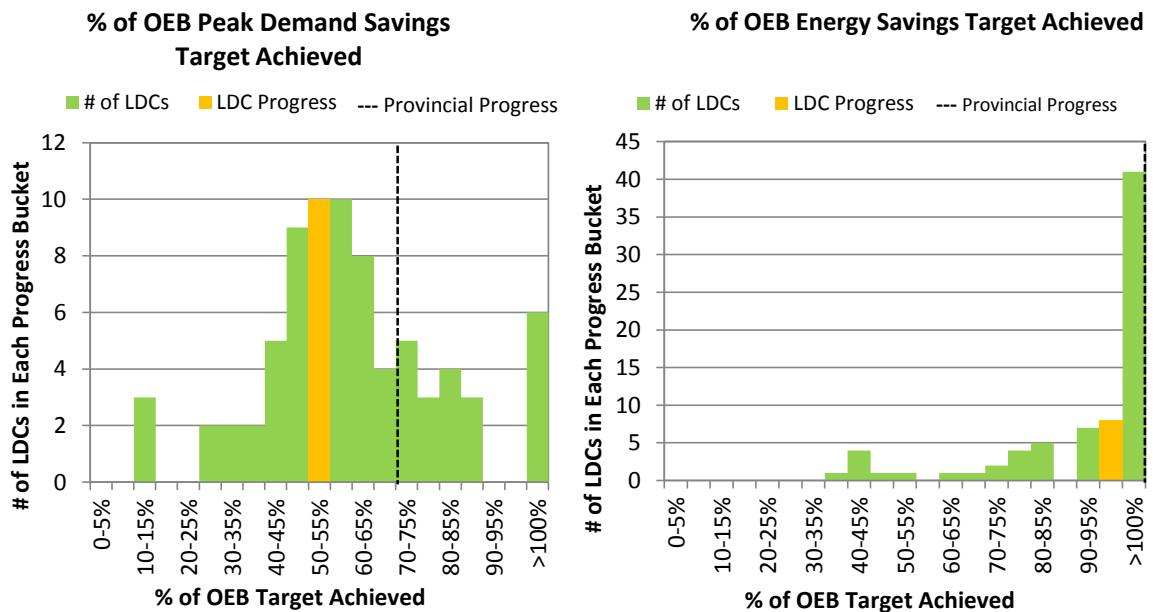




Table 1: Waterloo North Hydro Inc. Initiative and Program Level Net Savings by Year

| Initiative   | Unit       | Incremental Activity<br>(new program activity occurring within the specified reporting period) |        |       |        | Net Incremental Peak Demand Savings (kW)<br>(new peak demand savings from activity within the specified reporting period) |       |       |       | Net Incremental Energy Savings (kWh)<br>(new energy savings from activity within the specified reporting period) |           |           |           | Program-to-Date Verified Progress to Target<br>(excludes DR)   |   |
|--|------------|--|--------|-------|--------|---|-------|-------|-------|--|-----------|-----------|-----------|--|---|
|  |            | 2011*  | 2012*  | 2013* | 2014   | 2011  | 2012  | 2013  | 2014  | 2011   | 2012      | 2013      | 2014      | 2014 Net Annual Peak Demand Savings (kW)   | 2011-2014 Net Cumulative Energy Savings (kWh) |
|  |            |  |        |       |        |   |       |       |       |  |           |           |           |  |   |
| Consumer Program   |            |  |        |       |        |   |       |       |       |  |           |           |           |  |   |
| Appliance Retirement   | Appliances | 433  | 246    | 148   | 182    | 24  | 14    | 10    | 12    | 180,566  | 99,292    | 63,885    | 80,001    | 60   | 1,227,809                                     |
| Appliance Exchange   | Appliances | 22   | 75     | 63    | 142    | 2   | 11    | 13    | 29    | 3,051  | 18,832    | 23,275    | 52,460    | 54   | 166,552                                       |
| HVAC Incentives  | Equipment  | 1,199  | 1,155  | 1,196 | 1,521  | 417   | 255   | 240   | 296   | 773,162  | 439,314   | 409,133   | 544,462   | 1,209  | 5,773,317                                     |
| Conservation Instant Coupon Booklet  | Items      | 5,070  | 309    | 3,486 | 18,825 | 12  | 2     | 5     | 42    | 186,550  | 14,008    | 77,221    | 515,369   | 61   | 1,458,036                                     |
| Bi-Annual Retailer Event   | Items      | 9,539  | 10,629 | 9,465 | 48,338 | 17  | 15    | 12    | 81    | 294,427  | 268,321   | 172,122   | 1,231,340 | 124  | 3,558,254                                     |
| Retailer Co-op   | Items      | 0  | 0      | 0     | 0      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| Residential Demand Response  | Devices    | 129  | 0      | 511   | 1,031  | 72  | 0     | 196   | 365   | 0  | 0         | 652       | 0         | 365  | 652   |
| Residential Demand Response (IHD)  | Devices    | 0  | 0      | 381   | 853    | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| Residential New Construction   | Homes      | 0  | 0      | 0     | 0      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| Consumer Program Total   |            |  |        |       |        | 544   | 298   | 476   | 826   | 1,437,756  | 839,767   | 746,287   | 2,423,632 | 1,874  | 12,184,620                                    |
| Business Program   |            |  |        |       |        |   |       |       |       |  |           |           |           |  |   |
| Retrofit   | Projects   | 40   | 63     | 155   | 134    | 263   | 762   | 557   | 805   | 1,433,122  | 4,566,653 | 3,060,859 | 4,881,353 | 2,369  | 30,341,738                                    |
| Direct Install Lighting  | Projects   | 225  | 106    | 114   | 114    | 248   | 82    | 114   | 94    | 617,168  | 307,810   | 408,878   | 349,433   | 466  | 4,348,246                                     |
| Building Commissioning   | Buildings  | 0  | 0      | 0     | 0      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| New Construction   | Buildings  | 0  | 2      | 3     | 4      | 0   | 4     | 1     | 30    | 0  | 3,763     | 1,047     | 147,947   | 35   | 161,329                                       |
| Energy Audit   | Audits     | 3  | 8      | 35    | 6      | 0   | 36    | 282   | 80    | 0  | 176,234   | 1,550,425 | 391,641   | 398  | 4,021,192                                     |
| Small Commercial Demand Response   | Devices    | 8  | 0      | 10    | 15     | 5   | 0     | 6     | 8     | 0  | 0         | 10        | 0         | 8  | 10  |
| Small Commercial Demand Response (IHD)   | Devices    | 0  | 0      | 2     | 3      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| Demand Response 3  | Facilities | 3  | 3      | 3     | 3      | 111   | 111   | 113   | 104   | 4,323  | 1,614     | 1,504     | 0         | 104  | 7,442   |
| Business Program Total   |            |  |        |       |        | 626   | 996   | 1,073 | 1,123 | 2,054,613  | 5,056,074 | 5,022,723 | 5,770,374 | 3,381  | 38,879,957                                    |
| Industrial Program   |            |  |        |       |        |   |       |       |       |  |           |           |           |  |   |
| Process & System Upgrades  | Projects   | 0  | 0      | 0     | 0      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| Monitoring & Targeting   | Projects   | 0  | 0      | 0     | 0      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| Energy Manager   | Projects   | 0  | 0      | 1     | 17     | 0   | 0     | 0     | 24    | 0  | 0         | 0         | 91,627    | 24   | 91,627  |
| Retrofit   | Projects   | 11   | 0      | 0     | 0      | 180   | 0     | 0     | 0     | 1,128,878  | 0         | 0         | 0         | 180  | 4,515,511                                     |
| Demand Response 3  | Facilities | 4  | 7      | 6     | 10     | 392   | 1,260 | 1,151 | 1,081 | 23,003   | 30,360    | 30,917    | 0         | 1,081  | 84,279  |
| Industrial Program Total   |            |  |        |       |        | 572   | 1,260 | 1,151 | 1,105 | 1,151,881  | 30,360    | 30,917    | 91,627    | 1,284  | 4,691,417                                     |
| Home Assistance Program  |            |  |        |       |        |   |       |       |       |  |           |           |           |  |   |
| Home Assistance Program  | Homes      | 0  | 40     | 420   | 124    | 0   | 2     | 12    | 4     | 0  | 26,655    | 170,106   | 48,046    | 18   | 467,034                                       |
| Home Assistance Program Total  |            |  |        |       |        | 0   | 2     | 12    | 4     | 0  | 26,655    | 170,106   | 48,046    | 18   | 467,034                                       |
| Aboriginal Program   |            |  |        |       |        |   |       |       |       |  |           |           |           |  |   |
| Home Assistance Program  | Homes      | 0  | 0      | 0     | 0      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| Direct Install Lighting  | Projects   | 0  | 0      | 0     | 0      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| Aboriginal Program Total   |            |  |        |       |        | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| Pre-2011 Programs completed in 2011  |            |  |        |       |        |   |       |       |       |  |           |           |           |  |   |
| Electricity Retrofit Incentive Program   | Projects   | 28   | 0      | 0     | 0      | 181   | 0     | 0     | 0     | 913,663  | 0         | 0         | 0         | 181  | 3,654,650                                     |
| High Performance New Construction  | Projects   | 6  | 1      | 0     | 0      | 182   | 21    | 0     | 0     | 932,887  | 105,383   | 0         | 0         | 203  | 4,047,698                                     |
| Toronto Comprehensive  | Projects   | 0  | 0      | 0     | 0      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| Multifamily Energy Efficiency Rebates  | Projects   | 0  | 0      | 0     | 0      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| LDC Custom Programs  | Projects   | 0  | 0      | 0     | 0      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| Pre-2011 Programs completed in 2011 Total  |            |  |        |       |        | 362   | 21    | 0     | 0     | 1,846,550  | 105,383   | 0         | 0         | 384  | 7,702,349                                     |
| Other  |            |  |        |       |        |   |       |       |       |  |           |           |           |  |   |
| Program Enabled Savings  | Projects   | 0  | 0      | 0     | 3      | 0   | 0     | 0     | 89    | 0  | 0         | 0         | 125,622   | 89   | 125,622                                       |
| Time-of-Use Savings  | Homes      | 0  | 0      | 0     | n/a    | 0   | 0     | 0     | 651   | 0  | 0         | 0         | 0         | 651  | 0   |
| LDC Pilots   | Projects   | 0  | 0      | 0     | 0      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0         | 0  | 0   |
| Other Total  |            |  |        |       |        | 0   | 0     | 0     | 739   | 0  | 0         | 0         | 125,622   | 739  | 125,622                                       |
| Adjustments to 2011 Verified Results   |            |  |        |       |        |   |       |       |       |  |           |           |           |  |   |
| Adjustments to 2012 Verified Results   |            |  |        |       |        |   |       |       |       |  |           |           |           |  |   |
| Adjustments to 2013 Verified Results   |            |  |        |       |        |   |       |       |       |  |           |           |           |  |   |
| Energy Efficiency Total  |            |  |        |       |        | 1,524   | 1,206 | 1,246 | 2,238 | 6,463,473  | 6,026,264 | 5,936,950 | 8,459,300 | 6,122  | 63,958,615                                    |
| Demand Response Total (Scenario 1)   |            |  |        |       |        | 580   | 1,371 | 1,466 | 1,559 | 27,327   | 31,974    | 33,083    | 0         | 1,559  | 92,384  |
| Adjustments to Previous Years' Verified Results Total  |            |  |        |       |        | 0   | -36   | 66    | 365   | 0  | -589,797  | 387,881   | 1,424,149 | 393  | 2,191,842                                     |
| OPA-Contracted LDC Portfolio Total (inc. Adjustments)  |            |  |        |       |        | 2,104   | 2,541 | 2,777 | 4,161 | 6,490,800  | 5,468,441 | 6,357,914 | 9,883,449 | 8,074  | 66,242,840                                    |
| Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively). |            |  |        |       |        |   |       |       |       |  |           |           |           | Full OEB Target:   |   |
| *Includes adjustments after Final Reports were issued  |            |  |        |       |        |   |       |       |       |  |           |           |           | Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year |   |
|  |            |  |        |       |        |   |       |       |       |  |           |           |           | % of Full OEB Target Achieved to Date (Scenario 1):  |   |
|  |            |  |        |       |        |   |       |       |       |  |           |           |           | 51.1%  | 99.6%   |

Table 2: Adjustments to Waterloo North Hydro Inc. Net Verified Results due to Variances

| Initiative  | Unit       | Incremental Activity<br>(new program activity occurring within the specified reporting period) |       |       |      | Net Incremental Peak Demand Savings (kW)<br>(new peak demand savings from activity within the specified reporting period) |      |      |      | Net Incremental Energy Savings (kWh)<br>(new energy savings from activity within the specified reporting period) |         |         |      | Program-to-Date Verified Progress to Target<br>(excludes DR) |   |
|---|------------|--|-------|-------|------|---|------|------|------|--|---------|---------|------|--|---|
|   |            | 2011*  | 2012* | 2013* | 2014 | 2011  | 2012 | 2013 | 2014 | 2011   | 2012    | 2013    | 2014 | 2014 Net Annual Peak Demand Savings (kW)                     | 2011-2014 Net Cumulative Energy Savings (kWh) |
|   |            |  |       |       |      |   |      |      |      |  |         |         |      |  |   |
| Consumer Program                                      |            |  |       |       |      |   |      |      |      |  |         |         |      |  |   |
| Appliance Retirement                                  | Appliances | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Appliance Exchange                                    | Appliances | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| HVAC Incentives                                       | Equipment  | -239   | 29    | 49    |      | -67   | 6    | 11   |      | -122,413   | 11,623  | 18,614  |      | -50  | -417,558                                      |
| Conservation Instant Coupon Booklet                   | Items      | 82   | 0     | 11    |      | 0   | 0    | 0    |      | 2,762  | 0       | 236     |      | 0  | 11,519  |
| Bi-Annual Retailer Event                              | Items      | 820  | 0     | 0     |      | 1   | 0    | 0    |      | 21,875   | 0       | 0       |      | 1  | 87,500  |
| Retailer Co-op  | Items      | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Residential Demand Response                           | Devices    | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Residential Demand Response (IHD)                     | Devices    | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Residential New Construction                          | Homes      | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Consumer Program Total                                |            |  |       |       |      | -66   | 6    | 11   |      | -97,777  | 11,623  | 18,850  |      | -49  | -318,540                                      |
| Business Program                                      |            |  |       |       |      |   |      |      |      |  |         |         |      |  |   |
| Retrofit  | Projects   | 0  | 10    | 22    |      | 0   | 138  | 188  |      | 0  | 867,127 | 641,866 |      | 323  | 3,875,167                                     |
| Direct Install Lighting                               | Projects   | 11   | 0     | 0     |      | 9   | 0    | 0    |      | 18,673   | 0       | 0       |      | 7  | 68,824  |
| Building Commissioning                                | Buildings  | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| New Construction                                      | Buildings  | 0  | 1     | 2     |      | 0   | 1    | 20   |      | 0  | 1,498   | 7,792   |      | 21   | 20,079  |
| Energy Audit  | Audits     | 3  | 1     | 3     |      | 16  | 7    | 27   |      | 79,195   | 32,009  | 146,477 |      | 49   | 705,760                                       |
| Small Commercial Demand Response                      | Devices    | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Small Commercial Demand Response (IHD)                | Devices    | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Demand Response 3                                     | Facilities | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Business Program Total                                |            |  |       |       |      | 25  | 146  | 235  |      | 97,868   | 900,633 | 796,135 |      | 401  | 4,669,830                                     |
| Industrial Program                                    |            |  |       |       |      |   |      |      |      |  |         |         |      |  |   |
| Process & System Upgrades                             | Projects   | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Monitoring & Targeting                                | Projects   | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Energy Manager  | Projects   | 0  | 0     | 1     |      | 0   | 0    | 33   |      | 0  | 0       | 69,300  |      | 33   | 138,600                                       |
| Retrofit  | Projects   | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Demand Response 3                                     | Facilities | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Industrial Program Total                              |            |  |       |       |      | 0   | 0    | 33   |      | 0  | 0       | 69,300  |      | 33   | 138,600                                       |
| Home Assistance Program                               |            |  |       |       |      |   |      |      |      |  |         |         |      |  |   |
| Home Assistance Program                               | Homes      | 0  | 3     | 21    |      | 0   | 1    | 2    |      | 0  | 3,238   | 18,599  |      | 2  | 46,843  |
| Home Assistance Program Total                         |            |  |       |       |      | 0   | 1    | 2    |      | 0  | 3,238   | 18,599  |      | 2  | 46,843  |
| Aboriginal Program                                    |            |  |       |       |      |   |      |      |      |  |         |         |      |  |   |
| Home Assistance Program                               | Homes      | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Direct Install Lighting                               | Projects   | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Aboriginal Program Total                              |            |  |       |       |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Pre-2011 Programs completed in 2011                   |            |  |       |       |      |   |      |      |      |  |         |         |      |  |   |
| Electricity Retrofit Incentive Program                | Projects   | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| High Performance New Construction                     | Projects   | 1  | 0     | 0     |      | 5   | 0    | 0    |      | -586,223   | 0       | 0       |      | 5  | -2,344,891                                    |
| Toronto Comprehensive                                 | Projects   | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Multifamily Energy Efficiency Rebates                 | Projects   | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| LDC Custom Programs                                   | Projects   | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Pre-2011 Programs completed in 2011 Total             |            |  |       |       |      | 5   | 0    | 0    |      | -586,223   | 0       | 0       |      | 5  | -2,344,891                                    |
| Other   |            |  |       |       |      |   |      |      |      |  |         |         |      |  |   |
| Program Enabled Savings                               | Projects   | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Time-of-Use Savings                                   | Homes      | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| LDC Pilots  | Projects   | 0  | 0     | 0     |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Other Total   |            |  |       |       |      | 0   | 0    | 0    |      | 0  | 0       | 0       |      | 0  | 0   |
| Adjustments to 2011 Verified Results                  |            |  |       |       |      | -35   |      |      |      | -586,131   |         |         |      | -37  | -2,350,395                                    |
| Adjustments to 2012 Verified Results                  |            |  |       |       |      |   | 152  |      |      |  | 915,494 |         |      | 152  | 2,746,451                                     |
| Adjustments to 2013 Verified Results                  |            |  |       |       |      |   |      | 280  |      |  |         | 902,884 |      | 277  | 1,795,785                                     |
| Total Adjustments to Previous Years' Verified Results |            |  |       |       |      | -35   | 152  | 280  |      | -586,131   | 915,494 | 902,884 |      | 393  | 2,191,842                                     |

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

Table 3: Waterloo North Hydro Inc. Realization Rate &amp; NTG

| Initiative                                 | Peak Demand Savings |      |      |      |                    |      |      |      | Energy Savings   |      |      |      |                    |      |      |      |
|--|---------------------|------|------|------|--------------------|------|------|------|------------------|------|------|------|--------------------|------|------|------|
|  | Realization Rate    |      |      |      | Net-to-Gross Ratio |      |      |      | Realization Rate |      |      |      | Net-to-Gross Ratio |      |      |      |
|  | 2011                | 2012 | 2013 | 2014 | 2011               | 2012 | 2013 | 2014 | 2011             | 2012 | 2013 | 2014 | 2011               | 2012 | 2013 | 2014 |
| <b>Consumer Program</b>                    |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Appliance Retirement                       | 1.00                | 1.00 | n/a  | n/a  | 0.51               | 0.46 | 0.42 | 0.42 | 1.00             | 1.00 | n/a  | n/a  | 0.52               | 0.47 | 0.44 | 0.44 |
| Appliance Exchange                         | 1.00                | 1.00 | 1.00 | 1.00 | 0.52               | 0.52 | 0.53 | 0.53 | 1.00             | 1.00 | 1.00 | 1.00 | 0.52               | 0.52 | 0.53 | 0.53 |
| HVAC Incentives                            | 1.00                | 1.00 | n/a  | 1.00 | 0.60               | 0.50 | 0.48 | 0.51 | 1.00             | 1.00 | n/a  | 1.00 | 0.60               | 0.49 | 0.48 | 0.51 |
| Conservation Instant Coupon Booklet        | 1.00                | 1.00 | 1.00 | 1.00 | 1.14               | 1.00 | 1.11 | 1.34 | 1.00             | 1.00 | 1.00 | 1.00 | 1.11               | 1.05 | 1.13 | 1.39 |
| Bi-Annual Retailer Event                   | 1.00                | 1.00 | 1.00 | 1.00 | 1.13               | 0.91 | 1.04 | 1.74 | 1.00             | 1.00 | 1.00 | 1.00 | 1.10               | 0.92 | 1.04 | 1.75 |
| Retailer Co-op                             | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Residential Demand Response                | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Residential Demand Response (IHD)          | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Residential New Construction               | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| <b>Business Program</b>                    |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Retrofit                                   | 0.97                | 0.94 | 0.91 | 0.85 | 0.71               | 0.71 | 0.70 | 0.70 | 1.16             | 1.00 | 0.96 | 0.93 | 0.74               | 0.70 | 0.71 | 0.70 |
| Direct Install Lighting                    | 1.08                | 0.68 | 0.81 | 0.78 | 0.93               | 0.94 | 0.94 | 0.94 | 0.90             | 0.85 | 0.84 | 0.83 | 0.93               | 0.94 | 0.94 | 0.94 |
| Building Commissioning                     | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| New Construction                           | n/a                 | 0.96 | 0.47 | 0.78 | n/a                | 0.49 | 0.54 | 0.54 | n/a              | 1.11 | 0.81 | 0.92 | n/a                | 0.49 | 0.54 | 0.54 |
| Energy Audit                               | n/a                 | n/a  | 1.02 | 0.96 | n/a                | n/a  | 0.66 | 0.68 | n/a              | n/a  | 0.97 | 1.00 | n/a                | n/a  | 0.66 | 0.67 |
| Small Commercial Demand Response           | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Small Commercial Demand Response (IHD)     | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Demand Response 3                          | 0.76                | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | 1.00             | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| <b>Industrial Program</b>                  |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Process & System Upgrades                  | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Monitoring & Targeting                     | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Energy Manager                             | n/a                 | n/a  | n/a  | 0.91 | n/a                | n/a  | n/a  | 0.90 | n/a              | n/a  | n/a  | 0.96 | n/a                | n/a  | n/a  | 0.90 |
| Retrofit                                   |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Demand Response 3                          | 0.84                | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | 1.00             | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| <b>Home Assistance Program</b>             |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Home Assistance Program                    | n/a                 | 1.15 | 0.93 | 0.95 | n/a                | 1.00 | 1.00 | 1.00 | n/a              | 1.03 | 0.86 | 0.74 | n/a                | 1.00 | 1.00 | 1.00 |
| <b>Aboriginal Program</b>                  |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Home Assistance Program                    | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Direct Install Lighting                    | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| <b>Pre-2011 Programs completed in 2011</b> |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Electricity Retrofit Incentive Program     | 0.78                | n/a  | n/a  | n/a  | 0.52               | n/a  | n/a  | n/a  | 0.78             | n/a  | n/a  | n/a  | 0.53               | n/a  | n/a  | n/a  |
| High Performance New Construction          | 1.00                | 1.00 | 1.00 | 1.00 | 0.50               | 0.50 | 0.50 | 0.50 | 1.00             | 1.00 | 1.00 | 1.00 | 0.50               | 0.50 | 0.50 | 0.50 |
| Toronto Comprehensive                      | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Multifamily Energy Efficiency Rebates      | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| LDC Custom Programs                        | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| <b>Other</b>                               |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Program Enabled Savings                    | n/a                 | n/a  | n/a  | 0.90 | n/a                | n/a  | n/a  | 1.00 | n/a              | n/a  | n/a  | 0.94 | n/a                | n/a  | n/a  | 1.00 |
| Time-of-Use Savings                        | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| LDC Pilots                                 | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |

## Summary Achievement Against CDM Targets

Results are recognized using current IESO reporting policies. Energy efficiency resources persist for the duration of the effective useful life. Any upcoming code changes are taken into account. Demand response resources persist for 1 year (Scenario 1). Please see methodology tab for more detailed information.

**Table 4: Net Peak Demand Savings at the End User Level (MW) (Scenario 1)**

| Implementation Period  | Annual |      |      |       |
|--|--------|------|------|-------|
|  | 2011   | 2012 | 2013 | 2014  |
| 2011 - Verified  | 2.1    | 1.5  | 1.5  | 1.5   |
| 2012 - Verified†   | 0.0    | 2.5  | 1.2  | 1.2   |
| 2013 - Verified†   | 0.0    | 0.1  | 2.8  | 1.3   |
| 2014 - Verified†   | 0.0    | 0.1  | 0.4  | 4.2   |
| Verified Net Annual Peak Demand Savings Persisting in 2014:          |        |      |      | 8.1   |
| Waterloo North Hydro Inc. 2014 Annual CDM Capacity Target:           |        |      |      | 15.8  |
| Verified Portion of Peak Demand Savings Target Achieved in 2014 (%): |        |      |      | 51.1% |

**Table 5: Net Energy Savings at the End User Level (GWh)**

| Implementation Period  | Annual |      |      |      | Cumulative |
|--|--------|------|------|------|------------|
|  | 2011   | 2012 | 2013 | 2014 | 2011-2014  |
| 2011 - Verified  | 6.5    | 6.5  | 6.4  | 6.3  | 25.7       |
| 2012 - Verified†   | -0.6   | 5.5  | 5.4  | 5.4  | 15.7       |
| 2013 - Verified†   | 0.0    | 0.4  | 6.4  | 6.3  | 13.1       |
| 2014 - Verified†   | 0.0    | 0.5  | 1.43 | 9.9  | 11.9       |
| Verified Net Cumulative Energy Savings 2011-2014:                  |        |      |      |      | 66.2       |
| Waterloo North Hydro Inc. 2011-2014 Annual CDM Energy Target:      |        |      |      |      | 66.5       |
| Verified Portion of Cumulative Energy Target Achieved in 2014 (%): |        |      |      |      | 99.6%      |

†Includes adjustments to previous years' verified results

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Table 6: Province-Wide Initiatives and Program Level Net Savings by Year (Scenario 1)

| Initiative   | Unit       | Incremental Activity<br>(new program activity occurring within the specified reporting period) |           |         |           | Net Incremental Peak Demand Savings (kW)<br>(new peak demand savings from activity within the specified reporting period) |         |         |         | Net Incremental Energy Savings (kWh)<br>(new energy savings from activity within the specified reporting period) |             |             |               | Program-to-Date Verified Progress to Target<br>(excludes DR) |   |
|--|------------|--|-----------|---------|-----------|---|---------|---------|---------|--|-------------|-------------|---------------|--|---|
|  |            | 2011*  | 2012*     | 2013*   | 2014      | 2011  | 2012    | 2013    | 2014    | 2011   | 2012        | 2013        | 2014          | 2014 Net Annual Peak Demand Savings (kW)                     | 2011-2014 Net Cumulative Energy Savings (kWh) |
|  |            | 2011   | 2012      | 2013    | 2014      | 2011  | 2012    | 2013    | 2014    | 2011   | 2012        | 2013        | 2014          | 2014   | 2014  |
| Consumer Program   |            |  |           |         |           |   |         |         |         |  |             |             |               |  |   |
| Appliance Retirement   | Appliances | 56,110   | 34,146    | 20,952  | 22,563    | 3,299   | 2,011   | 1,433   | 1,617   | 23,005,812   | 13,424,518  | 8,713,107   | 9,497,343     | 8,221  | 159,100,415                                   |
| Appliance Exchange   | Appliances | 3,688  | 3,836     | 5,337   | 5,685     | 371   | 556     | 1,106   | 1,178   | 450,187  | 974,621     | 1,971,701   | 2,100,266     | 2,973  | 10,556,192                                    |
| HVAC Incentives  | Equipment  | 92,748   | 87,540    | 96,286  | 113,002   | 32,037  | 19,060  | 19,552  | 23,106  | 59,437,670   | 32,841,283  | 33,923,592  | 42,888,217    | 93,755   | 447,009,930                                   |
| Conservation Instant Coupon Booklet  | Items      | 567,678  | 30,891    | 347,946 | 1,208,108 | 1,344   | 230     | 517     | 2,440   | 21,211,537   | 1,398,202   | 7,707,573   | 32,802,537    | 4,531  | 137,258,436                                   |
| Bi-Annual Retailer Event   | Items      | 952,149  | 1,060,901 | 944,772 | 4,824,751 | 1,681   | 1,480   | 1,184   | 8,043   | 29,387,468   | 26,781,674  | 17,179,841  | 122,902,769   | 12,389   | 355,157,348                                   |
| Retailer Co-op   | Items      | 152  | 0         | 0       | 0         | 0   | 0       | 0       | 0       | 2,652  | 0           | 0           | 0             | 0  | 10,607  |
| Residential Demand Response  | Devices    | 19,550   | 98,388    | 171,733 | 241,381   | 10,947  | 49,038  | 93,076  | 117,513 | 24,870   | 359,408     | 390,303     | 8,379         | 117,513  | 782,960                                       |
| Residential Demand Response (IHD)  | Devices    | 0  | 49,689    | 133,657 | 188,577   | 0   | 0       | 0       | 0       | 0  | 0           | 0           | 0             | 0  | 0   |
| Residential New Construction   | Homes      | 27   | 21        | 279     | 2,367     | 0   | 2       | 18      | 369     | 743  | 17,152      | 163,690     | 2,330,865     | 390  | 2,712,676                                     |
| Consumer Program Total   |            |  |           |         |           | 49,681  | 72,377  | 116,886 | 154,267 | 133,520,941  | 75,796,859  | 70,049,807  | 212,530,376   | 239,772  | 1,112,588,565                                 |
| Business Program   |            |  |           |         |           |   |         |         |         |  |             |             |               |  |   |
| Retrofit   | Projects   | 2,828  | 6,481     | 9,746   | 10,925    | 24,467  | 61,147  | 59,678  | 70,662  | 136,002,258  | 314,922,468 | 345,346,008 | 462,903,521   | 213,493  | 2,631,401,223                                 |
| Direct Install Lighting  | Projects   | 20,741   | 18,691    | 17,833  | 23,784    | 23,724  | 15,284  | 18,708  | 23,419  | 61,076,701   | 57,345,798  | 64,315,558  | 84,503,302    | 73,304   | 604,196,658                                   |
| Building Commissioning   | Buildings  | 0  | 0         | 0       | 5         | 0   | 0       | 0       | 988     | 0  | 0           | 0           | 1,513,377     | 988  | 1,513,377                                     |
| New Construction   | Buildings  | 25   | 98        | 158     | 226       | 123   | 764     | 1,584   | 6,432   | 411,717  | 1,814,721   | 4,959,266   | 20,381,204    | 8,904  | 37,390,767                                    |
| Energy Audit   | Audits     | 222  | 357       | 589     | 473       | 0   | 1,450   | 2,811   | 6,323   | 0  | 7,049,351   | 15,455,795  | 30,874,399    | 10,583   | 82,934,042                                    |
| Small Commercial Demand Response   | Devices    | 132  | 294       | 1,211   | 3,652     | 84  | 187     | 773     | 2,116   | 157  | 1,068       | 373         | 319           | 2,116  | 1,916   |
| Small Commercial Demand Response (IHD)   | Devices    | 0  | 0         | 378     | 820       | 0   | 0       | 0       | 0       | 0  | 0           | 0           | 0             | 0  | 0   |
| Demand Response 3  | Facilities | 145  | 151       | 175     | 180       | 16,218  | 19,389  | 23,706  | 23,380  | 633,421  | 281,823     | 346,659     | 0             | 23,380   | 1,261,903                                     |
| Business Program Total   |            |  |           |         |           | 64,617  | 98,221  | 107,261 | 133,319 | 198,124,253  | 381,415,230 | 430,423,659 | 600,176,121   | 332,769  | 3,358,699,887                                 |
| Industrial Program   |            |  |           |         |           |   |         |         |         |  |             |             |               |  |   |
| Process & System Upgrades  | Projects   | 0  | 0         | 5       | 10        | 0   | 0       | 294     | 9,692   | 0  | 0           | 2,603,764   | 72,053,255    | 9,986  | 77,260,782                                    |
| Monitoring & Targeting   | Projects   | 0  | 1         | 3       | 5         | 0   | 0       | 0       | 102     | 0  | 0           | 0           | 502,517       | 102  | 502,517                                       |
| Energy Manager   | Projects   | 1  | 132       | 306     | 379       | 0   | 1,086   | 3,558   | 5,191   | 0  | 7,372,108   | 21,994,263  | 40,436,427    | 8,384  | 95,324,998                                    |
| Retrofit   | Projects   | 433  | 0         | 0       | 0         | 4,615   | 0       | 0       | 0       | 28,866,840   | 0           | 0           | 0             | 4,613  | 115,462,282                                   |
| Demand Response 3  | Facilities | 124  | 185       | 281     | 336       | 52,484  | 74,056  | 162,543 | 166,082 | 3,080,737  | 1,784,712   | 4,309,160   | 0             | 166,082  | 9,174,609                                     |
| Industrial Program Total   |            |  |           |         |           | 57,098  | 75,141  | 166,395 | 181,066 | 31,947,577   | 9,156,820   | 28,907,187  | 112,992,199   | 189,168  | 297,725,188                                   |
| Home Assistance Program  |            |  |           |         |           |   |         |         |         |  |             |             |               |  |   |
| Home Assistance Program  | Homes      | 46   | 5,920     | 29,654  | 25,424    | 2   | 566     | 2,361   | 2,466   | 39,283   | 5,442,232   | 20,987,275  | 19,582,658    | 5,370  | 77,532,571                                    |
| Home Assistance Program Total  |            |  |           |         |           | 2   | 566     | 2,361   | 2,466   | 39,283   | 5,442,232   | 20,987,275  | 19,582,658    | 5,370  | 77,532,571                                    |
| Aboriginal Program   |            |  |           |         |           |   |         |         |         |  |             |             |               |  |   |
| Home Assistance Program  | Homes      | 0  | 0         | 717     | 1,125     | 0   | 0       | 267     | 549     | 0  | 0           | 1,609,393   | 3,101,207     | 816  | 6,319,993                                     |
| Direct Install Lighting  | Projects   | 0  | 0         | 0       | 0         | 0   | 0       | 0       | 0       | 0  | 0           | 0           | 0             | 0  | 0   |
| Aboriginal Program Total   |            |  |           |         |           | 0   | 0       | 267     | 549     | 0  | 0           | 1,609,393   | 3,101,207     | 816  | 6,319,993                                     |
| Pre-2011 Programs completed in 2011  |            |  |           |         |           |   |         |         |         |  |             |             |               |  |   |
| Electricity Retrofit Incentive Program   | Projects   | 2,028  | 0         | 0       | 0         | 21,662  | 0       | 0       | 0       | 121,138,219  | 0           | 0           | 0             | 21,662   | 484,552,876                                   |
| High Performance New Construction  | Projects   | 182  | 73        | 19      | 3         | 5,098   | 3,251   | 772     | 134     | 26,185,591   | 11,901,944  | 3,522,240   | 688,738       | 9,255  | 148,181,415                                   |
| Toronto Comprehensive  | Projects   | 577  | 15        | 4       | 5         | 15,805  | 0       | 0       | 281     | 86,964,886   | 0           | 0           | 2,479,840     | 16,086   | 350,339,385                                   |
| Multifamily Energy Efficiency Rebates  | Projects   | 110  | 0         | 0       | 0         | 1,981   | 0       | 0       | 0       | 7,595,683  | 0           | 0           | 0             | 1,981  | 30,382,733                                    |
| LDC Custom Programs  | Projects   | 8  | 0         | 0       | 0         | 399   | 0       | 0       | 0       | 1,367,170  | 0           | 0           | 0             | 399  | 5,468,679                                     |
| Pre-2011 Programs completed in 2011 Total  |            |  |           |         |           | 44,945  | 3,251   | 772     | 415     | 243,251,550  | 11,901,944  | 3,522,240   | 3,168,578     | 49,382   | 1,018,925,088                                 |
| Other  |            |  |           |         |           |   |         |         |         |  |             |             |               |  |   |
| Program Enabled Savings  | Projects   | 33   | 71        | 46      | 43        | 0   | 2,304   | 3,692   | 5,500   | 0  | 1,188,362   | 4,075,382   | 19,035,337    | 11,496   | 30,751,187                                    |
| Time-of-Use Savings  | Homes      | 0  | 0         | 0       | n/a       | 0   | 0       | 0       | 54,795  | 0  | 0           | 0           | 0             | 54,795   | 0   |
| LDC Pilots   | Projects   | 0  | 0         | 0       | 1,174     | 0   | 0       | 0       | 1,170   | 0  | 0           | 0           | 5,061,522     | 1,170  | 5,061,522                                     |
| Other Total  |            |  |           |         |           | 0   | 2,304   | 3,692   | 61,466  | 0  | 1,188,362   | 4,075,382   | 24,096,859    | 67,462   | 35,812,709                                    |
| Adjustments to 2011 Verified Results   |            |  |           |         |           |   |         |         |         |  |             |             |               |  |   |
| Adjustments to 2012 Verified Results   |            |  |           |         |           |   |         |         |         |  |             |             |               |  |   |
| Adjustments to 2013 Verified Results   |            |  |           |         |           |   |         |         |         |  |             |             |               |  |   |
| Energy Efficiency Total  |            |  |           |         |           | 136,610   | 109,191 | 117,536 | 224,457 | 603,144,419  | 482,474,435 | 554,528,447 | 975,639,300   | 575,647  | 5,896,382,612                                 |
| Demand Response Total (Scenario 1)   |            |  |           |         |           | 79,733  | 142,670 | 280,099 | 309,091 | 3,739,185  | 2,427,011   | 5,046,495   | 8,698         | 309,091  | 11,221,389                                    |
| Adjustments to Previous Years' Verified Results Total  |            |  |           |         |           | 0   | 1,406   | 6,901   | 35,030  | 0  | 18,689,081  | 43,684,221  | 195,185,880   | 43,006   | 645,389,397                                   |
| OPA-Contracted LDC Portfolio Total (inc. Adjustments)  |            |  |           |         |           | 216,343   | 253,267 | 404,536 | 568,578 | 606,883,604  | 503,590,526 | 603,259,163 | 1,170,833,878 | 927,745  | 6,552,993,397                                 |
| Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively). |            |  |           |         |           |   |         |         |         |  |             |             |               | Full OEB Target:   |   |
| *Includes adjustments after Final Reports were issued  |            |  |           |         |           |   |         |         |         |  |             |             |               | 1,330,000  |   |
| Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year   |            |  |           |         |           |   |         |         |         |  |             |             |               | 6,000,000,000  |   |
| % of Full OEB Target Achieved to Date (Scenario 1):  |            |  |           |         |           |   |         |         |         |  |             |             |               | 70%  |   |
|  |            |  |           |         |           |   |         |         |         |  |             |             |               | 109%   |   |

Table 7: Adjustments to Province-Wide Net Verified Results due to Variances

| Initiative  | Unit       | Incremental Activity<br>(new program activity occurring within the specified reporting period) |       |       |      | Net Incremental Peak Demand Savings (kW)<br>(new peak demand savings from activity within the specified reporting period) |        |        |      | Net Incremental Energy Savings (kWh)<br>(new energy savings from activity within the specified reporting period) |            |             |      | Program-to-Date Verified Progress to Target<br>(excludes DR) |   |
|---|------------|--|-------|-------|------|---|--------|--------|------|--|------------|-------------|------|--|---|
|   |            | 2011*  | 2012* | 2013* | 2014 | 2011  | 2012   | 2013   | 2014 | 2011   | 2012       | 2013        | 2014 | 2014 Net Annual Peak Demand Savings (kW)                     | 2011-2014 Net Cumulative Energy Savings (kWh) |
|   |            |  |       |       |      |   |        |        |      |  |            |             |      |  |   |
| Consumer Program                                      |            |  |       |       |      |   |        |        |      |  |            |             |      |  |   |
| Appliance Retirement                                  | Appliances | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| Appliance Exchange                                    | Appliances | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| HVAC Incentives                                       | Equipment  | -18,839  | 2,319 | 4,705 |      | -5,270  | 479    | 1,037  |      | -9,707,002   | 955,512    | 1,838,408   |      | -3,754   | -32,284,656                                   |
| Conservation Instant Coupon Booklet                   | Items      | 8,216  | 0     | 1,050 |      | 16  | 0      | 2      |      | 275,655  | 0          | 23,571      |      | 18   | 1,149,763                                     |
| BI-Annual Retailer Event                              | Items      | 81,817   | 0     | 0     |      | 108   | 0      | 0      |      | 2,183,391  | 0          | 0           |      | 108  | 8,733,563                                     |
| Retailer Co-op  | Items      | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| Residential Demand Response                           | Devices    | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| Residential Demand Response (IHD)                     | Devices    | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| Residential New Construction                          | Homes      | 20   | 2     | 193   |      | 1   | 1      | 72     |      | 14,667   | 985        | 441,938     |      | 74   | 945,497                                       |
| Consumer Program Total                                |            |  |       |       |      | -5,145  | 480    | 1,111  |      | -7,233,290   | 956,497    | 2,303,917   |      | -3,555   | -21,664,975                                   |
| Business Program                                      |            |  |       |       |      |   |        |        |      |  |            |             |      |  |   |
| Retrofit  | Projects   | 312  | 876   | 961   |      | 3,208   | 7,233  | 11,961 |      | 16,266,129   | 42,498,052 | 78,146,280  |      | 22,056   | 347,545,386                                   |
| Direct Install Lighting                               | Projects   | 444  | 197   | 51    |      | 501   | 204    | 46     |      | 1,250,388  | 736,541    | 164,667     |      | 620  | 7,158,143                                     |
| Building Commissioning                                | Buildings  | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| New Construction                                      | Buildings  | 15   | 29    | 72    |      | 850   | 1,304  | 2,241  |      | 3,604,553  | 4,825,774  | 8,636,179   |      | 4,401  | 46,187,216                                    |
| Energy Audit  | Audits     | 119  | 77    | 270   |      | 604   | 439    | 2,383  |      | 2,945,189  | 2,145,367  | 13,100,635  |      | 3,426  | 44,418,129                                    |
| Small Commercial Demand Response                      | Devices    | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| Small Commercial Demand Response (IHD)                | Devices    | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| Demand Response 3                                     | Facilities | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| Business Program Total                                |            |  |       |       |      | 5,162   | 9,181  | 16,631 |      | 24,066,259   | 50,205,734 | 100,047,761 |      | 30,503   | 385,148,444                                   |
| Industrial Program                                    |            |  |       |       |      |   |        |        |      |  |            |             |      |  |   |
| Process & System Upgrades                             | Projects   | 0  | 0     | 2     |      | 0   | 0      | 324    |      | 0  | 0          | 968,659     |      | 324  | 1,937,318                                     |
| Monitoring & Targeting                                | Projects   | 0  | 1     | 3     |      | 0   | 0      | 54     |      | 0  | 528,000    | 639,348     |      | 54   | 2,862,696                                     |
| Energy Manager  | Projects   | 1  | 93    | 101   |      | 27  | 1,067  | 2,395  |      | 241,515  | 8,266,841  | 25,814,853  |      | 4,345  | 81,853,489                                    |
| Retrofit  | Projects   | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| Demand Response 3                                     | Facilities | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| Industrial Program Total                              |            |  |       |       |      | 27  | 1,067  | 2,774  |      | 241,515  | 8,794,841  | 27,422,860  |      | 4,723  | 61,215,516                                    |
| Home Assistance Program                               |            |  |       |       |      |   |        |        |      |  |            |             |      |  |   |
| Home Assistance Program                               | Homes      | 0  | 887   | 2,898 |      | 0   | 222    | 791    |      | 0  | 1,316,749  | 4,321,794   |      | 1,009  | 12,515,300                                    |
| Home Assistance Program Total                         |            |  |       |       |      | 0   | 222    | 791    |      | 0  | 1,316,749  | 4,321,794   |      | 1,009  | 8,581,177                                     |
| Aboriginal Program                                    |            |  |       |       |      |   |        |        |      |  |            |             |      |  |   |
| Home Assistance Program                               | Homes      | 0  | 0     | 133   |      | 0   | 0      | 134    |      | 0  | 0          | 563,715     |      | 134  | 1,127,430                                     |
| Direct Install Lighting                               | Projects   | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| Aboriginal Program Total                              |            |  |       |       |      | 0   | 0      | 134    |      | 0  | 0          | 563,715     |      | 134  | 1,127,430                                     |
| Pre-2011 Programs completed in 2011                   |            |  |       |       |      |   |        |        |      |  |            |             |      |  |   |
| Electricity Retrofit Incentive Program                | Projects   | 12   | 0     | 0     |      | 138   | 0      | 0      |      | 545,536  | 0          | 0           |      | 138  | 2,182,145                                     |
| High Performance New Construction                     | Projects   | 37   | 4     | 15    |      | 1,507   | 363    | -184   |      | 2,398,941  | 2,832,533  | -993,596    |      | 1,686  | 16,106,171                                    |
| Toronto Comprehensive                                 | Projects   | 0  | 15    | 4     |      | 0   | 672    | 185    |      | 0  | 4,523,517  | 1,324,388   |      | 857  | 16,219,327                                    |
| Multifamily Energy Efficiency Rebates                 | Projects   | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| LDC Custom Programs                                   | Projects   | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| Pre-2011 Programs completed in 2011 Total             |            |  |       |       |      | 1,645   | 1,035  | 2      |      | 2,944,477  | 7,356,050  | 330,792     |      | 2,682  | 11,104,528                                    |
| Other   |            |  |       |       |      |   |        |        |      |  |            |             |      |  |   |
| Program Enabled Savings                               | Projects   | 33   | 55    | 33    |      | 1,776   | 3,712  | 2,020  |      | 7,727,573  | 11,481,687 | 10,688,564  |      | 7,509  | 86,732,481                                    |
| Time-of-Use Savings                                   | Homes      | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| LDC Pilots  | Projects   | 0  | 0     | 0     |      | 0   | 0      | 0      |      | 0  | 0          | 0           |      | 0  | 0   |
| Other Total   |            |  |       |       |      | 1,776   | 3,712  | 2,020  |      | 7,727,573  | 11,481,687 | 10,688,564  |      | 7,509  | 86,732,481                                    |
| Adjustments to 2011 Verified Results                  |            |  |       |       |      | 3,465   |        |        |      | 27,746,535   |            |             |      | 3,215  | 110,143,550                                   |
| Adjustments to 2012 Verified Results                  |            |  |       |       |      |   | 15,697 |        |      |  | 80,111,558 |             |      | 15,401   | 238,780,637                                   |
| Adjustments to 2013 Verified Results                  |            |  |       |       |      |   |        | 23,463 |      |  |            | 145,679,403 |      | 24,391   | 296,465,211                                   |
| Adjustments to Previous Years' Verified Results Total |            |  |       |       |      | 3,465   | 15,697 | 23,463 |      | 27,746,535   | 80,111,558 | 145,679,403 |      | 43,006   | 645,389,397                                   |

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

**Table 8: Province-Wide Realization Rate & NTG**

| Initiative                                 | Peak Demand Savings |      |      |      |                    |      |      |      | Energy Savings   |      |      |      |                    |      |      |      |
|--|---------------------|------|------|------|--------------------|------|------|------|------------------|------|------|------|--------------------|------|------|------|
|  | Realization Rate    |      |      |      | Net-to-Gross Ratio |      |      |      | Realization Rate |      |      |      | Net-to-Gross Ratio |      |      |      |
|  | 2011                | 2012 | 2013 | 2014 | 2011               | 2012 | 2013 | 2014 | 2011             | 2012 | 2013 | 2014 | 2011               | 2012 | 2013 | 2014 |
| <b>Consumer Program</b>                    |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Appliance Retirement                       | 1.00                | 1.00 | 1.00 | 1.00 | 0.51               | 0.46 | 0.42 | 0.45 | 1.00             | 1.00 | 1.00 | 1.00 | 0.46               | 0.47 | 0.44 | 0.47 |
| Appliance Exchange                         | 1.00                | 1.00 | 1.00 | 1.00 | 0.51               | 0.52 | 0.53 | 0.53 | 1.00             | 1.00 | 1.00 | 1.00 | 0.52               | 0.52 | 0.53 | 0.53 |
| HVAC Incentives                            | 1.00                | 1.00 | 1.00 | 1.00 | 0.60               | 0.50 | 0.48 | 0.48 | 1.00             | 1.00 | 1.00 | 1.00 | 0.50               | 0.49 | 0.48 | 0.48 |
| Conservation Instant Coupon Booklet        | 1.00                | 1.00 | 1.00 | 1.00 | 1.14               | 1.00 | 1.11 | 1.69 | 1.00             | 1.00 | 1.00 | 1.00 | 1.00               | 1.05 | 1.13 | 1.73 |
| Bi-Annual Retailer Event                   | 1.00                | 1.00 | 1.00 | 1.00 | 1.12               | 0.91 | 1.04 | 1.74 | 1.00             | 1.00 | 1.00 | 1.00 | 0.91               | 0.92 | 1.04 | 1.75 |
| Retailer Co-op                             | 1.00                | n/a  | n/a  | n/a  | 0.68               | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Residential Demand Response                | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Residential Demand Response (IHD)          | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Residential New Construction               | 1.00                | 3.65 | 0.78 | 1.03 | 0.41               | 0.49 | 0.63 | 0.63 | 3.65             | 7.17 | 3.09 | 0.62 | 0.49               | 0.49 | 0.63 | 0.63 |
| <b>Business Program</b>                    |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Retrofit                                   | 1.06                | 0.93 | 0.92 | 0.84 | 0.72               | 0.75 | 0.73 | 0.71 | 0.93             | 1.05 | 1.01 | 0.98 | 0.75               | 0.76 | 0.73 | 0.72 |
| Direct Install Lighting                    | 1.08                | 0.69 | 0.82 | 0.78 | 1.08               | 0.94 | 0.94 | 0.94 | 0.69             | 0.85 | 0.84 | 0.83 | 0.94               | 0.94 | 0.94 | 0.94 |
| Building Commissioning                     | n/a                 | n/a  | n/a  | 1.97 | n/a                | n/a  | n/a  | 1.00 | n/a              | n/a  | n/a  | 1.16 | n/a                | n/a  | n/a  | 1.00 |
| New Construction                           | 0.50                | 0.98 | 0.68 | 0.71 | 0.50               | 0.49 | 0.54 | 0.54 | 0.98             | 0.99 | 0.76 | 0.79 | 0.49               | 0.49 | 0.54 | 0.54 |
| Energy Audit                               | n/a                 | n/a  | 1.02 | 0.96 | n/a                | n/a  | 0.66 | 0.68 | n/a              | n/a  | 0.97 | 1.00 | n/a                | n/a  | 0.66 | 0.67 |
| Small Commercial Demand Response           | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Small Commercial Demand Response (IHD)     | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Demand Response 3                          | 0.76                | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| <b>Industrial Program</b>                  |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Process & System Upgrades                  | n/a                 | n/a  | 0.85 | 0.96 | n/a                | n/a  | 0.94 | 0.79 | n/a              | n/a  | 0.87 | 0.96 | n/a                | n/a  | 0.93 | 0.80 |
| Monitoring & Targeting                     | n/a                 | n/a  | n/a  | 0.59 | n/a                | n/a  | n/a  | 1.00 | n/a              | n/a  | n/a  | 0.36 | n/a                | n/a  | n/a  | 1.00 |
| Energy Manager                             | n/a                 | 1.16 | 0.90 | 0.91 | n/a                | 0.90 | 0.90 | 0.90 | 1.16             | 1.16 | 0.90 | 0.96 | 0.90               | 0.90 | 0.90 | 0.85 |
| Retrofit                                   | 1.11                | n/a  | n/a  | n/a  | 0.72               | n/a  | n/a  | n/a  | 0.91             | n/a  | n/a  | n/a  | 0.75               | n/a  | n/a  | n/a  |
| Demand Response 3                          | 0.84                | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| <b>Home Assistance Program</b>             |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Home Assistance Program                    | 1.00                | 0.32 | 0.26 | 0.49 | 0.70               | 1.00 | 1.00 | 1.00 | 0.32             | 0.99 | 0.88 | 0.78 | 1.00               | 1.00 | 1.00 | 1.00 |
| <b>Aboriginal Program</b>                  |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Home Assistance Program                    | n/a                 | n/a  | 0.05 | 0.15 | n/a                | n/a  | 1.00 | 1.00 | n/a              | n/a  | 0.95 | 0.97 | n/a                | n/a  | 1.00 | 1.00 |
| Direct Install Lighting                    | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| <b>Pre-2011 Programs completed in 2011</b> |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Electricity Retrofit Incentive Program     | 0.80                | n/a  | n/a  | n/a  | 0.54               | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| High Performance New Construction          | 1.00                | 1.00 | 1.00 | n/a  | 0.49               | 0.50 | 0.50 | 0.50 | 1.00             | 1.00 | 1.00 | n/a  | 0.50               | 0.50 | 0.50 | 0.50 |
| Toronto Comprehensive                      | 1.13                | n/a  | n/a  | n/a  | 0.50               | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| Multifamily Energy Efficiency Rebates      | 0.93                | n/a  | n/a  | n/a  | 0.78               | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| LDC Custom Programs                        | 1.00                | n/a  | n/a  | n/a  | 1.00               | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| <b>Other</b>                               |                     |      |      |      |                    |      |      |      |                  |      |      |      |                    |      |      |      |
| Program Enabled Savings                    | n/a                 | 1.06 | 1.00 | 0.86 | n/a                | 1.00 | 1.00 | 1.00 | n/a              | 2.26 | 1.00 | 0.98 | n/a                | 1.00 | 1.00 | 1.00 |
| Time-of-Use Savings                        | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |
| LDC Pilots                                 | n/a                 | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  | n/a              | n/a  | n/a  | n/a  | n/a                | n/a  | n/a  | n/a  |

## Summary Provincial Progress Towards CDM Targets

**Table 9: Province-Wide Net Peak Demand Savings at the End User Level (MW)**

| Implementation Period   | Annual |       |       |              |
|---|--------|-------|-------|--------------|
|   | 2011   | 2012  | 2013  | 2014         |
| <b>2011</b>   | 216.3  | 136.6 | 135.8 | 129.0        |
| <b>2012†</b>  | 1.4    | 253.3 | 109.8 | 108.2        |
| <b>2013†</b>  | 0.6    | 7.0   | 404.5 | 122.0        |
| <b>2014†</b>  | 1.4    | 10.8  | 34.2  | 568.6        |
| <b>Verified Net Annual Peak Demand Savings in 2014:</b>                     |        |       |       | <b>927.7</b> |
| <b>2014 Annual CDM Capacity Target:</b>                                     |        |       |       | <b>1,330</b> |
| <b>Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):</b> |        |       |       | <b>69.8%</b> |

**Table 10: Province-Wide Net Energy Savings at the End-User Level (GWh)**

| Implementation Period   | Annual |       |       |         | Cumulative     |
|---|--------|-------|-------|---------|----------------|
|   | 2011   | 2012  | 2013  | 2014    | 2011-2014      |
| <b>2011</b>   | 606.9  | 603.0 | 601.0 | 582.3   | 2,393.1        |
| <b>2012†</b>  | 18.7   | 503.6 | 498.4 | 492.6   | 1,513.3        |
| <b>2013†</b>  | 1.7    | 44.4  | 603.3 | 583.4   | 1,232.8        |
| <b>2014†</b>  | 7.3    | 44.8  | 191.0 | 1,170.8 | 1,413.9        |
| <b>Verified Net Cumulative Energy Savings 2011-2014:</b>                  |        |       |       |         | <b>6,553.0</b> |
| <b>2011-2014 Cumulative CDM Energy Target:</b>                            |        |       |       |         | <b>6,000</b>   |
| <b>Verified Portion of Cumulative Energy Target Achieved in 2014 (%):</b> |        |       |       |         | <b>109.2%</b>  |

†Includes adjustments to previous years' verified results

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year



## METHODOLOGY

All results are at the end-user level (not including transmission and distribution losses)

| EQUATIONS                                       |  |
|---|--|
| Prescriptive Measures and Projects              | <b>Gross Savings = Activity * Per Unit Assumption</b><br><b>Net Savings = Gross Savings * Net-to-Gross Ratio</b><br><b>All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)</b>  |
| Engineered and Custom Projects                  | <b>Gross Savings = Reported Savings * Realization Rate</b><br><b>Net Savings = Gross Savings * Net-to-Gross Ratio</b><br><b>All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)</b>   |
| Demand Response                                 | <b>Peak Demand: Gross Savings = Net Savings = contracted MW at contributor level * Provincial contracted to ex ante ratio</b><br><b>Energy: Gross Savings = Net Savings = provincial ex post energy savings * LDC proportion of total provincial contracted MW</b><br><b>All savings are annualized (i.e. the savings are the same regardless of the time of year a participant began offering DR)</b> |
| Adjustments to Previous Years' Verified Results | All variances from the Final Annual Results Reports from prior years will be adjusted within this report. Any variances with regards to projects counts, data lag, and calculations etc., will be made within this report. Considers the cumulative effect of energy savings.  |

| Initiative              | Attributing Savings to LDCs  | Savings 'start' Date  | Calculating Resource Savings  |
|-------------------------|--|---|---|
| <b>Consumer Program</b> |  |   |   |
| Appliance Retirement    | Includes both retail and home pickup stream. Retail stream allocated based on average of 2008 & 2009 residential throughput; Home pickup stream directly attributed by postal code or customer selection.      | Savings are considered to begin in the year the appliance is picked up.       | Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level. |
| Appliance Exchange      | When postal code information is provided by customer, results are directly attributed to the LDC. When postal code is not available, results allocated based on average of 2008 & 2009 residential throughput. | Savings are considered to begin in the year that the exchange event occurred. |   |
| HVAC Incentives         | Results directly attributed to LDC based on customer postal code.  | Savings are considered to begin in the year that the installation occurred.   |   |

| Initiative                          | Attributing Savings to LDCs   | Savings 'start' Date  | Calculating Resource Savings  |
|-------------------------------------|---|---|---|
| Conservation Instant Coupon Booklet | LDC-coded coupons directly attributed to LDC. Otherwise results are allocated based on average of 2008 & 2009 residential throughput.   | Savings are considered to begin in the year in which the coupon was redeemed.   | Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.   |
| Bi-Annual Retailer Event            | Results are allocated based on average of 2008 & 2009 residential throughput.   | Savings are considered to begin in the year in which the event occurs.  |   |
| Retailer Co-op                      | When postal code information is provided by the customer, results are directly attributed. If postal code information is not available, results are allocated based on average of 2008 & 2009 residential throughput. | Savings are considered to begin in the year of the home visit and installation date.  | Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.   |
| Residential Demand Response         | Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists.  | Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement. | Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year and accounts for any "snapback" in energy consumption experienced after the event. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated. |

| Initiative                              | Attributing Savings to LDCs   | Savings 'start' Date  | Calculating Resource Savings  |
|---|---|---|---|
| Residential New Construction            | Results are directly attributed to LDC based on LDC identified in application in the iCon system. Initiative was not evaluated in 2011, reported results are presented with forecast assumptions as per the business case.  | Savings are considered to begin in the year of the project completion date.                           | Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.   |
| <b>Business Program</b>                 |   |   |   |
| Efficiency:<br>Equipment<br>Replacement | Results are directly attributed to LDC based on LDC identified at the facility level in the iCon system. Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see page for Building type to Sector mapping. | Savings are considered to begin in the year of the actual project completion date in the iCON system. | Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track). |
|   | Additional Note: project counts were derived by filtering out invalid statuses (e.g. Post-Project Submission - Payment denied by LDC) and only including projects with an "Actual Project Completion Date" in 2014)   |   |   |

| Initiative                                      | Attributing Savings to LDCs  | Savings 'start' Date   | Calculating Resource Savings   |
|---|--|--|--|
| Direct Installed Lighting                       | Results are directly attributed to LDC based on the LDC specified on the work order. | Savings are considered to begin in the year of the actual project completion date. | Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net). |
| Existing Building Commissioning Incentive       | Results are directly attributed to LDC based on LDC identified in the application.   | Savings are considered to begin in the year of the actual project completion date. | Peak demand and energy savings are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).   |
| New Construction and Major Renovation Incentive | Results are directly attributed to LDC based on LDC identified in the application.   | Savings are considered to begin in the year of the actual project completion date. |  |
| Energy Audit                                    | Projects are directly attributed to LDC based on LDC identified in the application.  | Savings are considered to begin in the year of the audit date.                     | Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).   |

| Initiative  | Attributing Savings to LDCs  | Savings 'start' Date  | Calculating Resource Savings   |
|---|--|---|--|
| Commercial Demand Response (part of the Residential program schedule) | Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists  | Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement. | Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.  |
| Demand Response 3 (part of the Industrial program schedule)           | Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level. | Savings are considered to begin in the year in which the contributor signed up to participate in demand response.                           | Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource. |
| <b>Industrial Program</b>   |  |   |  |
| Process & System Upgrades   | Results are directly attributed to LDC based on LDC identified in application.   | Savings are considered to begin in the year in which the incentive project was completed.   | Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).  |

| Initiative             | Attributing Savings to LDCs  | Savings 'start' Date   | Calculating Resource Savings  |
|------------------------|--|--|---|
| Monitoring & Targeting | Results are directly attributed to LDC based on LDC identified in the application. | Savings are considered to begin in the year in which the incentive project was completed.  | Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). |
| Energy Manager         | Results are directly attributed to LDC based on LDC identified in the application. | Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager. | Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). |

| Initiative  | Attributing Savings to LDCs  | Savings 'start' Date  | Calculating Resource Savings  |
|---|--|---|---|
| Efficiency:<br>Equipment<br>Replacement<br>Incentive (part of<br>the C&I program<br>schedule) | Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping.   | Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.         | Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track). |
| Demand Response<br>3  | Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level. | Savings are considered to begin in the year in which the contributor signed up to participate in demand response. | Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.  |

| Initiative                     | Attributing Savings to LDCs  | Savings 'start' Date  | Calculating Resource Savings  |
|--------------------------------|--|---|---|
| <b>Home Assistance Program</b> |  |   |   |
| Home Assistance Program        | Results are directly attributed to LDC based on LDC identified in the application. | Savings are considered to begin in the year in which the measures were installed. | Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level. |
| <b>Aboriginal Program</b>      |  |   |   |
| Aboriginal Program             | Results are directly attributed to LDC based on LDC identified in the application. | Savings are considered to begin in the year in which the measures were installed. | Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level. |



| Initiative                             | Attributing Savings to LDCs  | Savings 'start' Date  | Calculating Resource Savings  |
|--|--|---|---|
| Pre-2011 Programs completed in 2011    |  |   |   |
| Electricity Retrofit Incentive Program | Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014 assumptions as per 2010 evaluation.                | Savings are considered to begin in the year in which a project was completed. | Peak demand and energy savings are determined by the total savings from a given project as reported. A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results ( <a href="http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports">http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports</a> ). |
| High Performance New Construction      | Results are directly attributed to LDC based on customer data provided to the OPA from Enbridge; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation. | Savings are considered to begin in the year in which a project was completed. |   |
| Toronto Comprehensive                  | Program run exclusively in Toronto Hydro-Electric System Limited service territory; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.              |   |   |

| Initiative                            | Attributing Savings to LDCs  | Savings 'start' Date  | Calculating Resource Savings   |
|---------------------------------------|--|---|--|
| Multifamily Energy Efficiency Rebates | Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation. | Savings are considered to begin in the year in which a project was completed. | Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results ( <a href="http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports">http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports</a> ). |
| Data Centre Incentive Program         | Program run exclusively in PowerStream Inc. service territory; Initiative was not evaluated in 2011, assumptions as per 2009 evaluation.   |   |  |
| EnWin Green Suites                    | Program run exclusively in ENWIN Utilities Ltd. service territory; Initiative was not evaluated in 2011 or 2012, assumptions as per 2010 evaluation.                             |   |  |

### Consumer Program Allocation Methodology

Results can be allocated based on average of 2008 & 2009 residential throughput for each LDC (below) when additional information is not available. Source: OEB Yearbook Data 2008 & 2009

| Local Distribution Company                       | Allocation |
|--|------------|
| Algoma Power Inc.                                | 0.2%       |
| Atikokan Hydro Inc.                              | 0.0%       |
| Attawapiskat Power Corporation                   | 0.0%       |
| Bluewater Power Distribution Corporation         | 0.6%       |
| Brant County Power Inc.                          | 0.2%       |
| Brantford Power Inc.                             | 0.7%       |
| Burlington Hydro Inc.                            | 1.4%       |
| Cambridge and North Dumfries Hydro Inc.          | 1.0%       |
| Canadian Niagara Power Inc.                      | 0.5%       |
| Centre Wellington Hydro Ltd.                     | 0.1%       |
| Chapleau Public Utilities Corporation            | 0.0%       |
| COLLUS Power Corporation                         | 0.3%       |
| Cooperative Hydro Embrun Inc.                    | 0.0%       |
| E.L.K. Energy Inc.                               | 0.2%       |
| Enersource Hydro Mississauga Inc.                | 3.9%       |
| ENTEGRUS   | 0.6%       |
| ENWIN Utilities Ltd.                             | 1.6%       |
| Erie Thames Powerlines Corporation               | 0.4%       |
| Espanola Regional Hydro Distribution Corporation | 0.1%       |
| Essex Powerlines Corporation                     | 0.7%       |
| Festival Hydro Inc.                              | 0.3%       |
| Fort Albany Power Corporation                    | 0.0%       |
| Fort Frances Power Corporation                   | 0.1%       |
| Greater Sudbury Hydro Inc.                       | 1.0%       |
| Grimsby Power Inc.                               | 0.2%       |
| Guelph Hydro Electric Systems Inc.               | 0.9%       |
| Haldimand County Hydro Inc.                      | 0.4%       |
| Halton Hills Hydro Inc.                          | 0.5%       |
| Hearst Power Distribution Company Limited        | 0.1%       |
| Horizon Utilities Corporation                    | 4.0%       |
| Hydro 2000 Inc.                                  | 0.0%       |
| Hydro Hawkesbury Inc.                            | 0.1%       |
| Hydro One Brampton Networks Inc.                 | 2.8%       |
| Hydro One Networks Inc.                          | 30.0%      |
| Hydro Ottawa Limited                             | 5.6%       |
| Innisfil Hydro Distribution Systems Limited      | 0.4%       |
| Kashechewan Power Corporation                    | 0.0%       |
| Kenora Hydro Electric Corporation Ltd.           | 0.1%       |
| Kingston Hydro Corporation                       | 0.5%       |
| Kitchener-Wilmot Hydro Inc.                      | 1.6%       |
| Lakefront Utilities Inc.                         | 0.2%       |

|   |       |
|---|-------|
| Lakeland Power Distribution Ltd.                | 0.2%  |
| London Hydro Inc.                               | 2.7%  |
| Middlesex Power Distribution Corporation        | 0.1%  |
| Midland Power Utility Corporation               | 0.1%  |
| Milton Hydro Distribution Inc.                  | 0.6%  |
| Newmarket - Tay Power Distribution Ltd.         | 0.7%  |
| Niagara Peninsula Energy Inc.                   | 1.0%  |
| Niagara-on-the-Lake Hydro Inc.                  | 0.2%  |
| Norfolk Power Distribution Inc.                 | 0.3%  |
| North Bay Hydro Distribution Limited            | 0.5%  |
| Northern Ontario Wires Inc.                     | 0.1%  |
| Oakville Hydro Electricity Distribution Inc.    | 1.5%  |
| Orangeville Hydro Limited                       | 0.2%  |
| Orillia Power Distribution Corporation          | 0.3%  |
| Oshawa PUC Networks Inc.                        | 1.2%  |
| Ottawa River Power Corporation                  | 0.2%  |
| Parry Sound Power Corporation                   | 0.1%  |
| Peterborough Distribution Incorporated          | 0.7%  |
| PowerStream Inc.                                | 6.6%  |
| PUC Distribution Inc.                           | 0.9%  |
| Renfrew Hydro Inc.                              | 0.1%  |
| Rideau St. Lawrence Distribution Inc.           | 0.1%  |
| Sioux Lookout Hydro Inc.                        | 0.1%  |
| St. Thomas Energy Inc.                          | 0.3%  |
| Thunder Bay Hydro Electricity Distribution Inc. | 0.9%  |
| Tillsonburg Hydro Inc.                          | 0.1%  |
| Toronto Hydro-Electric System Limited           | 12.8% |
| Veridian Connections Inc.                       | 2.4%  |
| Wasaga Distribution Inc.                        | 0.2%  |
| Waterloo North Hydro Inc.                       | 1.0%  |
| Welland Hydro-Electric System Corp.             | 0.4%  |
| Wellington North Power Inc.                     | 0.1%  |
| West Coast Huron Energy Inc.                    | 0.1%  |
| Westario Power Inc.                             | 0.5%  |
| Whitby Hydro Electric Corporation               | 0.9%  |
| Woodstock Hydro Services Inc.                   | 0.3%  |

## Reporting Glossary

**Annual:** the peak demand or energy savings that occur in a given year (includes resource savings from new program activity and resource savings persisting from previous years).

**Cumulative Energy Savings:** represents the sum of the annual energy savings that accrue over a defined period (in the context of this report the defined period is 2011 - 2014). This concept does not apply to peak demand savings.

**End-User Level:** resource savings in this report are measured at the customer level as opposed to the generator level (the difference being line losses).

**Free-ridership:** the percentage of participants who would have implemented the program measure or practice in the absence of the program.

**Incremental:** the new resource savings attributable to activity procured in a particular reporting period based on when the savings are considered to 'start'.

**Initiative:** a Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (i.e. Retrofit, Fridge & Freezer Pickup).

**Net-to-Gross Ratio:** The ratio of net savings to gross savings, which takes into account factors such as free-ridership and spillover

**Net Energy Savings (MWh):** energy savings attributable to conservation and demand management activities net of free-riders, etc.

**Net Peak Demand Savings (MW):** peak demand savings attributable to conservation and demand management activities net of free-riders, etc.

**Program:** a group of initiatives that target a particular market sector (e.g. Consumer, Industrial).

**Realization Rate:** A comparison of observed or measured (evaluated) information to original reported savings which is used to adjust the gross savings estimates.

**Settlement Account:** the grouping of demand response facilities (contributors) into one contractual agreement

**Spillover:** Reductions in energy consumption and/or demand caused by the presence of the energy efficiency program, beyond the program-related gross savings of the participants. There can be participant and/or non-participant spillover.

**Unit:** for a specific initiative the relevant type of activity acquired in the market place (i.e. appliances picked up, projects completed, coupons redeemed).

Table 11: Waterloo North Hydro Inc. Initiative and Program Level Gross Savings by Year

| Initiative  | Unit       | Gross Incremental Peak Demand Savings (kW)<br>(new peak demand savings from activity within the specified reporting period) |       |       |       | Gross Incremental Energy Savings (kWh)<br>(new energy savings from activity within the specified reporting period) |           |           |            |
|---|------------|---|-------|-------|-------|--|-----------|-----------|------------|
|   |            | 2011  | 2012  | 2013  | 2014  | 2011   | 2012      | 2013      | 2014       |
| Consumer Program                                      |            |   |       |       |       |  |           |           |            |
| Appliance Retirement**                                | Appliances | 49  | 14    | 21    | 26    | 359,259  | 99,292    | 135,218   | 169,628    |
| Appliance Exchange**                                  | Appliances | 5   | 11    | 25    | 56    | 5,919  | 18,832    | 44,220    | 99,672     |
| HVAC Incentives                                       | Equipment  | 691   | 512   | 494   | 621   | 1,292,287  | 893,954   | 855,951   | 1,145,708  |
| Conservation Instant Coupon Booklet                   | Items      | 10  | 2     | 5     | 25    | 169,297  | 13,284    | 68,551    | 300,894    |
| Bi-Annual Retailer Event                              | Items      | 15  | 16    | 11    | 46    | 269,499  | 292,770   | 164,723   | 703,866    |
| Retailer Co-op  | Items      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| Residential Demand Response                           | Devices    | 72  | 0     | 196   | 365   | 0  | 0         | 652       | 0          |
| Residential Demand Response (IHD)                     | Devices    | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| Residential New Construction                          | Homes      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| Consumer Program Total                                |            | 842   | 556   | 751   | 1,140 | 2,096,261  | 1,318,132 | 1,269,315 | 2,419,768  |
| Business Program                                      |            |   |       |       |       |  |           |           |            |
| Retrofit  | Projects   | 372   | 1,099 | 797   | 1,190 | 1,949,090  | 6,430,988 | 4,340,396 | 7,061,007  |
| Direct Install Lighting                               | Projects   | 231   | 110   | 121   | 100   | 664,665  | 369,939   | 433,193   | 370,213    |
| Building Commissioning                                | Buildings  | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| New Construction                                      | Buildings  | 0   | 8     | 1     | 56    | 0  | 24,046    | 1,939     | 273,975    |
| Energy Audit  | Audits     | 0   | 36    | 430   | 119   | 0  | 176,234   | 2,345,942 | 583,668    |
| Small Commercial Demand Response                      | Devices    | 5   | 0     | 6     | 8     | 0  | 0         | 10        | 0          |
| Small Commercial Demand Response (IHD)                | Devices    | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| Demand Response 3                                     | Facilities | 111   | 111   | 113   | 104   | 4,323  | 1,614     | 1,504     | 0          |
| Business Program Total                                |            | 719   | 1,364 | 1,468 | 1,578 | 2,618,079  | 7,002,822 | 7,122,984 | 8,288,864  |
| Industrial Program                                    |            |   |       |       |       |  |           |           |            |
| Process & System Upgrades                             | Projects   | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| Monitoring & Targeting                                | Projects   | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| Energy Manager  | Projects   | 0   | 0     | 0     | 26    | 0  | 0         | 0         | 101,808    |
| Retrofit  | Projects   | 249   | 0     | 0     | 0     | 1,453,318  | 0         | 0         | 0          |
| Demand Response 3                                     | Facilities | 392   | 1,260 | 1,151 | 1,081 | 23,003   | 30,360    | 30,917    | 0          |
| Industrial Program Total                              |            | 641   | 1,260 | 1,151 | 1,107 | 1,476,321  | 30,360    | 30,917    | 101,808    |
| Home Assistance Program                               |            |   |       |       |       |  |           |           |            |
| Home Assistance Program                               | Homes      | 0   | 2     | 12    | 4     | 0  | 25,825    | 170,106   | 48,046     |
| Home Assistance Program Total                         |            | 0   | 2     | 12    | 4     | 0  | 25,825    | 170,106   | 48,046     |
| Aboriginal Program                                    |            |   |       |       |       |  |           |           |            |
| Home Assistance Program                               | Homes      | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| Direct Install Lighting                               | Projects   | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| Aboriginal Program Total                              |            | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| Pre-2011 Programs completed in 2011                   |            |   |       |       |       |  |           |           |            |
| Electricity Retrofit Incentive Program                | Projects   | 346   | 0     | 0     | 0     | 1,742,736  | 0         | 0         | 0          |
| High Performance New Construction                     | Projects   | 363   | 43    | 0     | 0     | 1,865,774  | 210,767   | 0         | 0          |
| Toronto Comprehensive                                 | Projects   | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| Multifamily Energy Efficiency Rebates                 | Projects   | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| LDC Custom Programs                                   | Projects   | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| Pre-2011 Programs completed in 2011 Total             |            | 709   | 43    | 0     | 0     | 3,608,510  | 210,767   | 0         | 0          |
| Other   |            |   |       |       |       |  |           |           |            |
| Program Enabled Savings                               | Projects   | 0   | 0     | 0     | 89    | 0  | 0         | 0         | 125,622    |
| Time-of-Use Savings                                   | Homes      | 0   | 0     | 0     | 651   | 0  | 0         | 0         | 0          |
| LDC Pilots  | Projects   | 0   | 0     | 0     | 0     | 0  | 0         | 0         | 0          |
| Other Total   |            | 0   | 0     | 0     | 739   | 0  | 0         | 0         | 125,622    |
| Adjustments to 2011 Verified Results                  |            |   | 290   | 0     | 1     |  | 156,341   | 0         | 5,402      |
| Adjustments to 2012 Verified Results                  |            |   |       | 81    | 122   |  |           | 439,367   | 714,506    |
| Adjustments to 2013 Verified Results                  |            |   |       |       | 415   |  |           |           | 1,288,369  |
| Energy Efficiency Total                               |            | 2,330   | 1,854 | 1,916 | 3,009 | 9,771,844  | 8,555,931 | 8,560,238 | 10,984,107 |
| Demand Response Total                                 |            | 580   | 1,371 | 1,466 | 1,559 | 27,327   | 31,974    | 33,083    | 0          |
| Adjustments to Previous Years' Verified Results Total |            | 0   | 290   | 81    | 538   | 0  | 156,341   | 439,367   | 2,008,277  |
| OPA-Contracted LDC Portfolio Total (inc. Adjustments) |            | 2,910   | 3,515 | 3,463 | 5,106 | 9,799,171  | 8,744,246 | 9,032,688 | 12,992,383 |

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

\*Includes adjustments after Final Reports were issued

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

\*\*Net results substituted for gross results due to unavailability of data

Table 12: Adjustments to Waterloo North Hydro Inc. Gross Verified Results due to Variances

| Initiative  | Unit       | Gross Incremental Peak Demand Savings (kW)<br>(new peak demand savings from activity within the specified reporting period) |      |      |      | Gross Incremental Energy Savings (kWh)<br>(new energy savings from activity within the specified reporting period) |           |           |      |
|---|------------|---|------|------|------|--|-----------|-----------|------|
|   |            | 2011  | 2012 | 2013 | 2014 | 2011   | 2012      | 2013      | 2014 |
| Consumer Program                                      |            |   |      |      |      |  |           |           |      |
| Appliance Retirement                                  | Appliances | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Appliance Exchange                                    | Appliances | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| HVAC Incentives                                       | Equipment  | -111  | 13   | 22   |      | -204,642   | 23,715    | 39,112    |      |
| Conservation Instant Coupon Booklet                   | Items      | 0   | 0    | 0    |      | 2,565  | 0         | 207       |      |
| Bi-Annual Retailer Event                              | Items      | 1   | 0    | 0    |      | 23,781   | 0         | 0         |      |
| Retailer Co-op  | Items      | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Residential Demand Response                           | Devices    | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Residential Demand Response (IHD)                     | Devices    | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Residential New Construction                          | Homes      | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Consumer Program Total                                |            | -109  | 13   | 22   |      | -178,296   | 23,715    | 39,319    |      |
| Business Program                                      |            |   |      |      |      |  |           |           |      |
| Retrofit  | Projects   | 0   | 63   | 283  |      | 0  | 1,088,649 | 931,863   |      |
| Direct Install Lighting                               | Projects   | 9   | 0    | 0    |      | 20,111   | 0         | 0         |      |
| Building Commissioning                                | Buildings  | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| New Construction                                      | Buildings  | 0   | 0    | 37   |      | 0  | 3,057     | 14,430    |      |
| Energy Audit  | Audits     | 16  | 5    | 41   |      | 75,529   | 35,244    | 221,634   |      |
| Small Commercial Demand Response                      | Devices    | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Small Commercial Demand Response (IHD)                | Devices    | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Demand Response 3                                     | Facilities | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Business Program Total                                |            | 25  | 69   | 360  |      | 95,639   | 1,126,950 | 1,167,927 |      |
| Industrial Program                                    |            |   |      |      |      |  |           |           |      |
| Process & System Upgrades                             | Projects   | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Monitoring & Targeting                                | Projects   | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Energy Manager  | Projects   | 0   | 0    | 37   |      | 0  | 0         | 77,000    |      |
| Retrofit  | Projects   | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Demand Response 3                                     | Facilities | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Industrial Program Total                              |            | 0   | 0    | 37   |      | 0  | 0         | 77,000    |      |
| Home Assistance Program                               |            |   |      |      |      |  |           |           |      |
| Home Assistance Program                               | Homes      | 0   | 0    | 2    |      | 0  | 3,238     | 18,599    |      |
| Home Assistance Program Total                         |            | 0   | 0    | 2    |      | 0  | 3,238     | 18,599    |      |
| Aboriginal Program                                    |            |   |      |      |      |  |           |           |      |
| Home Assistance Program                               | Homes      | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Direct Install Lighting                               | Projects   | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Aboriginal Program Total                              |            | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Pre-2011 Programs completed in 2011                   |            |   |      |      |      |  |           |           |      |
| Electricity Retrofit Incentive Program                | Projects   | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| High Performance New Construction                     | Projects   | 374   | 0    | 0    |      | 238,998  | 0         | 0         |      |
| Toronto Comprehensive                                 | Projects   | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Multifamily Energy Efficiency Rebates                 | Projects   | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| LDC Custom Programs                                   | Projects   | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Pre-2011 Programs completed in 2011 Total             |            | 374   | 0    | 0    |      | 238,998  | 0         | 0         |      |
| Other   |            |   |      |      |      |  |           |           |      |
| Program Enabled Savings                               | Projects   | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Time-of-Use Savings                                   | Homes      | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| LDC Pilots  | Projects   | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Other Total   |            | 0   | 0    | 0    |      | 0  | 0         | 0         |      |
| Adjustments to 2011 Verified Results                  |            | 290   |      |      |      | 156,341  |           |           |      |
| Adjustments to 2012 Verified Results                  |            |   | 81   |      |      |  | 1,153,903 |           |      |
| Adjustments to 2013 Verified Results                  |            |   |      | 421  |      |  |           | 1,302,845 |      |
| Total Adjustments to Previous Years' Verified Results |            | 290   | 81   | 421  |      | 156,341  | 1,153,903 | 1,302,845 |      |

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

Table 13: Province-Wide Initiatives and Program Level Gross Savings by Year

| Initiative  | Unit       | Gross Incremental Peak Demand Savings (kW)<br>(new peak demand savings from activity within the specified reporting period) |         |         |         | Gross Incremental Energy Savings (kWh)<br>(new energy savings from activity within the specified reporting period) |             |             |               |
|---|------------|---|---------|---------|---------|--|-------------|-------------|---------------|
|   |            | 2011  | 2012    | 2013    | 2014    | 2011   | 2012        | 2013        | 2014          |
|   |            |   |         |         |         |  |             |             |               |
| Consumer Program                                      |            |   |         |         |         |  |             |             |               |
| Appliance Retirement**                                | Appliances | 6,750   | 2,011   | 3,151   | 3,579   | 45,971,627   | 13,424,518  | 18,616,239  | 20,315,770    |
| Appliance Exchange**                                  | Appliances | 719   | 556     | 2,101   | 2,238   | 873,531  | 974,621     | 3,746,106   | 3,990,372     |
| HVAC Incentives                                       | Equipment  | 53,209  | 38,346  | 40,418  | 48,467  | 99,413,430   | 66,929,213  | 71,225,037  | 90,274,814    |
| Conservation Instant Coupon Booklet                   | Items      | 1,184   | 231     | 464     | 1,442   | 19,192,453   | 1,325,898   | 6,842,244   | 19,000,254    |
| Bi-Annual Retailer Event                              | Items      | 1,504   | 1,622   | 1,142   | 4,626   | 26,899,265   | 29,222,072  | 16,441,329  | 70,254,471    |
| Retailer Co-op  | Items      | 0   | 0       | 0       | 0       | 3,917  | 0           | 0           | 0             |
| Residential Demand Response                           | Devices    | 10,390  | 49,038  | 93,076  | 117,513 | 23,597   | 359,408     | 390,303     | 8,379         |
| Residential Demand Response (IHD)                     | Devices    | 0   | 0       | 0       | 0       | 0  | 0           | 0           | 0             |
| Residential New Construction                          | Homes      | 0   | 1       | 29      | 587     | 1,813  | 4,884       | 259,826     | 3,699,786     |
| Consumer Program Total                                |            | 73,757  | 91,805  | 140,380 | 178,452 | 192,379,633  | 112,240,615 | 117,521,084 | 207,543,846   |
| Business Program                                      |            |   |         |         |         |  |             |             |               |
| Retrofit  | Projects   | 34,201  | 78,965  | 82,896  | 98,849  | 184,070,265  | 387,817,248 | 478,410,896 | 642,515,421   |
| Direct Install Lighting                               | Projects   | 22,155  | 20,469  | 19,807  | 24,794  | 65,777,197   | 68,896,046  | 68,140,249  | 89,528,509    |
| Building Commissioning                                | Buildings  | 0   | 0       | 0       | 988     | 0  | 0           | 0           | 1,513,377     |
| New Construction                                      | Buildings  | 247   | 1,596   | 2,934   | 11,911  | 823,434  | 3,755,869   | 9,183,826   | 37,742,970    |
| Energy Audit  | Audits     | 0   | 1,450   | 4,283   | 9,367   | 0  | 7,049,351   | 23,386,108  | 46,012,517    |
| Small Commercial Demand Response                      | Devices    | 55  | 187     | 773     | 2,116   | 131  | 1,068       | 373         | 319           |
| Small Commercial Demand Response (IHD)                | Devices    | 0   | 0       | 0       | 0       | 0  | 0           | 0           | 0             |
| Demand Response 3                                     | Facilities | 21,390  | 19,389  | 23,706  | 23,380  | 633,421  | 281,823     | 346,659     | 0             |
| Business Program Total                                |            | 78,048  | 122,056 | 134,399 | 171,405 | 251,304,448  | 467,801,406 | 579,468,111 | 817,313,113   |
| Industrial Program                                    |            |   |         |         |         |  |             |             |               |
| Process & System Upgrades                             | Projects   | 0   | 0       | 313     | 12,287  | 0  | 0           | 2,799,746   | 90,463,617    |
| Monitoring & Targeting                                | Projects   | 0   | 0       | 0       | 102     | 0  | 0           | 0           | 502,517       |
| Energy Manager  | Projects   | 0   | 1,034   | 3,953   | 5,767   | 0  | 7,067,535   | 24,438,070  | 44,929,364    |
| Retrofit  | Projects   | 6,372   | 0       | 0       | 0       | 38,412,408   | 0           | 0           | 0             |
| Demand Response 3                                     | Facilities | 176,180   | 74,056  | 162,543 | 166,082 | 4,243,958  | 1,784,712   | 4,309,160   | 0             |
| Industrial Program Total                              |            | 182,552   | 75,090  | 166,809 | 184,238 | 42,656,366   | 8,852,247   | 31,546,976  | 135,895,498   |
| Home Assistance Program                               |            |   |         |         |         |  |             |             |               |
| Home Assistance Program                               | Homes      | 4   | 1,777   | 2,361   | 2,466   | 56,119   | 5,524,230   | 20,987,275  | 19,582,658    |
| Home Assistance Program Total                         |            | 4   | 1,777   | 2,361   | 2,466   | 56,119   | 5,524,230   | 20,987,275  | 19,582,658    |
| Aboriginal Program                                    |            |   |         |         |         |  |             |             |               |
| Home Assistance Program                               | Homes      | 0   | 0       | 267     | 549     | 0  | 0           | 1,609,393   | 3,101,207     |
| Direct Install Lighting                               | Projects   | 0   | 0       | 0       | 0       | 0  | 0           | 0           | 0             |
| Aboriginal Program Total                              |            | 0   | 0       | 267     | 549     | 0  | 0           | 1,609,393   | 3,101,207     |
| Pre-2011 Programs completed in 2011                   |            |   |         |         |         |  |             |             |               |
| Electricity Retrofit Incentive Program                | Projects   | 40,418  | 0       | 0       | 0       | 223,956,390  | 0           | 0           | 0             |
| High Performance New Construction                     | Projects   | 10,197  | 6,501   | 772     | 268     | 52,371,183   | 23,803,888  | 3,522,240   | 1,377,475     |
| Toronto Comprehensive                                 | Projects   | 33,467  | 0       | 0       | 802     | 174,070,574  | 0           | 0           | 7,085,257     |
| Multifamily Energy Efficiency Rebates                 | Projects   | 2,553   | 0       | 0       | 0       | 9,774,792  | 0           | 0           | 0             |
| LDC Custom Programs                                   | Projects   | 534   | 0       | 0       | 0       | 649,140  | 0           | 0           | 0             |
| Pre-2011 Programs completed in 2011 Total             |            | 87,169  | 6,501   | 772     | 1,070   | 460,822,079  | 23,803,888  | 3,522,240   | 8,462,733     |
| Other   |            |   |         |         |         |  |             |             |               |
| Program Enabled Savings                               | Projects   | 0   | 2,177   | 3,692   | 5,500   | 0  | 525,011     | 4,075,382   | 19,035,337    |
| Time-of-Use Savings                                   | Homes      | 0   | 0       | 0       | 54,795  | 0  | 0           | 0           | 0             |
| LDC Pilots  | Projects   | 0   | 0       | 0       | 1,170   | 0  | 0           | 0           | 5,061,522     |
| Other Total   |            | 0   | 2,177   | 3,692   | 60,296  | 0  | 525,011     | 4,075,382   | 19,035,337    |
| Adjustments to 2011 Verified Results                  |            |   | 13,266  | 645     | 1,601   |  | 48,705,294  | 20,581      | 6,028         |
| Adjustments to 2012 Verified Results                  |            |   |         | 8,632   | 13,449  |  |             | 54,301,893  | 59,098,939    |
| Adjustments to 2013 Verified Results                  |            |   |         |         | 34,727  |  |             |             | 206,413,158   |
| Energy Efficiency Total                               |            | 213,515   | 156,735 | 168,583 | 289,384 | 942,317,539  | 616,320,385 | 753,683,966 | 1,210,925,694 |
| Demand Response Total                                 |            | 208,015   | 142,670 | 280,099 | 309,091 | 4,901,107  | 2,427,011   | 5,046,495   | 8,698         |
| Adjustments to Previous Years' Verified Results Total |            | 0   | 13,266  | 9,277   | 49,777  | 0  | 48,705,294  | 54,322,474  | 265,518,125   |
| OPA-Contracted LDC Portfolio Total (inc. Adjustments) |            | 421,530   | 312,671 | 457,958 | 648,252 | 947,218,646  | 667,452,690 | 813,052,934 | 1,476,452,516 |

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

\*\*Net results substituted for gross results due to unavailability of data



Table 14: Adjustments to Province-Wide Gross Verified Results due to Variances

| Initiative  | Unit       | Gross Incremental Peak Demand Savings (kW)<br>(new peak demand savings from activity within the specified reporting period) |        |        |      | Gross Incremental Energy Savings (kWh)<br>(new energy savings from activity within the specified reporting period) |             |             |      |
|---|------------|---|--------|--------|------|--|-------------|-------------|------|
|   |            | 2011  | 2012   | 2013   | 2014 | 2011   | 2012        | 2013        | 2014 |
| Consumer Program                                      |            |   |        |        |      |  |             |             |      |
| Appliance Retirement                                  | Appliances | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| Appliance Exchange                                    | Appliances | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| HVAC Incentives                                       | Equipment  | -8,759  | 1,091  | 2,157  |      | -16,241,086  | 1,952,473   | 3,873,449   |      |
| Conservation Instant Coupon Booklet                   | Items      | 15  | 0      | 1      |      | 255,975  | 0           | 20,668      |      |
| Bi-Annual Retailer Event                              | Items      | 117   | 0      | 0      |      | 2,373,616  | 0           | 0           |      |
| Retailer Co-op  | Items      | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| Residential Demand Response                           | Devices    | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| Residential Demand Response (IHD)                     | Devices    | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| Residential New Construction                          | Homes      | 1   | 1      | 115    |      | 330,093  | 2,009       | 701,488     |      |
| Consumer Program Total                                |            | -8,628  | 1,092  | 2,273  |      | -13,281,402  | 1,954,483   | 4,595,605   |      |
| Business Program                                      |            |   |        |        |      |  |             |             |      |
| Retrofit  | Projects   | 4,511   | 10,114 | 16,584 |      | 22,046,931   | 58,528,789  | 108,677,566 |      |
| Direct Install Lighting                               | Projects   | 541   | 217    | 49     |      | 1,346,618  | 781,858     | 174,460     |      |
| Building Commissioning                                | Buildings  | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| New Construction                                      | Buildings  | 3,287   | 2,673  | 4,151  |      | 11,323,593   | 9,884,305   | 15,992,924  |      |
| Energy Audit  | Audits     | 656   | 488    | 3,631  |      | 2,391,744  | 2,386,374   | 19,822,524  |      |
| Small Commercial Demand Response                      | Devices    | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| Small Commercial Demand Response (IHD)                | Devices    | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| Demand Response 3                                     | Facilities | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| Business Program Total                                |            | 8,996   | 13,491 | 24,414 |      | 37,108,886   | 71,581,326  | 144,667,473 |      |
| Industrial Program                                    |            |   |        |        |      |  |             |             |      |
| Process & System Upgrades                             | Projects   | 0   | 0      | 426    |      | 0  | 0           | 1,232,785   |      |
| Monitoring & Targeting                                | Projects   | 0   | 0      | 54     |      | 0  | 528,000     | 639,348     |      |
| Energy Manager  | Projects   | 29  | 1,071  | 2,687  |      | 0  | 8,968,007   | 28,893,596  |      |
| Retrofit  | Projects   | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| Demand Response 3                                     | Facilities | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| Industrial Program Total                              |            | 29  | 1,071  | 3,168  |      | 0  | 9,496,007   | 30,765,729  |      |
| Home Assistance Program                               |            |   |        |        |      |  |             |             |      |
| Home Assistance Program                               | Homes      | 0   | 222    | 791    |      | 0  | 1,316,749   | 4,321,794   |      |
| Home Assistance Program Total                         |            | 0   | 222    | 791    |      | 0  | 1,316,749   | 4,321,794   |      |
| Aboriginal Program                                    |            |   |        |        |      |  |             |             |      |
| Home Assistance Program                               | Homes      | 0   | 0      | 134    |      | 0  | 0           | 563,715     |      |
| Direct Install Lighting                               | Projects   | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| Aboriginal Program Total                              |            | 0   | 0      | 134    |      | 0  | 0           | 563,715     |      |
| Pre-2011 Programs completed in 2011                   |            |   |        |        |      |  |             |             |      |
| Electricity Retrofit Incentive Program                | Projects   | 266   | 0      | 0      |      | 1,049,108  | 0           | 0           |      |
| High Performance New Construction                     | Projects   | 13,072  | 727    | 405    |      | 23,905,663   | 5,665,066   | 1,535,048   |      |
| Toronto Comprehensive                                 | Projects   | 0   | 1,920  | 529    |      | 0  | 12,924,335  | 3,783,965   |      |
| Multifamily Energy Efficiency Rebates                 | Projects   | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| LDC Custom Programs                                   | Projects   | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| Pre-2011 Programs completed in 2011 Total             |            | 13,337  | 2,647  | 934    |      | 24,954,771   | 18,589,400  | 5,319,013   |      |
| Other   |            |   |        |        |      |  |             |             |      |
| Program Enabled Savings                               | Projects   | 1,776   | 3,712  | 2,020  |      | 1,673,712  | 11,481,687  | 10,688,564  |      |
| Time-of-Use Savings                                   | Homes      | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| LDC Pilots  | Projects   | 0   | 0      | 0      |      | 0  | 0           | 0           |      |
| Other Total   |            | 1,776   | 3,712  | 2,020  |      | 1,673,712  | 11,481,687  | 10,688,564  |      |
| Adjustments to 2011 Verified Results                  |            | 15,511  |        |        |      | 50,455,967   |             |             |      |
| Adjustments to 2012 Verified Results                  |            |   | 22,235 |        |      |  | 114,419,652 |             |      |
| Adjustments to 2013 Verified Results                  |            |   |        | 33,734 |      |  |             | 200,921,892 |      |
| Adjustments to Previous Years' Verified Results Total |            | 15,511  | 22,235 | 33,734 |      | 50,455,967   | 114,419,652 | 200,921,892 |      |

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

\*Includes adjustments after Final Reports were issued

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

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